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## EEOC v. Vanguard Group, Inc.

Judge R. Barclay Surrick

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## EEOC v. Vanguard Group, Inc.

### Keywords

EEOC, Vanguard Group, Inc., 09-04424, consent decree, race, African-American or Black, disparate treatment, compensation, hostile work environment, employment law, Title VII

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

EQUAL EMPLOYMENT OPPORTUNITY	)	
COMMISSION,	)	
	)	
Plaintiff	)	
	)	CIVIL ACTION NO: 09-04424
	)	
v.	)	CONSENT DECREE
	)	
VANGUARD GROUP, INC.	)	
	)	
Defendant.	)	

---

A. This action was instituted by the United States Equal Employment Opportunity Commission (the "EEOC" or the "Commission") on September 29, 2009 against The Vanguard Group, Inc. under Title VII of the Civil Rights Act of 1964 and Title 1 of the Civil Rights Act of 1991 ("Title VII"). In its Complaint, the EEOC alleged that Barbara Alexander was discriminated against based on her race, (African American). The EEOC further alleged that Ms. Alexander suffered income losses as well as emotional distress damages. The Vanguard Group, Inc. denies these allegations and affirmatively states that it has not engaged in any unlawful discrimination.

B. This Consent Decree is entered into by the EEOC and The Vanguard Group, Inc.. This Consent Decree shall be final and binding between the EEOC and The Vanguard Group, Inc., its directors, officers, agents, employees, successors or assigns and all persons in active concert or participation with it, (hereinafter collectively referred to as ("Vanguard")).

C. The Commission and Vanguard do hereby agree to the entry of this Consent Decree, which shall fully and finally resolve all claims which were raised by the EEOC in its Complaint in Civil Action No. 09-CV-04424

Upon consent of the parties to this action, it is hereby ORDERED, ADJUDGED and DECREED that:

**NON-DISCRIMINATION AND NON-RETALIATION**

1. This Court has jurisdiction over the parties and the subject matter of this action.
2. Vanguard shall not engage in any employment practice which constitutes unlawful discrimination under Title VII. Specifically, Vanguard is enjoined from making hiring decisions based on race.
3. Vanguard shall not engage in any employment practices which retaliate in any manner against any person, including, but not limited to, Barbara Alexander because of that person's opposition to any practice alleged or believed to be unlawful under Title VII or because of the filing of a charge, the giving of testimony or assistance, or the participation in any manner in any investigation, hearing or proceeding under Title VII.
4. Vanguard shall comply fully with all provisions of Title VII. Nothing in this Consent Decree, either by inclusion or exclusion, shall be construed to limit the obligations of Vanguard under Title VII or the EEOC's authority to process or litigate any charge of discrimination which may be filed against Vanguard in the future.

**MONETARY RELIEF**

5. Vanguard agrees to pay monetary relief in the total amount of \$300,000 to Barbara Alexander in full settlement of the claims against Vanguard which were raised in the Commission's Complaint. Vanguard will issue two checks, one in the amount of \$50,000,

subject to wage tax withholdings, and the second check in the amount of \$250,000 in the form of a 1099. Vanguard will mail the settlement checks to Barbara Alexander at an address to be supplied by the Commission. Vanguard will also mail a copy of the check to Rachel M. Smith EEOC counsel of record, within five days of the date of mailing of the check to Ms. Alexander.

**POSTING OF NOTICE**

6. Within ten business days after entry of this Decree, or as soon as practicable, Vanguard shall post same-sized copies of the Notice attached as Exhibit 1 to this Decree on the bulletin board located at its Malvern, PA office in the area usually used by Vanguard for communicating with job applicants. The notice shall remain posted for two years from the date of entry of this Decree. Counsel for Vanguard shall provide a copy of the Notice, and an indication of the date and location of its posting, to the EEOC counsel of record within ten days of the posting. Vanguard shall permit a representative of the EEOC to enter Vanguard's premises for purposes of verifying compliance with this Paragraph at any time during normal business hours with prior notice. Vanguard shall take all reasonable steps to ensure that the posting is not altered, defaced or covered by any other material. Should the posted copies become defaced, removed, marred, or otherwise illegible, Vanguard agrees to as soon as practicable post a readable copy in the same manner as hereto specified.

**NON-DISCRIMINATION POLICIES**

8. Vanguard shall re-distribute to all of its employees and distribute to newly-hired employees at its Malvern, PA office, its policy or policies against discrimination within 90 days after entry of this Consent Decree.

9. Within 90 days after entry of this Consent Decree, Vanguard shall advise counsel of record, that its policies against discrimination have been re-distributed to all current employees.

**SUPERVISOR ACCOUNTABILITY**

10. Vanguard shall promote supervisor accountability by the following conduct:
- (a) Providing additional anti-discrimination training to all of its supervisory and managerial personnel as set forth in Paragraph 11;
  - (b) Disciplining, up to and including discharge, any supervisor or manager who violates Vanguard's policies against discrimination;
  - (c) Reiterating to all managers and supervisory personnel the duty to administer their work areas to ensure compliance with Vanguard's policy or policies against discrimination; and,
  - (d) Reiterating to all managers and supervisors to report any incidents and/or complaint of discrimination of which they become aware to Vanguard's human resources department, a supervisor, or a manager.

**TRAINING**

11. Vanguard shall provide additional training on the requirements of Title VII on the following terms:
- (a) Vanguard will provide additional training during the term of this Consent Decree to all of its managers and supervisors at the Malvern, PA office, on an employee's rights under Title VII, and the employer's obligations under Title VII, with an emphasis on what constitutes unlawful hiring decisions; and how to keep Vanguard free of such forms of discrimination.
12. Vanguard will provide the EEOC with any and all copies of pamphlets, brochures, outlines or other written materials provided to the participants of the training sessions.
13. Vanguard shall certify to the EEOC in writing within ten business days after the last training session has occurred that the training has taken place and that all managers and supervisors have attended. Such certification shall include: (i) the dates, location and duration of



the training sessions; and (ii) a copy of the registries of attendance, which shall include the name and position of each person in attendance at each session.

**DISPUTE RESOLUTION**

14. In the event that either party to this Decree believes that the other party has failed to comply with any provision(s) of the Decree, the complaining party shall notify the other party of the alleged non-compliance within ten days of the alleged non-compliance and shall afford the alleged non-complying party ten business days to remedy the non-compliance or to satisfy the complaining party that the alleged non-complying party has complied. If the alleged non-complying party has not remedied the alleged non-compliance within ten business days, the complaining party may apply to the Court for appropriate relief.

**MISCELLANEOUS PROVISIONS**

15. Each party to this Decree shall bear its own expenses, costs and attorneys' fees.

16. This Consent Decree shall not be construed as placing any limit on remedies available to the Court in the event that any individual is found to be in contempt for a violation of this Decree.

17. This Consent Decree shall fully and finally resolve all claims which were raised by the EEOC in its Complaint in Civil Action No. 09-CV-04424.

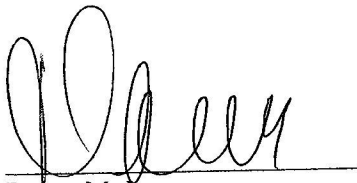
18. This Consent Decree shall be filed in the United States District Court for the Eastern District of Pennsylvania and shall continue to be in effect for a period of two years. Any application by any party to modify or vacate this Consent Decree during such period shall be made by motion to the Court on no less than thirty days notice to the other party.

19. The Court retains jurisdiction over this case in order to enforce the terms of the Consent Decree.

20. The Clerk of the District Court is hereby directed to send a file-stamped copy of this Consent Decree to counsel of record.

For Plaintiff EEOC:

James L. Lee  
Deputy General Counsel  
Gwendolyn Young Reams  
Associate General Counsel  
Washington, D.C.  
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

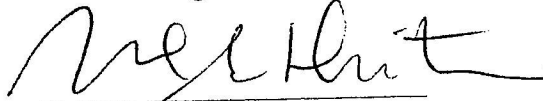


Debra M. Lawrence  
Acting Regional Attorney



Rachel M. Smith  
Trial Attorney  
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
Philadelphia District Office  
801 Market Street, Suite 1300  
Philadelphia, PA 19107

For The Vanguard Group, Inc.:

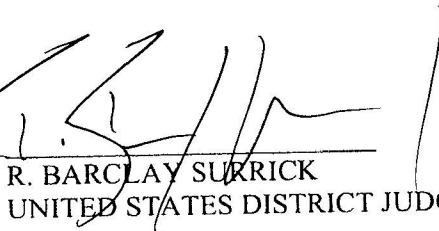


Mark S. Dichter, Esquire  
Morgan Lewis & Bockius, LLP  
1701 Market Street  
Philadelphia, PA 19103-2921

Grace E. Speights  
Morgan Lewis & Bockius, LLP  
1111 Pennsylvania Avenue, NW  
Washington, D.C. 20004

IT IS ORDERED:

BY THE COURT:



R. BARCLAY SURRICK  
UNITED STATES DISTRICT JUDGE

DATE: JAN. 4, 2010

*Forward to*  
*J. Lawrence*  
*R. Smith*  
*S. Harris*  
*J. Costello*  
*M. Dichter*  
*1/4/10*



**EXHIBIT 1**

**NOTICE TO ALL VANGUARD EMPLOYEES**

This Notice is being posted pursuant to a Consent Decree entered by the Federal Court in EEOC v. Vanguard Group, Inc. Civil Action Number 09-4424 (E.D.PA), resolving a lawsuit filed by the Equal Employment Opportunity Commission (“EEOC”) against The Vanguard Group, Inc. (“Vanguard”).

Title VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000e, et seq., as amended, (“Title VII”), prohibits discrimination against employees and applicants for employment based upon race, color, sex, religion or race. Title VII further prohibits retaliation against employees or applicants who avail themselves of their rights under Title VII by engaging in protected activities, such as opposing employment practices believed to be discriminatory, filing a charge of discrimination and/or testifying or participating in a Commission investigation. The EEOC is a federal agency which investigates charges of unlawful employment discrimination. The EEOC has authority to bring lawsuits in Federal Court to enforce Title VII.

To resolve the case, Vanguard and the EEOC have entered into a Consent Decree which provided, among other things, that: (1) Vanguard paid monetary relief; (2) Vanguard will not discriminate on the basis of race; (3) Vanguard will not retaliate against any person because he or she opposed any practice made unlawful by Title VII, filed a charge of discrimination, participated in any Title VII proceeding, or asserted any rights under the Consent Decree and (4) Vanguard will provide additional training to all managers and supervisors at its Malvern, PA location regarding race discrimination and Vanguard’s policy prohibiting race discrimination.

If you believe you have been discriminated against, you may contact the Vanguard Human Resources office and/or the EEOC at (215) 440-2600. The EEOC charges no fees and has employees who speak languages other than English.

**THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE**

**This Notice must remain posted for two (2) years from the date below and must not be altered, defaced or covered by any other material. Any questions about this Notice or compliance with its terms may be directed to the: Regional Attorney, EEOC Philadelphia District Office, 801 Market Street, Penthouse, Suite 1300 Philadelphia, PA 19107.**

By: \_\_\_\_\_  
For: Equal Employment Opportunity  
Commission

By: \_\_\_\_\_  
For: The Vanguard Group, Inc.

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

EQUAL EMPLOYMENT OPPORTUNITY	)	
COMMISSION,	)	
	)	Civil Action No. 09-04424
Plaintiff,	)	
	)	
v.	)	
	)	
VANGUARD GROUP, INC.	)	
	)	
Defendant.	)	


**RELEASE**

I, Barbara Alexander, for the consideration affecting me set forth in Paragraph 5 of the Consent Decree entered into by the Equal Employment Opportunity Commission (the "EEOC"), and The Vanguard Group, Inc. in Civil Action Number 09-04424, do hereby waive, remit, release and forever discharge Vanguard Group, its directors, officers, agents, employees, representatives, successors and assigns, from any and all claims which were asserted in the EEOC's Complaint, in EEOC v. Vanguard Group, Inc., Civil Action No. 09-04424.

This Release is freely executed in return for the good and valuable consideration set forth in the above-referenced Consent Decree. I have full knowledge of the institution of this lawsuit on my behalf and hereby accept the amount of the monetary settlement set forth in the aforementioned Consent Decree. I further acknowledge that I have been provided a reasonable time to read and consider this Release. I acknowledge that I have been advised of my right to private counsel.

I am legally competent to execute this Release and accept full responsibility thereof.

DATE: 12/18/09

SIGNATURE:   
Barbara Alexander

Sworn to and Subscribed  
Before me this 18 day  
of December, 2009



NOTARY PUBLIC

**KORUTHU K. PHILIP**  
Notary Public, State of New York  
No. 01PH6072183  
Qualified in Nassau County  
Commission Expires April 1, 2010

My Commission Expires: 04-01-2010

\*\*\*\*\* -COMM. JOURNAL- \*\*\*\*\* DATE JAN-04-2010 TIME 10:49 \*\*\*\*\*

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003	OK	Ⓜ	18774329652	010/010	00:02:38

-JUDGE R. BARCLAY SURRICK -

\*\*\*\*\* - \*\*\*\*\*

**UNITED STATES DISTRICT COURT**

*EASTERN DISTRICT OF PENNSYLVANIA*  
8614 UNITED STATES COURTHOUSE  
INDEPENDENCE MALL WEST  
SIXTH AND MARKET STREETS  
PHILADELPHIA, PENNSYLVANIA 19106-1741

*Chambers of*  
**R. BARCLAY SURRICK**  
*United States District Judge*

(267) 299-7630

January 4, 2010

To: **Debra M. Lawrence, Esquire**  
**Rachel M. Smith, Esquire**  
**Stephanie Marino, Esquire**  
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
Philadelphia District Office  
801 Market Street  
Philadelphia, Pennsylvania 19107  
Fax: 215-440-2848  
410-962-4270

**Joseph J. Costello, Esquire**  
**Mark S. Dichter, Esquire**  
MORGAN LEWIS & BOCKIUS LLP  
1701 Market Street  
Philadelphia, Pennsylvania 19103  
Fax: 877-432-9652

Re: **EEOC v. Vanguard Group, Inc.**  
**Civil Action No. 09-4424**

**Mcmo:** Signed Consent Decree to follow.

**Via Fax:** Ten (10) pages transmitted to include this cover page.