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GLEASON & FAVAROTE LLP

April 6, 2016

VIA CERTIFIED U.S. MAIL, RETURN RECEIPT REQUESTED

Douglas Hoffner
Acting Secretary
California Labor & Workforce Development Agency
800 Capital Mall, MIC-55
Sacramento, CA 95814

Re: **Genesis Healthcare LLC; CareerStaff Unlimited, Inc.; and AIDS Healthcare Foundation.**
California Labor Code section 2699, *et seq.* violations

Dear Mr. Hoffner:

I am writing on behalf of aggrieved former employee Crystle De Aza ("De Aza"). This notice is being made to the Labor & Workforce Development Agency pursuant to the requirement of Labor Code section 2699.3 that De Aza and other aggrieved employees suffered from one or more of the following Labor Code violations by their current or former employers Genesis Healthcare LLC, CareerStaff Unlimited, Inc., and AIDS Healthcare Foundation (collectively the joint employers are referred to as "the Company").

The Company failed to pay its employees overtime in accordance with state law when they worked in excess of 8 hours in a day and/or 40 hours within a workweek. The Company has an unlawful overtime policy where it only paid overtime that was approved and does not pay for all travel time from work site to work site and back resulting in underpayment of hours worked by De Aza and other aggrieved employees. Additionally, De Aza and other aggrieved employees were not paid for all of the time in which they were under the control of their employer as the Company implemented improper rounding policies and practices which consistently rounded to the detriment of its employees. De Aza and other aggrieved employees were also not paid for all of the time in which they were under the control of their employer when they traveled for work including travel between facilities that they were obligated to go to. The Company's failure to properly pay De Aza and other aggrieved employees for all hours worked in these instances violates Labor Code sections 201, 202, 203, 204, 223, 510, 558, 1194 and 1198.

California Labor Code section 226(a) provides that every employer shall furnish to each of its employees an accurate itemized wage statement in writing, showing, among other things, all applicable hourly rates in effect during the pay period and the corresponding correct number

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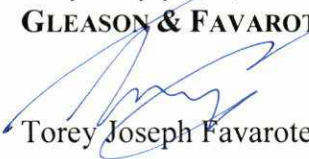
of hours worked at each hourly rate by the employee. The Company's wage statements fail to comply with this section of the Labor Code as they list the incorrect number of hours worked. The number of hours that the employees actually spent working for the Company, which are listed on the pay stubs, is incorrect because of the Company's failure to properly compensate its employees for all of the time that they spent working under their employers' control as well as due to their improper rounding practices. Additionally, the overtime rate that is listed on each employees' paycheck stub is inaccurate due to the unlawful overtime policy where the Company only paid overtime that was approved and did not pay for all travel time resulting in underpayment of overtime worked by De Aza and other aggrieved employees.

Additionally, De Aza and other aggrieved employees were not reimbursed for all of the business expenses that they incurred in the course and scope of their job. Pursuant to the Company's policy, employees were only reimbursed for mileage that they incurred in the course and scope of their job at the rate of \$.25 per mile, if at all. This rate is far below the legal limit and did not adequately compensate De Aza and other aggrieved employees for all of their travel related expenses that were necessarily incurred in the course and scope of the performance of their job. Additionally, pursuant to the Company's policy, the Company would only reimburse employees for expenses if they turned in their expense reimbursement request during the week in which the expense was incurred. The Company's policy expressly provides that "expenses will only be reimburse in the week they are incurred." As a result, aggrieved employees had to forfeit expenses that they incurred in the course and scope of their job. There were times when aggrieved employees were required to travel for work and were not reimbursed for their travel expenses, such as mileage, nor their travel time, in violation of California Labor Code sections 510 and 2802.

De Aza and all aggrieved employees who were separated from their employment with the Company, to whom the Company willfully failed to pay for all hours worked, as described herein, are also entitled to up to thirty days of wages pursuant to California Labor Code sections 201, 202 and 203 for their unpaid wages.

Very truly yours,

GLEASON & FAVAROTE LLP



Torey Joseph Favarote

TJF/ts

cc: Genesis Healthcare LLC
CareerStaff Unlimited, Inc.
AIDS Healthcare Foundation



GLEASON & FAVAROTE LLP

835 Wilshire Blvd., Suite 200
Los Angeles California 90017

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OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

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State of California
Labor & Workforce Development Agency



