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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

LORRAINE SHELDON, as an aggrieved
employee pursuant to the Private Attorneys
General Act ("PAGA"),

Plaintiff,

vs.

EAST VALLEY GLENDORA HOSPITAL,
L.P., a California limited partnership; and
DOES 1 through 10, inclusive,

Defendants.

Case No.:

BC 6 1 2 0 5 8

PAGA ENFORCEMENT ACTION

COMPLAINT

(1) Civil Penalties for Violations of California
Labor Code, Pursuant to PAGA, §§ 2698,
et seq.

Jury Trial Demanded

1 Plaintiff Lorraine Sheldon ("Plaintiff"), on behalf of all other non-party aggrieved
2 employees as set forth herein, alleges as follows:

3 **JURISDICTION AND VENUE**

4 1. This is an enforcement action under the Labor Code Private Attorneys General
5 Act of 2004, California Labor Code section 2698 *et seq.* ("PAGA") to recover civil penalties
6 and any other available relief on behalf of Plaintiff, the State of California, and other current
7 and former employees who worked for Defendants in California as non-exempt, hourly
8 employees at the East Valley Glendora hospital location, and against whom one or more
9 violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision
10 regulating hours and days of work in the applicable Industrial Welfare Commission ("IWC")
11 Wage Order were committed, as set forth in this complaint, at any time between one year
12 prior to the filing of this complaint until judgment ("Aggrieved Employees"). Plaintiff's
13 share of civil penalties sought in this action does not exceed \$75,000.

14 2. This Court has jurisdiction over this action pursuant to the California
15 Constitution, Article VI, section 10. The statute under which this action is brought does not
16 specify any other basis for jurisdiction.

17 3. This Court has jurisdiction over all Defendants because, on information and
18 belief, Defendants are either citizens of California, have sufficient minimum contacts in
19 California, or otherwise intentionally avail themselves of the California market so as to
20 render the exercise of jurisdiction over them by the California courts consistent with
21 traditional notions of fair play and substantial justice. There is no basis for federal diversity
22 jurisdiction in this action given that the State of California, as the real party in interest in this
23 action, is not a "citizen" for purposes of satisfying diversity jurisdiction. *Urbino v. Orkin*
24 *Servs. of Cal.*, 726 F.3d 1118, 1123 (9th Cir. Cal. 2013). *Urbino* also holds that civil
25 penalties cannot be aggregated to satisfy the amount in controversy requirement for federal
26 diversity jurisdiction in this action, and that diversity jurisdiction cannot be established when
27 Plaintiffs' share of the civil penalties attributable to violations personally suffered are less
28 than \$75,000. *Id.* at 1122.

4. Venue is proper in this Court, because Defendants employ persons in this county, and employed Plaintiff in this county, and thus a substantial portion of the transactions and occurrences related to this action occurred in this county.

5. California Labor Code sections 2698 *et seq.*, the “Labor Code Private Attorneys General Act of 2004” (“PAGA”), authorize aggrieved employees to sue as private attorneys general their current or former employers for various civil penalties for violating the California Labor Code.

THE PARTIES

6. Plaintiff LORRAINE SHELTON is a resident of Pearblossom, California. Defendants have employed Plaintiff as an hourly-paid, non-exempt Registered Nurse (“RN”) since approximately December 15, 2015. Plaintiff works for Defendants at their hospital located in Glendora, California. As a Registered Nurse, Plaintiff’s responsibilities include assessing, planning, implementing, and evaluating patient care and communicating with physicians regarding each patient’s condition or changes in condition. Plaintiff typically works twelve (12) hours or more per day, three (3) days per week, and approximately 36-48 hours per week. Plaintiff earns approximately \$41.26 per hour and is paid shift differential pay for working night shifts.

7. Defendant EAST VALLEY GLENDORA HOSPITAL, L.P. (“GLENDORA HOSPITAL”) is, on information and belief, a California limited partnership doing business in California, with its principal place of business in Ontario, California, and at all times hereinafter mentioned, an employer whose employees are engaged throughout this county, the State of California, and/or the various states of the United States of America.

8. Plaintiff is unaware of the true names or capacities of the Defendants sued herein under the fictitious names DOES 1 through 10 but will seek leave of this Court to amend the complaint and serve such fictitiously named Defendants once their names and capacities become known.

9. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10 are the partners, agents, owners, shareholders, managers or employees of GLENDORA

1 HOSPITAL at all relevant times.

2 10. Plaintiff is informed and believes, and thereon alleges, that each and all of the
3 acts and omissions alleged herein was performed by, or is attributable to, GLENDORA
4 HOSPITAL and/or DOES 1 through 10 (collectively “Defendants”), each acting as the agent
5 for the other, with legal authority to act on the other’s behalf. The acts of any and all
6 Defendants were in accordance with, and represent, the official policy of Defendants.

7 11. At all relevant times, Defendants, and each of them, ratified each and every act
8 or omission complained of herein. At all relevant times, Defendants, and each of them, aided
9 and abetted the acts and omissions of each and all the other Defendants in proximately
10 causing the violations herein alleged.

11 13. Plaintiff is informed and believes, and thereon alleges, that each of said
12 Defendants is in some manner intentionally, negligently, or otherwise responsible for the acts,
13 omissions, occurrences, and transactions alleged herein.

14 **PAGA REPRESENTATIVE ALLEGATIONS**

15 12. Defendant GLENDORA HOSPITAL provides medical and health care services
16 through a hospital located in Glendora, California. According to Defendants’ website, the
17 hospital provides services to the San Gabriel Valley including “comprehensive acute care
18 medical, intensive care, surgical services – inpatient and outpatient, critical care, telemetry
19 care, diagnostic imagine, 24-hour basic emergency services, clinical laboratory, and
20 cardiopulmonary services.”¹ GLENDORA HOSPITAL is a California-based limited
21 partnership.

22 13. According to GLENDORA HOSPITAL’s business filings with the California
23 Secretary of State office, Defendants maintain their headquarters in Ontario, California at
24 3300 E. Guasti Road, 3rd Floor, Ontario, California 91761.²

25
26 ¹ Glendora Community Hospital: About Us, <http://www.evhmc.com/about.php> (last
visited Feb. 16, 2016).

27 ² California Secretary of State, Business Filings, *Search for East Valley Glendora*
28 *Hospital, L.P.*, <https://businessfilings.sos.ca.gov/> (last visited Feb. 16, 2016).

1 14. On information and belief, Defendants maintain a single, centralized Human
2 Resources department at their headquarters in Ontario, California, and/or Glendora,
3 California, which is responsible for conducting Defendants' recruiting and hiring of new
4 employees, collecting and processing all new hire paperwork, and communicating and
5 implementing Defendants' company-wide policies, including the policies set forth in
6 Defendants' Employee Handbook, to employees throughout California. In particular,
7 Plaintiff and other non-party Aggrieved Employees, on information and belief, attended a
8 new hire orientation and received the same standardized documents and/or written policies,
9 including, but not limited to: New Hire Employee Checklist, Consent to Obtain Consumer
10 Reports for Employment Purposes, Meal Period Waiver(s), and an Employee Handbook.
11 Upon information and belief, the usage of standardized documents and/or written policies,
12 including new hire documents, indicate that Defendants dictated policies at the corporate
13 level and implemented them company-wide, regardless of their employees' locations or
14 positions.

15 15. Upon information and belief, Defendants set forth uniform policies and
16 procedures in several documents provided at an employee's time of hire. At the time Plaintiff
17 was hired, she received documents including, but not limited to, Timesheet Agreement, Rest
18 and Meal Period Acknowledgement, and Meal Period Waiver(s), informing her that she would
19 be subject to the policies and rules set forth in the documents provided. At the time Plaintiff
20 was hired, she received an Employee Acknowledgement page for her signature, informing her
21 that she would be subject to the policies and rules listed in the Employee Handbook.

22 16. Upon information and belief, Plaintiff and other non-party Aggrieved
23 Employees suffered the same meal break violations arising out of Defendants' maintenance
24 and implementation of meal break policies. Upon information and belief, Plaintiff and other
25 non-party Aggrieved Employees were required to sign the same written meal and rest break
26 policy acknowledgment, titled "Acknowledgement of Receipt of California Meal Period and
27 Rest Break Policy," and Meal Break Waiver(s) regardless of their location or position.
28 Plaintiff is informed and believes that Defendants required other non-party Aggrieved

1 Employees throughout California to complete the acknowledgment and waiver forms.

2 17. Upon information and belief, Defendants maintain a centralized Payroll
3 department at their headquarters in Ontario, California, or Glendora, California, which
4 processes payroll for all non-exempt, hourly-paid employees working for Defendants at their
5 hospital located in Glendora, California, including Plaintiff and other non-party Aggrieved
6 Employees.

7 18. Based upon information and belief, Defendants issue the same formatted wage
8 statements to all non-exempt, hourly paid employees at its hospital location in Glendora,
9 California. Upon further information and belief, during the relevant time period, Defendants
10 used third-party ADP Payroll Services to process and issue uniform, standardized wage
11 statements to Plaintiff and other non-party Aggrieved Employees. Therefore, Plaintiff has
12 reason to believe that Aggrieved Employees throughout California were also affected by
13 Defendants' alleged noncompliance with wage statement reporting requirements.

14 19. Upon information and belief, Defendants process payroll for departing
15 employees in the same manner throughout the State of California, regardless of the manner in
16 which the employees' employment ends.

17 20. Defendants continue to employ non-exempt, hourly-paid employees, including
18 Registered Nurses, at their hospital locations throughout California.

19 21. Plaintiff is informed and believes, and thereon alleges, that at all times herein
20 mentioned, Defendants were advised by skilled lawyers and other professionals, employees
21 and advisors knowledgeable about California labor and wage law, employment and personnel
22 practices, and about the requirements of California law.

23 22. Plaintiff is informed and believes, and thereon alleges, that Plaintiff and other
24 non-party Aggrieved Employees were not paid for all hours worked, because all hours
25 worked were not recorded.

26 23. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
27 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
28 receive certain wages for overtime compensation and that they were not receiving certain

1 wages for overtime compensation.

2 24. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
3 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
4 receive at least minimum wages for compensation and that, in violation of the California
5 Labor Code, they were not receiving at least minimum wages and overtime wages for work
6 that Defendants knew or should have known was performed off-the-clock.

7 25. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
8 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
9 meal periods in accordance with the Labor Code or payment of one (1) additional hour of pay
10 at their regular rates of pay when they were not provided with timely, uninterrupted, thirty
11 (30) minute meal periods and that Plaintiff and other non-party Aggrieved Employees were
12 not provided with all meal periods or payment of one (1) additional hour of pay at their
13 regular rates of pay when they did not receive a timely, uninterrupted, thirty (30) minute
14 meal period.

15 26. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
16 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
17 rest periods in accordance with the Labor Code and applicable IWC Wage Order or payment
18 of one (1) additional hour of pay at their regular rates of pay when they were not provided
19 with a compliant rest period and that Plaintiff and other non-party Aggrieved Employees
20 were not provided compliant rest periods or payment of one (1) additional hour of pay at
21 their regular rates of pay when they were not provided a compliant rest period.

22 27. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
23 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
24 receive complete and accurate wage statements in accordance with California law. In
25 violation of the California Labor Code, Defendants did not provide Plaintiff and other non-
26 party Aggrieved Employees with complete and accurate wage statements.

27 28. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
28 should have known that other non-party Aggrieved Employees were entitled to timely

1 payment of wages upon termination of employment. In violation of the California Labor
2 Code, Defendants did not pay other non-party Aggrieved Employees all wages due,
3 including, but not limited to, overtime wages, minimum wages, and meal and rest period
4 premium wages, within permissible time periods.

5 29. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or
6 should have known that Plaintiff and other non-party Aggrieved Employees were entitled to
7 timely payment of wages during their employment. In violation of the California Labor
8 Code, Defendants did not pay Plaintiff and other non-party Aggrieved Employees all wages,
9 including, but not limited to, overtime wages, minimum wages, and meal and rest period
10 premium wages, within permissible time periods.

11 30. Plaintiff is informed and believes, and thereon alleges, that at all times herein
12 mentioned, Defendants knew or should have known that they had a duty to provide Plaintiff
13 and other non-party Aggrieved Employees with written notice of the paid sick leave (or paid
14 time off) balance available for an employee's use as required by the California Healthy
15 Workplaces, Healthy Families Act of 2014, but willfully, knowingly, and intentionally failed
16 to do so.

17 31. Plaintiff is informed and believes, and thereon alleges, that at all times herein
18 mentioned, Defendants knew or should have known that they had a duty to provide Plaintiff
19 and other non-party Aggrieved Employees with written notice of the material terms of their
20 employment with Defendants as required by the California Wage Theft Prevention Act, but
21 willfully, knowingly, and intentionally failed to do so.

22 32. Plaintiff is informed and believes, and thereon alleges, that at all times herein
23 mentioned, Defendants knew or should have known that they had a duty to compensate
24 Plaintiff and other non-party Aggrieved Employees for all hours worked, and that Defendants
25 had the financial ability to pay such compensation but willfully, knowingly, and intentionally
26 failed to do so, and falsely represented to Plaintiff and other non-party Aggrieved Employees
27 that they were properly denied wages, all in order to increase Defendants' profits.

28 33. At all times herein set forth, PAGA provides that any provision of law under

1 the Labor Code and applicable IWC Wage Order that provides for a civil penalty to be
2 assessed and collected by the LWDA for violations of the California Labor Code and
3 applicable IWC Wage Order may, as an alternative, be recovered by aggrieved employees in
4 a civil action brought on behalf of themselves and other current or former employees
5 pursuant to procedures outlined in California Labor Code section 2699.3.

6 34. PAGA defines an “aggrieved employee” in Labor Code section 2699(c) as “any
7 person who was employed by the alleged violator and against whom one or more of the
8 alleged violations was committed.”

9 35. Plaintiff and other current and former employees of Defendants are “aggrieved
10 employees” as defined by Labor Code section 2699(c) in that they are all Defendants’ current
11 or former employees and one or more of the alleged violations were committed against them.

12 36. Pursuant to Labor Code sections 2699.3 and 2699.5, aggrieved employees,
13 including Plaintiff, may pursue a civil action arising under PAGA after the following
14 requirements have been met:

- 15 a) The aggrieved employee shall give written notice by certified mail
16 (hereinafter “Employee’s Notice”) to the LWDA and the employer of
17 the specific provisions of the California Labor Code alleged to have
18 been violated, including the facts and theories to support the alleged
19 violations.
- 20 b) The LWDA shall provide notice (hereinafter “LWDA Notice”) to the
21 employer and the aggrieved employee by certified mail that it does not
22 intend to investigate the alleged violation within thirty (30) calendar
23 days of the postmark date of the Employee’s Notice. Upon receipt of
24 the LWDA Notice, or if the LWDA Notice is not provided within thirty-
25 three (33) calendar days of the postmark date of the Employee’s Notice,
26 the aggrieved employee may commence a civil action pursuant to
27 California Labor Code section 2699 to recover civil penalties in addition
28 to any other penalties to which the employee may be entitled.

1 37. Pursuant to California Labor Code sections 2699.3(c), aggrieved employees,
2 including Plaintiff, may pursue a civil action arising under PAGA for violations of any
3 provision other than those listed in Section 2699.5 after the following requirements have been
4 met:

5 (a) The aggrieved employee or representative shall give written notice by
6 certified mail to the LWDA and the employer of the specific provisions
7 of the California Labor Code alleged to have been violated (other than
8 those listed in Section 2699.5), including the facts and theories to
9 support the alleged violation.

10 (b) The employer may cure the alleged violation within 33 calendar days of
11 the postmark date of the notice. The employer shall give written notice
12 by certified mail within that period of time to the aggrieved employee or
13 representative and the agency if the alleged violation is cured, including
14 a description of actions taken, and no civil action pursuant to Section
15 2699 may commence. If the alleged violation is not cured within the
16 33-day period, the employee may commence a civil action pursuant to
17 Section 2699.

18 38. On January 26, 2016, Plaintiff provided written notice by certified mail to the
19 LWDA and Defendant GLENDORA HOSPITAL of the specific provisions of the California
20 Labor Code alleged to have been violated, including facts and theories to support the alleged
21 violations, in accordance with California Labor Code section 2699.3. A true and correct
22 copy of Plaintiff's written notice to the LWDA and Defendant GLENDORA HOSPITAL
23 dated January 26, 2016, is attached hereto as "Exhibit 1."

24 39. On February 17, 2016, Plaintiff sent an amended written notice by certified
25 mail to the LWDA and Defendant GLENDORA HOSPITAL of the specific provisions of the
26 California Labor Code alleged to have been violated, supplementing and clarifying the facts
27 and theories to support the alleged violations set forth in her original LWDA notice, in
28 accordance with California Labor Code section 2699.3. A true and correct copy of Plaintiff's

1 amended written notice to the LWDA and Defendant GLENDORA HOSPITAL dated
2 February 17, 2016, is attached hereto as "Exhibit 2."

3 40. As of the filing date of this amended complaint, over 33 days have passed since
4 Plaintiff sent the first LWDA Notice described above, and the LWDA has not responded that
5 it intends to investigate Plaintiff's claims.

6 41. Thus, Plaintiff has satisfied the administrative prerequisites under California
7 Labor Code section 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants, in
8 addition to other remedies, for violations of California Labor Code sections 201, 202, 203,
9 204, 226(a), 226.7, 246(h), 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and
10 2810.5.

11 42. Labor Code section 558(a) provides "[a]ny employer or other person acting on
12 behalf of an employer who violates, or causes to be violated, a section of this chapter or any
13 provision regulating hours and days of work in any order of the Industrial Welfare
14 Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty
15 dollars (\$50) for each underpaid employee for each pay period for which the employee was
16 underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each
17 subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay
18 period for which the employee was underpaid in addition to an amount sufficient to recover
19 underpaid wages. Labor Code section 558(c) provides "[t]he civil penalties provided for in
20 this section are in addition to any other civil or criminal penalty provided by law."

21 43. Defendants, at all times relevant to this complaint, were employers or persons
22 acting on behalf of an employer(s) who violated Plaintiff and other non-party Aggrieved
23 Employees' rights by violating various sections of the California Labor Code as set forth
24 above.

25 44. As set forth below, Defendants have violated numerous provisions of both the
26 Labor Code sections regulating hours and days of work as well as the applicable IWC Wage
27 Order.

28 45. Pursuant to PAGA, and in particular California Labor Code sections 2699(a),

1 2699.3, 2699.5, and section 558, Plaintiff, acting in the public interest as a private attorney
2 general, seeks assessment and collection of civil penalties for himself, all other non-party
3 Aggrieved Employees, and the State of California against Defendants, in addition to other
4 remedies, for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7,
5 246(h), 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2810.5.

6 **FIRST CAUSE OF ACTION**

7 **For Civil Penalties Pursuant to California Labor Code §§ 2698, *et seq.***

8 **(Against all Defendants)**

9 46. California Labor Code §§ 2698, *et seq.* (“PAGA”) permits Plaintiff to recover
10 various civil penalties for the violation(s) of the Labor Code sections enumerated in Labor
11 Code section 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 203, 204,
12 226(a), 226.7, 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, and 1198. Labor Code
13 section 2699.3(c) permits aggrieved employees, including Plaintiff, to recover civil penalties
14 for violations of Labor Code sections 246(h), 1182.12, and 2810.5.

15 47. Defendants’ conduct, as alleged herein, violates the applicable IWC Wage
16 Order and numerous sections of the California Labor Code, including, but not limited to, the
17 following:

- 18 (a) Violations of Labor Code sections 510, 1198, and the applicable IWC
19 wage order for Defendants’ failure to compensate Plaintiff and other
20 non-party Aggrieved Employees with overtime wages for all hours
21 worked in excess of eight (8) in one day or forty (40) in one week, as set
22 forth below;
- 23 (b) Violations of Labor Code sections 1182.12, 1194, 1197, 1197.1, 1198,
24 and the applicable IWC wage order for Defendants’ failure to
25 compensate Plaintiff and other non-party Aggrieved Employees with at
26 least minimum wages for all hours worked as set forth below;
- 27 (c) Violations of Labor Code sections 226.7, 512(a), 1198, and the
28 applicable IWC wage order for Defendants’ failure to provide Plaintiff

1 and other non-party Aggrieved Employees with meal and/or rest
2 periods, as set forth below;

3 (d) Violations of Labor Code section 226(a), 1198, and the applicable IWC
4 wage order for failure to provide accurate and complete wage statements
5 to Plaintiff and other non-party Aggrieved Employees as set forth
6 below;

7 (e) Violations of Labor Code section 1174(d), 1198, and the applicable
8 IWC wage order for failure to maintain payroll records as set forth
9 below;

10 (f) Violations of Labor Code sections 201, 202, and 203 for failure to pay
11 all earned wages upon termination as set forth below;

12 (g) Violations of Labor Code section 204 for failure to pay all earned wages
13 during employment as set forth below;

14 (h) Violations of Labor Code section 246(h) for failure to provide written
15 notice of paid sick leave available, or paid time off that an employer
16 provided in lieu of sick leave as set forth below; and

17 (i) Violations of Labor Code sections 2810.5(a)(1)(A)-(C) for failure to
18 provide written notice of information material to Plaintiff and other non-
19 party Aggrieved Employees' employment with Defendants, as set forth
20 below.

21 **FAILURE TO PAY OVERTIME**

22 **VIOLATION OF LABOR CODE SECTIONS 510 AND 1198**

23 48. Labor Code section 1198 makes it illegal to employ an employee under
24 conditions of labor that are prohibited by the applicable wage order. California Labor Code
25 section 1198 requires that "... the standard conditions of labor fixed by the commission shall
26 be the ... standard conditions of labor for employees. The employment of any employee ...
27 under conditions of labor prohibited by the order is unlawful."

28 49. California Labor Code section 1198 and the applicable IWC Wage Order

1 provide that it is unlawful to employ persons without compensating them at a rate of pay
2 either time-and-one-half or two-times that person's regular rate of pay, depending on the
3 number of hours worked by the person on a daily or weekly basis.

4 50. Specifically, the applicable IWC Wage Order provides that Defendants are and
5 were required to pay Plaintiff and other non-party Aggrieved Employees working more than
6 eight (8) hours in a day or more than forty (40) hours in a workweek, at the rate of time and
7 one-half (1½) for all hours worked in excess of eight (8) hours in a day or more than forty
8 (40) hours in a workweek.

9 51. The applicable IWC Wage Order further provides that Defendants are and were
10 required to pay Plaintiff and other non-party Aggrieved Employees working more than
11 twelve (12) hours in a day, overtime compensation at a rate of two (2) times their regular rate
12 of pay, and required to pay Plaintiff and other non-party Aggrieved Employees at a rate of
13 two (2) times their regular rate of pay for hours worked in excess of eight (8) hours on the
14 seventh (7th) consecutive day of a work in a workweek. An employee's regular rate of pay
15 includes all remuneration for employment paid to, or on behalf of, the employee, including
16 non-discretionary bonuses and incentive pay.

17 52. California Labor Code section 510 codifies the right to overtime compensation
18 at one-and-one-half times the regular rate of pay for hours worked in excess of eight (8)
19 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the
20 seventh day of work, and to overtime compensation at twice the employees regular rate of
21 pay for hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours
22 in a day on the seventh day of work.

23 53. During the relevant time period, Defendants willfully failed to pay all overtime
24 wages owed to Plaintiff and other non-party Aggrieved Employees. During the relevant time
25 period, Plaintiff and other non-party Aggrieved Employees were not paid overtime premiums
26 for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12)
27 hours in a day, in excess of eight (8) hours on the seventh (7th) consecutive day of work in a
28 workweek, and/or in excess of forty (40) hours in a week, because all hours worked were not

1 recorded. All hours were not recorded because Defendants had, and continue to have, a
2 company-wide policy and/or practice of understaffing their hospital locations. Defendants'
3 systemic understaffing and resulting lack of break coverage prevented Plaintiff and other
4 non-party Aggrieved Employees from taking all timely, uninterrupted thirty (30) minute meal
5 periods and led to them working off-the-clock during meal breaks to complete their assigned
6 workload, because there were too few employees staffed to provide patient care and/or finish
7 their assigned tasks, such as responding to patient needs.

8 54. Upon information and belief, Defendants attempted to implement an alternative
9 workweek schedule (AWS) for clinical Emergency Room Department employees, but the
10 AWS, to the extent it is valid, was not in place during the entire relevant period.

11 55. Defendants systematically, and on a company-wide basis, required that Plaintiff
12 and/or other non-party Aggrieved Employees clock out and record meal periods even when
13 they were not taken or were interrupted by work and insisted that Plaintiff and other non-
14 party Aggrieved Employees continue to attend to their assigned patients during meal breaks
15 so as to maintain constant patient supervision. In addition, Defendants did not provide
16 Plaintiff and/or other non-party Aggrieved Employees with second 30 minute meal periods
17 on all days that they worked in excess of ten (10) hours in one day. Plaintiff and other non-
18 party Aggrieved Employees did not sign valid meal break waivers on days that they were
19 entitled to meal periods but were not relieved of all duties.

20 56. Thus, Defendants have a company-wide policy and/or practice of refusing to
21 pay Plaintiff and other non-party Aggrieved Employees for time spent working off-the-clock
22 during meal breaks, even though Plaintiff and other non-party Aggrieved Employees still
23 performed additional duties and were subject to Defendants' control during those times.
24 Defendants knew or should have known that as a result of its policies, that Plaintiff and other
25 non-party Aggrieved Employees were performing some of their assigned duties off-the-
26 clock. Defendants also knew, or should have known, that it did not compensate Plaintiff and
27 other non-party Aggrieved Employees for this off-the-clock work.

28 57. Further, Defendants did not pay Plaintiff and other non-party Aggrieved

1 Employees the correct overtime rate for the recorded overtime hours that they generated. In
2 addition to an hourly wage, Defendants paid Plaintiff and other non-party Aggrieved
3 Employees various forms of compensation that should have been included in calculating their
4 regular rate of pay, including, but not limited to, shift differential pay, non-discretionary
5 bonuses, and/or incentive pay for working overnight shifts, orientation overtime, holiday
6 premiums, and weekends. However, upon information and belief, and in violation of the
7 California Labor Code, Defendants failed to incorporate all these remunerations into the
8 calculation of the regular rate of pay for purposes of calculating the overtime wage rate for
9 Plaintiff and other non-party Aggrieved Employees. For example, Plaintiff received shift
10 differential pay for working night shifts, in the pay period from December 6, 2015 to December
11 19, 2015, in the amount of \$144.00. During this same pay period, Plaintiff also worked 12
12 overtime hours for which she was paid overtime wages. However, Defendants failed to
13 incorporate the shift differential pay she earned into her regular rate of pay and, as a result, paid
14 her at an incorrect and lower rate of pay for overtime hours worked. Specifically, Defendants
15 paid her at a rate of \$63.89 per hour, instead of at 1.5 times her *regular* rate of pay, which
16 included her shift differential and therefore was \$67.89. Therefore, during times when Plaintiff
17 and other non-party Aggrieved Employees worked overtime and received incentive pay, and/or
18 nondiscretionary bonuses, Defendants failed to pay all overtime wages by paying a lower
19 overtime rate than required.

20 58. Because Plaintiff and other non-party Aggrieved Employees often worked
21 shifts of eight (8) hours a day or more and/or in excess of forty (40) hours a week, some of
22 this off-the-clock work qualified for overtime premium pay. Therefore, Plaintiff and other
23 non-party Aggrieved Employees were not paid overtime wages for all of the overtime hours
24 they worked.

25 59. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
26 the balance of overtime compensation and failure to include all applicable remuneration in
27 calculating the regular rate of pay for overtime pay, as required by California law, violates
28 the provisions of California Labor Code sections 510 and 1198. Plaintiff and other non-party

1 Aggrieved Employees are therefore entitled to recover civil penalties pursuant to sections 558
2 and/or 2699(a), (f), and (g).

3 **FAILURE TO PAY MINIMUM WAGES**

4 **VIOLATION OF LABOR CODE SECTIONS 1182.12, 1194, 1197, 1197.1, AND 1198**

5 60. At all relevant times, California Labor Code sections 1182.12, 1194, 1197,
6 1197.1, and 1198 provide that the minimum wage for employees fixed by the IWC is the
7 minimum wage to be paid to employees and the payment of a wage less than the minimum so
8 fixed is unlawful.

9 61. As described above, due to Defendants' staffing practices and resultant lack of
10 break coverage, Plaintiff and other non-party Aggrieved Employees were forced to forego
11 meal breaks and/or have their meal breaks interrupted by work. Moreover, Plaintiff and
12 other non-party Aggrieved Employees were not relieved of all duties such that they could
13 take second 30-minute meal periods on days that they worked in excess of 10 hours in a day.
14 Instead, Plaintiff and other non-party Aggrieved Employees had to continue working during
15 unpaid second meal periods. In addition, Defendants systematically required Plaintiff and
16 other non-party aggrieved employees to clock out for their meal periods, even though they
17 were still performing additional duties and were subject to Defendants' control, and thus
18 actual hours worked were not always recorded accurately. Defendants did not pay at least
19 minimum wages for these off-the-clock hours that qualified for overtime premium payment.
20 Also, to the extent that these off-the-clock hours did not qualify for overtime premium
21 payment, Defendants did not pay at least minimum wages for those hours worked off-the-
22 clock.

23 62. Defendants' failure to pay Plaintiff and other non-party Aggrieved Employees
24 minimum wages violates California Labor Code sections 1182.12, 1194, 1197, 1197.1, and
25 1198. Plaintiff and other non-party Aggrieved Employees are therefore entitled to recover
26 civil penalties pursuant to sections 1197.1 and/or 2699(a), (f), and (g).

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28 //

1 **FAILURE TO PROVIDE MEAL PERIODS**

2 **VIOLATION OF LABOR CODE SECTIONS 226.7, 512(a), AND 1198**

3 63. At all relevant times herein set forth, the applicable IWC Wage Order(s) and
4 California Labor Code sections 226.7, 512(a) and 1198 were applicable to Plaintiff and other
5 non-party Aggrieved Employees' employment by Defendants.

6 64. At all relevant times herein set forth, California Labor Code section 512(a)
7 provides that an employer may not require, cause, or permit an employee to work for a
8 period of more than five (5) hours per day without providing the employee with a meal
9 period of not less than thirty (30) minutes, except that if the total work period per day of the
10 employee is not more than six (6) hours, the meal period may be waived by mutual consent
11 of both the employer and the employee. Under California law, first meal periods must start
12 after no more than five (5) hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004,
13 1041-1042 (Cal. 2012).

14 65. At all relevant times herein set forth, California Labor Code section 226.7,
15 512(a), and 1198 provide that no employer shall require an employee to work during any
16 meal period mandated by an applicable order of the IWC.

17 66. At all relevant times herein set forth, Labor Code sections 226.7, 512(a), 1198,
18 and the applicable IWC Wage Order also require employers to provide a second meal break
19 of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to
20 pay an employee one (1) additional hour of pay at the employee's regular rate, except that if
21 the total hours worked is no more than twelve (12) hours, the second meal period may be
22 waived by mutual consent of the employer and the employee only if the first meal period was
23 not waived.

24 67. During the relevant time period, Defendants maintained a company-wide,
25 unlawful written meal break policy insofar as it incorrectly states the timing of when meal
26 breaks must occur. Under California law, first meal periods must start after no more than
27 five hours of work. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042
28 (Cal. 2012). However, Defendants' written meal break policy states: "While working a

1 twelve (12) hour shift, you will be entitled to two (2) unpaid meal periods of thirty (30)
2 minutes during which you will be relieved of all duty.” Defendants’ written policies fail to
3 clearly state the correct timing of when the first meal break must take place (i.e. within the
4 first five (5) hours of work) under California law and are therefore facially invalid. Thus,
5 Defendants’ written meal break policy is facially non-compliant and in violation of Labor
6 Code sections 226.7, 512, and 1198, and the applicable IWC Wage Order. As a result of
7 Defendants’ company-wide non-compliant meal period policy, Plaintiff and other non-party
8 Aggrieved Employees were denied timely meal periods within the first five hours of work.

9 68. In addition, during the relevant time period, Defendants also required that
10 Plaintiff and/or other non-party Aggrieved Employees record taking meal periods (even
11 when not taken) and sign blanket meal period waivers during the new-hire process which
12 were invalid. Defendants written meal period waiver, titled “Meal Period Waiver for
13 Healthcare Employees Working Shifts in Excess of Eight Hours” states,

14 I understand I am entitled to two meal period [sic] when I work over
15 10 hours in a day. This certifies that I voluntarily waive one of the
16 two meal periods I would otherwise be entitled to receive under
17 California law on shifts when I work over 10 hours. (Emphasis
added).

18 69. Labor Code section 512(a) and the applicable IWC Wage Order state that a
19 second meal period of not less than thirty minutes is required if an employee works more
20 than ten hours per day, except that if the total hours worked is no more than 12 hours, the
21 second meal period may be waived by mutual consent of the employer and employee only if
22 the first meal period was not waived. In violation of Labor Code section 512(a), Defendants
23 have applied this meal period waiver to its employees by attempting to force Plaintiff and
24 other non-party Aggrieved Employees working more than 10 hours a day, but less than 12
25 hours a day, to unlawfully waive their first meal period (despite working more than six (6)
26 hours a day) and only provide them their “second” meal period after working seven (7) or
27 more hours, rather than always providing the first meal period and waiving the second.

28 70. Further, Defendants had and have a policy and/or practice of failing to

1 adequately staff its shifts to provide alternative patient coverage by other employees such
2 that Plaintiff and other non-party Aggrieved Employees could be relieved of all duties and
3 permitted to take compliant meal and rest breaks. As a result, Plaintiff and other non-party
4 Aggrieved Employees were not relieved of all of their duties during meal periods because
5 they had to respond immediately to assigned patients in need. For example, Plaintiff has
6 worked in excess of seven (7) hours straight before taking meal periods, due to high volume
7 of patients, and has cut meal periods short or worked through meal periods in order to assist
8 patients.

9 71. At all times herein mentioned, Defendants knew or should have known that as a
10 result of these company-wide policies, Plaintiff and other non-party Aggrieved Employees
11 were prevented from being relieved of all duties and required to perform some of their
12 assigned duties during meal periods and that Defendants did not pay other non-party
13 Aggrieved Employees meal period premium wages when they were missed or taken late. As
14 a result, Plaintiff and other non-party Aggrieved Employees were required to work through
15 some or all of their meal periods, cut their meal periods short, suffer interruptions during
16 their meal periods, and/or wait to take meal periods after extended periods of time.
17 Furthermore, Defendants did not provide other non-party Aggrieved Employees with second
18 30-minute meal periods on days that they worked in excess of ten (10) hours in one day.

19 72. As described above, Plaintiff and other non-party Aggrieved Employees did not
20 sign valid meal break waivers on days that they were entitled to meal periods and were not
21 relieved of all duties. Instead, and as stated, Defendants required Plaintiff and other non-
22 party Aggrieved Employees to sign blanket meal period waivers during the new-hire process,
23 which are invalid. To the extent Plaintiff and/or other non-party Aggrieved Employees
24 signed second meal period waivers for shifts longer than 12 hours in length, such meal period
25 waivers were invalid under California law.

26 73. Moreover, Defendants engaged in a systematic, company-wide policy to not
27 pay meal period premiums when a meal period was missed. Alternatively, to the extent that
28 Defendants did pay Plaintiff and other non-party Aggrieved Employees one (1) additional

1 hour of premium pay for missed meal periods, Defendants did not pay Plaintiff and other
2 non-party Aggrieved Employees at the correct rate of pay for premium wages because
3 Defendants failed to include all forms of compensation, such as shift differential pay, non-
4 discretionary bonuses, and/or incentive pay for working overnight shifts, orientation
5 overtime, holiday premiums, and weekends, in the regular rate of pay. As a result, to the
6 extent Defendants paid Plaintiff and other non-party Aggrieved Employees premium pay for
7 missed meal periods, it did so at a lower rate than required by law. As a result, Defendants
8 failed to provide Plaintiff and other non-party Aggrieved Employees compliant meal periods
9 and failed to pay the full meal period premiums due for late and/or missed meal periods.

10 74. Defendants' conduct of failing to provide meal periods to Plaintiff and other
11 non-party Aggrieved Employees violates the applicable IWC Wage Order, and California
12 Labor Code sections 226.7, 512(a), and 1198. Plaintiff and other non-party Aggrieved
13 Employees are therefore entitled to recover civil penalties pursuant to sections 558 and/or
14 2699(a), (f), and (g).

15 **FAILURE TO PROVIDE REST PERIODS**

16 **VIOLATION OF LABOR CODE SECTION 226.7 and 1198**

17 75. At all relevant times, the applicable IWC Wage Order and California Labor
18 Code sections 226.7 and 1198 were applicable to Plaintiffs and other non-party Aggrieved
19 Employees' employment by Defendants.

20 76. At all relevant times, the applicable IWC Wage Order provides that "[e]very
21 employer shall authorize and permit all employees to take rest periods, which insofar as
22 practicable shall be in the middle of each work period" and that the "rest period time shall be
23 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)
24 hours or major fraction thereof" unless the total daily work time is less than three and one-
25 half (3½) hours.

26 77. At all relevant times, California Labor Code section 226.7 provides that no
27 employer shall require an employee to work during any rest period mandated by an applicable
28 order of the California IWC.

1 78. Pursuant to the applicable IWC Wage Order and California Labor Code
2 sections 226.7(b) and 1198, Plaintiff and other non-party Aggrieved Employees are entitled
3 to recover from Defendants one (1) additional hour of pay at their regular rates of pay for
4 each work day that a required rest period was not provided.

5 79. During the relevant time period, Defendants regularly failed to authorize and
6 permit Plaintiff and other non-party Aggrieved Employees to take ten (10) minute rest period
7 per each four (4) hour period worked or major fraction thereof. Plaintiff and other non-party
8 Aggrieved Employees were denied rest periods in violation of Labor Code section 226.7 and
9 the applicable IWC Wage Order. As stated, Defendants had a company-wide policy and/or
10 practice of failing to adequately staff its shifts to provide alternative patient coverage by
11 other employees such that Plaintiff and other Aggrieved Employees could be relieved of all
12 duties and permitted to take compliant rest breaks. As a result, Plaintiff and other non-party
13 Aggrieved Employees were prevented from taking timely rest breaks. For example, Plaintiff
14 would sometimes work over eight (8) hours without receiving a first 10 minute rest break in
15 order to manage the heavy workload and provide continuous patient care.

16 80. At the same time, Defendants implemented a company-wide policy to not pay
17 rest period premiums. Alternatively, to the extent that Defendants did pay Plaintiff and other
18 non-party Aggrieved Employees one (1) additional hour of premium pay for missed rest
19 periods, Defendants did not pay Plaintiff and other non-party Aggrieved Employees at the
20 correct rate of pay for premium wages because Defendants failed to include all forms of
21 compensation, such as shift differential pay, non-discretionary bonuses, and/or incentive pay
22 for working overnight shifts, orientation overtime, holiday premiums, and weekends, in the
23 regular rate of pay. As a result, to the extent Defendants paid Plaintiff and other non-party
24 Aggrieved Employees premium pay for missed rest periods, it did so at a lower rate than
25 required by law. As a result, Plaintiff and other non-party Aggrieved Employees were
26 denied rest periods and Defendants failed to pay the full rest period premiums due.

27 81. Defendants' conduct of failing to provide Plaintiff and other non-party
28 Aggrieved Employees with compliant rest periods violates the applicable IWC Wage Order

1 and California Labor Code sections 226.7 and 1198. Plaintiff and other non-party Aggrieved
2 Employees are therefore entitled to recover civil penalties pursuant to section 2699(a), (f),
3 and (g).

4 **FAILURE TO PROVIDE AND MAINTAIN COMPLIANT WAGE STATEMENTS**
5 **VIOLATION OF LABOR CODE SECTIONS 226(a), 1174(d), AND 1198**

6 82. At all relevant times herein, California Labor Code section 226(a) provides that
7 every employer shall furnish each of his or her employees an accurate and complete itemized
8 wage statement in writing, including, but not limited to, the name and address of the legal
9 entity that is the employer, the inclusive dates of the pay period, total hours worked, and all
10 applicable rates of pay.

11 83. During the relevant time period, Defendants have knowingly and intentionally
12 provided Plaintiff and other non-party Aggrieved Employees with uniform, incomplete and
13 inaccurate wage statements that, among other things, failed to correctly list: gross wages
14 earned; net wages earned; the correct name and address of the legal entity that is the employer;
15 all applicable hourly rates in effect during the pay period, including overtime rates of pay and
16 rate of pay for premium wages; and all hours worked as a result of not recording or stating the
17 hours they worked off-the-clock.

18 84. Specifically, Defendants violated sections 226(a)(1), 226(a)(5), 226(a)(8), and
19 226(a)(9). Because Defendants did not calculate Plaintiff and other non-party Aggrieved
20 Employees' regular rate of pay correctly for purposes of paying overtime, Defendants did not
21 list the correct amount of gross wages earned by Plaintiff and other non-party Aggrieved
22 Employees in compliance with section 226(a)(1). For the same reason, Defendants failed to
23 list the correct amount of net wages earned by Plaintiff and other non-party Aggrieved
24 Employees in violation of section 226(a)(5). Defendants also failed to correctly list all
25 applicable hourly rates in effect during the pay period, namely, correct overtime rates of pay
26 and correct rates of pay for premium wages, such as Holiday Premium Pay, Orientation
27 Overtime Pay, and Premium Holiday Overtime Pay, in violation of section 226(a)(9). For
28 example, Defendants listed an overtime rate of \$41.26 per hour on Plaintiff's paystub dated

1 January 8, 2016, when her correct rate(s) of pay for Holiday Premium Pay, Orientation
2 Overtime Pay, and Premium Holiday Overtime Pay was higher.

3 85. Additionally, Defendants failed to list the correct name and address for the
4 legal employing entity, in violation of section 226(a)(8). According to Plaintiff's paystub,
5 Defendant GLENDORA HOSPITAL's legal address is 150 W. Route 66, Glendora, CA
6 91740. However, according to the California Secretary of State's website, the correct
7 address for GLENDORA HOSPITAL is 3300 E. Guasti Road, 3rd Floor, Ontario, CA 91761.
8 Also, according to the 2810.5 Wage Theft Prevention Act notice given to Plaintiff, the
9 correct legal employing entity is "Glendora Community Hospital" which also does business
10 as "East Valley Hospital Medical Center," neither of which are listed on her paystubs.

11 86. The wage statement deficiencies also include, among other things, failing to list
12 total hours worked by employees; failing to list the number of piece-rate units earned and any
13 applicable piece rate if the employee is paid on a piece-rate basis; failing to list all
14 deductions; failing to list the name of the employee and only the last four digits of his or her
15 social security number or an employee identification number other than a social security
16 number; failing to list the inclusive dates of the period for which aggrieved employees were
17 paid; and/or failing to state all hours worked as a result of not recording or stating the hours
18 they worked off-the-clock.

19 87. California Labor Code section 1174(d) provides that "[e]very person employing
20 labor in this state shall ... [k]eep a record showing the names and addresses of all employees
21 employed and the ages of all minors" and "[keep, at a central location in the state or at the
22 plants or establishments at which employees are employed, payroll records showing the
23 hours worked daily by and the wages paid to, and the number of piece-rate units earned by
24 and any applicable piece rate paid to, employees employed at the respective plants or
25 establishments..." During the relevant time period, and in violation of Labor Code section
26 1174(d), Defendants willfully failed to maintain accurate payroll records for Plaintiff and
27 other non-party Aggrieved Employees showing the daily hours they worked and the wages
28 paid thereto as a result of failing to record the off-the-clock hours that they worked.

1 88. California Labor Code section 1198 provides that the maximum hours of work
2 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as
3 set forth in the applicable IWC Wage Orders. Section 1198 further provides that “[t]he
4 employment of any employees for longer hours than those fixed by the order or under
5 conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC
6 Wage Order, employers are required to keep accurate time records showing when the
7 employee begins and ends each work period and meal period. Upon information and belief,
8 during the relevant time period, Defendants failed, on a company-wide basis, to keep records
9 of meal period start and stop times for Plaintiff and other non-party Aggrieved Employees in
10 violation of section 1198.

11 89. Because Defendants’ violations of 226(a), 1174(d), and 1198 were committed
12 against Plaintiff and other non-party Aggrieved Employees, Plaintiff and other non-party
13 Aggrieved Employees are entitled to recover civil penalties pursuant to sections 226.3,
14 1174.5, and/or 2699(a), (f), and (g).

15 **FAILURE TO PAY WAGES UPON TERMINATION**

16 **VIOLATION OF LABOR CODE SECTIONS 201, 202, AND 203**

17 90. At all relevant times herein, Labor Code sections 201, 202, and 203 provide
18 that if an employer discharges an employee, the wages earned and unpaid at the time of
19 discharge are due and payable immediately, and that if an employee voluntarily leaves his or
20 her employment, his or her wages shall become due and payable not later than 72 hours
21 thereafter, unless the employee has given 72 hours previous notice of his or her intention to
22 quit, in which case the employee is entitled to his or her wages at the time of quitting.

23 91. During the relevant time period, Defendants willfully failed to pay other non-
24 party Aggrieved Employees who are no longer employed by Defendants the earned and
25 unpaid wages set forth above, including but not limited to, overtime wages, minimum wages,
26 meal and rest period premium wages, and reporting time pay, either at the time of discharge,
27 or within 72 hours of their leaving Defendants’ employ.

28 92. Defendants’ failure to pay other non-party Aggrieved Employees who are no

1 longer employed by Defendants their wages earned and unpaid at the time of discharge, or
2 within seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code
3 sections 201 and 202. Therefore, other non-party Aggrieved Employees are entitled to
4 recover civil penalties pursuant to section 2699(a), (f), and (g).

5 **FAILURE TO PAY WAGES DURING EMPLOYMENT**

6 **VIOLATION OF LABOR CODE SECTION 204**

7 93. At all relevant times herein, Labor Code section 204 provides that all wages
8 earned by any person in any employment between the 1st and the 15th days, inclusive, of any
9 calendar month, other than those wages due upon termination of an employee, are due and
10 payable between the 16th and the 26th day of the month during which the labor was
11 performed. Labor Code section 204 further provides that all wages earned by any person in
12 any employment between the 16th and the last day, inclusive, of any calendar month, other
13 than those wages due upon termination of an employee, are due and payable between the 1st
14 and the 10th day of the following month.

15 94. At all relevant times herein, Labor Code section 204 provides that all wages
16 earned for labor in excess of the normal work period shall be paid no later than the payday
17 for the next regular payroll period. Alternatively, at all relevant times herein, Labor Code
18 section 204 provides that the requirements of this section are deemed satisfied by the
19 payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not
20 more than seven (7) calendar days following the close of the payroll period.

21 95. During the relevant time period, Defendants willfully failed to pay Plaintiff and
22 other non-party Aggrieved Employees all wages due including, but not limited to, overtime
23 wages, minimum wages, and meal and rest period premium wages, within the time periods
24 specified by California Labor Code section 204. Plaintiff and other non-party Aggrieved
25 Employees are therefore entitled to recover civil penalties pursuant to sections 210 and/or
26 2699(a), (f), and (g).

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28 //

1 **FAILURE TO PROVIDE WRITTEN NOTICE OF PAID SICK LEAVE OR PAID**
2 **TIME OFF AVAILABLE IN VIOLATION OF LABOR CODE SECTION 246(h)**

3 96. At all relevant times herein, Labor Code sections 245.5, 246, 246.5, 247, 248.5,
4 and 249 provides employees who have worked in California for 30 or more days from the
5 commencement of employment with paid sick days, to be accrued at least one hour for every
6 30 hours worked. Employers must provide no less than 24 hours or three (3) days of paid
7 sick leave (or equivalent paid leave or paid time off) in each year of the employee's
8 employment. Further, Labor Code section 246(h) provides that an employer must provide an
9 employee with written notice that sets forth the amount of paid sick leave available, or paid
10 time off that an employer provides in lieu of sick leave, for use on either the employee's
11 itemized wage statement or in a separate written statement provided on the designated pay
12 date with the employee's wages. The penalties described in this article for a violation of this
13 subdivision shall be in lieu of the penalties for a violation of Section 226.

14 97. During the relevant time period, Defendants willfully failed to provide Plaintiff
15 and other non-party Aggrieved Employees written notice on wage statements and/or other
16 separate written statements that listed the requisite information set forth in Labor Code
17 section 246(h). Specifically, Plaintiff's paystub merely states "Vacation Bal" and fails to
18 clearly state Plaintiff's and other non-party Aggrieved Employees' paid sick leave or paid
19 time off balance, in violation of Labor Code section 246(h).

20 98. Defendants' failure to provide Plaintiff and other non-party Aggrieved
21 Employees with written notice of paid sick leave available, or paid time off that an employer
22 provided in lieu of sick leave is in violation of Labor Code section 246(h). Plaintiff and
23 other non-party Aggrieved Employees are therefore entitled to recover penalties, attorney's
24 fees, costs, and interest thereon, pursuant to Labor Code section 2699(a), (f)-(g).

25 **FAILURE TO PROVIDE WRITTEN NOTICE OF MATERIAL TERMS OF**
26 **EMPLOYMENT - VIOLATION OF LABOR CODE SECTION 2810.5**

27 99. California's Wage Theft Prevention Act was enacted to ensure that employers
28 provide employees with basic information material to their employment relationship at the

1 time of hiring, and to ensure that employees are given written and timely notice of any
2 changes to basic information material to their employment. Codified at California Labor
3 Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an
4 employer must provide written notice to employees of the rate(s) of pay and basis thereof,
5 whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including
6 any rates for overtime, the regular payday designated by the employer, and any allowances
7 claims as part of the minimum wage, including meal or lodging allowances. Labor Code §
8 2810.5(a)(1)(A)-(C).

9 100. During the relevant time period, Defendants failed to provide written notice to
10 Plaintiff and other non-party Aggrieved Employees that lists the requisite information set
11 forth in Labor Code section 2810.5(a)(1)(A)-(C) on a company-wide basis, including the
12 rate(s) of pay and basis thereof, and any rates for overtime.

13 101. Defendants' failure to provide Plaintiff and other non-party Aggrieved
14 Employees with written notice of basic information regarding their employment with
15 Defendants is in violation of Labor Code section 2810.5. Plaintiff and other non-party
16 Aggrieved Employees are therefore entitled to recover penalties, attorney's fees, costs, and
17 interest thereon, pursuant to Labor Code section 2699(f)-(g).

18 **REQUEST FOR JURY TRIAL**

19 Plaintiff requests a trial by jury.

20 **PRAYER FOR RELIEF**

21 Plaintiff, on behalf of other non-party Aggrieved Employees, prays for relief and
22 judgment against Defendants, jointly and severally, as follows:

23 1. For civil penalties and attorneys' fees in excess of twenty-five thousand dollars
24 (\$25,000).

25 **As to the First Cause of Action**

26 2. That the Court declare, adjudge and decree that Defendants violated the
27 following California Labor Code sections as to Plaintiff and/or other non-party Aggrieved
28 Employees: 510 and 1198 (by failing to pay all overtime wages); 1182.12, 1194, 1197,

1 1197.1, and 1198 (by failing to pay at least minimum wages for all hours worked); 226.7,
2 512(a), and 1198 (by failing to provide meal and rest periods); 226(a) and 1198 (by failing to
3 provide accurate and complete wage statements); 1174(d) and 1198 (by failing to maintain
4 accurate and complete payroll records); 201, 202, 203 (by failing timely to pay all unpaid
5 wages upon termination); 204 (by failing timely to pay all earned wages during
6 employment); 246(h) (by failing to provide written notice of paid sick leave or paid time off
7 available); and 2810.5 (by failing to provide written notice of material terms of
8 employment);

9 3. For civil penalties pursuant to California Labor Code sections 210, 225.5,
10 226.3, 558, 1174.5, 1197.1, 2699(a) and/or 2699(f) and (g), for violations of California Labor
11 Code sections 201, 202, 203, 204, 226(a), 226.7, 246(h), 510, 512(a), 1174(d), 1182.12,
12 1194, 1197, 1197.1, 1198, and 2810.5;

13 4. For attorneys' fees and costs pursuant to California Labor Code section
14 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California
15 Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 246(h), 510, 512(a), 1174(d),
16 1182.12, 1194, 1197, 1197.1, 1198, and 2810.5;

17 5. For pre-judgment and post-judgment interest as provided by law; and

18 6. For such other and further relief as the Court may deem equitable and
19 appropriate.

20 Dated: February 29, 2016

Respectfully submitted,

Capstone Law APC

By: 

Raúl Pérez
Melissa Grant
Arnab Banerjee
Suzy E. Lee
Ruhandy Glezakos

Attorneys for Plaintiff Lorraine Sheldon

EXHIBIT 1



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310.556.4811 Main | 310.943.0396 Fax

JAMIE R. GREENE
310.556.4165 Direct
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January 26, 2016

VIA U. S. CERTIFIED MAIL

California Labor and Workforce Development Agency
ATTN: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94162

Subject: *Lorraine Sheldon v. East Valley Glendora Hospital, L.P.*

Dear PAGA Administrator:

This office represents Lorraine Sheldon in connection with her claims under the California Labor Code. Ms. Sheldon is an employee of EAST VALLEY GLENDORA HOSPITAL, L.P. ("GLENDORA HOSPITAL").

The employer may be contacted directly:

EAST VALLEY GLENDORA HOSPITAL, L.P.
3300 E. GUASTI ROAD, 3RD FLOOR
ONTARIO, CALIFORNIA 91761

Ms. Sheldon intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under California Labor Code sections 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Ms. Sheldon seeks relief on behalf of herself, the State of California, and other persons who were employed by GLENDORA HOSPITAL in California as non-exempt, hourly-paid employees in a hospital facility ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3.

GLENDORA HOSPITAL has employed Ms. Sheldon in California as an hourly, non-exempt Registered Nurse since approximately December 2015 at its hospital in Glendora, California. As a non-exempt, hourly-paid Registered Nurse, Ms. Sheldon typically worked twelve (12) hours per day, three (3) days per week. Her job duties include assessing, planning, implementing, and evaluating patient care and communicating with physicians regarding each patient's condition or changes in condition. Since the start of her employment, Ms. Sheldon has been earning approximately \$41.26 per hour. Ms. Sheldon's relevant claims are as follows:

GLENDORA HOSPITAL's Company-Wide and Uniform Payroll and HR Practices

GLENDORA HOSPITAL is a California limited partnership which provides, among other healthcare services, acute care medical, intensive care, and surgical services. GLENDORA HOSPITAL operates a regional office and/or hospital in Southern California. Upon information and belief, GLENDORA HOSPITAL maintains a centralized Human Resources (HR) department at their headquarters in Ontario, California, or Glendora, California, for all non-exempt, hourly-paid employees working for GLENDORA HOSPITAL at their various locations in California, including Ms. Sheldon and other aggrieved employees. At all relevant times, GLENDORA HOSPITAL issued and maintained uniform, standardized practices and procedures for all non-exempt, hourly-paid employees in California, including Ms. Sheldon and other aggrieved employees, regardless of their location or position.

Upon information and belief, GLENDORA HOSPITAL maintains a centralized Payroll department at their headquarters in Ontario, California, or Glendora, California, which processes payroll for all non-exempt, hourly-paid employees working for GLENDORA HOSPITAL at their various location(s) in California, including Ms. Sheldon and other aggrieved employees. At all relevant times, GLENDORA HOSPITAL has processed payroll and issued the same formatted wage statements in the same manner for all non-exempt, hourly-paid employees working in California, including Ms. Sheldon and other aggrieved employees, regardless of their location, position, or manner in which each employee's employment ended.

Violation of California Labor Code §§ 510 and 1198

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including non-discretionary bonuses and incentive pay.

During the relevant time period, GLENDORA HOSPITAL willfully failed to pay all overtime wages owed to Ms. Sheldon and other aggrieved employees. Ms. Sheldon and other aggrieved employees were not paid overtime premium for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded. GLENDORA HOSPITAL has, and continues to have, a company-wide policy and/or practice of understaffing their hospital location(s). GLENDORA HOSPITAL's systemic understaffing and resulting lack of break coverage prevented Ms. Sheldon and other aggrieved employees from taking all timely, uninterrupted thirty (30) minute meal periods and led to them working off-the-clock during meal breaks to complete assigned tasks, because there were too few employees staffed to provide patient care and/or complete assigned tasks. GLENDORA HOSPITAL systematically, and on a company-wide basis, required that Ms. Sheldon and other aggrieved employees record meal periods even when they were not taken or were interrupted by work and insisted that Ms. Sheldon and other aggrieved employees continue to attend to their assigned patients during meal breaks so as to maintain constant patient supervision. In addition, GLENDORA HOSPITAL did not provide Ms. Sheldon and/or other aggrieved employees

with second 30 minute meal periods on all days that they worked in excess of ten (10) hours in one day. Ms. Sheldon and other aggrieved employees did not sign valid meal break waivers on days that they were entitled to meal periods but were not relieved of all duties.

In addition, GLENDORA HOSPITAL has a company-wide policy and/or practice of refusing to pay Ms. Sheldon and other aggrieved employees for time spent working off-the-clock during meal breaks, even though Ms. Sheldon and other aggrieved employees still performed additional duties and were subject to GLENDORA HOSPITAL's control during those times. GLENDORA HOSPITAL knew or should have known that as a result of its policies, that Ms. Sheldon and other aggrieved employees were performing some of their assigned duties off-the-clock. GLENDORA HOSPITAL also knew, or should have known, that it did not compensate Ms. Sheldon and other aggrieved employees for this off-the-clock work.

Because Ms. Sheldon and other aggrieved employees regularly worked shifts of twelve (12) or more hours per day and in excess of forty (40) or more hours per week, and in excess of eight (8) hours on their seventh consecutive day of work, most of this off-the-clock work qualified for overtime or double time payment. Therefore, Ms. Sheldon and other aggrieved employees were not paid overtime wages for all of the overtime hours they worked. GLENDORA HOSPITAL's failure to pay Ms. Sheldon and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198.

Furthermore, GLENDORA HOSPITAL did not pay Ms. Sheldon and other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, GLENDORA HOSPITAL paid Ms. Sheldon and other aggrieved employees other forms of compensation that should have been included in calculating their regular rate of pay, including, but not limited to, shift differential pay, non-discretionary bonuses, and/or incentive pay for working overnight shifts and weekends. However, in violation of the California Labor Code, GLENDORA HOSPITAL failed to incorporate all remunerations, including shift differential pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when Ms. Sheldon and other aggrieved employees worked overtime and received these other forms of pay, GLENDORA HOSPITAL failed to pay all overtime wages by paying a lower overtime rate than required.

Ms. Sheldon and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558, 1194, and/or 2699(a),(f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, and 1197.1

California Labor Code sections 1182.12, 1194, 1197, and 1197.1 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful.

As described above, due to GLENDORA HOSPITAL's staffing practices and resultant lack of break coverage, Ms. Sheldon and other aggrieved employees were forced to forego meal breaks and/or have their meal breaks interrupted or delayed by work. Moreover, Ms. Sheldon and other aggrieved employees were not relieved of all duties such that they could take second 30-minute meal periods on days that they worked in excess of 10 hours in a day. In addition, GLENDORA HOSPITAL systematically required Ms. Sheldon and other aggrieved employees to clock out for their meal periods, even though they were still performing additional duties and were subject to GLENDORA

HOSPITAL's control, and thus actual hours worked were not always recorded accurately. GLENDORA HOSPITAL did not pay at least minimum wages for these off-the-clock hours that qualified for overtime premium payment. Also, to the extent that these off-the-clock hours did not qualify for overtime premium payment, GLENDORA HOSPITAL did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, and 1197.1. Accordingly, GLENDORA HOSPITAL regularly failed to pay at least minimum wages to Ms. Sheldon and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, and 1197.1.

Ms. Sheldon and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(f)-(g).

Violation of California Labor Code §§ 226.7 and 512(a)

California Labor Code sections 226.7 and 512 and the applicable IWC Wage Order require employers to provide meal and rest breaks and require employers to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five (5) hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (Cal. 2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal break of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3½) hours. California Labor Code section 226.7 and the applicable IWC Wage Order also require employers to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a rest period is not provided.

GLENDORA HOSPITAL maintained a company-wide, unlawful written meal break policy insofar as it incorrectly states the timing of when meal breaks must occur. Under California law, first meal periods must start after no more than five hours of work. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (Cal. 2012). However, GLENDORA HOSPITAL'S written meal break policy states: "I am also entitled to a meal period of **at least 30 minutes for each five (5) hours of work or major fraction thereof.**" GLENDORA HOSPITAL's written policies fail to state the correct timing of when the first meal break must take place (i.e. within the first five (5) hours of work) under California law and are therefore facially invalid. Further, GLENDORA HOSPITAL's policy fails to provide that employees, including Ms. Sheldon and other aggrieved employees, are

entitled to second 30 minute meal breaks for shifts in excess of ten (10) hours. Thus, GLENDORA HOSPITAL's written meal break policy is facially non-compliant and in violation of Labor Code sections 226.7 and 512 and the applicable IWC Wage Order. As a result of GLENDORA HOSPITAL's company-wide non-compliant meal period policy, Ms. Sheldon and other aggrieved employees were denied timely meal periods within the first five hours of work. During the relevant time period, GLENDORA HOSPITAL also required that Ms. Sheldon and other aggrieved employees record taking meal periods (even when not taken) and sign meal period waivers which were invalid. GLENDORA HOSPITAL's Meal Period Waiver for Healthcare Employees Working Shifts in Excess of Eight Hours states, "I understand I am entitled to two meal period [sic] when I work over 10 hours in a day. This certifies that I voluntarily waive **one of the two meal periods** I would otherwise be entitled to receive under California law on shifts when I work over 10 hours." Labor Code section 512(a) and the applicable IWC Wage Order state that a second meal period of not less than thirty minutes is required if an employee works more than ten hours per day, except that if the total hours worked is no more than 12 hours, **the second meal period** may be waived by mutual consent of the employer and employee only if the first meal period was not waived.

Further, GLENDORA HOSPITAL had a policy and/or practice of failing to adequately staff its shifts to provide alternative patient coverage by another employee such that Ms. Sheldon and other aggrieved employees could be relieved of all duties and permitted to take compliant meal and rest breaks. As a result, Ms. Sheldon and other aggrieved employees were not relieved of all of their duties during meal periods because they had to respond immediately to assigned patients in need. Instead, Ms. Sheldon and other aggrieved employees continued to monitor and assist patients even after working five (5) consecutive hours without a break. Further, Ms. Sheldon and aggrieved employees were required to work through meal periods, cut their meal periods short, suffer interruptions during their meal periods, and/or take meal periods after extended periods of time.

For example, Ms. Sheldon often works in excess of seven (7) hours straight before taking meal period due to high volume of patients and has cut meal periods short or worked through meal periods in order to assist patients in need. Furthermore, GLENDORA HOSPITAL did not provide other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. Ms. Carbajal and/or other aggrieved employees did not sign valid meal break waivers on days that they were entitled to meal periods and were not relieved of all duties. To the extent Ms. Sheldon and/or other aggrieved employees signed second meal period waivers for shifts longer than 12 hours in length, such meal period waivers were invalid under California law.

As with meal periods, GLENDORA HOSPITAL's staffing practices and scheduling policies prevented Ms. Sheldon and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. Ms. Sheldon and other aggrieved employees were denied ten (10) minute rest periods to which they were entitled to under California law and Ms. Sheldon has regularly worked through her ten (10) minute rest periods throughout her employment. Additionally, as a result of GLENDORA HOSPITAL's scheduling and staffing practices, Ms. Sheldon and other aggrieved employees were forced to forego rest breaks in order to manage the heavy workload and provide continuous patient care.

GLENDORA HOSPITAL also engaged in a systematic, company-wide policy of not paying meal and rest period premiums owed when compliant meal and rest periods were not provided in violation of California Labor Code sections 226.7 and 512. Because of this practice and/or policy, Ms. Sheldon and/or other aggrieved employees did not receive premium pay for missed meal and/or rest periods. Alternatively, to the extent GLENDORA HOSPITAL did pay Ms. Sheldon and other

aggrieved employees premium payments for missed meal periods and/or rest breaks, GLENDORA HOSPITAL did not pay Ms. Sheldon and other aggrieved employees at the correct rate of pay for premium wages. Specifically, GLENDORA HOSPITAL systematically failed to properly calculate Ms. Sheldon's and other aggrieved employees' regular rates of pay for purposes of paying premium wages by failing to include all forms of compensation, such as shift differential pay and/or nondiscretionary bonuses, in the regular rate of pay. As stated, Ms. Sheldon and other aggrieved employees received shift differential pay and non-discretionary bonus pay. However, GLENDORA HOSPITAL failed to incorporate these forms of remuneration into Ms. Sheldon's and other aggrieved employees' regular rates of pay for purposes of paying overtime and premium wages. As a result, to the extent GLENDORA HOSPITAL paid Ms. Sheldon and/or other aggrieved employees premium pay for missed meal or rest periods, it did so at a lower rate than required by law, resulting in an underpayment of premium wages.

Accordingly, GLENDORA HOSPITAL failed to provide Ms. Sheldon and other aggrieved employees with all meal and rest periods in violation of California Labor Code sections 226.7 and 512. Ms. Sheldon and other aggrieved employees are entitled to penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(f)-(g).

Violation of California Labor Code §§ 226(a) and 1174(d)

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. GLENDORA HOSPITAL has not provided Ms. Sheldon and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wages statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50.00 for the initial pay period in which a violations occurs and \$100 per employee for each violation in an subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

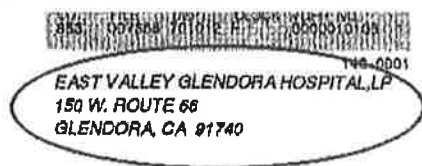
GLENDORA HOSPITAL has knowingly and intentionally provided Ms. Sheldon and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, GLENDORA HOSPITAL issued uniform wage statements to Ms. Sheldon and other aggrieved employees that fail to list: gross wages earned, net wages earned, the correct name and address of the legal entity that is the employer, and all applicable hourly rates in effect during the pay period, including overtime rates of pay and rates of pay for premium wages.

Specifically, GLENDORA HOSPITAL violated sections 226(a)(1), 226(a)(5), 226(a)(8), and 226(a)(9). Because GLENDORA HOSPITAL did not calculate Ms. Sheldon's and other aggrieved employees' regular rate of pay correctly for purposes of paying overtime, GLENDORA HOSPITAL did not list the correct amount of gross wages earned by Ms. Sheldon and other aggrieved employees in compliance with section 226(a)(1). For the same reason, GLENDORA HOSPITAL failed to list the correct amount of net wages earned by Ms. Sheldon and other non-party aggrieved employees in violation of section 226(a)(5). GLENDORA HOSPITAL also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct overtime rates of pay and correct rates of pay for premium wages, such as Holiday Premium Pay, Orientation Overtime Pay, and Premium Holiday Overtime Pay, in violation of section 226(a)(9). For example, GLENDORA HOSPITAL

listed an overtime rate of \$41.26 per hour on Ms. Sheldon's paystub dated January 8, 2016, when her correct rate(s) of pay for Holiday Premium Pay, Orientation Overtime Pay, and Premium Holiday Overtime Pay was higher.

Earnings	rate	hours	this period	year to date
Regular	41.2600	20.10	829.33	829.33
Overtime	83.8150	8.00	510.52	510.52
Holiday	41.2600	16.00	660.16	660.16
Holiday Prem	41.2600	3.90	241.37	241.37
Orient	41.2600	21.00	866.46	866.46
Orient Ot	41.2600	4.00	255.26	255.26
Prem Hol-Ot	41.2600	4.00	255.26	255.26
Shft 4.00N	4.0000	48.00	192.00	192.00
Wknd	2.0000	12.00	24.00	24.00
Total Hours		138.50		
Gross Pay			\$3,834.36	3,834.36

Additionally, GLENDORA HOSPITAL failed to list the correct name and address for the legal employing entity, in violation of section 226(a)(8). According to Ms. Sheldon's paystub, GLENDORA HOSPITAL's legal address is 150 W. Route 66, Glendora, CA 91740. However, according to the California Secretary of State's website, the correct address for GLENDORA HOSPITAL is 3300 E. Guasti Road, 3rd Floor, Ontario, CA 91761. Also, according to the 2810.5 Wage Theft Prevention Act notice given to Ms. Sheldon, the correct legal employing entity is "Glendora Community Hospital" which also does business as "East Valley Hospital Medical Center," neither of which are listed on her paystubs. *See example of violating paystub below.*



Earnings Statement



Period Beginning: 12/20/2015
 Period Ending: 01/02/2016
 Pay Date: 01/08/2016

Taxable Marital Status: Single
 Exemptions/Allowances:
 Federal: 10
 CA: 10

LORRAINE SHELTON

Social Security Number: XXX-XX-XXXX

The wage statement deficiencies also include, among other things, failing to list total hours worked by employees; failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the inclusive dates of the period for which aggrieved employees were paid; and/or failing to state all hours worked as a result of not recording or stating the hours they worked off-the-clock.

California Labor Code section 1174(d) provides that “[e]very person employing labor in this state shall ... [k]eep a record showing the names and addresses of all employees employed and the ages of all minors” and “[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments...” Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), GLENDORA HOSPITAL willfully failed to maintain accurate payroll records for Ms. Sheldon and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Orders. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, GLENDORA HOSPITAL failed, on a company-wide basis, to keep records of meal period start and stop times for Ms. Sheldon and other aggrieved employees in violation of section 1198.

Because GLENDORA HOSPITAL failed to correctly list the applicable rates of pay and provide the accurate number of total hours worked on wage statements, Ms. Sheldon and other aggrieved employees have been prevented from verifying, solely from information on the wage statements themselves, that they were paid correctly and in full. Instead, Ms. Sheldon and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Ms. Sheldon and other aggrieved employees are entitled to recover penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226(e), 226.3, and/or 2699(f)-(g).

Violation of California Labor Code § 204

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, GLENDORA HOSPITAL failed to pay Ms. Sheldon and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum

wages, and meal period and rest break premium wages, within any time period specified by California Labor Code section 204.

Ms. Sheldon and other aggrieved employees are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(f)-(g).

Violation of California Labor Code §§ 201, 202, and 203

California Labor Code sections 201, 202, and 203 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. GLENDORA HOSPITAL willfully failed to pay formerly employed aggrieved employees who are no longer employed by GLENDORA HOSPITAL all their earned wages, including, but not limited to, unpaid overtime wages, unpaid minimum wages, and unpaid meal period and rest break premium wages, either at the time of discharge, or within seventy-two (72) hours of their leaving GLENDORA HOSPITAL's employ in violation of California Labor Code sections 201, 202, and 203.

Other aggrieved employees are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 2699(f)-(g).

Violation of California Labor Code § 2810.5

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday, the name of the employer, including any "doing business as" names used by the employer, the physical address of the employer's main office or principal place of business, the telephone number of the employer, the name, address, and telephone number of the employer's workers' compensation insurance carrier. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

GLENDORA HOSPITAL failed to provide Ms. Sheldon and other aggrieved employees written notice that lists the requisite information set forth in Labor Code section 2810.5. Specifically, GLENDORA HOSPITAL's written notice fails to provide Ms. Sheldon and other aggrieved employees with the correct name of the employer, including any "doing business as" names used by the employer; rate(s) of pay and basis thereof, including any rates for overtime; and the address and telephone number of the employer's workers' compensation insurance carrier, in violation of Labor Code section 2810.5. Ms. Sheldon and other aggrieved employees are therefore entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 2699(f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages.” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” GLENDORA HOSPITAL, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Ms. Sheldon and other aggrieved employees’ rights by violating various sections of the California Labor Code and provisions regulating hours and days of work of the applicable IWC Wage Order.

Accordingly, Ms. Sheldon seeks the remedies set forth in Labor Code section 558 for herself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, 210, 226.3, 558, and 1197.1, Ms. Sheldon, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for herself, all other aggrieved employees, and the State of California against GLENDORA HOSPITAL, in addition to other remedies, for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, and 1198.

Therefore, on behalf of all aggrieved employees, Ms. Sheldon seeks all applicable penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Jamie Greene
Capstone Law APC
1840 Century Park East, Suite 450
Los Angeles, CA 90067
(310) 556-4811

Best Regards,



Jamie Greene

Enclosure

Copy: EAST VALLEY GLENDORA HOSPITAL, L.P. (via Certified Mail)

EXHIBIT 2



1840 Century Park East, Suite 450
Los Angeles, California 90067
310.556.4811 Main | 310.943.0396 Fax

JAMIE R. GREENE
310.556.4165 Direct
Jamie.Greene@capstonelawyers.com

February 17, 2016

VIA U. S. CERTIFIED MAIL

California Labor and Workforce Development Agency
ATTN: PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94162

Subject: *Lorraine Sheldon v. East Valley Glendora Hospital, L.P. – AMENDED NOTICE*

Dear PAGA Administrator:

This office represents Lorraine Sheldon in connection with her claims under the California Labor Code. Ms. Sheldon is an employee of EAST VALLEY GLENDORA HOSPITAL, L.P. ("GLENDORA HOSPITAL"). Our office previously provided notice of Ms. Sheldon's claims to the California Labor and Workforce Development Agency ("LWDA") on January 26, 2016. This amended notice supplements Ms. Sheldon's prior LWDA notice, is based on her personnel records which were received from GLENDORA HOSPITAL, and is intended to clarify the facts and theories supporting her claims.

The employer may be contacted directly:

EAST VALLEY GLENDORA HOSPITAL, L.P.
3300 E. GUASTI ROAD, 3RD FLOOR
ONTARIO, CALIFORNIA 91761

Ms. Sheldon intends to seek civil penalties, attorney's fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under California Labor Code sections 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Ms. Sheldon seeks relief on behalf of herself, the State of California, and other persons who were employed by GLENDORA HOSPITAL in California as non-exempt, hourly-paid employees in a hospital facility ("aggrieved employees"). This letter is sent in compliance with the notice and reporting requirements of California Labor Code section 2699.3. A copy of Ms. Sheldon's proposed complaint is enclosed and incorporated herewith.

GLENDORA HOSPITAL has employed Ms. Sheldon in California as an hourly, non-exempt Registered Nurse since approximately December 2015 at its hospital in Glendora, California. As a non-exempt, hourly-paid Registered Nurse, Ms. Sheldon typically works twelve (12) hours per day, three (3) days per week. Her job duties include, among other things, assessing, planning,

implementing, and evaluating patient care and communicating with physicians regarding each patient's condition or changes in condition. Ms. Sheldon earns approximately \$41.26 per hour and is paid shift differential pay for working night shifts. Ms. Sheldon's relevant claims are as follows:

GLENDORA HOSPITAL's Company-Wide and Uniform Payroll and HR Practices

GLENDORA HOSPITAL is a California limited partnership which provides, among other healthcare services, acute care medical, intensive care, and surgical services. GLENDORA HOSPITAL operates a regional office and/or hospital in Southern California. Upon information and belief, GLENDORA HOSPITAL maintains a centralized Human Resources (HR) department at their headquarters in Ontario, California, or Glendora, California, for all non-exempt, hourly-paid employees working for GLENDORA HOSPITAL at their various locations in California, including Ms. Sheldon and other aggrieved employees. At all relevant times, GLENDORA HOSPITAL issued and maintained uniform, standardized practices and procedures for all non-exempt, hourly-paid employees in California, including Ms. Sheldon and other aggrieved employees, regardless of their location or position.

Upon information and belief, GLENDORA HOSPITAL maintains a centralized Payroll department at their headquarters in Ontario, California, or Glendora, California, which processes payroll for all non-exempt, hourly-paid employees working for GLENDORA HOSPITAL at their various location(s) in California, including Ms. Sheldon and other aggrieved employees. At all relevant times, GLENDORA HOSPITAL has processed payroll and issued the same formatted wage statements in the same manner for all non-exempt, hourly-paid employees working in California, including Ms. Sheldon and other aggrieved employees, regardless of their location, position, or manner in which each employee's employment ended.

Violation of California Labor Code §§ 510 and 1198

California Labor Code sections 510 and 1198 and the applicable Industrial Welfare Commission ("IWC") Wage Order require employers to pay employees working more than eight (8) hours in a day or more than forty (40) hours in a workweek at the rate of time-and-one-half (1 ½) times the regular rate of pay for all hours worked in excess of eight (8) hours in a day or more than forty (40) hours in a workweek. The applicable IWC Wage Order further provides that employers are required to pay employees working more than twelve (12) hours in a day overtime compensation at a rate of two (2) times their regular rate of pay. An employee's regular rate of pay includes all remuneration for employment paid to, or on behalf of, the employee, including non-discretionary bonuses and incentive pay.

During the relevant time period, GLENDORA HOSPITAL willfully failed to pay all overtime wages owed to Ms. Sheldon and other aggrieved employees. Ms. Sheldon and other aggrieved employees were not paid overtime premium for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve (12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded. GLENDORA HOSPITAL has, and continues to have, a company-wide policy and/or practice of understaffing their hospital location(s). GLENDORA HOSPITAL's systemic understaffing and resulting lack of break coverage prevented Ms. Sheldon and other aggrieved employees from taking all timely, uninterrupted thirty (30) minute meal periods and led to them working off-the-clock during meal breaks to complete their assigned workload, because there were too few employees staffed to provide patient care and/or finish their assigned tasks, such as responding to patient needs. GLENDORA HOSPITAL systematically, and on a

company-wide basis, required that Ms. Sheldon and/or other aggrieved employees clock out and record meal periods even when they were not taken or were interrupted by work and insisted that Ms. Sheldon and other aggrieved employees continue to attend to their assigned patients during meal breaks so as to maintain constant patient supervision. In addition, GLENDORA HOSPITAL did not provide Ms. Sheldon and/or other aggrieved employees with second 30 minute meal periods on all days that they worked in excess of ten (10) hours in one day. Ms. Sheldon and other aggrieved employees did not sign valid meal break waivers on days that they were entitled to meal periods but were not relieved of all duties.

In addition, GLENDORA HOSPITAL has a company-wide policy and/or practice of refusing to pay Ms. Sheldon and other aggrieved employees for time spent working off-the-clock during meal breaks, even though Ms. Sheldon and other aggrieved employees still performed additional duties and were subject to GLENDORA HOSPITAL's control during those times. GLENDORA HOSPITAL knew or should have known that as a result of its policies, that Ms. Sheldon and other aggrieved employees were performing some of their assigned duties off-the-clock. GLENDORA HOSPITAL also knew, or should have known, that it did not compensate Ms. Sheldon and other aggrieved employees for this off-the-clock work.

Because Ms. Sheldon and other aggrieved employees regularly worked shifts of twelve (12) or more hours per day and in excess of forty (40) or more hours per week, and in excess of eight (8) hours on their seventh consecutive day of work, most of this off-the-clock work qualified for overtime or double time payment. Therefore, Ms. Sheldon and other aggrieved employees were not paid overtime wages for all of the overtime hours they worked. GLENDORA HOSPITAL's failure to pay Ms. Sheldon and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198.

Furthermore, GLENDORA HOSPITAL did not pay Ms. Sheldon and other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, GLENDORA HOSPITAL paid Ms. Sheldon and other aggrieved employees other forms of compensation that should have been included in calculating their regular rate of pay, including, but not limited to, shift differential pay, non-discretionary bonuses, and/or incentive pay for working overnight shifts, orientation overtime, holiday premiums, and weekends. However, in violation of the California Labor Code, GLENDORA HOSPITAL failed to incorporate all remunerations, including shift differential pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. For example, Ms. Sheldon received shift differential pay for working night shifts in the pay period from December 6, 2015, to December 19, 2015, in the amount of \$144.00. During this same pay period, Ms. Sheldon also worked 12 overtime hours for which she was paid overtime wages. However, GLENDORA HOSPITAL failed to incorporate the shift differential pay she earned into her regular rate of pay and, as a result, paid her at an incorrect and lower rate of pay for overtime hours worked. Specifically, GLENDORA HOSPITAL paid her at \$63.89 per hour, instead of at 1.5 times her *regular* rate of pay, which included her shift differential and therefore was \$67.89. Therefore, during times when Ms. Sheldon and other aggrieved employees worked overtime and received these other forms of pay, GLENDORA HOSPITAL failed to pay all overtime wages by paying a lower overtime rate than required.

Ms. Sheldon and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558, 1194, and/or 2699(a),(f)-(g).

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful.

As described above, due to GLENDORA HOSPITAL's staffing practices and resultant lack of break coverage, Ms. Sheldon and other aggrieved employees were forced to forego meal breaks, take their meal breaks late, and/or have their meal breaks interrupted or delayed by work. Moreover, Ms. Sheldon and other aggrieved employees were not relieved of all duties such that they could take second 30-minute meal periods on days that they worked in excess of 10 hours in a day. In addition, GLENDORA HOSPITAL systematically required Ms. Sheldon and other aggrieved employees to clock out for their meal periods, even though they were still performing additional duties and were subject to GLENDORA HOSPITAL's control, and thus actual hours worked were not always recorded accurately. GLENDORA HOSPITAL did not pay at least minimum wages for these off-the-clock hours that qualified for overtime premium payment. Also, to the extent that these off-the-clock hours did not qualify for overtime premium payment, GLENDORA HOSPITAL did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, and 1197.1. Accordingly, GLENDORA HOSPITAL regularly failed to pay at least minimum wages to Ms. Sheldon and other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Ms. Sheldon and other aggrieved employees are therefore entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(f)-(g).

Violation of California Labor Code §§ 226.7, 512(a), and 1198

California Labor Code sections 226.7, 512, and 1198 and the applicable IWC Wage Order require employers to provide meal and rest breaks and require employers to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five (5) hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (Cal. 2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal break of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than

three and one-half (3½) hours. California Labor Code section 226.7 and the applicable IWC Wage Order also require employers to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a rest period is not provided.

GLENDORA HOSPITAL maintained a company-wide, unlawful written meal break policy insofar as it incorrectly states the timing of when meal breaks must occur. Under California law, first meal periods must start after no more than five hours of work. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (Cal. 2012). However, GLENDORA HOSPITAL'S written meal break policy states: "**While working a twelve (12) hour shift, you will be entitled to two (2) unpaid meal periods of thirty (30) minutes** during which you will be relieved of all duty." (Emphasis added.) GLENDORA HOSPITAL's written policies fail to clearly state the correct timing of when the first meal break must take place (i.e. within the first five (5) hours of work) under California law and are therefore facially invalid. Thus, GLENDORA HOSPITAL's written meal break policy is facially non-compliant and in violation of Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order. As a result of GLENDORA HOSPITAL's company-wide non-compliant meal period policy, Ms. Sheldon and other aggrieved employees were denied timely meal periods within the first five hours of work. During the relevant time period, GLENDORA HOSPITAL also required that Ms. Sheldon and/or other aggrieved employees record taking meal periods (even when not taken) and sign meal period waivers which were invalid. GLENDORA HOSPITAL's written meal period waiver, titled "Meal Period Waiver for Healthcare Employees Working Shifts in Excess of Eight Hours" states,

I understand I am entitled to two meal period [sic] when I work over 10 hours in a day. This certifies that I voluntarily waive **one of the two meal periods** I would otherwise be entitled to receive under California law on shifts when I work over 10 hours. (Emphasis added.)

Labor Code section 512(a) and the applicable IWC Wage Order state that a second meal period of not less than thirty minutes is required if an employee works more than ten hours per day, except that if the total hours worked is no more than 12 hours, **the second meal period** may be waived by mutual consent of the employer and employee only if the first meal period was not waived. In violation of Labor Code section 512(a), GLENDORA HOSPITAL has applied this meal period waiver to its employees by requiring Ms. Sheldon and other aggrieved employees working more than 10 hours a day, but less than 12 hours a day, to unlawfully waive their first meal period (despite working more than six (6) hours a day) and only provide them their "second" meal period, rather than always providing the first meal period and waiving the second.

Further, GLENDORA HOSPITAL had a company-wide policy and/or practice of failing to adequately staff its shifts to provide alternate patient coverage by other employees such that Ms. Sheldon and other aggrieved employees could be relieved of all duties and permitted to take compliant meal and rest breaks. As a result, Ms. Sheldon and other aggrieved employees were not relieved of all of their duties during meal periods because they had to respond immediately to assigned patients in need. For example, Ms. Sheldon and other aggrieved employees were made to work in excess of seven (7) hours straight before taking meal periods, due to high volume of patients, and have cut meal periods short or worked through meal periods in order to assist patients. GLENDORA HOSPITAL knew or should have known that as a result of these company-wide policies, Ms. Sheldon and other aggrieved employees were prevented from being relieved of all duties and required to perform some of their assigned duties during meal and/or rest periods and that GLENDORA HOSPITAL did not pay other aggrieved employees meal and/or rest period premium

wages when they were missed or taken late. As a result, Ms. Sheldon and aggrieved employees were required to work through some or all of their meal periods, cut their meal periods short, suffer interruptions during their meal periods, and/or wait to take meal periods after extended periods of time. Furthermore, GLENDORA HOSPITAL did not provide other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. As described above, Ms. Sheldon and/or other aggrieved employees did not sign valid meal break waivers on days that they were entitled to meal periods and were not relieved of all duties. To the extent Ms. Sheldon and/or other aggrieved employees signed second meal period waivers for shifts longer than 12 hours in length, such meal period waivers were invalid under California law.

As with meal periods, GLENDORA HOSPITAL's staffing practices and scheduling policies prevented Ms. Sheldon and other aggrieved employees from being relieved of all duty in order to take compliant rest periods. Ms. Sheldon and other aggrieved employees were denied ten (10) minute rest periods to which they were entitled to under California law and Ms. Sheldon has regularly worked through her ten (10) minute rest periods throughout her employment. Additionally, as a result of GLENDORA HOSPITAL's scheduling and staffing practices, Ms. Sheldon and other aggrieved employees were forced to forego rest breaks in order to manage the heavy workload and provide continuous patient care.

GLENDORA HOSPITAL also engaged in a systematic, company-wide policy of not paying meal and rest period premiums owed when compliant meal and rest periods were not provided in violation of California Labor Code sections 226.7 and 512. Because of this practice and/or policy, Ms. Sheldon and/or other aggrieved employees did not receive premium pay for missed meal and/or rest periods. Alternatively, to the extent GLENDORA HOSPITAL did pay Ms. Sheldon and other aggrieved employees premium payments for missed meal periods and/or rest breaks, GLENDORA HOSPITAL did not pay Ms. Sheldon and other aggrieved employees at the correct rate of pay for premium wages. Specifically, GLENDORA HOSPITAL systematically failed to properly calculate Ms. Sheldon's and other aggrieved employees' regular rates of pay for purposes of paying premium wages by failing to include all forms of compensation, such as shift differential pay and/or nondiscretionary bonuses, in the regular rate of pay. As stated, Ms. Sheldon and other aggrieved employees received shift differential pay and non-discretionary bonus pay, including holiday and weekend premiums. However, GLENDORA HOSPITAL failed to incorporate all forms of remuneration into Ms. Sheldon's and other aggrieved employees' regular rates of pay for purposes of paying overtime and premium wages. As a result, to the extent GLENDORA HOSPITAL paid Ms. Sheldon and/or other aggrieved employees premium pay for missed meal or rest periods, it did so at a lower rate than required by law, resulting in an underpayment of meal and rest period premium wages.

Accordingly, GLENDORA HOSPITAL failed to provide Ms. Sheldon and other aggrieved employees with all meal and rest periods in violation of California Labor Code sections 226.7, 512, and 1198. Ms. Sheldon and other aggrieved employees are entitled to penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(f)-(g).

Violation of California Labor Code §§ 226(a), 1174(d), and 1198

California Labor Code section 226(a) requires employers to make, keep and provide true, accurate, and complete employment records. GLENDORA HOSPITAL has not provided Ms. Sheldon and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an employer fails to comply with providing an employee with properly itemized wages statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual

damages or \$50.00 for the initial pay period in which a violations occurs and \$100 per employee for each violation in an subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

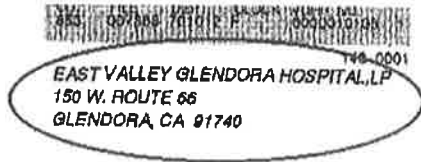
GLENDORA HOSPITAL has knowingly and intentionally provided Ms. Sheldon and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, GLENDORA HOSPITAL issued uniform wage statements to Ms. Sheldon and other aggrieved employees that fail to list: gross wages earned, net wages earned, the correct name and address of the legal entity that is the employer, and all applicable hourly rates in effect during the pay period, including overtime rates of pay and rates of pay for premium wages.

Specifically, GLENDORA HOSPITAL violated sections 226(a)(1), 226(a)(5), 226(a)(8), and 226(a)(9). Because GLENDORA HOSPITAL did not calculate Ms. Sheldon's and other aggrieved employees' regular rate of pay correctly for purposes of paying overtime, GLENDORA HOSPITAL did not list the correct amount of gross wages earned by Ms. Sheldon and other aggrieved employees in compliance with section 226(a)(1). For the same reason, GLENDORA HOSPITAL failed to list the correct amount of net wages earned by Ms. Sheldon and other non-party aggrieved employees in violation of section 226(a)(5). GLENDORA HOSPITAL also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct overtime rates of pay and correct rates of pay for premium wages, such as Holiday Premium Pay, Orientation Overtime Pay, and Premium Holiday Overtime Pay, in violation of section 226(a)(9). For example, GLENDORA HOSPITAL listed an overtime rate of \$41.26 per hour on Ms. Sheldon's paystub dated January 8, 2016, when her correct rate(s) of pay for Holiday Premium Pay, Orientation Overtime Pay, and Premium Holiday Overtime Pay was higher.

Earnings	rate	hours	this period	year to date
Regular	41.2600	20.10	829.33	829.33
Overtime	63.8150	8.00	510.52	510.52
Holiday	41.2600	16.00	660.16	660.16
Holiday Prem	41.2600	3.90	241.37	241.37
Orient	41.2600	21.00	866.46	866.46
Orient Ot	41.2600	4.00	255.26	255.26
Prem Hol-Ot	41.2600	4.00	255.26	255.26
Shft4.00N	4.0000	48.00	192.00	192.00
Wknd	2.0000	12.00	24.00	24.00
Total Hours		138.50		
Gross Pay			\$3,834.36	3,834.36

Additionally, GLENDORA HOSPITAL failed to list the correct name and address for the legal employing entity, in violation of section 226(a)(8). According to Ms. Sheldon's paystub, GLENDORA HOSPITAL's legal address is 150 W. Route 66, Glendora, CA 91740. However, according to the California Secretary of State's website, the correct address for GLENDORA HOSPITAL is 3300 E. Guasti Road, 3rd Floor, Ontario, CA 91761. Also, according to the 2810.5

Wage Theft Prevention Act notice given to Ms. Sheldon, the correct legal employing entity is "Glendora Community Hospital" which also does business as "East Valley Hospital Medical Center," neither of which are listed on her paystubs. *See example of violating paystub below.*



Earnings Statement



Period Beginning: 12/20/2015
Period Ending: 01/02/2016
Pay Date: 01/08/2016

Taxable Marital Status: Single
Exemptions/Allowances:
Federal: 10
CA: 10

LORRAINE SHELDON

Social Security Number: XXX-XX-XXXX

The wage statement deficiencies also include, among other things, failing to list total hours worked by employees; failing to list the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis; failing to list all deductions; failing to list the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number; failing to list the inclusive dates of the period for which aggrieved employees were paid; and/or failing to state all hours worked as a result of not recording or stating the hours they worked off-the-clock.

California Labor Code section 1174(d) provides that "[e]very person employing labor in this state shall ... [k]eep a record showing the names and addresses of all employees employed and the ages of all minors" and "[k]eep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments..." Labor Code section 1174.5 provides that employers are subject to a \$500 civil penalty if they fail to maintain accurate and complete records as required by section 1174(d). During the relevant time period, and in violation of Labor Code section 1174(d), GLENDORA HOSPITAL willfully failed to maintain accurate payroll records for Ms. Sheldon and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record the off-the-clock hours that they worked.

California Labor Code section 1198 provides that the maximum hours of work and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set forth in the applicable IWC Wage Orders. Section 1198 further provides that "[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful." Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, GLENDORA HOSPITAL failed, on a company-wide basis, to keep records of meal period start and stop times for Ms. Sheldon and other aggrieved employees in violation of section 1198.

Because GLENDORA HOSPITAL failed to correctly list the applicable rates of pay and provide the accurate number of total hours worked on wage statements, Ms. Sheldon and other aggrieved employees have been prevented from verifying, solely from information on the wage statements

themselves, that they were paid correctly and in full. Instead, Ms. Sheldon and other aggrieved employees have had to look to sources outside of the wage statements themselves and reconstruct time records to determine whether in fact they were paid correctly and the extent of underpayment, thereby causing them injury.

Ms. Sheldon and other aggrieved employees are entitled to recover penalties, attorney's fees, costs, and interest thereon pursuant to Labor Code sections 226(e), 226.3, and/or 2699(f)-(g).

Violation of California Labor Code § 204

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. Alternatively, California Labor Code section 204 provides that the requirements of this section are deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven (7) calendar days following the close of the payroll period.

During the relevant time period, GLENDORA HOSPITAL failed to pay Ms. Sheldon and other aggrieved employees all wages due to them, including, but not limited to, overtime wages, minimum wages, and meal period and rest break premium wages, within any time period specified by California Labor Code section 204.

Ms. Sheldon and other aggrieved employees are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 210 and/or 2699(f)-(g).

Violation of California Labor Code §§ 201, 202, and 203

California Labor Code sections 201, 202, and 203 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. GLENDORA HOSPITAL willfully failed to pay formerly employed aggrieved employees who are no longer employed by GLENDORA HOSPITAL all their earned wages, including, but not limited to, overtime wages, minimum wages, and meal period and rest break premium wages, either at the time of discharge, or within seventy-two (72) hours of their leaving GLENDORA HOSPITAL's employ in violation of California Labor Code sections 201, 202, and 203.

Other aggrieved employees are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 2699(f)-(g).

Violation of California Labor Code § 246(h)

California's Healthy Workplaces, Healthy Families Act of 2014 was enacted to provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Employers must provide no less than 24 hours or three (3) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. Codified at California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249, section 246(h) provides that an employer must provide an employee with written notice that sets forth the amount of paid sick leave available, or paid time off that an employer provides in lieu of sick leave, for use on either the employee's itemized wage statement or in a separate written statement provided on the designated pay date with the employee's wages. The penalties described in this article for a violation of this subdivision shall be in lieu of the penalties for a violation of Section 226.

GLENDORA HOSPITAL failed to provide Ms. Sheldon and other aggrieved employees written notice on wage statements and/or other separate written statements that listed the requisite information set forth in Labor Code section 246(h). Specifically, GLENDORA HOSPITAL's paystub merely states "Vacation Bal" and fails to clearly state Ms. Sheldon's and other aggrieved employees' paid sick leave balance, in violation of Labor Code section 246(h). Ms. Sheldon and other aggrieved employees are therefore entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 2699(f)-(g).

Violation of California Labor Code § 2810.5(a)(1)(A)-(C)

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, and the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

GLENDORA HOSPITAL failed to provide Ms. Sheldon and other aggrieved employees written notice that lists the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C), including the rate(s) of pay and basis thereof, including any rates for overtime. GLENDORA HOSPITAL's failure to provide Ms. Sheldon and other aggrieved employees with written notice of basic information regarding their employment with GLENDORA HOSPITAL is in violation of Labor Code section 2810.5. Ms. Sheldon and other aggrieved employees are therefore entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code section 2699(f)-(g).

California Labor Code § 558(a)

California Labor Code section 558(a) provides “[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages.” Labor Code section 558(c) provides that “[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.” GLENDORA HOSPITAL, at all relevant times, was an employer or person acting on behalf of an employer(s) who violated Ms. Sheldon and other aggrieved employees’ rights by violating various sections of the California Labor Code and provisions regulating hours and days of work of the applicable IWC Wage Order.

Accordingly, Ms. Sheldon seeks the remedies set forth in Labor Code section 558 for herself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, 210, 226.3, 558, and 1197.1, Ms. Sheldon, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for herself, all other aggrieved employees, and the State of California against GLENDORA HOSPITAL, in addition to other remedies, for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 246(h), 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2810.5.

Therefore, on behalf of all aggrieved employees, Ms. Sheldon seeks all applicable penalties related to these violations of the California Labor Code pursuant to PAGA.

Thank you for your attention to this matter. If you have any questions, please contact me at the phone number or address below:

Jamie R. Greene
Capstone Law APC
1840 Century Park East, Suite 450
Los Angeles, CA 90067
(310) 556-4811

Best Regards,



Jamie R. Greene

Enclosure

Copy: EAST VALLEY GLENDORA HOSPITAL, L.P. (via Certified Mail)

LASC - FILINGS
111 N. HILL STREET
LOS ANGELES CA 90012

DATE PAID: 02/29/16 03:52 PM
RECEIPT #: CCH465980165

CIT/CASE: BC612058
LEA/DEF#:

PAYMENT:	\$435.00	310
RECEIVED:		\$435.00
CHECK:		\$0.00
CASH:		\$0.00
CHANGE:		\$0.00
CARD:		

LASC - FILINGS
111 N. HILL STREET
LOS ANGELES CA 90012

DATE PAID: 02/29/16 03:53 PM
RECEIPT #: CCH465980166

CIT/CASE: BC612058
LEA/DEF#:

PAYMENT:	\$1,000.00	310
RECEIVED:		\$1,000.00
CHECK:		\$0.00
CASH:		\$0.00
CHANGE:		\$0.00
CARD:		