

Morgan Lewis

strategic partnership

counselors

## I-9 eSource®

The Complete I-9 and E-Verify Solution for Employers

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## I-9 eSource

### Technology + Expertise = Control

I-9 eSource combines the knowledge, experience, and service you expect from Morgan Lewis with the best I-9 software technology available to provide employers with an unbeatable opportunity to:

- Reduce the risk of potentially significant fines for a fraction of the overall exposure
- Significantly reduce administrative overhead associated with I-9 compliance
- Reduce storage costs
- Participate in E-Verify

*Morgan Lewis I-9 eSource is the only web-based I-9 and E-Verify solution to combine technology with the expertise of a full-service global law firm.*

For many employers, the question is “where do I start?” The challenges of participating in E-Verify and getting control over an I-9 compliance program, especially for growing or highly decentralized companies, can seem overwhelming. Fortunately for them, Morgan Lewis is in the “solutions” business. The attorneys and other professionals at Morgan Lewis have spent years advising companies of all sizes on creating and implementing I-9 compliance programs that fit the company structure and culture.

### I-9 eSource Technology

Morgan Lewis, in partnership with the leading developer of I-9 compliance software, offers clients a hosted, web-based software product that ensures Form I-9 compliance.<sup>1</sup> In addition, Morgan Lewis is a Department of Homeland Security (DHS) authorized Designated Agent for E-Verify. I-9 eSource provides:

- Full integration with E-Verify
- Legal logic that catches I-9 errors immediately and creates audit-ready forms
- Sample images of genuine documents to help spot fakes
- Safeguards against bogus Social Security numbers within your company
- Storage of I-9 forms for new and previously hired employees
- Compliance with government regulations to entirely replace paper I-9 forms
- Retention solutions for terminated employees
- Unlimited custom reports
- Email notification of expiring documents that need to be reverified
- Uploading capability to attach employees’ documents electronically to each I-9 form
- Comprehensive training, technical support, and customer service
- Secure data encryption and password protection

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<sup>1</sup> The Morgan Lewis I-9 eSource software component is developed and maintained by Lookout Services, Inc.

- Unlimited number of users, with restrictions to specified access level

I-9 eSource technology prevents Form I-9 mistakes that can lead to costly consequences. Immigration attorneys and IT developers worked together to design the rules-based software. In cooperation with Morgan Lewis, the software is kept up to date to ensure that it conforms to the latest regulations issued by the DHS.

I-9 eSource software is the leading automated I-9 software in the United States, with users in more than 5,000 locations nationwide. It is the most scalable software on the market for large users of Form I-9. It is effective as a standalone I-9 tool, but also offers the option of an automatic and seamless interface with the E-Verify program.

To date, no other software has been able to match the distinctiveness, ease of use, and robust capabilities of the I-9 eSource technology – a product that, through heavy usage and feedback from clients that include some of America’s largest employers, has developed and evolved into the industry standard.

## Benefits of I-9 eSource Technology

### Compliance

- ✓ Links seamlessly to E-Verify
- ✓ Eliminates errors and omissions as each Form I-9 is completed
- ✓ Provides tips and alerts to flag exceptions and eliminate confusion while the I-9 form is being prepared
- ✓ Prevents fraud and typing errors and prohibits creation of Forms I-9 with duplicate SSNs or admission and alien numbers within an organization
- ✓ “Legal Notice” screen alerts employer representatives to breaking developments that affect completion of the Form I-9
- ✓ Compares Form I-9 information with the Department of Treasury Office of Foreign Assets Control (OFAC) list of aliens “blocked” from U.S. employment (optional)
- ✓ Utilizes the expertise and experience of noted Form I-9 authorities whose knowledge is built into the software
- ✓ Reinforces employer’s good-faith compliance in the event of an official audit
- ✓ All documents with future expiration dates that must be updated trigger email notifications in advance with standard emails being delivered 180, 90, 60, 30, and 0 days before they expire
- ✓ Standard letters can be generated to inform employees of upcoming expiration dates
- ✓ Provides a tool for audits of existing I-9 forms

### Efficiency

- ✓ Captures electronic signatures
- ✓ Accommodates remote hiring situations
- ✓ Retains Form I-9 records electronically at a centralized location, with full compliance
- ✓ Eliminates the need for ongoing audits
- ✓ Provides pop-up “bubble” text for every field as a built-in tutorial for “learning while doing”

- ✓ Sample documents assist with work eligibility verification and preventing document fraud
- ✓ Reduces reliance on site staff for compliance with complex rules
- ✓ Provides online reference materials to support determinations of identity and work authorization
- ✓ Existing Forms I-9 and supporting documentation can be scanned and attached to an electronic system, and paper Forms I-9 can then be destroyed
- ✓ Web-based access is available around the clock, anywhere

## Oversight

- ✓ Central access to all Form I-9 records completed at all hiring locations
- ✓ Reduces company risk by tracking Form I-9 compliance and consistency entitywide to identify trouble spots for training and use of reference materials
- ✓ Automatic emails repeatedly notify staff of required actions
- ✓ Tracks Form I-9 retention requirements to eliminate Form I-9 risk over time
- ✓ Accommodates changes in law as soon as they are effective
- ✓ Provides standardized reporting and the flexibility to generate unique reports from Form I-9 data – functionality that typically is not available from other sources
- ✓ Data for existing employee (historical) I-9 forms can be audited to determine Form I-9 risk
- ✓ Ability to measure risks prior to merger and acquisition commitment

*As attorneys, we understand that when it comes to I-9s and E-Verify, the best defense is . . . a good DEFENSE.*

## I-9 eSource - Compliance

Since November 6, 1986, employers have been required to verify the employment eligibility of every employee working in the United States, including U.S. citizens. To comply with this requirement, employers must ensure that all employees complete the DHS Form I-9 and maintain all I-9 records on file for government inspection. In addition to the Form I-9, many employers are concluding that it is time either to enroll or to prepare for enrollment in the federal government E-Verify program.

Due to rampant counterfeiting and use of false legal documents, even E-Verify participation and full compliance with paperwork requirements fail to immunize employers against government raids and the operational disruption and media embarrassment from removal of workers. Employers whose Forms I-9 are in good shape can often avoid liability, even when workers turn out to have been ineligible for employment. I-9 eSource can help employers qualify for a good-faith defense to avoid employer sanctions.

## I-9 eSource: More Than a Web-Based Form Filler

I-9 eSource technology enables accurate online creation of failsafe I-9 forms. The system is far more than a Web-based form filler. Our digital I-9 form is governed by multiple rules that apply to individual data fields. Some of these rules are enforced across several fields, both within and across sections of the I-9 form. Consistency is forced within each section and across sections. To our knowledge, I-9 eSource technology is the only automated Form I-9 compliance system to provide a truly comprehensive audit on demand.

Our Web-based system guides the employer representative quickly and easily through the familiar I-9 form. Error Rules, Alerts, and Tips associated with specific fields provide thorough guidelines for the completion of the form, answering questions when needed and allowing for timely error resolution during completion of the form. At the employer's option, I-9 forms cannot be signed until all curable errors are eliminated, including omission errors, logic errors, correlation errors, and formatting errors. All outstanding errors are compiled into reports so that management is aware of the status of noncompliant I-9 forms.

I-9 eSource technology solves problems that compliance-minded employers have experienced since the initial implementation of the government's employment eligibility verification rules in 1986.

- ▶ **Existing I-9 Form Audits:** I-9 eSource technology provides for easy migration of existing or historical I-9 forms to electronic I-9 forms or audits. Morgan Lewis can assist you with the conversion, including data entry, scanning of forms, or both.
- ▶ **Audit Historical I-9 Forms:** I-9 forms can be audited, corrected, and stored electronically by keying them in and using the reporting functions of the application to evaluate the corporate risk posed by the I-9 forms of existing employees and former employees for which the company is still liable. I-9 forms can be corrected and then scanned electronically.
- ▶ **Existing I-9 Conversion:** Employers can convert to wholly electronic completion and storage of I-9 forms, continue to complete I-9 forms on paper, or convert to some combination of both. Whether totally electronic or not, I-9 eSource technology can import data from, and export data to, other enterprise applications in order to maintain I-9 forms and support corporate HR and payroll applications.
- ▶ **Extensive Reporting:** The reporting system tracks document expiration dates and proactively issues email alerts to the responsible staff members to ensure follow-up actions. Document expiration warning letters are sent automatically to employees for their action. The standard notices are sent 180, 120, 90, 60, 30, and 0 days before the documents expire. Other email notification options are available to ensure timely compliance with reverification requirements.
- ▶ **Pattern and Practice Errors:** I-9 eSource technology notes and tracks all incurable errors, such as missing the three-day deadline for completing Form I-9 Section 2. The system provides standard reports according to the company's hierarchical organizational structure that list all errors that could result in fines. Access to this reporting system is controlled by a security or clearance structure that is in alignment with the company's organizational security structure. All authorized Form I-9 oversight personnel can log in to the application from any location and view I-9 forms as soon as they are saved to the system.
- ▶ **Clearance Levels:** The reporting system allows the appropriate level of access based on job responsibility throughout the organization. Everyone involved in oversight can view the same document at the same time. When talking to the company attorney, both the employer representative and the attorney can view a document from different locations via the Web, providing easier and faster problem resolution.

New Hire Access:	Can add I-9 forms
Submitter:	Can add and review I-9 forms, and switch and reassign employees to a different internal unit
Staff:	Same as "submitter" but can also edit existing I-9 forms and see pertinent reports
Admin:	Same as "staff" but can also administer logons for assigned units/companies and may create subsidiary units/companies

When a new user is created, the administrator can do any of the following:

- ✓ assign the new user the appropriate level of clearance

- ✓ assign the new user to one or more hiring sites/offices, so that visibility can be as broad or as narrow as desired
  - ✓ elect for the new user to receive email notification of E-Verify queries that require user intervention
- ▶ **OFAC Checks (Optional):** The software automatically and seamlessly interfaces with the OFAC Blocked Persons List. The system compares the new hire information against the names of individuals not permitted to work for U.S. employers.
- ▶ **Companywide Management:** Now, management can easily have companywide visibility and control of the Form I-9 process. Prior to having this technology, corporate managers published policies and instructions regarding the manual creation and maintenance of paper I-9 forms, and provided these policies and instructions for use at remote company locations. However, they were unable to directly enforce these policies consistently throughout the organization without the significant cost of audits by highly paid specialists. Now, through centralized reporting and management visibility, senior management can ensure success throughout the organization with a capability that quickly pinpoints areas that need attention, drastically reducing the time, effort, and expense required to ensure compliance.

### E-Verify Compliance (Optional):

- ▶ **Seamless Interface:** With Morgan Lewis acting as your designated agent, I-9 eSource can serve as your E-Verify link, avoiding the need for extra data entry, and helping you manage any required follow-up to an E-Verify query.
- ▶ **Automated Emails:** System-generated emails are sent to the appropriate employer representatives whenever employer intervention is required following an E-Verify query.
- ▶ **Stamping of I-9 Form:** The electronic I-9 form is stamped with the E-Verify case number (dynamic link) and query status in accordance with the E-Verify rules, and is automatically updated as a query proceeds to resolution.
- ▶ **Site Registration:** I-9 eSource flexibility allows you to designate certain sites or locations as active for E-Verify as an alternative to companywide E-Verify registration

### I-9 eSource: Additional Benefits & Services:

- ▶ **Reduce Identity Theft:** To reduce the possibility of identity theft, the system guides the employer representative in making judgments about employment authorization documents. Pop-up sample documents and descriptions are available as documents are selected. Tables provide codes required on specific documents to validate their authenticity.
- ▶ **Automatic Deployment:** Any new legal requirements for the Form I-9 are promptly incorporated into the I-9 eSource technology. Users of I-9 eSource also will receive timely I-9 eSource Alerts informing them of required changes in the way the I-9 form is completed. Some of these requirements are of a temporary nature, for example a change in the Temporary Protected Status (TPS) of individuals from various countries. Permanent changes to regulations are programmed into the application and become part of the rules-based audit that executes while each I-9 form is being keyed into the application.
- ▶ **Self-Training:** The system trains employer representatives to complete the I-9 form correctly, reducing the time for future completion. No additional Form I-9 compliance training is needed. The system's tips, alerts, and instant audit capabilities educate employer representatives as they

complete the form. Answers to questions are immediately available when they are needed. Errors on the form are listed, with a clear description of how to fix them.

- ▶ **Cost Savings:** The system eliminates much of the time and resources needed for compliance. There is no need for using multiple layers of company personnel or outside advisors to ensure I-9 compliance. The system provides batch auditing capability for ensuring compliance during mergers and acquisitions, or for ICE Audits. Batch processes for handling section imports, matches, terminations, and transfers provide additional efficiency.
- ▶ **Paperless Solution:** I-9 eSource offers a paperless solution with electronic signature so that employers can now sign and store the I-9 form electronically. I-9 eSource technology is consistent with USCIS guidelines regarding electronic signature and storage. The platform offers several ways to capture and store electronic signatures and forms. The requirement to provide the employee a receipt for Section 1 of the I-9 form is made easy with our system.
- ▶ **Unique Add-On Features:**
  - A termination box is added to the system for reporting purposes.
  - A Section 1 special “H-1B Portability” box is provided.
  - In Section 2, List A, a third document box is added to provide adequate space for those students or exchange visitors who are required to present three documents for the Form I-9.
  - CSV File Batch Send Process for Terminated I-9s, Matching Data, Historical I-9 Upload, and Transfers.
  - Numerous company setup options allow for flexible company policies.

## I-9 eSource: Special Rules

I-9 eSource technology is engineered to ensure compliance with rules operating within each section and across sections, even across I-9 forms within the company archive.

### special rules include

In Section B, individuals under the age of 16 must use documents permitted only for minors.

Refugee and Asylee documents are divided between those allowed as “indefinite” proof of eligibility to work, and those considered receipts.

All documents that are considered to be “receipts” only are dealt with uniquely by calculating the period of eligibility.

Aliens with temporary authorization to work are not permitted to use a Social Security card in Section 2, List A.

Citizens of The Federated State of Micronesia and The Republic of Marshall Islands are addressed in the system.

List A, B, and C drop-down menus are provided for documents, issuing authorities, foreign countries, and zip codes.

List B documents require a photo for E-Verify customers.

Rules inform and require compliance when more than one document is required in List A.

Expiration dates are compared to hire dates to prevent acceptance of expired documents.

Dates of documents requiring reverification are tracked.

Date of Hire is required.

Authorized Representative information is pre-populated per company policy.

Authorized Representative signature is required and can be accomplished by electronic signature.

## I-9 eSource Subject Matter Expertise

The value of I-9 eSource software is enhanced considerably by combining the technology solution with subject matter support – experts when you need them, with experience-tested answers to your questions. By choosing Morgan Lewis I-9 eSource as a software tool, and Morgan Lewis as counsel for immigration compliance issues, you can double-down on the value of your technology platform by ensuring that you have substantive support when you need it.

*Enhance the value of your I-9 solution by partnering with Morgan Lewis attorneys for legal support with your I-9 and E-Verify programs.*

Morgan Lewis immigration compliance clients benefit from:

- access to a Morgan Lewis professionally staffed I-9 Hotline to answer questions regarding I-9 completion;
- assistance in developing and implementing companywide I-9 compliance policies and protocols;
- assistance in preparing for a government audit of I-9 forms;
- guidance on avoiding exposure to claims of unfair immigration-related employment practices;
- training of company personnel with I-9 compliance responsibilities; and
- assistance with E-Verify compliance.

Morgan Lewis immigration compliance attorneys include national leaders who are widely recognized for their expertise in advising clients with respect to U.S. immigration laws and corporate immigration compliance. Our in-depth experience goes beyond completing I-9 forms, and includes:

- design and implementation of corporate immigration compliance programs;
- compliance counseling in connection with mergers and acquisitions;
- advising companies in connection with government investigations (DHS/ICE, DOL, and state agencies);
- responding to Social Security “No-Match” letters;
- complying with state immigration laws; and
- counseling on the relationship between immigration compliance and union activities.

## I-9 eSource Fee Structure

Pricing for I-9 eSource is on a flat-fee matrix that is based on the volume of I-9 forms entered into the company's I-9 eSource database. There are no additional fees for use of any of the I-9 eSource functionality. Accordingly, the flat fee includes:

- creation of the I-9;
- retention of the I-9;
- optional processing through E-Verify, SSNVS, and OFAC;
- printing of I-9 forms (on your printer);
- creation of reports;
- initial configuration of the I-9 eSource platform to meet company needs and protocols;
- initial training, based on a train-the-trainer model, of all I-9 administrative personnel;
- preparation and filing of the E-Verify Designated Agent Memorandum of Understanding;
- registration for E-Verify on a per-site basis or companywide;
- monitoring of I-9 and E-Verify system alerts; and
- receipt of Morgan Lewis Immigration Alerts, including E-Verify and immigration compliance.

Additional services for which special pricing is available include:

- data entry and auditing of historical I-9 forms;
- data entry and auditing of I-9 forms in connection with a merger or acquisition; and
- complete off-site management of the I-9 and E-Verify compliance program by the I-9 eSource team at Morgan Lewis.

In addition, we offer creative and value-based pricing opportunities for I-9 eSource employers that choose to engage Morgan Lewis as outside counsel to provide substantive legal support for their I-9 and E-Verify programs.