October 14, 2021

ATTORNEY GENERAL RAOUL ANNOUNCES CONSENT DECREES TO END RACIAL DISCRIMINATION IN HIRING AT MEAT PROCESSING FACILITY

Decrees Resolve Allegations Meat Processing Company and its Temporary Staffing Agency Discriminated Against Black Job Applicants

Chicago — Attorney General Kwame Raoul today announced consent decrees with two Illinois companies resolving a lawsuit alleging the companies conspired to discriminate against job applicants based on race. According to Raoul, Mistica Foods (Mistica) and Specialized Staffing (Specialized) engaged in a brazen pattern of discrimination against Black workers and job applicants who sought employment at Mistica through Specialized.

Mistica, a meat processing company with facilities in Addison and Lyons, Illinois, hires workers indirectly through temporary staffing agencies, including Specialized, an Illinois-based temporary staffing agency. The alleged discriminatory conduct resulted in hundreds of Black workers and job applicants being denied gainful employment at Mistica.

"Using temporary staffing agencies to engage in race-based discrimination unfairly keeps entire communities out of the labor market and denies them the opportunity earn a fair wage," Raoul said. "I am committed to taking action to stop pervasive discrimination wherever we find it, because Illinois workers should have equal opportunities for employment regardless of race, sex, or other protected grounds – particularly at a time when many residents are unemployed or underemployed as a result of the pandemic."

In the lawsuit, filed in the Cook County Circuit Court, Raoul alleged that over the course of at least four years, Mistica has instructed its temporary staffing agencies not to assign Black workers to Mistica and that Specialized Staffing, which supplied the majority of Mistica's workforce, has complied with these discriminatory requests. Raoul's lawsuit alleges that despite having a growing need for workers at its facilities, Mistica supervisors made negative comments about the work ethic of Black individuals and expressed to Specialized that the company's preference was not to hire Black individuals. The lawsuit also alleges that when Specialized assigned Black workers to Mistica, the company dismissed them without giving a reason.

Mistica's pervasive policy of discrimination, perpetrated through its staffing agencies, resulted in a severe under-representation of Black employees at Mistica's facilities compared to their prevalence in the relevant job market. The number of Black employees assigned to Mistica each year by Specialized Staffing dropped consistently between 2017 and 2020.

The consent decrees will require <u>both Mistica and Specialized</u> to take steps to increase the number of Black employees assigned to Mistica. For example, Mistica and Specialized must participate in career fairs at predominantly Black communities and advertise job openings on radio stations with predominantly Black listeners. Mistica and Specialized are also required to follow model record-keeping practices designed to track the race of workers assigned to Mistica, as well as the applicants that Specialized considers for assignment to Mistica. These requirements will help prevent future discrimination. In addition, Mistica has agreed to do business only with staffing agencies that follow those record-keeping practices. Mistica and Specialized are also obligated to follow strict reporting requirements for the duration of the consent decrees that will allow Raoul's office to monitor the companies' compliance. In addition, employees and supervisors at both companies will be required to undergo bias trainings. Finally, Specialized will pay \$180,000, and Mistica pay \$270,000 in civil penalties.

The settlements build on Attorney General Raoul's efforts to advocate for workers and protect them from unlawful discrimination. In April, Raoul filed four lawsuits and consent decrees against one temporary staffing agency and three client companies to end sex-based discrimination. Raoul alleged the companies segregated their workplaces by making some positions open only to men and others only to women, regardless of whether workers could perform the duties of each position. Raoul also previously sued Voyant, a beauty packaging company in Cook County that relied on temporary staffing agencies to source its workforce, following complaints by temporary laborers of sexual harassment and retaliation. Raoul installed a court appointed monitor to prevent future sexual harassment at this company.

Raoul's lawsuit follows a report issued in February by Partners for Dignity and Rights and the Equal Rights Center, which conducted random testing of 60 Chicago-area staffing agencies and found that two-thirds of agencies engaged in racial discrimination. The report entitled "Opening the Door," details the pervasiveness of hiring and assignment discrimination based on race by temporary staffing agencies.

Attorney General Raoul encourages workers who have experienced discrimination by Mistica, Specialized, or other temporary staffing agencies to contact his office's Workplace Rights Hotline at 1-844-740-5076 or by visiting the Attorney General's website.

Bureau Chief Alvar Ayala, Counsel to the Attorney General Kimberly Janas and Assistant Attorney General Samantha Kronk handled the case for Raoul's Worker Protection Bureau.

12-Person Jury

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT, CHANCERY DIVISION

THE PEOPLE OF THE STATE OF ILLINOIS, *ex rel.* KWAME RAOUL, Attorney General of the State of Illinois,

Plaintiff,

v.

MISTICA FOODS, LLC and SPECIALIZED STAFFING SOLUTIONS, INC.,

Defendants.

10/14/2021 7:25 AM IRIS Y. MARTINEZ CIRCUIT CLERK COOK COUNTY, IL 2021CH05258

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Case No. 2021CH05258

Jury Demand

Hearing Date: 2/15/2022 9:30 AM - 9:30 AM Courtroom Number: 2308 Location: District 1 Court Cook County, IL

COMPLAINT

Plaintiff, the People of the State of Illinois ("Plaintiff"), by and through their attorney, KWAME RAOUL, Attorney General of the State of Illinois, brings this complaint against Defendants MISTICA FOODS, LLC ("Mistica") and SPECIALIZED STAFFING SOLUTIONS INC. ("Specialized") (collectively as "Defendants"), for violating the Illinois Human Rights Act, 775 ILCS 5/1-101, *et seq.* (the "Act") and states as follows:

NATURE OF PLAINTIFF'S CLAIMS

1. Over the last four years, Mistica, a meat processing company, and Specialized, a temporary staffing agency, have engaged in a pattern of discrimination against African-American assignment seekers and laborers at Mistica's facilities in Addison, Illinois, and Lyons, Illinois. African-Americans are significantly under-represented among the laborers at Mistica's facility compared to their prevalence in the relevant job market. Those few African-American laborers assigned by Specialized to Mistica's facility do not last long—their average hours worked at the facility are a small fraction of those worked by laborers of other races. The representation of

African-American laborers at Mistica is far below the availability of African-American assignment seekers in the areas where Mistica and Specialized recruit their laborers. This is not an accident or mere coincidence. It is the direct result of purposeful discrimination directed by Mistica and carried out by Specialized.

2. Mistica perpetrates this discriminatory scheme by instructing its temporary staffing agencies, including Specialized, to avoid assigning African-American laborers to Mistica's facilities. Throughout the relevant time period, Specialized has complied with these discriminatory requests for laborers. On instances when Specialized actually assigned African-American laborers to meet Mistica's demand, Mistica often requested that Specialized not return (commonly referred to in the temporary staffing industry as "DNR," or "do not return") these African-American laborers to Mistica.

 Today, African-Americans represent a marginal share of the laborers obtained by Mistica through Specialized, and a negligible percentage of the total hours worked by laborers at Mistica.

4. Mistica's discriminatory practices have created and fostered an intimidating and hostile work environment where Non-African American laborers are clearly preferred over African-American laborers and where African-American laborers assigned to Mistica are subjected to discriminatory practices by Mistica supervisors.

5. By using race to determine eligibility to fill available positions, Mistica and Specialized harmed Illinois workers whose race prevented them from being eligible for gainful employment at Mistica.

6. Defendants' discrimination against African-Americans violates the Illinois Human Rights Act. Plaintiff seeks an injunction barring Defendants from continuing their pattern of racial

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discrimination, equitable relief sufficient to ensure Defendants comply with the antidiscrimination requirements imposed by Illinois law, and civil penalties.

JURISDICTION AND VENUE

7. This action is brought pursuant to § 10-104 of the Act and seeks equitable relief and civil penalties for violations of § 2-102(A) of the Act. 775 ILCS 5/10-104; 775 ILCS 5/2-102(A).

8. This Court has jurisdiction over Plaintiff's claims because Defendants committed many of the violations complained of herein in Cook County, Illinois, and Defendants conduct and transact business within Cook County. 735 ILCS 5/2-209(a)(1); 735 ILCS 5/2-209(b)(4).

 Venue is proper in this judicial district because Defendants conduct business in Cook County and many of the events giving rise to the Plaintiff's claims occurred in Cook County.
 735 ILCS 5/2-101.

THE PARTIES

10. Mistica is a meat processing company that operates multiple facilities in Illinois. Mistica maintains a facility located at 50 West Commercial Drive, Addison, Illinois ("Commercial"). Mistica also maintains facilities at 1811 West Fullerton, Addison, Illinois ("Fullerton"), and 8424 West 47th Street, Lyons, Illinois ("Lyons").. On any given day, Mistica can employ anywhere from 100 to well over 300 temporary laborers at its facilities.

- 11. At all times relevant to this complaint, Mistica has:
 - a. been a limited liability corporation organized under the laws of Illinois;
 - b. been headquartered and authorized to transact business Illinois; and
 - c. been an "employer" as defined in the Human Rights Act. 775 ILCS 5/2-101(B)(1)(a), (b).

12. Specialized is a temporary staffing agency as defined by the Illinois Day and Temporary Laborer Services Act ("IDTLSA"), 820 ILCS 175/1 *et seq.*, with its headquarters located at 15020 S. Cicero Avenue, Suite D, in Oak Forest, Illinois. Specialized also maintains two branch offices in Chicago, Illinois: 2451 North Pulaski ("Pulaski") and 4045 West 26th Street ("Lawndale"), and has an onsite office at Mistica's Commercial facility ("Mistica Onsite"). Specialized has assigned day or temporary laborers as defined by Section 5 of the IDTLSA ("laborers") to Mistica since Mistica's inception approximately seven years ago.

- 13. At all times relevant to this complaint, Specialized has:
 - a. been an Illinois corporation organized under the laws of Illinois;
 - b. been headquartered and authorized to transact business in Illinois;
 - c. operated as Temporary Staffing Agency as defined in the IDTLSA. 820
 ILCS 175/5; and
 - d. been an "employer" as defined in the Human Rights Act. 775 ILCS 5/2-101(B)(1)(a), (b).

14. The laborers assigned by Specialized to Mistica are "employees" as defined in the Illinois Human Rights Act, as they performed services for remuneration within Illinois for an employer. 775 ILCS 5/2-101(A)(1)(a).

15. Plaintiff is the People of the State of Illinois acting by and through Kwame Raoul, Attorney General of the State of Illinois, as authorized pursuant to Section 10-104(A)(1) of the Illinois Human Rights Act and in order to enforce the public policy of the State of Illinois. 775 ILCS 5/1-102(A); 775 ILCS 5/10-104(A)(1).

16. The Attorney General enforces the public policy of the State of Illinois to secure for all of its residents the freedom from discrimination against any individual because of his or her race or national origin in connection with employment. 775 ILCS 5/1-102(A). It is the declared interest of the State of Illinois that all people in Illinois can maintain personal dignity, realize their full productive capacities, and further their interests, rights and privileges as residents of Illinois. 775 ILCS 5/1-102(B). Defendants' actions constitute a direct threat to the State's public policy and its stated interest in the nondiscriminatory treatment of its citizens.

FACTUAL ALLEGATIONS

17. Mistica supplies beef, poultry, pork, and other animal products to a variety of clients, including through contracts with the U.S. Department of Agriculture and the Department of Defense.

18. Mistica's operations at its facilities demand a large workforce to staff various positions that are primarily low-skilled jobs that require no special perquisites or skills.

19. At all times relevant to this complaint, Mistica has employed laborers obtained through temporary staffing agencies like Specialized to meet the substantial majority of its labor needs. On any given day, Mistica employs anywhere from 100 to well over 300 laborers to work at Mistica's facilities in Illinois. Only a few dozen individuals employed by Mistica are hired directly by Mistica ("direct employees"). The direct employees at Mistica occupy mainly supervisory and managerial positions. Mistica, through its supervisors and managers, has the right to determine laborers' conditions of employment, and often exercises that control.

20. Mistica began its relationship with Specialized in approximately 2014.

21. Since its inception, Mistica has made daily requests to Specialized for specific numbers of laborers to fill each shift at Mistica. Specialized has filled all of Mistica's facilities' requests by assigning laborers recruited through Specialized's Lawndale and Pulaski offices, as well as Mistica's Onsite office.

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22. Mistica and Specialized act as joint employers of the laborers assigned by Specialized to the Mistica facilities. 23. Once at its facilities, Mistica exercises substantial control and supervision over all aspects of the laborers' work.

24. Mistica assigns laborers to their positions, establishes job expectations, and supervises the quality of laborers' work on a day-to-day basis.

25. Mistica and Specialized exercise joint control of whether, when, and how laborers are disciplined or whether their assignment is terminated.

26. Since Mistica's inception, Specialized has also acted as an agent of Mistica in recruiting, training, assigning and paying laborers to work at Mistica.

27. Mistica has the authority, and has exercised its authority, to select the characteristics of laborers that Specialized assigned and did not assign to work at its facilities. Specialized implemented Mistica's instructions about which laborers to assign to Mistica.

28. Mistica instructed Specialized not to send African-American laborers to work at Mistica.

29. At times, Mistica used code words like "good workers" or "good people" to request non-African-American laborers.

30. Throughout its relationship with Mistica, Specialized has complied with Mistica's unlawful requests for laborers based on race.

31. Clemente Hernandez, Mistica's plant manager, and other Mistica supervisors complained when staffing agencies, including Specialized, in an effort to meet Mistica's growing demand for laborers, sometimes assigned African-American laborers. In such instances when

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African-American laborers were assigned, Mr. Hernandez would complain loudly asking why Specialized, or other agencies, had assigned "those people."

32. Specialized failed to assign African-American laborers to Mistica because it was complying with a discriminatory request from Mistica to steer African-American laborers away from its company.

33. In the few instances when African-American laborers were assigned to Mistica, these laborers were often marked "do not return" ("DNR") shortly after being assigned.

34. Mistica supervisors regularly failed to give a reason why laborers were being marked DNR. Despite being fully aware of Mistica's bias against African-American laborers, Specialized complied with these requests to DNR African-American laborers even if no reason was provided by Mistica.

35. Mistica's discriminatory preferences created and fostered an intimidating and hostile work environment for African-American laborers.

36. The few African-American laborers who were assigned to Mistica's facilities experienced discriminatory treatment by Mistica supervisors because of their race.

37. The unwelcome and unlawful discriminatory treatment by Mistica was severe, pervasive, and altered conditions of employment for African-American Laborers.

38. The discriminatory treatment by Mistica resulted in an intimidating and hostile working environment for those African-American laborers assigned to Mistica. African-American laborers who complained about discriminatory treatment by Mistica supervisors were asked not to return to Mistica facilities. Thus, the culture at Mistica facilities was such that if African-American laborers raised issues with Mistica supervisors, this marked the end of their work at Mistica and

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possibly the end of their employment with their respective staffing agency for the foreseeable future.

39. Mistica and Specialized were well aware of the discriminatory hostile work environment created by its managers, supervisors, and other laborers against African-American laborers. Through their actions, Mistica and Specialized not only permitted the hostile work environment to persist but actively fostered it.

COUNT I

Discrimination with respect to Recruitment, Hiring, and Renewal of Employment by Mistica in Violation of 775 ILCS 5/2-102(A)

40. The People restate and re-allege Paragraphs 1 through 39 of this complaint as though fully set forth herein.

41. This count arises under Section 2-102(A) of the Illinois Human Rights Act for Defendant Mistica's discriminatory practices in recruitment, hiring, and renewal of employment, including through its agent or employment agency, Specialized, and Specialized's compliance with Mistica's racially discriminatory requests as described more fully in paragraphs 17 through 39, above, which resulted in disparate treatment of African-American laborers.

42. Pursuant to Section 2-102(A) of the Illinois Human Rights Act, it is a civil rights violation for "any employer to refuse to hire, to segregate, to engage in harassment as defined in subsection (E-1) of Section 2-101, or to act with respect to recruitment, hiring, promotion, renewal of employment, selection for training or apprenticeship, discharge, discipline, tenure or terms, privileges, or conditions of employment on the basis of unlawful discrimination" 775 ILCS 5/2-102(A).

43. The Illinois Human Rights Act defines an "Employer," in relevant part, as "any person employing 15 or more employees within Illinois during 20 or more calendar weeks within the calendar year of or preceding the alleged violation." 775 ILCS 5/2-101(B)(1)(a).

44. At all relevant times, Mistica has qualified as an "Employer" under the Illinois Human Rights Act.

45. At all relevant times, Specialized has been Mistica's agent.

46. As described more fully above, Mistica engaged in a pattern and practice of intentional discrimination against African-American laborers, including assignment seekers with respect to recruitment, hiring, and renewal of employment in violation of Section 2-102(A) of the Illinois Human Rights Act.

47. In the alternative, Mistica knew or should have known that its agent, Specialized, was engaging in a practice of discrimination against African-American laborers, including assignment seekers, with respect to recruitment, hiring, and renewal of employment in violation of Section 2-102(A) of the Illinois Human Rights Act.

48. Mistica failed to exercise reasonable care to ensure that Specialized, its agent for assigning laborers to work at its facilities, did not engage in racially discriminatory practices with respect to recruitment, hiring, and renewal of employment.

49. As a direct and proximate result of Mistica's conduct and omissions, Mistica, directly and through its agent and staffing agency, Specialized, harmed Illinois workers through a pattern and practice of intentional discrimination with respect to recruitment, hiring, and renewal of employment on the basis of race.

WHEREFORE, Plaintiff, the People of the State of Illinois, prays that this Honorable Court:

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- a. Enter judgement in Plaintiff's favor and against Defendant Mistica;
- b. Enjoin Mistica from engaging in employment practices that either directly or indirectly discriminate against individuals on the basis of race in employment;
- c. Order Mistica to adopt workplace policies and practices to prevent discrimination in employment;
- d. Order Mistica to undergo training on race discrimination in employment;
- e. Order Mistica to submit to monitoring of its processing of work-related complaints, including record-keeping, investigation, and resolutions;
- f. Assess civil penalties against Mistica pursuant to Section 10-104(B) of the Illinois Human Rights Act in the amount of \$10,000 for each violation of the Illinois Human Rights Act; and
- g. Grant such other and further relief as the Court deems equitable and just.

<u>COUNT II</u>

Discrimination with respect to Terms, Privileges, and Conditions of Employment by Mistica in Violation of 775 ILCS 5/2-102(A)

50. The People restate and re-allege Paragraphs 1 through 49 of this complaint as though fully set forth herein.

51. This count arises under Section 2-102(A) of the Illinois Human Rights Act for Defendant Mistica's discriminatory practices with respect to terms and conditions of employment, including through its agent and staffing agency, Specialized.

52. Pursuant to Section 2-102(A) of the Illinois Human Rights Act, it is a civil rights violation for "any employer . . . to act with respect to recruitment, hiring, promotion, renewal of employment, selection for training or apprenticeship, discharge, discipline, tenure or terms, privileges, or conditions of employment on the basis of unlawful discrimination" 775 ILCS 5/2-102(A).

53. The Illinois Human Rights Act defines an "employer," in relevant part, as "any person employing 15 or more employees within Illinois during 20 or more calendar weeks within the calendar year of or preceding the alleged violation." 775 ILCS 5/2-101(B)(1)(a).

54. At all relevant times, Mistica has qualified as an "employer" under the Illinois Human Rights Act.

55. At all relevant times, Specialized has been Mistica's agent.

56. As described more fully above, Mistica engaged in a pattern and practice of intentional discrimination against African-American laborers with respect to terms and conditions of employment in violation of Section 2-102(A) of the Illinois Human Rights Act.

57. As a direct and proximate result of Mistica's conduct and omissions, Illinois workers were harmed by Mistica's pattern and practice of discrimination of intentional discrimination with respect to terms and conditions of employment on the basis of race.

WHEREFORE, Plaintiff, the People of the State of Illinois, prays that this Honorable Court:

- a. Enter judgement in Plaintiff's favor and against Defendant Mistica;
- b. Enjoin Mistica from engaging in employment practices that either directly or indirectly discriminate against individuals on the basis of race in employment;
- Order Mistica to adopt workplace policies and practices to prevent discrimination in employment;
- d. Order Mistica to undergo training on race discrimination in employment;
- e. Order Mistica to submit to monitoring of its processing of work-related complaints, including record-keeping, investigation, and resolutions;

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- f. Assess civil penalties against Mistica pursuant to Section 10-104(B) of the Illinois Human Rights Act in the amount of \$10,000 for each violation of the Illinois Human Rights Act; and
- g. Grant such other and further relief as the Court deems equitable and just.

<u>Count III</u> Harassment Creating an Intimidating and Hostile Working Environment by Mistica in Violation of 775 ILCS 5/2-102(A)

58. The People restate and re-allege Paragraphs 1 through 57 of this complaint as though fully set forth herein.

59. This Count arises under Section 2-102(A) of the Illinois Human Rights Act for Defendant Mistica's practices of engaging in harassment on the basis of race, including through its agent or staffing agency, Specialized.

60. Pursuant to Section 2-102(A) of the Illinois Human Rights Act, it is a civil rights violation for "any employer to refuse to hire, to segregate, to engage in harassment as defined in subsection (E-1) of Section 2-101 . . . on the basis of unlawful discrimination" 775 ILCS 5/2-102(A).

61. Subsection (E-1) of Section 2-101 defines "harassment" as "any unwelcome conduct on the basis of an individual's actual or perceived race, color, religion, national origin, ancestry, age, sex, marital status, order of protection status, disability, military status, sexual orientation, pregnancy, unfavorable discharge from military service, or citizenship status that has the purpose or effect of substantially interfering with the individual's work performance or creating an intimidating, hostile, or offensive working environment." 775 ILCS 5/2-101(E-1).

62. The Illinois Human Rights Act defines an "employer," in relevant part, as "any person employing 15 or more employees within Illinois during 20 or more calendar weeks within the calendar year of or preceding the alleged violation." 775 ILCS 5/2-101(B)(1)(a).

63. At all relevant times, Mistica has qualified as an "employer" under the Illinois Human Rights Act.

64. At all relevant times, Specialized has been Mistica's agent.

65. As described more fully above, Mistica engaged in a pattern and practice of unwelcome conduct towards African-American laborers, which has resulted in an intimidating and hostile working environment for African-American laborers at Mistica's facilities.

66. The harassment was severe, pervasive and altered the conditions of employment for African American laborers at Mistica's facilities as described more fully above.

67. As a direct and proximate result of Mistica's conduct and omissions, Illinois workers have been harmed by Mistica's pattern and practice of harassment on the basis of race.

WHEREFORE, Plaintiff, the People of the State of Illinois prays that this Honorable

Court:

- a. Enter judgment in Plaintiff's favor and against Defendant Mistica;
- b. Enjoin Mistica from engaging in employment practices that either directly or indirectly result in harassment against individuals on the basis of race in employment;
- c. Order Mistica to adopt workplace policies and practices to prevent harassment on the basis of race;
- d. Order Mistica to undergo training on harassment on the basis of race;
- e. Order Mistica to submit to monitoring of its processing work-related complaints, including record-keeping, investigation, and resolutions;

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 f. Assess civil penalties against Mistica pursuant to Section 10-104(B) of the Illinois Human Rights Act in the amount of \$10,000 for each violation of the Illinois Human Rights Act; and

g. Grant such other and further relief as the Court deems appropriate.

<u>COUNT IV</u> Discrimination in Recruitment, Hiring, and Renewal of Employment by Specialized in Violation of 775 ILCS 5/2-102(A)

68. The People restate and re-allege Paragraphs 1 through 67 of this complaint as though fully set forth herein.

69. This count arises under Section 2-102(A) of the Illinois Human Rights Act for Specialized's discriminatory practices in recruitment, hiring, and renewal of employment on the basis of race.

70. Pursuant to Section 2-102(A) of the Illinois Human Rights Act, it is a civil rights violation for "any employer to refuse to hire, to segregate, to engage in harassment as defined in subsection (E-1) of Section 2-101, or to act with respect to recruitment, hiring, promotion, renewal of employment, selection for training or apprenticeship, discharge, discipline, tenure or terms, privileges, or conditions of employment on the basis of unlawful discrimination" 775 ILCS 5/2-102(A).

71. The Illinois Human Rights Act defines an "employer," in relevant part, as "any person employing 15 or more employees within Illinois during 20 or more calendar weeks within the calendar year of or preceding the alleged violation." 775 ILCS 5/2-101(B)(1)(a).

72. At all relevant times, Specialized has qualified as an "employer" under the Illinois Human Rights Act.

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73. As described more fully above, Specialized engaged in a pattern and practice of intentional discrimination against African-American laborers, including assignment seekers, with respect to recruitment, hiring, and renewal of employment in violation of Section 2-102(A) of the Illinois Human Rights Act, at least in part, because it was complying with a discriminatory request from Mistica not to refer African-American laborers to Mistica.

74. As a direct and proximate result of Specialized's conduct and omissions, Illinois workers were harmed by Specialized's pattern and practice of intentional discrimination with respect to recruitment, hiring, and renewal of employment on the basis of race.

WHEREFORE, Plaintiff, the People of the State of Illinois, prays that this Honorable Court:

- a. Enter judgment in Plaintiff's favor and against Defendant Specialized;
- b. Enjoin Specialized from engaging in employment practices that either directly or indirectly discriminate against individuals on the basis of race in employment;
- Order Specialized to adopt workplace policies and practices to prevent discrimination in employment;
- d. Order Specialized to undergo training on race discrimination in employment;
- e. Order Specialized to submit to monitoring of its processing of work-related complaints, including record-keeping, investigation, and resolutions;
- f. Assess civil penalties against Specialized pursuant to Section 10-104(B) of the Illinois Human Rights Act in the amount of \$10,000 for each violation of the Illinois Human Rights Act; and
- g. Grant such other and further relief as the Court deems equitable and just.

<u>Count V</u> Discrimination with respect to Terms, Privileges, and Conditions of Employment by Specialized in Violation of 775 ILCS 5/2-102(A)

75. The People restate and re-allege Paragraphs 1 through 74 of this complaint as though fully set forth herein.

76. This Count arises under Section 2-102(A) of the Illinois Human Rights Act for Defendant Specialized's discriminatory practices with respect to terms and conditions of employment.

77. Pursuant to Section 2-102(A) of the Illinois Human Rights Act, it is a civil rights violation for "any employer . . . to act with respect to recruitment, hiring, promotion, renewal of employment, selection for training or apprenticeship, discharge, discipline, tenure or terms, privileges, or conditions of employment on the basis of unlawful discrimination" 775 ILCS 5/2-102(A).

78. The Illinois Human Rights Act defines an "employer," in relevant part, as "any person employing 15 or more employees within Illinois during 20 or more calendar weeks within the calendar year of or preceding the alleged violation." 775 ILCS 5/2-101(B)(1)(a).

79. At all relevant times, Specialized has qualified as an "employer" under the Illinois Human Rights Act.

80. As described more fully above, Specialized engaged in a pattern and practice of intentional discrimination against African-American laborers, including assignment seekers, with respect to terms and conditions of employment in violation of Section 2-102(A) of the Illinois Human Rights Act.

81. As a direct and proximate result of Specialized's conduct and omissions, Illinois workers were harmed by Specialized's pattern and practice of intentional discrimination with respect to terms and conditions of employment on the basis of race.

WHEREFORE, Plaintiff, the People of the State of Illinois, prays that this Honorable

Court:

- a. Enter judgment in Plaintiff's favor and against Defendant Specialized;
- b. Enjoin Specialized from engaging in employment practices that either directly or indirectly discriminate against individuals on the basis of race in employment;
- c. Order Specialized to adopt workplace policies and practices to prevent discrimination in employment;
- d. Order Specialized to undergo training on race discrimination in employment;
- e. Order Specialized to submit to monitoring of its processing work-related complaints, including record-keeping, investigation, and resolutions;
- f. Assess civil penalties against Specialized pursuant to Section 10-104(B) of the Illinois Human Rights Act in the amount of \$10,000 for each violation of the Illinois Human Rights Act; and
- g. Grant such other and further relief as the Court deems equitable and just.

<u>Count VI</u> Harassment Creating an Intimidating and Hostile Working Environment by Specialized in Violation of 775 ILCS 5/2-102(A)

82. The People restate and re-allege Paragraphs 1 through 81 of this complaint as though fully set forth herein.

83. This count arises under Section 2-102(A) of the Illinois Human Rights Act for Specialized's practice of engaging in harassment on the basis of race.

84. Pursuant to Section 2-102(A) of the Illinois Human Rights Act, it is a civil rights violation for "any employer to refuse to hire, to segregate, to engage in harassment as defined in

subsection (E-1) of Section 2-101, . . . on the basis of unlawful discrimination " 775 ILCS 5/2-102(A)

85. Subsection (E-1) of Section 2-101 defines "harassment" as "any unwelcome conduct on the basis of an individual's actual or perceived race, color, religion, national origin, ancestry, age, sex, marital status, order of protection status, disability, military status, sexual orientation, pregnancy, unfavorable discharge from military service, or citizenship status that has the purpose or effect of substantially interfering with the individual's work performance or creating an intimidating, hostile, or offensive working environment." 775 ILCS 5/2-101(E-1).

86. The Illinois Human Rights Act defines an "employer," in relevant part, as "any person employing 15 or more employees within Illinois during 20 or more calendar weeks within the calendar year of or preceding the alleged violation." 775 ILCS 5/2-101(B)(1)(a).

87. At all relevant times, Specialized has qualified as an "employer" under the Illinois Human Rights Act.

88. As described more fully in paragraphs 17 through 39 Specialized engaged in a pattern and practice of unwelcome conduct towards African-American laborers, which has resulted in an intimidating and hostile working environment for African-American temporary employees.

89. The harassment was severe, pervasive, and altered the conditions of employment for African American laborers at Mistica's facilities as described more fully above.

90. The harassment by Mistica resulted in an intimidating and hostile working environment for African-American laborers at Mistica's facilities as described more fully above.

91. As a direct and proximate result of Specialized's conduct and omissions, Illinois workers have been harmed by Specialized's pattern and practice of workplace harassment on the basis of race.

WHEREFORE, Plaintiff, the People of the State of Illinois, prays that this Honorable Court:

a. Enter judgement in Plaintiff's favor and against Defendant Specialized;

- b. Enjoin Specialized from engaging in employment practices that either directly or indirectly result in harassment against individuals on the basis of race in employment;
- Order Specialized to adopt workplace policies and practices to prevent harassment on the basis of race;
- d. Order Specialized to undergo training on harassment on the basis of race;
- e. Order Specialized to submit to monitoring of its processing work-related complaints, including record-keeping, investigation, and resolutions;
- f. Assess civil penalties against Specialized pursuant to Section 10-104(B) of the Illinois Human Rights Act in the amount of \$10,000 for each violation of the Illinois Human Rights Act; and
- g. Grant such other and further relief as the Court deems appropriate.

Respectfully Submitted,

THE PEOPLE OF THE STATE OF ILLINOIS

By and through,

KWAME RAOUL Attorney General of the State of Illinois

Dated: 10/14/2021

<u>BY: s/Alvar Ayala</u> Alvar Ayala Christopher G. Wells Kimberly B. Janas Samantha Kronk Office of the Attorney General of Illinois 100 West Randolph Street Chicago, Illinois 60601 Phone: (312) 814-3000 Alvar.Ayala@ilag.gov Christopher.Wells@ilag.gov Kimberly.Janas@ilag.gov Samantha.Kronk@ilag.gov

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT, CHANCERY DIVISION

FILED 10/14/2021 12:42 PM IRIS Y. MARTINEZ CIRCUIT CLERK COOK COUNTY, IL 2021CH05258

15203322

THE PEOPLE OF THE STATE OF ILLINOIS, *ex rel.* KWAME RAOUL, Attorney General of the State of Illinois,

Plaintiff,

v.

SPECIALIZED STAFFING SOLUTIONS, INC.,

Defendant.

Case No. Jury Demand

CONSENT DECREE

I. <u>THE LITIGATION</u>

1. The Illinois Attorney General's Office on behalf of Plaintiff, the People of the State of Illinois ("OAG"), filed this action ("Complaint") alleging that Defendant Specialized Staffing Solutions, Inc. (hereinafter "Specialized") engaged in a pattern and practice of race discrimination in violation of the Illinois Human Rights Act, 775 ILCS 5/1 *et seq*. (the "Act"), while providing temporary labor services to Mistica Foods, LLC in Illinois. Together, the OAG and Specialized are referred to herein as the "Parties."

2. Specialized denies all material allegations of the Complaint including, without limitation, that it has violated the Act, that it is or was an agent of Mistica, and further denies any and all wrongdoing.

3. In the interest of resolving this matter, and as a result of having engaged in comprehensive settlement negotiations, the Parties have agreed that this action should be finally resolved by entry of this Consent Decree ("Decree"). This Decree fully and finally resolves all claims that were or could have been asserted by the OAG in this action. The Parties further agree that Specialized has not admitted—and in fact denies—liability, either through this Consent Decree or otherwise, for any of the purported misconduct alleged in the Complaint. Specialized has agreed to the entry of this Consent Decree for the sole purpose of bringing this matter to an efficient resolution and avoiding further costs and expenses associated with any litigation.

II. <u>FINDINGS</u>

4. Having carefully examined the terms and provisions of this Decree, and based on the pleadings, record, and stipulation of the Parties, the Court finds the following:

- a. This Court has jurisdiction over the subject matter of this action and over the Parties.
- b. No Party shall contest the jurisdiction of this Court to enforce this Decree and its terms or the right of the OAG to bring an enforcement suit upon an alleged breach of any term(s) of this Decree. Nothing in this paragraph, however, precludes Specialized's right to oppose and defend against any such enforcement suit.
- c. The terms of this Decree are adequate, fair, reasonable, and just.
- d. The rights of the public interest are adequately protected by this Decree.
- e. This Decree conforms with the Illinois Rules of Civil Procedure and the Act and is not in derogation of the rights or privileges of any person.
- f. The entry of this Decree will further the objectives of the Act and will be in the best interests of the Parties and the public.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED THAT:

III. SCOPE AND DURATION OF THE CONSENT DECREE

5. This Decree will become effective as of the date of entry by the Court (the "Effective Date") and remain in effect for two years from the Effective Date (the "Term").

6. This Decree shall be binding upon Specialized, and its present and future directors, officers, Personnel (defined below), successors, and assigns during the Term. During the Term, Specialized shall provide a copy of this Decree to any organization or person that proposes to merge with Specialized, or acquires a majority or all of Specialized's stock or substantially all of its assets, prior to the effectiveness of any such merger or acquisition.

7. This Decree does not release Specialized, or its owners, directors, officers, successors, or assigns from any liability to persons or entities that are not parties to this Decree arising out of the conduct covered by this Decree, nor does it constitute an admission of any wrongdoing or liability by Specialized, or its owners, directors, officers, successors, or assigns. The Decree does not release Mistica or its owners, directors, officers, employees, successors, or assigns from any liability for acts arising after the entry of this Decree.

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8. This Decree does not and shall not constitute an adjudication or finding on the merits of this action, nor is it or shall it be deemed an admission by Specialized of any violation of the Act or wrongdoing.

- 9. For purposes of this Decree, these terms are defined as follows:
 - a. "Customer" shall refer to any third-party client, as defined in 820 ILCS 175/5, that contracts with Specialized for the provision of Temporary Employees;
 - b. "Mistica" shall refer to Mistica Foods, LLC;
 - c. "Temporary Employee" shall refer to any individual hired and employed by Specialized to be assigned to provide labor services to a Customer;
 - d. "Applicants and Job Seekers" shall refer to any individual who seeks employment through Specialized for a non-Personnel position;
 - e. "Personnel" shall refer to all individuals hired and employed by Specialized to conduct and manage its business, including, but not limited to: office staff, recruiters, dispatchers, supervisors, managers, and officers;
 - f. "Employees" shall be used to collectively refer to Temporary Employees and Personnel;
 - g. "Unlawful Discrimination" shall mean discrimination against any individual on the basis of race, as prohibited under 775 ILCS 5/2-102(A); and
 - h. "Document" shall include, without limitation, anything in which there is portrayed or contained, or from which can be retrieved any facts, information, or data, including all of the things delineated in Ill. Sup. Ct. R. 214 and, without limitation of the foregoing, all electronically-stored information.

10. Nothing shall preclude the OAG from bringing an action to enforce the terms of this Decree, or from bringing a separate action should the OAG discover additional purported violations of the Act that occur after entry of this Decree. Nothing in this Decree shall preclude Specialized from opposing and defending any such lawsuit, administrative charge, or other action that the OAG or any other entity or person may bring. By entering into this Decree, Specialized does not admit or agree that individuals assigned to work at Mistica by Specialized are employees of Mistica, or that Specialized is a "joint employer" of any Mistica employees or independent contractors, or of Temporary Employees assigned to Mistica by other staffing agencies.

IV. INJUNCTIVE PROVISIONS

(A) GENERAL PROVISIONS

11. Specialized and its officers, directors, supervisors, and Personnel are enjoined from engaging in any form of race-based discrimination, or failing to take reasonable corrective measures to prevent Specialized Employees or third parties from subjecting Specialized Employees to any form of race-based employment discrimination, including refusing to hire, accepting an assignment, segregating, recruiting, hiring, promoting, renewing employment, selecting for training or apprenticeship, discharging, disciplining, or basing the tenure, terms, privileges, or conditions of employment on the basis of an individual's race, as set forth in the Act. 775 ILCS 5/2-102(A).

12. Specialized, and its officers, directors, and Personnel, are enjoined from failing or refusing to offer assignments to work for its Customers to any individual on the basis of Unlawful Discrimination or knowingly accepting from any person any request for Temporary Employees which makes or has the effect of making Unlawful Discrimination a condition of assignment, as prohibited by the Act. 775 ILCS 5/2-102(B).

13. Specialized will, at all times during the Term, act in good faith to implement, fund, and otherwise comply with Sections IV(B)-(J) of this Decree, which the Parties acknowledge are intended to increase the percentage of African American Temporary Employees who work for Specialized's Customers, and to increase the percentage of billable hours that are worked by African American Temporary Employees. Further, and notwithstanding anything herein to the contrary, Specialized shall always have the right to offer Customer assignments to whomever it considers to be the best qualified candidate for the position.

(B) AMENDMENT OF DISCRIMINATION POLICY

14. Within thirty (30) calendar days of the Effective Date, Specialized shall amend its Equal Employment Opportunity Policy (the "Policy") to include, in substance and in addition to existing protections, the following terms to the extent not already provided therein:

- a. Specialized prohibits any assignments, discipline, discharge, or differential terms, conditions, and privileges of employment on the basis of race, color, religion, national origin, ancestry, sex, age, marital status, order of protection status, gender identity, disability, military service, pregnancy, childbirth and related medical conditions, military status, unfavorable discharge from military service, genetic information, or any other classification protected by federal, state, and local laws and ordinances. Unlawful Discrimination and any such prohibited behavior will not be tolerated from any Employee or Customer.
- b. Employees may make complaints of Unlawful Discrimination to any person in their Specialized chain of command or through the Complaint Hotline (detailed in Section IV(D) of this Decree). The Policy shall also list, at a minimum, the following governmental agencies that investigate complaints of employment

discrimination and harassment, with their respective phone numbers: the Illinois Department of Human Rights and the Office of the Illinois Attorney General's Workplace Rights Bureau.

- c. Employees may make complaints to these governmental agencies regardless of their immigration status.
- d. Employees may make internal complaints about discrimination without regard to how much time has passed since the alleged discrimination or harassment occurred.
- e. Employees may make complaints to Specialized about alleged discrimination or harassment by Customers.
- f. Employees who make a complaint of discrimination or harassment or provide information related to such a complaint will be protected against retaliation by Specialized Personnel, regardless of whether the Employees' complaint was made about Specialized employees, Customers, or other persons.
- g. Employees will not be required to submit a complaint of discrimination or harassment to a supervisor or person against whom they allege the unlawful conduct.
- h. To the extent possible, and subject to Specialized's obligations or as otherwise required by law, Specialized will protect the confidentiality of complainants of discrimination or harassment, and any witnesses or other persons who provide information about the alleged discrimination or harassment.
- i. Specialized will take prompt and appropriate corrective action if it determines a violation of its race discrimination or harassment policy has occurred.
- j. Employees, including management, who violate the Policy are subject to discipline, up to and including discharge.

15. Specialized shall implement and follow its revised Policy on behalf of all its Employees in the State of Illinois. Specialized shall include the Policy in its Employee Handbook. Specialized denies that its current Policy is not legally compliant, but Specialized agrees to update its Employee Handbook with any revised Policy drafted in accordance with this Decree.

16. Specialized shall forward a copy of its Policy, as revised, together with a Spanish translation thereof, to the OAG within forty-five (45) calendar days of the Effective Date for approval. Specialized shall not be obligated to promulgate or implement the revised Policy unless and until it receives such approval from the OAG in writing. To the extent Specialized believes its Policy complies in substance with the requirements of Paragraph 14 already, Specialized may submit its current Policy for review and approval. This and any other submissions, reports, and certifications should be submitted to the address provided in Section IV(I).

(C) DISTRIBUTION OF POLICY TO EMPLOYEES

17. Specialized shall provide a copy of the approved, revised Policy referenced in Section IV(B) of this Decree, in English and Spanish, to: (a) Specialized's Personnel, within thirty (30) days of Specialized's receipt of the OAG's written approval of the revised Policy; (b) each individual who, during the Term, applies in person to become a Temporary Employee, at the time of application; (c) each existing Temporary Employee who, during the Term, is assigned to work for one of Specialized's Customers at the time of acceptance of the assignment; and (d) each existing Temporary Employee who, at the time of Specialized's receipt of the OAG's written approval of the revised Policy, is working for one of Specialized's Customers, within thirty (30) days of receipt of the OAG's approval. Notwithstanding anything herein to the contrary, Specialized shall only be required to provide a copy of the Policy once to each of the foregoing individuals.

18. The revised Policy and its Spanish translation shall be printed in a font that is easily legible (at least 12-point font) and shall be posted or maintained at each Specialized office location in a conspicuous, visible, and accessible place for all Employees to view (such as, by way of illustration, in the waiting area of Specialized's office locations).

19. As required in Section IV(I) of this Decree, Specialized shall provide certifications to the OAG of its compliance with the requirements of this Section of the Decree.

(D) COMPLAINT HOTLINE, COMPLIANCE OFFICER, AND POSTING OF OAG NOTICE

20. Specialized shall establish and maintain a complaint hotline (the "Hotline") for Employees to report any purported incidents of discrimination by Specialized or its Customers.

21. Specialized shall designate an Employee as a compliance officer. The compliance officer shall be responsible for investigating complaints for review and handling pursuant to the Policy and Decree. The compliance officer may designate another Specialized employee or outside investigator to conduct any investigation, subject to the OAG's approval and consent. Specialized shall ensure that all calls received through the Hotline concerning discrimination are reported to the compliance officer. Specialized shall submit its choice of a compliance officer, along with chosen individual's resume, to the OAG for approval, which approval shall not be unreasonably withheld, within 30 calendar days of the Effective Date

22. Within thirty (30) calendar days of the Effective Date, Specialized shall post the Notice attached as Appendix A, which shall be provided to the OAG in English and Spanish, on all bulletin boards or other places where notices are customarily posted within its branch offices, and such other places the OAG deems appropriate. The OAG will have the right to inspect these postings during regular business hours, upon providing reasonable advance notice to Specialized of at least one (1) business day.

23. Every four (4) months, in accordance with the reporting requirements of Section IV(I) of this Decree, Specialized shall aggregate and report to the OAG: (a) all calls received through the Hotline that complained of alleged discrimination on the basis of race; (b) the allegations underlying such

complaints; and (c) what actions were taken by Specialized in response to any such complaint. The OAG may request, and Specialized shall provide upon request, all non-privileged Documents related to the investigation of complaints made through the Hotline along with contact information for any Employees or Personnel who have information relating to these complaints. For avoidance of doubt, notwithstanding anything in this Decree to the contrary, Specialized does not waive and expressly reserves its right to assert attorney-client privilege, work product doctrine, and any other privileges and immunities from disclosure, as applicable. Specialized shall provide a privilege log for any Documents it withholds on the basis of a privilege. The OAG may challenge Specialized's assertion of the attorney-client privileged or work product doctrine with the Court in the event the Parties are unable to resolve any disputes over disclosure.

(E) TRAINING OF PERSONNEL

24. During the term of this Decree, Specialized shall provide an annual training on employment discrimination to all Personnel employed in Illinois ("Personnel Training"). The training shall specifically concern Unlawful Discrimination in the temporary employment context with an emphasis on discrimination on the basis of race.

25. The Personnel Training session, which shall occur, initially, within 120 calendar days of the Effective Date, will be prepared and conducted as follows:

- a. Within thirty (30) calendar days of the Effective Date, Specialized shall select an outside instructor ("Instructor") to organize, conduct, and supervise all Personnel Training sessions. Specialized's choice of Instructor must be approved by the OAG, which approval shall not be unreasonably withheld. Within thirty (30) calendar days of notice to the OAG of the training, Specialized and/or the Instructor will submit the written materials to be used in the Personnel Training to the OAG for approval. The OAG may withhold approval of the Personnel Training if the OAG is not satisfied with the quality, content, and tailoring of the Personnel Training materials submitted. Such approval shall not be unreasonably withheld.
- b. The OAG and Specialized shall confer and agree on the date and location for the initial Personnel Training session.
- c. The Personnel Training may be delivered electronically to Personnel, subject to OAG approval, including in a recorded format. Such approval shall not be unreasonably withheld.
- d. The costs of the Personnel Training will be covered by Specialized.
- e. The OAG reserves the right to attend the Personnel Training sessions. The remaining annual Personnel Training sessions shall be modeled on the initial Personnel Training session and shall take place annually, no later than sixty (60) calendar days after the anniversary date of the initial Personnel Training session.

26. Specialized shall take and maintain attendance lists of all Personnel that participate in the Personnel Training sessions.

(F) AMENDMENTS TO TEMPORARY EMPLOYEE APPLICATIONS

27. Specialized shall offer a written application in physical or electronic format to all Applicants and Job Seekers who walk into one of its branch or onsite offices. This application will prompt Applicants and Job Seekers to voluntarily self-identify their race. Specialized will ensure that it does not prioritize written applications in physical format over those in electronic format or vice versa. For avoidance of doubt, it shall not constitute a violation of this Decree for Specialized to accept an application from an individual who declines to self-identify their race. Specialized shall submit a description of its application process and the forms it will use to prompt Applicants and Job Seekers to voluntarily self-identify their race to the OAG for approval with respect to this decree within thirty (30) days of the Effective Date. The OAG's approval shall not be unreasonably withheld.

(G) OBLIGATIONS REGARDING CUSTOMER RELATIONSHIPS

28. During the Term, Specialized will reiterate to its Customers, on an annual basis, that Specialized is an equal employment opportunity employer and does not fill assignments based on race or any other characteristic or classification protected by the Act.

29. Unless impractical to do so, Specialized shall receive and respond to Customers' requests for Temporary Employees through written correspondence, such as email.

30. Should Specialized receive what it reasonably believes to be an Unlawfully Discriminatory request for Temporary Employees from a Customer based on race, either directly or through the use of code words or other proxies for Unlawful Discrimination, Specialized shall:

- a. Respond to the Customer in writing with a response identifying the request as potentially Unlawfully Discriminatory, reiterating its equal employment opportunity policy and refusal to fulfill Unlawfully Discriminatory requests; and
- b. Report the potentially unlawful race discrimination request to the compliance officer, as defined in Section IV(D), in writing.

31. Specialized shall include in all new written agreements with Customers the following provisions:

- a. A notice that Specialized is an equal employment opportunity employer, does not fill assignments based on race or any other protected class, and will not accept any Unlawfully Discriminatory requests for Temporary Employees through the use of code words or other proxies for Unlawful Discrimination.
- b. A requirement that Customers shall report any complaint involving alleged race discrimination relating to Specialized's Temporary Employees in writing to Specialized's compliance officer no later than two (2) business days after such complaint.

c. A requirement that Customers make all Do Not Return ("DNR") requests, or other requests to cancel or terminate a Temporary Employee's assignment, in writing, together with a reason supporting the DNR request. Specialized shall inquire, in writing, after such reason if none is initially provided. All such DNR requests and related correspondence shall be preserved through the Term of the Decree.

32. To the extent, if any, that Specialized's current agreements with its existing Customers do not contain provisions substantially the same as those required by the immediately preceding Paragraph, Specialized shall send each such Customer, via e-mail, the notice called for in Paragraph 31(a) together with a request that the Customer provide the reports called for in Paragraph 31(b). The foregoing shall be sent to the principal Customer contact and the Customer's employee responsible for performing the Customer's Human Resources/Recruiting functions. Specialized will comply with Paragraph 31 at the time any of its current Customer agreements are renewed.

(H) RECORD-KEEPING

33. Specialized shall maintain in a text-delimited format or in a format that may be exported into a text-delimited format, such as Excel, the following information throughout the Term of this Decree:

- a) The name and address of each Applicant and Job Seeker, if provided;
- b) The telephone number of each Applicant and Job Seeker, if provided;
- c) The self-identified race of each Applicant and Job Seeker pursuant to Section IV(F) of this Decree, if provided;
- d) The date an Applicant and Job Seeker sought employment;
- e) The date(s) the Applicant and Job Seeker was contacted or attempted to be contacted about a potential assignment, if applicable;
- f) The assignment(s) offered to the Applicant or Job Seeker, if applicable; and
- g) The reason, if any, an Applicant or Job Seeker did not accept the assignment offered, if applicable.

34. Specialized shall prompt Temporary Employees whose race information is missing as of the Effective Date from the Staffing Agency's records, to self-identify their race in accordance with the Equal Employment Opportunity Commission EEO-1 Component 1 data collection guidelines upon requesting a new assignment, and shall maintain such information in a text-delimited format or in a format that may be exported into a text-delimited format, such as Excel.

35. Specialized shall maintain in a text-delimited format, or in a format that may be exported into a text-delimited format such as Excel, the following information for every Temporary Employee assigned to Mistica throughout the Term of this Decree:

- a) The name of each Temporary Employee assigned to Mistica;
- b) The address of each Temporary Employee assigned to Mistica;
- c) The identification number for the Temporary Employee to Mistica;
- d) The address of the Mistica site to which the Temporary Employee was assigned;
- e) The race of the Temporary Employee assigned to Mistica, if available;
- f) The branch office or on-site office through which the Temporary Employee was assigned to Mistica;
- g) The rate of pay of the Temporary Employee assigned to Mistica;
- h) The dates the Temporary Employee was assigned to Mistica;
- i) The hours worked by each Temporary Employee assigned to the Mistica during each week; and
- j) The job position being performed by the Temporary Employee at Mistica.

36. Specialized shall maintain all correspondence with Customers referenced under Section(G) "Obligations Regarding Customer Relationships," throughout the Term of this Decree.

(I) **REPORTING REQUIREMENTS**

37. Every four (4) months, starting four months from the Effective Date, Specialized shall submit to the OAG a report of:

a) All Employee complaints of alleged race discrimination, to the extent that Specialized is aware of any such complaints, within the four-month period preceding the report. The report shall include, if available, the complainant's name, the date of the initial complaint, the complainant's job title, the location of the complained-of conduct, the complainant's phone number, a summary of the complaint, the name(s) of the person(s) complained of, and a summary of any action(s) taken by Specialized pursuant to its Policy. Specialized shall not use any information it compiles or produces pursuant to this requirement for any reason unrelated to the enforcement of its Policy, compliance with this Decree, compliance with its own policies, or on the advice of its legal counsel.

b) All requests, responses, and reports referenced in Paragraph 30 hereof made within the preceding four-month period, together with a summary of Specialized's resolution. Specialized shall not use any information it compiles or produces pursuant to this requirement for any reason unrelated to the enforcement of its Policy and compliance with this Decree, compliance with its own policies, or on the advice of its legal counsel.

38. Specialized will voluntarily submit its Policy and practices to prevent Unlawful Discrimination to auditing by the OAG. The OAG reserves the right to perform such audits semiannually, with the first potential audit beginning no earlier than six (6) months from the Effective Date. In the event the OAG exercises its right to perform an audit of Specialized, Specialized will, upon request, make available the data and records itemized in Sections (D), (G) and (H) of this Decree. The OAG may request that such data and records be produced on a sampling basis.

39. On a semi-annual basis, starting six (6) months from the Effective Date, Specialized shall submit to the OAG a sworn certification of its compliance with all provisions of this Decree.

40. Specialized shall send each report, as well as all other notifications and certifications required from Specialized by this Decree, in electronic or paper form, to the following address:

Alvar Ayala Workplace Rights Bureau Chief Office of the Illinois Attorney General 100 W Randolph Street, 11th Floor Chicago, Illinois 60601 *alvar.ayala@ilag.gov*

(J) **RECRUITMENT EFFORTS**

41. Specialized shall endeavor in good faith to increase the percentage of its African American Temporary Employees by conducting recruitment activities in the African American community, as follows:

- a) On at least a bi-monthly basis during the Term, starting two (2) months after the Effective Date, Specialized shall actively recruit African Americans by advertising open positions by one of the following methods: (1) radio advertisements on WGCI (107.5 FM), V103 (WVAZ-102.7 FM), or WVON (1690 AM) radio; (2) advertisements on the Facebook or Twitter accounts of WGCI (107.5 FM), V103 (WVAZ-102.7 FM), or WVON (1690 AM) radio; or (3) on the Urban League Job Network (https://nul.org/program/jobs-network).
- b) On at least a quarterly basis during the Term, with the first quarter commencing three (3) months after the Effective Date, Specialized shall participate in at least one job/career fair geared toward African Americans in Chicago-area communities. Examples of such communities are listed in Appendix B. Specialized shall inform the OAG of its plan for participating in job/career fairs at least two (2) weeks in advance of each such event. The OAG reserves the right to recommend, with thirty (30) calendar days' notice to Specialized, which job/career fair Specialized should participate in during any given quarter. Specialized will accept that recommendation unless it is not reasonable for it to do so due to staffing or other business needs. Specialized's participation in the job/career fair recommended by

the OAG will satisfy Specialized's obligation to participate in a job/career fair during that quarter.

- c) On a quarterly basis during the Term, with the first quarter commencing three (3) months after the Effective Date, Specialized shall send a letter to the following agencies, notifying them that Specialized accepts applications for temporary employment, describing the types of jobs available with Specialized, and inviting the agencies to refer applicants to Specialized: Chicago Urban League, Chicago Workforce Center (Northside), Chicago Workforce Center (Garfield), Woodlawn Resource Center and Chicago Workforce Center (Southwest).
- d) On a quarterly basis during the Term, with the first quarter commencing three (3) months after the Effective Date, Specialized shall provide the OAG with the following information in an Excel format:
 - i. The pool of self-identified African American Temporary Employees, Applicants and Job Seekers who are eligible for assignment at Mistica. The pool of African American Temporary Employees, Applicants and Jobs Seekers eligible for assignments at Mistica shall include all Day or Temporary Laborers as defined by 820 ILCS 175/5 who have self-identified as African American, and been assigned to work by Specialized to a Third Party Company as defined by 820 ILCS 175/5 within at least the trailing four-year period, along with all other Applicants and Job Seekers who have self-identified as African American available for assignment by Specialized within at least the preceding four (4) years. Subject to the requirements of Paragraph 34, Specialized's failure to include in the pool African American Temporary Employees, Applicants and Job Seekers who: (a) did not selfidentify their race prior to the entry of this Decree, and who have not received a new assignment after the Effective Date; or (b) whose race information was not stored electronically prior to the entry of this Decree, and have not received a new assignment after the Effective Date, shall not constitute a violation of the Decree.
 - ii. The name, address, and telephone number, if available, of each selfidentified African American Temporary Employee, Applicant and Job Seeker applicant who, in the immediately preceding three-month period, was contacted and offered an assignment at Mistica.
 - The date(s) that, in the immediately preceding three-month period, Specialized contacted the self-identified African American Temporary Employee, Applicant or Job Seeker to offer him or her an assignment at Mistica, if applicable.
 - iv. Whether the self-identified African American Temporary Employee, Applicant or Job Seeker accepted the assignment, if applicable.

V. MONETARY RELIEF

42. Within thirty (30) calendar days of the Effective Date, Specialized shall pay a total of one hundred eighty thousand U.S. dollars (\$180,000) to resolve this matter, including the OAG's claim for civil penalties pursuant to Section 10-104(B)(1)(a) of the Act. This payment shall not constitute an adjudication or finding on the merits of the OAG's claim for civil penalties or an admission of liability or wrongdoing by Specialized. This payment shall be made payable by check to the "Office of the Illinois Attorney General" and this amount shall be deposited into the Attorney General State Projects and Court Ordered Distribution Fund (the "Fund") for subsequent expenditure at the sole discretion of and as authorized by the Attorney General.

43. The above-referenced payment and any reports due under this Decree shall be delivered to the following address:

Alvar Ayala Workplace Rights Bureau Chief Office of the Illinois Attorney General 100 W Randolph Street, 11th Floor Chicago, Illinois 60601 *alvar.ayala@ilag.gov*

44. Any and all written notices and written communications between the Parties referenced in or required by this Decree shall (a) be sent by (i) email (effective upon transmittal); (ii) personal delivery (effective upon personal delivery); or (iii) a nationally recognized, commercial overnight delivery service with provisions for a receipt (effective upon receipt by addressee); and (b) shall be addressed to each Party, as applicable, as follows:

If to the OAG:

Alvar Ayala Workplace Rights Bureau Chief Office of the Illinois Attorney General 100 W. Randolph Street, 11th Floor Chicago, Illinois 60601 *alvar.ayala@ilag.gov* If to Specialized:

Idania Stack Samantha Kruger Specialized Staffing Solutions, Inc. 15020 S. Cicero Ave., Ste. D Oak Forest, Illinois 60452 *idania@csilabor.com samantha.kruger@ssslabor.com*

With a copy to:

Courtney D. Tedrowe S. Leigh Jeter Michael Best & Friedrich LLP 444 W. Lake Street, Ste. 3200

Chicago, IL 60606 cdtedrowe@michaelbest.com sljeter@michaelbest.com

VI. <u>DISPUTE RESOLUTION</u>

45. In the event the OAG reasonably believes that Specialized has failed to comply with any provision of this Decree, the OAG shall notify Specialized of the alleged noncompliance, in writing, which notification shall generally explain the basis for the OAG's belief and sufficient facts concerning the purported noncompliance so that Specialized can meaningfully respond. Specialized shall have fifteen (15) days after receipt of the notice to respond to the OAG, in writing, either by: (a) stating what remedial actions Specialized has taken to remedy the alleged noncompliance; or (b) stating why the OAG's belief is erroneous. If the parties do not reach an agreement within thirty (30) days after the OAG's written notice, the OAG shall have the right to seek court intervention to enforce the terms of this Decree. No party shall contest the Court's jurisdiction to hear a dispute arising from the Decree nor challenge the OAG's ability to bring an action to enforce the terms of the Decree in this Court. Nothing in this paragraph, however, precludes Specialized's right to oppose and defend against any such enforcement suit.

46. If a Party is found by this Court to have materially violated the provisions of this Decree, that Party shall be liable for all attorneys' fees and costs expended by the other Party in enforcing the Decree in court.

47. This Decree constitutes the entire agreement between Specialized and the OAG with respect to the matters herein, and it supersedes all negotiations, representations, comments, contracts, and writings prior to the date this Decree is executed.

VII. <u>SIGNATURES</u>

48. Facsimiles and electronic (PDF) copies are deemed acceptable, binding signatures for the purposes of this Decree. This Decree may be executed in counterparts, each of which will be deemed an original, and all of which constitute one and the same agreement.

THE OFFICE OF THE ILLINOIS ATTORNEY GENERAL

KWAME RAOUL Attorney General of the State of Illinois

Dated: October 12, 2021

By: Alvar Ayala Workplace Rights Bureau Chief 100 West Randolph Street, 11th Floor Chicago, Illinois 60601 (312) 343-0099 alvar.ayala@ilag.gov

SPECIALIZED STAFFING SOLUTIONS, INC.

Dated: October 4, 2021

By

Idania Stack / Specialized Staffing Solutions, Inc. 15020 S. Cicero Ave., Ste. D Oak Forest, Illinois 60452

Title: President

APPENDIX A NOTICE TO ALL EMPLOYEES

This notice is being posted pursuant to a Consent Decree between the Illinois Attorney General and Specialized Staffing Solutions, Inc. ("Specialized"). Specialized is working cooperatively with the Illinois Attorney General to ensure that employees have equal access to assignments through Specialized regardless of their race or other protected basis.

We hereby notify our employees of the following:

We will protect your right to an equal opportunity to work through Specialized as well as your right to work in an environment free of discrimination. We will ensure that assignments are offered to employees based on employees' skills, qualifications, and ability to meet the minimum requirements for the positions available through Specialized.

If you feel you have been a victim of race discrimination or any other form of unlawful discrimination, we encourage you to report it to your supervisors or managers at Specialized or by contacting Specialized at the number below:

HOTLINE

If you have any concerns over Specialized's investigation of your allegations of race-based discrimination, you may contact the Office of the Illinois Attorney General's Workplace Rights Bureau to report any such concerns at the number below:

844-740-5076

If you believe you have been the victim of race discrimination, you have 300 days from the alleged violation to file a Complaint with any of the agencies below in order to protect your right to seek a remedy for the alleged violation

Illinois Department of Human Rights: 312-814-6200 (Tel); 866-740-3953 (TTY); https://www2.illinois.gov/dhr/

Equal Employment Opportunity Commission: 1-800-669-4000 (Tel); 312-869-8001 (TTY); <u>https://www.eeoc.gov/field/chicago/</u>

Office of the Illinois Attorney General, Workplace Rights Bureau: 844-740-5076 (TTY) 1-800-964-3013

AVISO A TODOS LOS EMPLEADOS

Este aviso se distribuye en conformidad con un Decreto de Consentimiento entre la Oficina del Procurador General de Illinois y Specialized Staffing Solutions, Inc. ("Specialized"). Specialized está trabajando con el Procurador General de Illinois para asegurar que los empleados tengan el mismo acceso a posiciones disponibles a través de Specialized, sin importar su raza u otro característica protegida.

Por medio de la presente notificamos a nuestros empleados sobre lo siguiente:

Protegeremos su derecho a tener igualdad en sus oportunidades de empleo y a trabajar en un entorno libre de discriminación. Aseguraremos que las posiciones de nuestro lugar de trabajo sean asignadas basado en las aptitudes, calificaciones y habilidad de los trabajadores para llenar los requisitos mínimos para cada posición.

Si siente que ha sido víctima de discriminación en base a su raza, le recomendamos que lo reporte a sus supervisores o gerentes de Specialized o se comunique con Specialized al número que aparece a continuación:

HOTLINE

Si tiene alguna preocupación sobre la investigación de Specialized de sus alegaciones de discriminación basada en la raza, puede comunicarse con la Oficina del Procurador General de Illinois para reportar inquietud de su(s) Queja(s) al número siguiente:



Si usted cree que ha sido víctima discriminación basada en su raza, debe presentar una queja ante una de las agencias a continuación dentro de los 300 días de la violación para proteger su derecho a buscar un remedio para la presunta violación:

Departamento de Derechos Humanos de Illinois: 312-814-6200 (Tel); 866-740-3953 (TTY); https://www2.illinois.gov/dhr/

Comisión de Igualdad de Oportunidades en el Empleo: 1-800-669-4000 (Tel); 312-869-8001 (TTY); https://www.eeoc.gov/field/chicago/

Oficina del Procurador General de Illinois, Buro de Derechos Laborales: 844-740-5076 (TTY) 1-800-964-3013

APPENDIX B

SOUTH SIDE Ashburn Avalon Park Burnside **Calumet Heights** Chatham Chicago Lawn Douglas Englewood Fuller Park Grand Boulevard Grand Crossing Hyde Park Kenwood Morgan Park Oakland Pullman Riverdale Roseland South Chicago South Deering South Shore Washington Heights Washington Park West Englewood West Pullman Woodlawn

WEST SIDE

Near West Side Austin East Garfield Park North Lawndale West Garfield Park West Humboldt Park Austin

COOK COUNTY

Bellwood Broadview Burnham Calumet City Calumet Park Country Club Hills