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CASE STUDY · MARLUC SYNOPSIS

iTutorGroup applicant screening

IMPLEMENTED 2020–2023 · EDUCATION · US · BAND F · PARTLY PROVED

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A US regulator alleged that a tutoring company's application software automatically rejected older applicants. The company denied it and settled for US$365,000 under a court-approved consent decree, with no admission.

ABOUT THIS SYNOPSIS

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NOTICE WORDING LAST UPDATED 16 NOVEMBER 2026

AT A GLANCE

What went wrong: Unlawful or non-compliant use.

AI and automation used: Automated applicant screening software, described by the EEOC as programmed with age cut-offs; whether it used AI is unclear from the sources.

Implemented: 2020–2023. Grade: band F, Failure, Partly proved.

Headline result, as reported: US$365,000 paid under a consent decree after the EEOC alleged application software automatically rejected older applicants; the company denied the allegations

1 · The case

The facts, as reported by the 5 sources listed at the end. Where a source is silent, the field says "Not reported".

Organisation

iTutorGroup. Three companies providing online English-language tutoring to students in China under the iTutorGroup brand. By the EEOC's account they hired thousands of US-based tutors each year, working remotely. They have since stopped hiring tutors in the US. Canvas block: 8. Governance and risk. Also 5. People and skills, 6. Data and technology.

Business challenge

The challenge. Not reported. By the EEOC's account, the companies hired thousands of US-based tutors each year and took applications through online recruitment software.

How it was addressed. The EEOC alleged that in 2020 iTutorGroup programmed its tutor

Who implemented it

The companies' own application software; who built it is not reported.

Technology (SEAM pillar E)

SEAM types: not established; the sources do not say how the system works. Deployment: Not reported. Vendors and products: Not reported.

Where it was built in: Tutor application software on the companies' recruitment website, which asked applicants for a date of birth.

What changed

Before, as alleged: applicants gave a date of birth and the software rejected older applicants automatically. After: the companies had stopped hiring tutors in the US, and the decree bars them from screening tutor applicants by age or asking for a date of birth before a job offer if they resume. [1] [2] [3] [4] [5]

Cost of failure

US$365,000 paid into a claims fund under the consent decree, treated half as compensatory damages and half as back pay. The defendants also bear the employer's share of payroll taxes on the back pay. Legal costs and the cost of the software: Not reported.

What it saved

Not reported [1] [2] [3] [4] [5]

Governance and control

The decree records no admission and was entered without findings of fact. It bars rejecting tutor applicants aged 40 or over because of age, screening by age or sex, and asking for dates of birth before a job offer. If US hiring resumes, the companies must adopt anti-discrimination policies, train those involved in hiring, invite the rejected applicants to reapply and interview those who do. The EEOC may inspect records and interview staff. Who owned the software, and whether it was tested or reviewed: Not reported.

S2 · Accountable owner · Not reported
No owner of the application software is reported; the EEOC's chair said the employer is still responsible when technology automates discrimination. [1]

A1 · Safe use · Not reported
No policy on use of the software is reported; the decree requires anti-discrimination policies and training if US hiring resumes. [3]

A2 · Human in the loop · Not reported
The EEOC alleged that rejection was automatic; whether a person reviewed rejections is not reported. [1]

A3 · Monitoring and assurance · Not reported
No testing or audit of the software is reported; under the decree the EEOC may inspect records and interview staff if hiring resumes. [3]

A4 · Vendor AI · Not reported
Whether the software was built in-house or bought is not reported.

A5 · Agent controls · Not reported
No agents described.

A6 · Standards and regulation · Outside scrutiny (a regulator, court, auditor or similar body acted)
The EEOC sued under the Age Discrimination in Employment Act and the court approved a consent decree with a US$365,000 payment and injunctions; the decree records no admission. [2] [3]

What worked, what did not, what is unproven

WORKED

– Not reported

DID NOT

– As alleged by the EEOC, the software rejected more than 200 qualified applicants because of their age. The companies denied this.

– The companies paid US$365,000 and accepted injunctions lasting at least five years, without admitting wrongdoing.

– Pre-litigation settlement through the EEOC's conciliation process was not reached, so the matter went to court.

UNPROVEN

– Whether the software worked as the EEOC alleged: the allegations were denied and no court made findings.

– Whether the software used AI. The EEOC described software programmed with age cut-offs; Jackson Lewis wrote that the nature of the AI was unclear.

– Whether the tutors were employees or independent contractors, which the companies disputed.

Timeline

2020 Application software programmed to reject older applicants, the EEOC alleges [1]

May 2022 EEOC sues iTutorGroup for age discrimination [1]

Aug 2023 Parties file a consent decree; defendants deny all allegations [3]

Sept 2023 Court approves the decree; US$365,000 to be paid [3]

Aug 2025 Injunction still in place, per the Civil Rights Litigation Clearinghouse [4]

2 · Grade and SEAM assessment

MarLuc's opinion, made on the evidence above. How cases are graded: marluc.co.uk/case-studies/how-we-rate

Level of change and impact

Claimed: Not applicable. Grade: F, Failure. Proof: Partly proved. Level of change: Not graded.

No level assessed: band F, a regulator's lawsuit over an automated hiring decision, settled by a court-approved payment. The allegations were denied and not tested at trial.

Band F because a regulator sued over an automated hiring decision and the company paid US$365,000 under a court order. The underlying allegations were denied and no court made findings, so the marker is Partly proved.

The SEAM view and lessons learnt

The reported issue sat at the join between software and employment law: a rule written into an application form, as alleged, made hiring decisions without anyone answering for them. The EEOC's chair said that the employer is still responsible when technology automates discrimination. For a mid-sized or larger organisation, any automated screening rule is a hiring decision and needs the same legal review and ownership as one made by a person.

1. Review every automated screening rule against discrimination law before it goes live.
2. Collect only the applicant data the decision needs.
3. Name an owner for automated hiring decisions and audit the outcomes.

Evidence

Score 2 of 4. Independent documents, untested allegations: the regulator's releases and a court-approved consent decree record the claim, the denial and the payment; no court made findings of fact.

Evaluation method. Regulator's lawsuit and court-approved consent decree: EEOC v. iTutorGroup, Inc., No. 1:22-cv-2565 (E.D.N.Y.), entered without findings of fact or admission.

Sources disagree. The EEOC's releases describe the cut-offs as age 55 or older for women and 60 or older for men; the consent decree records the allegation as over the age of 55 and over the age of 60. Jackson Lewis gives the date of the lawsuit as 5 May 2023; the EEOC and the decree give 5 May 2022. The Clearinghouse calls the software AI-aided; the EEOC's releases describe software programmed to reject by age.

Status. Closed: consent decree approved on 8 September 2023. The injunction was still in place as of August 2025, per the Civil Rights Litigation Clearinghouse.

3 · Original sources

Read these in full. To challenge a fact or a grade, use the contact form at marluc.co.uk or the link on https://marluc.co.uk/case-studies/itutorgroup-applicant-screening

[1] EEOC: EEOC Sues iTutorGroup for Age Discrimination (May 2022)
https://www.eeoc.gov/newsroom/eeoc-sues-itutorgroup-age-discrimination

[2] EEOC: iTutorGroup to Pay $365,000 to Settle EEOC Discriminatory Hiring Suit (September 2023)
https://www.eeoc.gov/newsroom/itutorgroup-pay-365000-settle-eeoc-discriminatory-hiring-suit

[3] US District Court, Eastern District of New York: Consent Decree, EEOC v. iTutorGroup, Inc., No. 1:22-cv-2565 (8 September 2023)
https://clearinghouse-umich-production.s3.amazonaws.com/media/doc/160671.pdf

[4] Civil Rights Litigation Clearinghouse: EEOC v. iTutorGroup, Inc. case summary
https://clearinghouse.net/case/44258/

[5] Jackson Lewis: EEOC Files for Consent Decree Settlement in AI Discrimination Case
https://www.jacksonlewis.com/insights/eeoc-files-consent-decree-settlement-ai-discrimination-case

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VERSION HISTORY

v1.1 15 November 2026 Method update: standards and regulation (A6) relabelled "outside scrutiny" because the evidence is a regulator, court, auditor or similar body acting, not the organisation's own compliance.
v1.0 15 November 2026 First published