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BEFORE THE ALASKA STATE COMMISSION FOR HUMAN RIGHTS

ALASKA STATE COMMISSION FOR)
HUMAN RIGHTS, PAULA M.)
HALEY, EXECUTIVE DIRECTOR,)
ex rel. MERLYN K. SCHAUGAARD,)
)
Complainant,)
)
v.)
)
VALLEY DAIRY, INC. d/b/a)
MATANUSKA CREAMERY,)
)
Respondent.)
_____)

ASCHR No. J-09-001

ACCUSATION

Paula M. Haley, Executive Director of the Alaska State Commission for Human Rights, *ex rel.* Merlyn K. Schaugard, hereby alleges the following against Respondent Valley Dairy, Inc., d/b/a Matanuska Creamery:

1. Respondent Valley Dairy Inc., d/b/a Matanuska Creamery (“Valley Dairy”) is an Alaska corporation located at 7805 East Palmer Wasilla Highway in Palmer.
2. On March 8, 2008, Valley Dairy hired Merlyn K. Schaugard as an office administrator.
3. Ms. Schaugard is a member of the Church of Jesus Christ of Latter Day Saints, commonly known as being a Mormon.
4. Prior to Ms. Schaugard’s hire at Valley Dairy, at least one owner of Valley Dairy knew that Ms. Schaugard was a Mormon. Karen Olson, Chief Financial

1 Officer for, and part owner of, Valley Dairy, also knew that Ms. Schaugaard was a
2 Mormon by at least August 2008.

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4 5. Ms. Schaugaard submitted her resignation to Valley Dairy on September
5 24, 2008, to be effective October 8, 2008, two weeks later.

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7 6. On September 30, 2008, Ms. Olson re-offered the office administrator
8 position to Ms. Schaugaard, but at a higher salary. The offer letter also notified Ms.
9 Schaugaard that should Ms. Schaugaard accept the offer, Ms. Olson would supervise
10 “all financial aspects of the position,” as well as “any required human resource
11 management activities.”

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13 7. On October 1, 2008, Ms. Schaugaard agreed to remain employed at
14 Valley Dairy as an office administrator.

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16 8. At Valley Dairy on October 27, 2008, Ms. Olson interviewed an applicant
17 for a vacant position at Valley Dairy.

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19 9. Within minutes after the interview had concluded, and after the
20 interviewee had left Valley Dairy, Ms. Schaugaard overheard Ms. Olson tell a third
21 party that she did not want “any more fucking Mormons” working at Valley Dairy, and
22 that “we don’t need any more fucking Mormons in this organization.”

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24 10. Ms. Olson did not hire the applicant.

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26 11. On October 27, 2008, and after hearing Ms. Olson’s comment, Ms.
27 Schaugaard complained to Kyle Beus, the President and a part-owner of Valley Dairy,
28 about Ms. Olson’s remark, and about what Ms. Schaugaard reasonably perceived to be a

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1 discriminatory refusal to hire.

2 12. Mr. Beus discussed the incident with Ms. Olson, but took no corrective
3 action. Instead, after discussing the incident with Ms. Olson, Mr. Beus counseled Ms.
4 Schaugaard that “we’re all called names.”
5

6 13. On December 4, 2008, Ms. Schaugaard attended a meeting at Valley
7 Dairy at which three part-owners and two other employees were present.
8

9 14. During the meeting, Ms. Schaugaard again complained, to Ms. Olson and
10 to everyone present, about Ms. Olson’s discriminatory remarks and discriminatory
11 refusal to hire.
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13 15. On December 5, 2008, during Ms. Schaugaard’s work shift, Rob Wells,
14 one of the Valley Dairy part-owners, told Ms. Schaugaard that Ms. Olson had instructed
15 him to order Ms. Schaugaard to vacate Valley Dairy’s property. Ms. Schaugaard
16 immediately left the premises.
17

18 16. On December 12, 2008, Valley Dairy notified Ms. Schaugaard by letter
19 that it had terminated her employment.
20

21 **FIRST CAUSE OF ACTION**
22 **DISCRIMINATION BECAUSE OF RELIGION**
23 **A VIOLATION OF AS 18.80.220(a)(1)**

24 17. Paragraphs 1-16 above are realleged and incorporated herein.

25 18. Ms. Schaugaard is a member of the Church of Jesus Christ of Latter Day
26 Saints, also known as being a Mormon.

27 19. From at least August 2008, Ms. Olson has known that Ms. Schaugaard is
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1 a Mormon.

2 20. On October 27 and December 4, 2008, and on other occasions during Ms.
3
4 Schaugaard's tenure with Valley Dairy, Ms. Olson made disparaging comments about
5 Mormons in Ms. Schaugaard's presence, and in October 2008 appeared to decline to
6 hire an applicant because Ms. Olson believed the applicant was a Mormon.

7
8 21. Ms. Olson's comments and conduct were objectively and subjectively
9 offensive, and did in fact offend Ms. Schaugaard.

10 22. Ms. Olson's comments and conduct were so severe or pervasive that they
11 had the effect of altering the terms and conditions of Ms. Schaugaard's employment.

12
13 23. Ms. Olson's comments and conduct constituted discrimination because of
14 religion, a violation of AS 18.80.220(a)(1).

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16 **SECOND CAUSE OF ACTION**
17 **RETALIATION FOR COMPLAINING ABOUT DISCRIMINATION**
18 **A VIOLATION OF AS 18.80.220(a)(4)**

19 24. Paragraphs 1-16 above are realleged and incorporated herein.

20 25. Ms. Schaugaard complained about Ms. Olson's discriminatory comments
21 and conduct on October 27, 2008, and December 4, 2008.

22 26. Ms. Schaugaard complained to Ms. Olson directly on December 4, 2008.

23
24 27. Ms. Schaugaard's complaints constitute opposition to practices forbidden
25 under AS 18.80.200 – AS 18.80.280.

26 28. On December 5, 2008, Valley Dairy ejected Ms. Schaugaard from its
27 premises because Ms. Schaugaard had complained about Ms. Olson's discriminatory
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1 comments and conduct.

2 29. On December 12, 2008, Valley Dairy terminated Ms. Schaugaard's
3 employment because Ms. Schaugaard had complained about Ms. Olson's discriminatory
4 comments and conduct.
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6 30. Valley Dairy's ejection of Ms. Schaugaard from its premises and the
7 termination of Ms. Schagaard's employment constitute retaliation by an employer that is
8 prohibited by AS 18.80.220(a)(4).
9

10 31. As a result of Valley Dairy's unlawful retaliation, Ms. Schaugaard has
11 suffered harm in the form of lost wages and other benefits.
12

13 **PRAYER FOR RELIEF**

14 Wherefore the Executive Director asks for the following relief:

15 1. That the Commission issue an order declaring that Respondent Valley
16 Dairy, Inc., d/b/a Matanuska Creamery violated AS 18.80.220 by discriminating against
17 Merlyn K. Schaugaard because of her religion.
18

19 2. That the Commission issue an order declaring that Respondent retaliated
20 against Ms. Schaugaard in violation of AS 18.80.220 by ejecting her from Respondent's
21 premises and by terminating her employment.
22

23 3. That the Commission order Respondent to adopt, disseminate, and post
24 in a conspicuous place a policy of nondiscrimination under the Alaska Human Rights
25 Law that includes a policy prohibiting discrimination against employees on the basis
26 of religion, and a policy prohibiting retaliation for complaining about discrimination.
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