

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Agreement") is made and entered into by and between 1<sup>st</sup> Class Staffing, LLC, ("Respondent" or "1<sup>st</sup> Class"), and the United States Department of Justice, Civil Rights Division, Office of Special Counsel for Immigration-Related Unfair Employment Practices ("Office of Special Counsel").

WHEREAS, on October 23, 2015, the Office of Special Counsel notified Respondent that a charge of discrimination (DJ#197-12C-1513) ("Charge") had been filed against it alleging that 1<sup>st</sup> Class had engaged in an unfair documentary practice in violation of 8 U.S.C. § 1324b of the Immigration and Nationality Act (the "Act"). The Office of Special Counsel also initiated an independent investigation of Respondent to determine whether it engaged in a pattern or practice of unfair documentary practices in violation of 8 U.S.C. § 1324b (the "Investigation").

WHEREAS, the Office of Special Counsel has concluded that there is reasonable cause to believe that Respondent engaged in a pattern or practice of unfair documentary practices in violation of the Act by requiring non-U.S. citizens, including the Charging Party, to provide specific documents for employment eligibility verification because of their citizenship or immigration status.

WHEREAS Respondent understands its obligation under 8 U.S.C. § 1324b to treat all individuals equally, without regard to citizenship or immigration status, or national origin, during the hiring, firing, and employment eligibility verification and re-verification processes.

WHEREAS, the Office of Special Counsel and Respondent wish to resolve the Investigation without further delay or expense and hereby acknowledge that they are voluntarily entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained below and to fully and finally resolve the Charge and the Office of Special Counsel's independent investigation as of the date of this Agreement, it is agreed as follows:

1. Respondent shall pay a civil penalty to the United States Treasury in the amount of Seventeen Thousand Six Hundred Dollars (\$17,600).
2. Respondent shall pay the monies referenced in paragraph one via the FedWire electronic fund transfer system within twenty (20) business days from the date the Office of Special Counsel provides Respondent with fund transfer instructions, or within twenty (20) days from the effective date of this agreement (as defined in paragraph 19 below), whichever is later. On the day of payment, Respondent shall confirm via email to Luz V. Lopez-Ortiz at [Luz.V.Lopez-Ortiz@usdoj.gov](mailto:Luz.V.Lopez-Ortiz@usdoj.gov) that payment was made.
3. Within fifteen (15) days from the effective date of this Agreement and Respondent's receipt of the Charging Party's last known address from the Office of Special Counsel, Respondent shall pay the amount of \$720.00 in back pay to the Charging Party, less any deductions and withholdings required by law.

4. Respondent shall not intimidate, threaten, coerce, or retaliate against any person for his or her participation in this matter or the exercise of any right or privilege secured by 8 U.S.C. § 1324b.
5. Within fifteen (15) days from the effective date of this Agreement, Respondent shall post an English and Spanish version of the Office of Special Counsel "If You Have The Right to Work" poster ("OSC Poster"), in color and measuring no smaller than 18" x 24", an image of which is available at <http://www.justice.gov/crt/about/osc/htm/worker.php#>, in all places at 1<sup>st</sup> Class's Perris location where notices to employees and job applicants are normally posted. The Notice will remain posted for at least one (1) year thereafter.
6. For one (1) year from the effective date of this Agreement, Respondent shall ensure that all individuals who are responsible for conducting training on, formulating, or carrying out Respondent's hiring, firing, equal employment, and employment eligibility verification policies at 1<sup>st</sup> Class's Perris location, including all managers and employees who have any role making employment eligibility decisions, such as completing the Form I-9 and/or using the E-Verify system ("Human Resources Personnel"), are in possession of 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-9Central](http://www.uscis.gov/I-9Central), and the most current USCIS E-Verify Manual (M-775) ("Manual"), available at [www.uscis.gov/USCIS/Verification/E-Verify/E-Verify\\_Native\\_Documents/manual-employer\\_comp.pdf](http://www.uscis.gov/USCIS/Verification/E-Verify/E-Verify_Native_Documents/manual-employer_comp.pdf). Copies of these documents and future revisions of the Form I-9, Handbook, and Manual can be obtained from the United States Citizenship and Immigration Services at [www.uscis.gov](http://www.uscis.gov).
7. Within sixty (60) days from the effective date of this Agreement, Respondent shall revise its employment policies and training materials as they relate to nondiscrimination and provide them for review and approval by the Office of Special Counsel pursuant to paragraph 8, below. The employment policies and training materials shall be revised to:
  - (a) Refer applicants and employees who complain, formally or informally, of discrimination in the hiring, firing, or employment eligibility verification and re-verification process immediately to the Office of Special Counsel by directing the affected individual to the Office of Special Counsel's worker hotline and website, and advise the affected individual of his or her right to call the Office of Special Counsel's hotline or file a charge of discrimination with the Office of Special Counsel. Consistent with Respondent's internal policies, the determination as to whether such a complaint has been made to Respondent, and therefore should be referred to the Office of Special Counsel, will be made by Respondent's Human Resources Director in consultation with Risk Management and, as necessary, the person who reasonably believes that they have received such a complaint;
  - (b) Prohibit 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; and

- (c) Prohibit discrimination on the basis of citizenship, national origin, or immigration status in hiring, firing, recruiting, and employment eligibility verification, in violation of 8 U.S.C. § 1324b.
8. For one (1) year following the effective date of this Agreement (the "Reporting Period"), Respondent shall provide any changes in employment policies as they relate to nondiscrimination on the basis of citizenship status and national origin to the Office of Special Counsel for review at least twenty (20) business days prior to the effective date of such revised policies.
  9. Within one hundred twenty (120) days from the effective date of this Agreement, on-site managers at all 1<sup>st</sup> Class locations in California, as well as Human Resources Personnel as defined above, shall attend training provided or approved by the Office of Special Counsel 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 or national origin.
    - (a) All trainees will be paid their normal rate of pay to attend the training sessions during work hours, and Respondent shall bear any costs associated with this training that the employees would not normally incur.
    - (b) If Respondent elects to have the Office of Special Counsel conduct the training, such training will consist of viewing a remote webinar presentation. Participants shall register for the webinar presentation through a link that the Office of Special Counsel will provide.
    - (c) For a period of three (3) years from the effective date of this Agreement, all new Human Resources Personnel hired by Respondent after the training described in this paragraph has been conducted shall attend an Office of Special Counsel Employer/HR webinar within ninety (90) days of hire or promotion. Any individual who has not received such training within ninety (90) days of commencing duties shall not be permitted to perform any employment eligibility verification functions.
    - (d) Respondent shall compile attendance records listing the individuals who attend the training described in this paragraph in the form of an attachment, including their full name, title, signature, and the date of the training, and send them via email to [Luz.V.Lopez-Ortiz@usdoj.gov](mailto:Luz.V.Lopez-Ortiz@usdoj.gov) within thirty (30) days of each training session.
  10. Every four (4) months during the Reporting Period, commencing four (4) months after the start of the Reporting Period, Respondent shall provide the Office of Special Counsel with a list of the name, hire date, and citizenship status of all individuals it hired at its Perris

location during the preceding four (4) months. The Office of Special Counsel may select up to 150 individuals from that list, for which Respondent will submit electronic copies of the individuals' completed Forms I-9, including attachments, within twenty (20) days of the Office of Special Counsel's request.

11. If the Office of Special Counsel has reason to believe that Respondent is in violation of any provision of this Agreement, the Office of Special Counsel may in its sole discretion notify Respondent of the purported violation without opening an investigation. Respondent will then be given thirty (30) days from the date it is notified by the Office of Special Counsel in which to cure the violation to the satisfaction of the Office of Special Counsel before Respondent is deemed by the Office of Special Counsel to be in violation of this Agreement.
12. This Agreement does not affect the right of any individual to file a charge alleging an unfair immigration-related employment practice against Respondent with the Office of Special Counsel, the authority of the Office of Special Counsel to investigate or file a complaint on behalf of any such individual, or the authority of the Office of Special Counsel to conduct an independent investigation of Respondent's employment practices.
13. The provisions of paragraph 1 notwithstanding, the Office of Special Counsel shall not seek from Respondent any additional civil penalty for the violations that are the subject of the Office of Special Counsel Investigation and Charge through the date this Agreement is signed by all parties.
14. This Agreement may be enforced in the United States District Court for the Central District of California. This provision does not constitute a waiver of sovereign immunity or any other defense the United States might have against a claim for enforcement.
15. The Office of Special Counsel and Respondent agree that, as of the effective date of this Agreement, litigation concerning the violations of 8 U.S.C. § 1324b that the Office of Special Counsel has reasonable cause to believe that Respondent committed 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 this matter, 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.
16. 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. Respondent and the Office of Special Counsel shall not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement invalid.
17. The Office of Special Counsel and Respondent shall bear their own costs, attorneys' fees and other expenses incurred in this action.

18. This Agreement shall be executed in multiple counterparts, each of which together will be considered an original but all of which shall constitute one agreement. Facsimile signatures bind the Parties.
19. This Agreement becomes effective as of the date of the last signature on the Agreement, which date is referenced herein as the "Effective Date."
20. This Agreement sets forth the entire agreement between the Respondent and OSC and fully supersedes any and all prior agreements or understandings between the parties pertaining to the subject matter herein.

**1<sup>st</sup> Class Staffing, LLC,**

By:

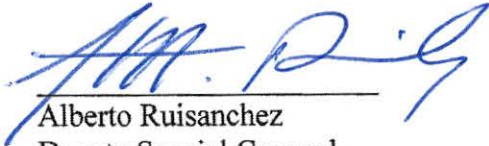


S. Craig Flinders  
Vice President, Risk Management

Dated: 11-23-11

**Office of Special Counsel for Immigration-Related Unfair Employment Practices**

By:



Alberto Ruisanchez  
Deputy Special Counsel

Dated: 12-13-16

C. Sebastian Aloit  
Special Litigation Counsel

Luz V. Lopez-Ortiz  
Trial Attorney