

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is made and entered into by and between TEG Staffing, Inc., d/b/a Eastridge Workforce Solutions ("Respondent"), 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, the Office of Special Counsel opened an independent investigation against Respondent, identified as DJ Number 197-12-227, to investigate the Respondent's employment eligibility verification practices and whether those practices violate the anti-discrimination provision of the Immigration and Nationality Act, 8 U.S.C. § 1324b (the "Act").

WHEREAS, the Office of Special Counsel concluded based upon its investigation that there is reasonable cause to believe that Respondent engaged in a pattern or practice of unfair documentary practices at the Mira Mesa Branch of the Manufacturing and Distribution Staffing Division (Mira Mesa Branch) in violation of 8 U.S.C. § 1324b(a)(6). Specifically, the investigation found that the Mira Mesa Branch requested that lawful permanent residents, but not similarly-situated U.S. citizens, present specific documents during the employment eligibility verification process because of their citizenship or immigration status.

WHEREAS, Respondent denies that it violated 8 U.S.C. § 1324b(a)(6). Respondent further denies that it discriminated against any individual based on citizenship status or national origin, as the Office of Special Counsel alleges.

WHEREAS, the Office of Special Counsel and Respondent wish to resolve this 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 all disputes relating to the investigation between the parties hereto as of the date of this Agreement, it is agreed as follows:

1. This Agreement becomes effective as of the date of the latest signature on the Agreement, which date is referenced herein as the "Effective Date."
2. Respondent shall pay a civil penalty to the United States Treasury in the amount of one hundred and seventy-five thousand dollars (\$175,000).
3. The monies discussed in paragraph 2 shall be paid via the FedWire electronic fund transfer system in accordance with the following schedule: Respondent shall pay fifteen thousand dollars (\$15,000) within twenty-one (21) business days of Respondent's receipt of a fully signed copy of this Agreement and FedWire electronic fund transfer instructions. Respondent shall pay one hundred and sixty thousand dollars (\$160,000) by December 31, 2016.

4. Respondent shall not discriminate on the basis of citizenship status or national origin in violation of 8 U.S.C. § 1324b.
5. Respondent shall avoid discrimination in the employment eligibility verification and re-verification process by (a) honoring 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 requesting more or different documents than are required by law; and (c) permitting all employees to present any document or combination of documents acceptable by law.
6. 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.
7. 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 where notices to employees and job applicants are normally posted. The Notice will be posted within fourteen (14) days from the Effective Date and will remain posted for twenty-four (24) months thereafter.
8. Beginning not more than fourteen (14) days from the Effective Date, Respondent shall provide (1) a letter-sized copy of the OSC Poster in English with all paper employment applications, and (2) an electronic link to the English and Spanish versions of the OSC Poster with all electronic applications. Respondent will continue to do so for one (1) year thereafter.
9. For twenty-four (24) months from the Effective Date, Respondent shall give a copy of the Lists of Acceptable Documents to individuals at the same time as Respondent provides them with the Form I-9 to complete, and shall orally inform those individuals of their right to choose to present any document(s) that are on the Lists or are otherwise acceptable for purposes of employment eligibility verification.
10. For twenty-four (24) months from the Effective Date, Respondent shall ensure that all individuals who are responsible for formulating, carrying out, and/or conducting training on Respondent's hiring, firing, equal employment, and employment eligibility verification policies, including 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"), 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-9-Central](http://www.uscis.gov/I-9-Central), the most current USCIS E-Verify Manual (M-775) ("Manual"), available at [www.uscis.gov](http://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](http://www.uscis.gov).


11. Within sixty (60) days of the Effective Date, Respondent will review any existing employment policies that relate to nondiscrimination on the basis of citizenship status and national origin and shall, as necessary, create or revise such policies to:
  - (a) Prohibit (1) discriminating on the basis of citizenship status or national origin in the hiring and firing process; and (2) discriminating, on the basis of citizenship status or national origin, during the Form I-9 employment eligibility verification and re-verification process, including in connection with E-Verify-related inquiries Respondent makes directly or through an E-Verify employer agent.
  - (b) Provide that Respondent 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.
12. During the twenty-four (24) months following the Effective Date (the "Reporting Period"), Respondent shall provide any new or changed employment policies or practices as relating to nondiscrimination on the basis of citizenship status or national origin to the Office of Special Counsel for approval at least thirty (30) days prior to the effective date of such new or revised policies.
13. Within seventy-five (75) days of the Effective Date, Respondent shall review all procedures its E-Verify employer agent uses to initiate E-Verify inquiries on its behalf, and all written documentation that its employer agent disseminates to Respondent's employees regarding the E-Verify process, to ensure their compliance with 8 U.S.C. § 1324b(a)(6) and the terms of this Agreement.
14. Within ninety (90) days of the Effective Date, the Office of Special Counsel shall provide all individuals at the Mira Mesa Branch who complete or verify any portion of the Form I-9, or who transmit Form I-9 information to Respondent's E-Verify employer agent (hereinafter "Mira Mesa Human Resources Personnel") with training on their responsibilities 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 status or national origin.
  - (a) The training will consist of a live presentation offered in-person or remotely through webinar by the Office of Special Counsel, at its discretion. The Office of Special Counsel will provide the live training at no cost to Respondent.
  - (b) All employees will be paid their normal rate of pay, and the training will occur during their normally scheduled workdays and work hours. Respondent shall bear all employee costs associated with these training sessions.

- (c) Respondent shall compile attendance records listing the individuals who comply with the training as described in this paragraph in the form of Attachment A, including their full name, title, signature, and the date of the training, and send them via email to tran-chau.le@usdoj.gov within ten (10) days of the training session.
  - (d) For a period of twenty-four (24) months from the Effective Date, all new Mira Mesa 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 of this training within sixty (60) days of hire.
- 15. During the Reporting Period, the Office of Special Counsel reserves the right to make reasonable inquiries to Respondent necessary to determine Respondent's compliance with this Agreement. As a part of such review, the Office of Special Counsel may require written reports concerning compliance, inspect Respondent's premises, examine witnesses, and examine and copy Respondent's documents at the expense of the Office of Special Counsel.
- 16. Every four (4) months during the Reporting Period, Respondent shall provide the Office of Special Counsel with copies of the completed lawful permanent resident Forms I-9 including attachments, and the E-Verify transaction history for all lawful permanent resident employees hired by Respondent at the Mira Mesa Branch in that four-month period. Respondent shall provide the documents in electronic form unless requested otherwise.
- 17. 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 notify Respondent of the purported violation. Respondent will then be given a forty-five (45) day period from the date it is notified by the Office of Special Counsel in which to cure the violation to the Office of Special Counsel's satisfaction before the Office of Special Counsel deems Respondent to be in violation of this Agreement.
- 18. 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.
- 19. This Agreement resolves any and all differences between the parties relating to the instant independent investigation through the date this Agreement is signed by all parties.
- 20. The provisions of paragraph 2 notwithstanding, the Office of Special Counsel shall not seek from Respondent any additional civil penalty 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

instant independent investigation, designated as DJ Number 197-12-227, through the Effective Date.

21. Venue: This Agreement may be enforced in the United States District Court for the Southern District of California.
22. The Office of Special Counsel and Respondent agree that, as of the Effective Date, 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.
23. 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 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.
24. The Office of Special Counsel and Respondent agree to bear their own costs, attorneys' fees and other expenses incurred in this action.
25. This Agreement sets forth the entire agreement between the Respondent and the Office of Special Counsel and fully supersedes any and all prior agreements or understandings between the parties pertaining to the subject matter herein.
26. 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.

**TEG Staffing, Inc., dba Eastridge Workforce Solutions**

By:   
Mark Hanna  
General Counsel

Dated: 8/10/16

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

By:   
Alberto Ruisanchez  
Deputy Special Counsel

Dated: 8/15/2016

Jodi Danis  
Special Litigation Counsel

Tran-Chau Le  
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