

## SETTLEMENT AGREEMENT AND GENERAL RELEASE

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE is made and entered into by and among Catholic Healthcare West and its subsidiaries Northridge Hospital Medical Center and St. Rose Dominican Hospital (collectively “Respondents”), [REDACTED] (hereinafter “Charging Party”), and the United States Department of Justice, Civil Rights Division, Office of Special Counsel for Immigration-Related Unfair Employment Practices (hereinafter “Office of Special Counsel”).

WHEREAS, on December 18, 2009, the Office of Special Counsel received a charge filed by the Charging Party against the Respondents alleging unfair documentary practices in violation of the immigration-related employment practices provisions of 8 U.S.C. § 1324b (the “Act”);

WHEREAS, the Office of Special Counsel determined during the course of its investigation of the charge that there is reasonable cause to believe that Respondents required non-U.S. citizen and naturalized U.S. citizen new hires to present more work authorization documents than required by federal law, but permitted native-born U.S. citizens to provide documents of their own choosing;

WHEREAS, the Office of Special Counsel, the Charging Party, and the Respondents acknowledged that they are voluntarily entering into this Settlement Agreement and General Release (“Agreement”).

NOW, THEREFORE, in consideration of the premises and mutual premises herein contained, it is agreed as follows:

1. Respondent Catholic Healthcare West (“CHW”) will pay the Charging Party back pay in the amount of one thousand dollars (\$1,000).
2. The payment to the Charging Party discussed in the preceding paragraph shall be paid directly to the Charging Party, by Federal Express, at an address provided by the Office of Special Counsel via email to CHW counsel within two (2) business days from the date that all parties sign the Agreement. CHW will pay the Charging Party within five (5) business days of receiving the address and will provide the Office of Special Counsel with a copy of the cover letter and check, including attachments, within the five (5) business day period. The copies should be addressed to: Phil Telfeyan, Trial Attorney, United States Department of Justice, Civil Rights Division, Office of Special Counsel For Immigration-Related Unfair Employment Practices, 950 Pennsylvania Avenue NW — NYA, Washington, D.C. 20530. Mail sent by courier service should be addressed to: Phil Telfeyan, Trial Attorney, 1425 New York Avenue NW, Suite 9000, Washington, D.C. 20005. The copies shall also be e-mailed to [phil.telfeyan@usdoj.gov](mailto:phil.telfeyan@usdoj.gov) within the five (5) business days.

3. To fully and finally resolve all disputes among the parties hereto as of the date of this Agreement, CHW will pay to the United States Treasury a civil penalty in the amount equal to two-hundred and fifty-seven thousand dollars and no cents (\$257,000.00).
4. The civil penalty discussed in the preceding paragraph shall be made by check payable to the "United States Treasury c/o Mac McConkey" and mailed by overnight delivery service, along with a copy of the fully signed settlement agreement, to the following address within thirty (30) days of CHW's receipt of a fully signed copy of this Agreement:

Mac McConkey, Budget Officer  
U.S. Department of Justice  
Civil Rights Division  
1425 New York Avenue, Room 5050  
Washington, D.C. 20005

On the same day the check is mailed, an e-mail will be sent to Phil Telfeyan at phil.telfeyan@usdoj.gov providing him with the overnight delivery service tracking number for this mailing.

5. Respondent St. Rose Dominican Hospital ("St. Rose") will offer the Charging Party a per diem position as an access care representative, at the current hourly rate of \$20.21 per hour within ten (10) days from the date CHW receives a fully signed copy of the Agreement. The Charging Party has thirty (30) days after receipt of the offer to accept or reject it in writing. The Charging Party must begin working as an access care representative at St. Rose within thirty (30) days of accepting the offer.
6. By August 1, 2011, CHW shall complete an I-9 review of all non-U.S. citizens and naturalized citizens hired at St. Rose Dominican Hospital and Northridge Hospital Medical Center between January 1, 2005 and August 15, 2010. CHW shall also complete an I-9 review of all non-U.S. citizens and naturalized citizens hired at all other CHW hospitals and medical centers between January 1, 2008 and August 15, 2010. The review shall be initiated no later than sixty (60) days after execution of this Agreement by CHW.
  - (a) The review will assess compliance with the documentary practices provision of the Act, 8 U.S.C. § 1324b(a)(6).
  - (b) CHW will establish a facility-level review team at all facilities. The members of the facility-level review team will be independent of the employees who routinely process I-9 forms. The facility-level review team will review all I-9s of non-U.S. citizens and naturalized citizens within the specified time periods at each of the hospitals and will: (1) identify each instance of overdocumentation or request for specific documentation; (2) identify any

employees who suffered lost wages due to document abuse; and (3) calculate the amount of lost wages. The facility-level review team shall report such instances of overdocumentation, requests for specific documentation, or lost wages, to the corporate level review team referenced in Paragraph 6(c).

- (c) CHW will have a corporate-level review team, consisting of at least four (4) individuals at the corporate director level who do not report directly to any individual hospital. The corporate-level review team shall: (1) review I-9 practices and policies at each facility; (2) review at least a 10% random sample of the reviewed I-9s at each facility for the specified time period; and (3) contact employees who prepare I-9s at the facility-level review to discuss specific, discovered examples of overdocumentation or requests for specific documentation and to determine whether the facility has an informal or formal policy or practice of overdocumenting or requesting specific documents from individuals with certain immigration statuses.
- (d) CHW agrees to provide the Office of Special Counsel reports as to the progress of the review commencing on December 20, 2010, and every sixty (60) days thereafter until the review is complete (“Progress Report”). The Progress Reports shall include: (1) the names of all individuals who are members of the facility-level or corporate-level review team; (2) the status of the review process at each facility; (3) a summary of the review portions completed during the reporting period; (4) the methodology utilized in conducting the review; and (5) any economic victims that have been identified at any of the facilities and the amount of in lost wages. The Progress Reports shall be sent to Phil Telfeyan at [phil.telfeyan@usdoj.gov](mailto:phil.telfeyan@usdoj.gov).
- (e) CHW will prepare a report (“Final Report”) from the corporate-level review team summarizing the results of the facility-level review, including: (1) all potential violations of 8 U.S.C. § 1324b(a)(6) during the applicable review period at all facilities; (2) any informal or formal policy or practice of overdocumenting or requesting specific documents from individuals with certain immigration statuses; (3) recommended policies and procedures to prevent such violations in the future; and (4) information about anyone who may have suffered lost wages as a result of document abuse, including the date of the document abuse and the lost wages incurred. The Final Report shall be sent to Phil Telfeyan at [phil.telfeyan@usdoj.gov](mailto:phil.telfeyan@usdoj.gov) no later than September 15, 2011.
- (f) For the duration of the review and until satisfactory completion of the review as defined in Paragraph 6(h), CHW agrees to provide any review-related documentation, including but not limited to reviewed I-9s and work papers, within fifteen (15) days of a request by the Office of Special Counsel. A request for such documentation shall be sent to the General Counsel of CHW (Attn. Darren Lee) via certified mail at 185 Berry St., Suite 300, San Francisco, CA 94107.

- (g) CHW agrees to pay back pay to make whole any employees who suffered lost wages as a result of document abuse identified by the above-referenced review within ten (10) days after it is reported to the Office of Special Counsel in a Progress Report.
  - (h) CHW agrees that the satisfactory completion of the review required by this paragraph is subject to the Office of Special Counsel's final review. Within sixty (60) days of receiving CHW's Final Report, Office of Special Counsel shall advise CHW whether the review has been completed satisfactorily. Should the Office of Special Counsel determine that the review has not been completed satisfactorily, CHW shall be afforded a mutually agreeable length of time, not to exceed six (6) months, to rectify deficiencies in the review identified by the Office of Special Counsel. CHW agrees that the satisfactory correction of the deficiencies is subject to the Office of Special Counsel's final review.
  - (i) CHW agrees to implement the policies and procedures contained in the Final Report as approved by the Office of Special Counsel to prevent potential document abuse from occurring at any of CHW's hospitals and medical centers.
  - (j) Except as otherwise provided in this Agreement, the Office of Special Counsel agrees not to seek further civil penalties for violations under 8 U.S.C. §1324b(a)(6) for matters that are the subject of the review through August 15, 2010 at any facility. However, the Office of Special Counsel expressly reserves its right to seek back pay and other remedies for and on behalf of such CHW employees who may have suffered lost wages as a result of overdocumentation in the I-9 process during the review period through the execution of this agreement by CHW. The Final Report, accompanying documentation and I-9s shall not be used as evidence of or in support of claims to assess civil penalties against CHW.
7. Respondents agree that they will not discriminate or retaliate against the Charging Party, or any other person, for his or her participation in this matter or for asserting rights protected by 8 U.S.C. § 1324b. Respondents further agree not to place any reference to the charge or Agreement in the Charging Party's or other victims' personnel files and/or other employment records.
  8. Respondents agree that they shall not discriminate on the basis of citizenship status and national origin in violation of 8 U.S.C. § 1324b.
  9. Respondents will treat all individuals equally, without regard to citizenship status or immigration status during the employment eligibility verification and reverification process as required by law. To the extent required by law, Respondents will: (1) honor documentation that on its face reasonably appears to

be genuine, relates to the person, and satisfies the requirements of 8 U.S.C. § 1324a(b); (2) not request more or different documents than are required by law; and (3) permit employees to present any documents or combination of documents acceptable by law, regardless of their citizenship status.

10. CHW agrees to post a copy of the attached Notice provided by the United States Department of Justice (Attachment A) in all places where notices to employees and job applicants are normally posted in each of CHW's hospitals and medical centers. The Notice will be posted within thirty (30) days from the date that CHW receives a fully signed copy of this Agreement and will remain posted for three (3) years thereafter.
11. CHW agrees to provide through its electronic website used for hiring a copy of the attached Notice (Attachment A) to each applicant for employment at each of CHW's hospitals and medical centers within sixty (60) days from the date that CHW receives a fully signed copy of this Agreement and to continue to do so for three (3) years thereafter.
12. CHW agrees to distribute a copy of the current Handbook for Employers ("M-274"), and revised USCIS Form I-9 (Attachment B) to all managers and employees who have any role in completing the USCIS Form I-9 on behalf of CHW, who instruct employees or prospective employees on the proper completion of the form at each of its hospitals and medical centers, or who are members of the facility-level or corporate level review teams, within thirty (30) days of CHW's receipt of a fully signed copy of this settlement agreement and to all new employees who fill this role within five (5) business days after they begin their employment. For three (3) years following CHW's receipt of a fully signed copy of this settlement agreement, CHW further agrees to distribute a copy of updated versions of the M-274 to all managers and employees who have any role in completing the USCIS Form I-9 on behalf of CHW, who instruct employees or prospective employees on the proper completion of the form at each of its hospitals and medical centers, or who are members of the facility-level or corporate level review teams, within thirty (30) days that the updated version is publicly available.
13. Within thirty (30) days of receipt of a fully signed copy of this Agreement, CHW will adopt and implement system-wide a written policy describing its nondiscriminatory employment eligibility procedures and prohibiting discrimination on the basis of citizenship status or national origin as well as retaliation. The written policy must include the following:
  - (a) A provision that CHW and each of its hospitals and medical centers: (1) will not request specific employment eligibility verification documents from any individual prior to making an offer of employment; (2) will not discriminate on the basis of citizenship status or national origin; and (3)

will treat all individuals equally during the Form I-9 employment eligibility verification and reverification process;

- (b) A provision that CHW will investigate and resolve all employee complaints at any of its hospitals and medical centers alleging document abuse, citizenship status discrimination, national origin discrimination, and/or retaliation within sixty (60) days of the date the complaint is made;
  - (c) A provision that, for each complaint, CHW will keep a written record of its investigation, the results, and remedial actions proposed and/or taken. The record will be maintained in CHW's files for three (3) years, and the investigation results and any remedial actions taken will be communicated to the complainant;
  - (d) A provision that the Respondents shall not engage in any reprisal action against an employee who has, or whom Respondents believe has: (1) opposed any employment practice in violation of 8 U.S.C. § 1324b; (2) filed any charge under 8 U.S.C. § 1324b; or (3) lawfully participated in any investigation or action under 8 U.S.C. § 1324b.
14. Every six (6) months for a period of three (3) years following CHW's receipt of a fully signed copy of this settlement agreement, CHW shall provide the Office of Special Counsel with copies of any complaints alleging document abuse, citizenship status discrimination, and/or retaliation, as well as copies of the written findings of the investigation results and the remedial actions proposed and/or taken.
15. With regard to training, CHW agrees to the following:
- (a) In calendar year 2010, CHW shall provide training on employers' responsibilities under 8 U.S.C. § 1324b and the employment eligibility verification process to the following personnel, system-wide: (1) all employees who are responsible for formulating and/or carrying out an employment eligibility verification policy, including managers and employees who have any role in completing the Form I-9 on behalf of CHW and/or who instruct employees or prospective employees on the proper completion of the form; (2) all employees who are responsible for completing new hire paperwork with new employees; and (3) all employees on the facility-level or corporate-level review team.
  - (b) The training on employers' responsibilities under 8 U.S.C. § 1324b shall explain that discrimination on the basis of citizenship status or national origin violates 8 U.S.C. § 1324b. It shall instruct what conduct may constitute a violation of 8 U.S.C. § 1324b, including retaliation. This training may be complied with by viewing an educational videotape to be provided by the Office of Special Counsel;

- (c) The training on the employment eligibility verification process shall include not less than three (3) hours of instruction on the employment eligibility verification and re-verification process;
  - (d) The training required by this Agreement shall be conducted during normally scheduled workdays and work hours and all employees will be paid their normal rate of pay during the training. CHW shall bear all costs associated with these training sessions;
  - (e) The trainer selected shall send a copy of the training presentation outline to the Office of Special Counsel for approval at least seven (7) days before any training session occurs. To the extent that training required by this Agreement has taken place as of the date of signing this Agreement, CHW shall provide the Office of Special Counsel a copy of all training materials and the dates of the training, within ten (10) business days of signing this Agreement, for approval that it satisfies the training required by this Agreement.
  - (f) During the term of this Agreement, CHW shall, within ten (10) business days of the annual anniversary date of the effective date of this Agreement, provide no less than two (2) hours of training in accordance with terms set forth in Paragraphs 15(a), (b), (c), (d), (e), and (g) of this Agreement; and
  - (g) During the term of this Agreement, CHW will keep records of all persons attending educational sessions required by the Paragraph 15(a) and provide copies of these records to the Office of Special Counsel every six (6) months throughout the term of this Agreement.
  - (h) Any new hires falling within the categories of personnel identified in Paragraph 15(a) shall, within thirty (30) days of hire, be trained in accordance with Paragraph 15 of this Agreement.
16. Respondents agree that the Office of Special Counsel may review compliance with this Agreement for a period of three (3) years from execution of this Agreement. As part of such review, and upon fifteen (15) days notice to CHW General Counsel at 185 Berry St., Suite 300, San Francisco, California, 94107, the Office of Special Counsel may require written reports concerning compliance, inspect Respondents' premises, examine witnesses, and examine and copy Respondents' I-9 at the expense of the Office of Special Counsel. CHW shall not be required to retain I-9s or other documentation beyond the retention period required by law, except that relevant documentation and I-9s shall be retained during the period of the audit and the Office of Special Counsel review period referenced in Paragraph 6 above.

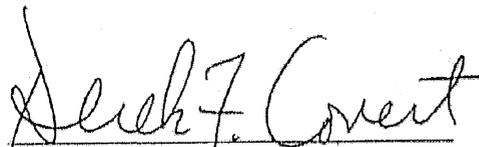
17. The Charging Party agrees to withdraw with prejudice the charge filed against Respondents on December 18, 2009, with the Office of Special Counsel. The Charging Party's signature on this Agreement will constitute a request for such withdrawal. The Office of Special Counsel agrees to accept the withdrawal of this charge upon satisfaction of Paragraphs 1-5 of this Agreement and will dismiss the charge in accordance therewith.
18. The Charging Party hereby waives, releases, and covenants not to sue or commence any proceeding against Respondents with the Office of the Chief Administrative Hearing Officer, Executive Office for Immigration Review, U.S. Department of Justice, with respect to the charge she filed on December 18, 2009, with the Office of Special Counsel.
19. This Agreement may be enforced in the United States District Court for the Northern District of California.
20. This Agreement, subject to Paragraph 21 below, resolves any and all differences between the parties relating to the charge filed by the Charging Party through the date this Agreement is signed by all parties.
21. Notwithstanding any other provision of this Agreement, this Agreement does not affect the right of any individual (other than the Charging Party as set forth above in Paragraph 17) to file a charge alleging an unfair immigration related employment practice against Respondents with the Office of Special Counsel or the right of the Office of Special Counsel to investigate or file a complaint on behalf of any such individual.
22. The Office of Special Counsel and Respondents agree, in the event the Charging Party does not sign this Agreement, to be bound by the terms of this Agreement except for Paragraphs 1, 2, and 5, and agree that the failure to obtain the Charging Party's signature does not affect the validity of this Agreement.
23. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement. Respondents, the Office of Special Counsel, and the Charging Party agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is invalid.
24. This Agreement is neither an admission by Respondents of any act in violation of 8 U.S.C. § 1324b nor an admission by the United States of the merits of any of Respondents' defenses.
25. The Office of Special Counsel, Respondents, and the Charging Party agree to bear their own costs, attorney fees, and other expenses incurred in this action.

26. This Agreement sets forth the entire agreement between the parties hereto, and fully supersedes any and all prior agreements or understandings between the parties pertaining to the subject matter herein.
27. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement.

Catholic Healthcare West

Dated: 15 OCTOBER 2010

By:



Derek Covert  
Senior Vice President & General Counsel

Charging Party

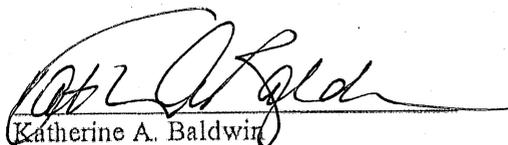
Dated: 10/18/10

By:



U.S. Department of Justice

By:

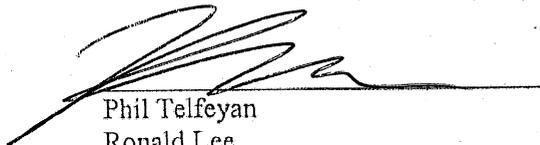


Katherine A. Baldwin  
Deputy Special Counsel



Elizabeth I. Hack  
Special Litigation Counsel

Dated: 10/19/10



Phil Telfeyan  
Ronald Lee  
Seema Nanda  
Trial Attorneys  
Civil Rights Division  
Office of Special Counsel for  
Immigration-Related Unfair  
Employment Practices  
950 Pennsylvania Avenue NW  
Washington, D.C. 20530