

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Agreement") is entered into by and between CitiStaff Solutions, Inc., and CitiStaff Management Group, Inc. ("Respondents"), and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section ("IER"), formerly known as the Office of Special Counsel for Immigration-Related Unfair Employment Practices.

I. BACKGROUND

WHEREAS, on July 31, 2015, IER notified CitiStaff Solutions Inc., that it was opening an independent investigation, identified as DJ Number 197-12C-1505 ("Investigation"), to determine whether CitiStaff Solutions, Inc., engaged in employment eligibility verification policies or practices based on citizenship status or national origin in violation the anti-discrimination provision of the Immigration and Nationality Act, 8 U.S.C. § 1324b(a)(6) ("Act").

WHEREAS, on August 21, 2017, IER notified CitiStaff Solutions, Inc., and CitiStaff Management Group, Inc., a corporate entity related to CitiStaff Solutions, Inc., that IER had expanded the Investigation to include both corporate entities.

WHEREAS, IER concluded based upon the Investigation that there is reasonable cause to believe that Respondents engaged in a pattern or practice of unfair documentary practices against employees and applicants based on their citizenship or immigration status in violation of the Act by: (1) requesting specific employment eligibility documents from non-U.S. Citizens, but not U.S. Citizens; and (2) unnecessarily re-verifying the work authorization of lawful permanent residents.

WHEREAS, IER and Respondents ("Parties") wish to resolve this investigation without further delay or expense and hereby acknowledge that they are voluntarily and freely entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained below, and to fully and finally resolve the Investigation as of the date of this Agreement, it is agreed between the Parties as follows:

II. TERMS OF SETTLEMENT

1. This Agreement becomes effective as of the date the last party signs the Agreement, which date is referenced herein as the "Effective Date." The "term of this Agreement" shall be three (3) years following the Effective Date.
2. Respondents shall be jointly and severally responsible for payment of a civil penalty to the United States Treasury in the amount of two hundred thousand dollars and no cents (\$200,000) ("Civil Penalty") in nine installments. Respondents shall submit payments in the amounts specified no later than the following dates: within thirty (30) days of the Effective Date (\$5,000); January 30, 2018 (\$5,000); June 30, 2018 (\$10,000); September

30, 2018 (\$30,000); December 31, 2018 (\$30,000); March 30, 2019 (\$30,000); June 30, 2019 (\$30,000); September 30, 2019 (\$30,000); and December 30, 2019 (\$30,000). Respondents shall provide IER with the name and email address of the individual(s) responsible for effectuating the payment on behalf of Respondents no later than three (3) business days after the Effective Date of this Agreement, and IER will provide Respondents with the FedWire transfer instructions.

3. Respondents shall send a confirmation of the payment to Katherine Lamm at Katherine.Lamm@usdoj.gov and Joann Sazama at Joann.Sazama@usdoj.gov on the day the funds are transferred. The email confirming payment shall have Respondents' names and the investigation number, DJ# 197-12C-1505, in the subject line.
4. Respondents shall not discriminate on the basis of citizenship status or national origin in violation of 8 U.S.C. § 1324b.
5. Respondents shall avoid discrimination in the employment eligibility verification and re-verification process. Respondents shall: (a) honor documentation that on its face reasonably appears to be genuine, relates to the person, and satisfies the requirements of 8 U.S.C. § 1324a(b); (b) not request more or different documents than are required by law; (c) permit all employees to present any document or combination of documents acceptable by law; (d) provide a copy of the Lists of Acceptable Documents to individuals before or at the time the individuals complete the Form I-9 and inform those individuals of their right to choose to present any documentation from the Lists or any other documentation that is acceptable for purposes of employment eligibility verification. Before conducting any Form I-9 reverification, Respondents shall provide written information to the worker subject to the reverification about the acceptability of any Form I-9 List A or List C document.
6. Respondents shall not intimidate, threaten, coerce, or retaliate against any person for his or her participation in the Investigation or the exercise of any right or privilege secured by 8 U.S.C. § 1324b.
7. Respondents shall ensure that they have posted an English and Spanish version of the Immigrant and Employee Rights Section "If You Have The Right to Work" poster ("IER Poster"), in color and measuring no smaller than 8.5" x 11" an image of which is available at <https://www.justice.gov/crt/worker-information#poster>, in all places where notices to employees and job applicants are normally posted. Respondents shall ensure that it has posted the IER Poster consistent with this Paragraph within fourteen (14) calendar days from the Effective Date and it will remain posted during the term of this Agreement.
8. During the term of this Agreement, Respondents shall ensure that all individuals who are responsible for formulating, carrying out, and/or conducting training on Respondents' hiring, firing, equal employment, and employment eligibility verification policies, as well as all managers and employees who have any role in the employment eligibility verification process, such as completing the Form I-9 and/or using the E-Verify system

("Human Resources Personnel"), have been provided the most current version of the Form I-9, USCIS Employment Eligibility Verification Handbook for Employers (M-274) ("Handbook"), available at www.uscis.gov/i-9-central, and the most current USCIS E-Verify Manual (M-775) ("Manual"), available at www.uscis.gov, and are aware of the guidance on the I-9 Central and E-Verify websites. Copies of these documents and future revisions of the Form I-9, Handbook, Manual and guidance can be obtained from the United States Citizenship and Immigration Services at www.uscis.gov.


9. Within thirty (30) calendar days of the Effective Date, Respondents will review any existing employment policies, training materials, or guidelines that relate to hiring and/or nondiscrimination on the basis of citizenship or immigration status and national origin. To the extent that it has such policies, Respondents will revise them to:
- (a) Prohibit discrimination on the basis of citizenship, immigration status, or national origin (1) in the hiring and firing process; (2) during the Form I-9 employment eligibility verification and re-verification process; and (3) in any part of the E-Verify process, regardless of whether it is handled directly or through an agent;
 - (b) Include citizenship, immigration status, and national origin as prohibited bases of discrimination into its policy and any similar Equal Employment Opportunity (EEO) statements that Respondents include in printed or electronic materials available to the public or employees;
 - (c) Refer applicants and employees who complain, formally or informally, of discrimination in the hiring, firing, or Form I-9 employment eligibility verification and re-verification process immediately to the Immigrant and Employee Rights Section by directing the affected individual to the IER Poster and the Immigrant and Employee Rights Section's worker hotline (800-255-7688) and website, <https://www.justice.gov/ier>, and advise the affected individual of his or her right to file a charge of discrimination with the Immigrant and Employee Rights Section; and
 - (d) Provide that Respondents shall not take any reprisal action against an employee for having opposed any employment practice made unlawful by 8 U.S.C. § 1324b, or for filing any charge, or participating in any lawful manner in any investigation or action under 8 U.S.C. § 1324b.

These revisions, and any additional revisions to such provisions, are subject to IER's review and approval for compliance with 8 U.S.C. § 1324b and must be sent to IER via email to Katherine Lamm (Katherine.Lamm@usdoj.gov) and Joann Sazama (Joann.Sazama@usdoj.gov). Respondents shall send the initial revisions required above within forty-five (45) calendar days of the Effective Date and shall send all subsequent revisions at least fifteen (15) calendar days prior to their proposed implementation.

10. Within ninety (90) calendar days of the Effective Date, Respondents shall ensure that all Human Resources Personnel are trained on their obligation to comply with 8 U.S.C. § 1324b, the appropriate use of E-Verify, and the employment eligibility verification and re-verification process as it relates to discrimination on the basis of citizenship, immigration status, and national origin.
 - (a) The training will consist of viewing a free, remote webinar presentation by IER and/or, subject to the mutual agreement of the Parties, a live presentation by IER at its discretion.
 - (b) All employees will be paid their normal rate of pay, and the training will occur during their normally scheduled workdays and work hours. Respondents shall be responsible for all payroll costs and employee wages associated with these training sessions.
 - (c) Respondents shall compile attendance records listing the individuals who attend the training(s) described in this paragraph, including their full names, titles, signatures, and the date(s) of the training, and will send them via email to Katherine.Lamm@usdoj.gov and Joann.Sazama@usdoj.gov within ten (10) calendar days of each training session.
 - (d) During the term of this Agreement, all new Human Resources personnel whom Respondents hire or promotes after the initial training described in this paragraph has been conducted, shall attend a free IER Employer/HR webinar within sixty (60) calendar days of hire or promotion.
13. During the term of this Agreement, IER reserves the right to make reasonable inquiries of Respondents that are, in IER's discretion, necessary to determine Respondents' compliance with this Agreement. As a part of such review, IER may examine witnesses and request copies of Respondents' application materials and Form I-9/E-Verify-related materials. Respondents shall retain a copy of each completed Form I-9 and related documentation (e.g., E-Verify printouts, and photocopied identity and work authorization documents) in accordance with Department of Homeland Security (DHS) retention regulations.
14. Nothing in this Agreement limits IER's right to inspect Respondents' Forms I-9 and attachments within three (3) business days pursuant to 8 C.F.R. § 274a.2(b)(2)(ii) and 8 C.F.R. 44.302(b).
15. If IER has reason to believe that Respondents are in violation of any provision of this Agreement, IER may exercise its discretion to notify Respondents of the purported violation rather than initiate a new discrimination investigation or seek immediate judicial enforcement of the Agreement. Respondents will then be given thirty (30) calendar days from the date it is notified by IER in which to cure the violation to IER's satisfaction before IER deems that Respondents are in violation of this Agreement.

16. This Agreement does not affect the right of any individual to file a charge alleging an unfair immigration-related employment practice against Respondents with IER, the authority of IER to investigate or file a complaint on behalf of any such individual, or the authority of IER to conduct an independent investigation of Respondents' employment practices occurring after the Effective Date or outside the scope of the Investigation.
17. The provisions of paragraph 2 notwithstanding, IER shall not seek from Respondents any additional civil penalty or monetary amount, including without limitation, back wages or damages, for the pattern or practice of unfair documentary practices in violation of 8 U.S.C. § 1324b(a)(6) that is the subject of the Investigation, through the Effective Date.
18. This Agreement may be enforced in the United States District Court for the Central District of California or any court of competent jurisdiction. This provision does not constitute and should not be construed as a waiver of sovereign immunity, or any other jurisdictional defense the United States might have to a claim for enforcement by Respondents or any counterclaims to an enforcement action the United States initiates.
19. IER and Respondents agree that, as of the Effective Date, litigation concerning the alleged violations of 8 U.S.C. § 1324b(a)(6) that IER found is not reasonably foreseeable. To the extent that either party previously implemented a litigation hold to preserve documents, electronically stored information, or things related to the Investigation, the party is no longer required to maintain such a litigation hold. Nothing in this paragraph relieves either party of any other obligations imposed by this Agreement.
20. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement. Respondents and IER agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is invalid.
21. IER and Respondents agree to bear their own costs, attorneys' fees and other expenses in connection with the Investigation.
22. This Agreement sets forth the entire Agreement between the parties.
23. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. The parties agree to be bound by facsimile signatures.


CitiStaff Solutions, Inc.

By: 

Javier Chavolla
Acting CFO

Dated: 10-5-17


CitiStaff Management Group, Inc.

By: 

Javier Chavolla
Acting CFO

Dated: 10-5-17

Immigrant and Employee Rights Section, Civil Rights Division, U.S. Department of Justice

By: 

Jodi Danis ^{Litigation}
~~Acting Deputy~~ Special Counsel

Dated: 10/6/17

C. Sebastian Aloit
Special Litigation Counsel

Katherine Lamm
Trial Attorney

Joann Sazama
Equal Opportunity Specialist