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and all others similarly situated and aggrieved

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SAN LUIS OBISPO SUPERIOR COURT
BY: 
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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN LUIS OBISPO**

RASHELL FLORES, an individual, on behalf
of herself and all others similarly situated and
aggrieved,

Plaintiff,

vs.

THE DUNCAN GROUP dba PEOPLE'S
SELF-HELP HOUSING, a California
Corporation; and DOES 1 through 25,
inclusive,

Defendants.

Case No.: 25CVP-0182

**CLASS ACTION AND PAGA
REPRESENTATIVE ACTION COMPLAINT**

- (1) FAILURE TO PROVIDE MEAL PERIODS;**
- (2) FAILURE TO PROVIDE REST BREAKS;**
- (3) FAILURE TO PAY MINIMUM WAGES;**
- (4) FAILURE TO PAY OVERTIME WAGES;**
- (5) FAILURE TO FURNISH TIMELY AND
ACCURATE WAGE STATEMENTS;**
- (6) FAILURE TO PAY ALL WAGES UPON
SEPARATION;**
- (7) FAILURE TO REIMBURSE ALL
NECESSARY, BUSINESS-RELATED
EXPENSES;**
- (8) VIOLATION OF CALIFORNIA'S UNFAIR
COMPETITION LAW ("UCL"), CAL. BUS.
& PROF. CODE § 17200, *ET SEQ.*; AND**
- (9) CIVIL PENALTIES FOR VIOLATIONS
OF LABOR CODE, PURSUANT TO
CALIFORNIA'S PRIVATE ATTORNEYS
GENERAL ACT ("PAGA"), §§ 2698, *ET
SEQ.***

DEMAND FOR JURY TRIAL

1 **CLASS ACTION AND REPRESENTATIVE ACTION COMPLAINT**

2 Plaintiff RASHELL FLORES (“Plaintiff” or “FLORES”), on behalf of herself and all others
3 similarly situated and aggrieved, by and through her attorneys, Abramson Labor Group, hereby files this
4 Class Action and Private Attorneys General Act of 2004 (“PAGA”) Representative Action Complaint
5 against Defendants THE DUNCAN GROUP doing business as PEOPLE’S SELF-HELP HOUSING, a
6 California Corporation; and DOES 1 through 25 inclusive, (collectively, “Defendants”), and states as
7 follows:

8 **I. INTRODUCTION**

9 1. Plaintiff brings this class and representative action on behalf of herself, on behalf of a
10 class defined as all current and former hourly non-exempt employees of THE DUNCAN GROUP doing
11 business as PEOPLE’S SELF-HELP HOUSING in California at any time during the Class Period
12 beginning four years prior to the filing of this Complaint through the present (“Class Period”), and on
13 behalf of all Aggrieved Persons who worked for Defendants as hourly, non-exempt employees in
14 California at any time during the period beginning one year prior to the PAGA letter (defined below)
15 through the present (“PAGA Period”).

16 2. This is also an enforcement action under the Labor Code Private Attorneys General Act
17 of 2004, California Labor Code section 2698 *et seq.* (“PAGA”) to recover civil penalties and any other
18 available relief on behalf of Plaintiff, the State of California, and other current and former employees
19 who work or worked for Defendants in California as non-exempt, hourly employees and who received at
20 least one wage statement during their employment, and against whom one or more violations of any
21 provision in Division 2, Part 2, Chapter 1 of the Labor Code or any provision regulating hours and days
22 of work in the applicable Industrial Welfare Commission (“IWC”) Wage Order were committed, as set
23 forth in this complaint (“Aggrieved Employees”), at any time between one year and 65 days prior to the
24 filing of this complaint (i.e., February 27, 2024) until judgment (the “PAGA Period”). Plaintiff’s share
25 of civil penalties sought in this action does not exceed \$75,000.

26 3. Defendants own and operate a business that builds and then manages multi-unit rental
27 housing complexes for families, seniors, veterans, those living with disabilities, and those transitioning
28

1 out of homelessness in California.¹

2 4. Defendants' policy and practice is to deny earned wages, including premium and overtime
3 pay, to their nonexempt employees in California. Defendants do not provide their employees with legally
4 compliant meal periods and rest breaks nor premium pay in lieu thereof. Additionally, Defendants
5 require their employees to be present and to perform work uncompensated in excess of eight hours per
6 day and/or 40 hours per work week by mandating that these employees perform various forms of
7 compensable work off-the-clock including, but not limited to, regularly working through meal periods to
8 avoid accruing overtime while actually clocking out for meal periods. In addition to the lack of meal
9 period premiums paid, Defendants also did not provide minimum wages and overtime pay for this off-
10 the-clock time. These off-the-clock waiting periods exist for the sole benefit of Defendants and occurred
11 frequently and regularly at Defendants' associated work sites throughout California. This illegal practice
12 has been in effect by Defendants since at least the start of the Class Period.

13 5. Moreover, Defendants fail to timely compensate employees for all wages earned upon
14 separation and fail to properly and accurately calculate minimum wages and overtime wages and report
15 wages earned, hours worked, and wage rates. For these reasons, Plaintiff brings this action on behalf of
16 herself and other hourly, nonexempt employees of Defendants to recover unpaid wages, overtime
17 compensation, unreimbursed business expenses, penalties, interest, injunctive relief, damages, and
18 reasonable attorneys' fees and costs.

19 6. Defendants' deliberate failure to pay their hourly, nonexempt employees their earned
20 wages and overtime compensation violates the California Labor Code and California's Unfair
21 Competition Law, codified under California's Business & Professions Code.

22 7. Defendants fail to adequately reimburse Plaintiff and Class Members for unreimbursed
23 business expenses including mileage expenses for the use of their personal vehicles required to travel
24 from one of Defendants' properties to another and also to the Post Office during Plaintiff's and Class
25 Members' shifts.

26 8. Plaintiff brings a class action under the California Code of Civil Procedure section 382

27
28 ¹ <https://www.pshhc.org/property-management/> (last accessed May 2, 2025).

1 against all Defendants on behalf of all hourly, nonexempt employees of Defendants in California for
2 failing to provide compliant meal periods and rest breaks or premium pay in lieu thereof, for unpaid
3 minimum wages including for work performed off the clock, unpaid overtime wages, failing to provide
4 timely and accurate wage statements, failing to timely pay all wages owed at separation, failing to
5 reimburse all necessary, business-related expenses, and other related penalties and damages under the
6 California Labor Code and California Business & Professions Code.

7 **II. JURISDICTION AND VENUE**

8 9. This Court has jurisdiction over this matter because Defendants are licensed to do
9 business in California, regularly conduct business in California, and committed and continue to commit
10 the unlawful acts alleged herein in California.

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

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

24 12. Venue lies properly with this Court, as it is the place where at least one defendant resides,
25 is incorporated or has its principal place of business, or a substantial amount of the events which gave
26 rise to this suit occurred and/or a cause of action arose. Thus, venue is proper in this Court, because
27 Defendants employ persons in this county and employed at least one plaintiff in this county, and thus a
28 substantial portion of the transactions and occurrences related to this action occurred in this county.

13. 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.

III. PARTIES

14. Plaintiff RASHELL FLORES (“Plaintiff” or “FLORES”) is or was a resident of Paso Robles, California. Defendants employed Plaintiff as an hourly-paid, non-exempt employee for a total of approximately 3.15 years from approximately June 2020 through April 2021 and then again on June 21, 2022 through October 2024. FLORES’S position was Property Manager. During her employment, Plaintiff worked at several of Defendants’ locations including 2940 Spring Street, Paso Robles, California 93446; 401 Oak Hill Road, Paso Robles, California 93446; 1009 Petersen Ranch Road, Templeton, California 93465; and 400 Oak Hill Road, Paso Robles, California 93446 all in San Luis Obispo County. Plaintiff typically worked 6-7 days per week for 9 or more hours per day and at least about forty (40) hours per week. At the time Plaintiff’s employment ended, she was earning \$19.00 per hour.

15. Defendant THE DUNCAN GROUP doing business as PEOPLE’S SELF-HELP HOUSING (“THE DUNCAN GROUP”) is, on information and belief, a California Corporation doing business in California, with its principal place of business located at 1060 Kendall Road, San Luis Obispo, California 93401 and operations at, *inter alia*, 2940 Spring St., Paso Robles, California 93446; 401 Oak Hill Road, Paso Robles, California 93446; 1009 Petersen Ranch Road, Templeton, California 93465; and 400 Oak Hill Road, Paso Robles, California 93446, and at all times hereinafter mentioned, is an employer whose employees are engaged throughout this county, in the State of California. THE DUNCAN GROUP owns and operates a business that builds and then manages multi-unit rental housing complexes for families, seniors, veterans, those living with disabilities, and those transitioning out of homelessness in California.²

16. THE DUNCAN GROUP and DOES 1-25 inclusive, are collectively referred herein as “Defendants.”

² <https://www.pshhc.org/property-management/> (last accessed May 2, 2025).

1 17. Defendants created the policies and procedures described herein and, at all times during
2 the Class Period, participated in, endorsed, implemented, and performed the conduct alleged herein.

3 18. The practices and policies complained of by way of this Complaint are enforced
4 throughout the State of California, including in San Luis Obispo, California.

5 19. Plaintiff is ignorant of the true names, capacities, relationships, and extent of
6 participation in the conduct alleged herein, of the Defendants sued as Does 1-25, inclusive, but is
7 informed and believes that said Defendants are legally responsible for the conduct alleged herein and
8 therefore sues these Defendants by such fictitious names. Plaintiff will amend this Complaint to allege
9 both the true names and capacities of the Doe Defendants when ascertained. Plaintiff is informed and
10 believes, and thereon alleges, that at all times mentioned herein, all Defendants, including Doe
11 Defendants, and each of them, were agents, servants, employees, successors in interest, and/or joint
12 venturers of their co-Defendants and were, as such, acting within the course, scope, and authority of said
13 agency, employment, and/or venture, and with the consent of their co-Defendants, and/or said acts were
14 ratified by their co-Defendants, and that each and every Defendant, as aforesaid, when acting as a
15 principal, was negligent in the selection and hiring, training, and supervision of each and every other
16 Defendant as an agent, servant, employee, successor in interest, and/or joint venturer. Plaintiff is
17 informed and believes that each Defendant acted in all respects pertinent to this action as the agent of
18 the other Defendant, carried out a joint scheme, business plan, or policy in all respects pertinent hereto,
19 and that the acts of each Defendant are legally attributable to each of the other Defendant.

20 **IV. FACTUAL ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

21 20. At all times relevant herein, Defendants own and operate a business that builds and
22 then manages multi-unit rental housing complexes for families, seniors, veterans, those living with
23 disabilities, and those transitioning out of homelessness in California.³

24 21. Upon information and belief, Defendants maintain their corporate operations
25 headquarters, including Human Resources in San Luis Obispo, California. Upon information and
26 belief, Defendants maintain a single, centralized Human Resources (“HR”) department at their
27 _____

28 ³ <https://www.pshhc.org/property-management/> (last accessed May 2, 2025).

1 operations headquarters in San Luis Obispo, California, which is responsible for conducting
2 Defendants' recruiting and hiring of new employees, as well as communicating and implementing
3 Defendants' company-wide policies, including timekeeping policies, to employees throughout
4 California. In particular, Plaintiff and other Class Members, on information and belief, received the
5 same standardized documents and/or written policies upon hire. Upon information and belief, the use
6 of standardized documents and/or written policies, including new hire documents, indicate that
7 Defendants dictated policies at the corporate-level and implemented them company-wide, regardless
8 of their employees' assigned locations or positions. On information and belief, all transactions
9 regarding hiring, terminations, promotions, and pay increases, etc., relating to Defendants' California
10 employees were submitted to and processed by Defendants' HR department in San Luis Obispo,
11 California.

12 22. Upon information and belief, Defendants' corporate records, business records, data, and
13 other information related to Defendants, including, in particular, HR records pertaining to Defendants'
14 California employees, are also maintained at Defendants' operations headquarters in San Luis Obispo,
15 California.

16 23. At all relevant times, Defendants have been, and continue to be, a "person" as that term
17 is defined under California Business & Professions Code section 17021 and California Labor Code
18 sections 1-29.5.

19 24. At all times relevant herein, Plaintiff was employed by Defendants as an hourly,
20 nonexempt employee in the position of Property Manager in California during the Class Period.

21 25. At all times relevant herein, Plaintiff and Class Members were assigned to and required
22 and permitted to work without pay while performing tasks including, but not limited to: managing daily
23 office operations, processing rental applications, updating and monitoring waitlists, complying with
24 annual certifications, collecting and posting rent, obtaining maintenance work orders, drafting and
25 responding to emails and calls with other departments; preparing and completing re-certification
26 paperwork for senior tax credit properties; processing senior tax credit applications; addressing work
27 orders; and preparing reports for upper management. Plaintiff and Class Members were not properly
28 compensated for some of this work.

1 26. Plaintiff and Class Members were instructed to complete all of their assigned jobs
2 without accruing overtime hours, which required that Plaintiff and Class Members forgo 30-minute meal
3 periods and both 10-minute rest breaks, meaning their meal periods were off the clock. Defendants,
4 however, did not compensate Plaintiff and Class Members for this compensable time worked off the
5 clock nor for the associated meal period and rest break premiums due.

6 27. Likewise, in instances where Plaintiff and Class Members still had work to complete
7 upon performing eight hours of work on the clock, Plaintiff and Class Members clocked out and
8 continued working until they finished all jobs, that time off the clock of which remains uncompensated.

9 28. At all times relevant herein, Plaintiff and Class Members were assigned to and required
10 to work for periods lasting in excess of five hours and were not authorized nor permitted to take full-
11 length 30-minute, uninterrupted, off-duty meal periods. Plaintiff and Class Members were required to
12 perform compensable work during their meal periods while clocked out for their meal periods to ensure
13 they completed all assigned jobs before accruing overtime hours. Plaintiff and Class Members were
14 required to report that they took 60-minute meal periods and were not logistically able to even to report
15 meal periods shorter than 60 minutes or no meal period taken at all. Defendants instructed Plaintiff and
16 Class Members to only clock back in once their 30-minute meal periods had elapsed, knowing Plaintiff
17 and Class Members did not have time to take off-duty meal periods. Accordingly, Plaintiff's and Class
18 Members' meal periods were on-duty for which Defendants failed to compensate Plaintiff and Class
19 Members with (1) premium pay for meal periods under 30 minutes, meal periods taken late, or meal
20 periods missed and (2) the time worked that was on-duty during these meal periods.

21 29. Moreover, Plaintiff and Class Members regularly worked in excess of 10 hours without
22 a second 30-minute meal period, despite not signing meal period waivers.

23 30. At all times relevant herein, Plaintiff and Class Members were assigned to and required
24 and permitted to work shifts lasting over four hours and were not authorized nor permitted to take full,
25 net 10-minute rest breaks during each shift or 4-hour work period.

26 31. At all times relevant herein, Defendants failed to authorize and permit Plaintiff and Class
27 Members to take full, net 10-minute rest breaks during the Class Period. At the direction of Defendants
28 and/or Defendants' knowledge and acquiescence, Plaintiff and Class Members routinely missed their

1 entire 10-minute rest breaks and had to continue working to ensure that they completed all assigned jobs
2 without accruing overtime. Accordingly, all rest breaks were not off duty and thus were noncompliant.
3 Consequently, Defendants should have compensated Plaintiff and Class Members with premium pay for
4 noncompliant rest breaks, but failed to do so.

5 32. At all times relevant herein, Plaintiff and Class Members worked in excess of eight hours
6 per workday or 40 hours per work week. Defendants failed to pay for all hours worked in excess of
7 eight hours per day, and when compensated for overtime, failed to pay the correct amount of overtime
8 by under-recording and underreporting Plaintiff's and Class Members' total hours worked. Defendants
9 failed to pay current and former hourly, nonexempt employees one and one-half times (1½) their regular
10 rate of pay for hours worked in excess of eight hours per day or 40 hours per workweek. Defendants
11 also failed to pay their employees at a rate no less than twice the regular rate of pay for work in excess
12 of 12 hours in one day or for all hours worked in excess of eight hours on the seventh consecutive day
13 of work in a workweek.

14 33. During the Class Period, Defendants require their hourly, nonexempt employees to
15 perform compensable work while off the clock, including performing compensable work (1) during their
16 meal periods and (2) at the end of their shifts. Accordingly, during the Class Period, Defendants did not
17 provide minimum wages and overtime pay for this time worked off the clock that Plaintiff and the Class
18 endured.

19 34. Defendants regularly failed to pay their hourly, nonexempt employees the correct amount
20 of and rate for overtime wages. Defendants fail to record all hours as overtime by failing to record all
21 hours worked in a workday. This work, done primarily for the employer's benefit, is time that hourly,
22 nonexempt employees should be, but were not compensated for, both straight hours and overtime hours
23 worked in excess of 40 hours in a week, hours worked in excess of eight hours in a day, and for the first
24 eight hours worked on the seventh consecutive day of work in a workweek.

25 35. Supervisors employed by Defendants, including Plaintiff's location, had knowledge of
26 and required Plaintiff and Class Members to perform compensable work during meal periods and at the
27 end of their shifts. Supervisors throughout California were aware or should have been aware that
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1 Plaintiff and others similarly situated were performing work during these times without proper wages
2 or overtime compensation.

3 36. In light of Defendants' failure to record employees' off-the-clock time that employees
4 worked and Defendants' failure to acknowledge the noncompliant meal periods and rest breaks,
5 Defendants failed to properly calculate the hourly, nonexempt employees' hours and therefore,
6 employees' premium pay, minimum wages, and overtime wages due. Accordingly, Defendants failed
7 to provide accurate wage statements to their hourly, nonexempt employees identifying all hours worked
8 and all rates in effect during the pay period.

9 37. At all times relevant herein, the same unlawful practices and procedures described above
10 affect hourly, nonexempt workers of Defendants employed in California.

11 38. At all times relevant herein, Defendants failed to pay Plaintiff and Class Members for all
12 hours worked. Thus, Defendants did not pay Plaintiff and Class Members minimum wages in
13 accordance with law and, because Class Members were not compensated for time worked during meal
14 periods, for shifts worked over eight hours in duration, Defendants also did not pay nonexempt
15 employees all overtime wages in accordance with law.

16 39. At all times relevant herein, Defendants failed to adequately reimburse Plaintiff and Class
17 Members for the mileage expenses Plaintiff and Class Members incurred by driving Plaintiff's and Class
18 Members' personal vehicles to Defendants' different properties in a single shift, to the Post Office, and
19 to the bank, which were all tasks Defendants required and Plaintiff and Class Members performed.

20 40. Defendants' conduct, as alleged herein, has caused Plaintiff and Class Members damages
21 including, but not limited to, loss of wages and compensation. Defendants are liable to Plaintiff and the
22 Class for failing to pay minimum wages, failing to pay overtime wages, failing to pay all wages owed
23 every pay period, failing to provide timely and accurate wage statements, failing to pay all wages owed
24 upon separation, failing to reimburse all necessary, business-related expenses, and unfair competition.

25 41. Plaintiff has complied with the procedures for bringing suit specified in California Labor
26 Code section 2699.3. By letter dated February 27, 2025, Plaintiff gave written notice by certified mail
27 to the Labor and Workforce Development Agency ("LWDA"), and Defendant THE DUNCAN GROUP
28 of the specific provisions of the Labor Code alleged to have been violated, including the facts and

1 theories to support the alleged violations.

2 **V. CLASS ACTION AND REPRESENTATIVE ACTION ALLEGATIONS**

3 42. Plaintiff is a member of and seeks to be the representative for the Class of similarly
4 situated employees who all have been exposed to, have suffered, and/or were permitted to work under
5 Defendants' unlawful employment practices as alleged herein.

6 43. Plaintiff brings her first through eighth causes of action on behalf of herself and on behalf
7 of the following Class⁴ of persons:

8 All current and former hourly non-exempt employees of THE DUNCAN
9 GROUP doing business as PEOPLE'S SELF-HELP HOUSING in
10 California at any time during the Class Period through the present.

11 44. This action is appropriately suited for a class action pursuant to Code of Civil Procedure
12 section 382 because there exists an ascertainable and sufficiently numerous Class, a well-defined
13 community of interest, and substantial benefits from certification that render proceeding as a class
14 superior to the alternatives.

15 45. Numerosity and Ascertainability. The size of the Class makes a class action both
16 necessary and efficient. On information and belief, the proposed Class includes hundreds of current and
17 former employees at Defendants' locations in California. Members of the Class are ascertainable through
18 Defendants' records but are so numerous that joinder of all individual Class Members would be
19 impractical.

20 46. Predominant Common Questions of Law and Fact. Pursuant to section 382, common
21 questions of law and fact exist as to all Class Members. These questions predominate over any
22 individualized issues. These common questions include but are not limited to:

- 23 a. Whether Defendants' policies and practices described in this Complaint were and are illegal;
24 b. Whether Plaintiff and each member of the Class were not paid minimum wage for each hour
25 worked or part thereof during which they were required to perform acts at the direction and
26 for the benefit of Defendants;

27
28 ⁴ Plaintiff reserves the right under California Rules of Court, Rule 3.765, to amend or modify the Class description
with greater particularity or further division into subclasses or limitation to particular issues.

- 1 c. Whether Defendants engaged in a pattern or practice of failing to pay Plaintiff and the
2 members of the Class who worked as hourly, nonexempt employees in California for the total
3 hours worked during the Class Period;
- 4 d. Whether Defendants have engaged in a common course of requiring or permitting their
5 hourly, nonexempt employees to not report all hours worked during the Class Period;
- 6 e. Whether Defendants have engaged in a common course of failing to maintain true and
7 accurate time records for all hours worked by their nonexempt employees;
- 8 f. Whether Defendants violated Labor Code section 226.7 and/or section 512 and engaged in a
9 pattern or practice of failing to provide timely, off-duty, 30-minute meal periods to Plaintiff
10 and members of the Class who worked as hourly, nonexempt employees in California during
11 the Class Period;
- 12 g. Whether Defendants engaged in a pattern or practice of impeding Plaintiff and the members
13 of the Class who worked as hourly, nonexempt employees in California during the Class
14 Period from taking full-length off-duty, 30-minute meal periods by imposing on-call
15 requirements and interruptions while clocked out that required employees to either forgo meal
16 periods entirely or return to work before 30 minutes had elapsed;
- 17 h. Whether Defendants engaged in a pattern or practice of impeding Plaintiff and the members
18 of the Class who worked as hourly, nonexempt employees in California during the Class
19 Period from taking full-length off-duty, 30-minute meal periods for their second meal periods
20 for shifts worked in excess of 10 hours but not more than 12 hours, where these second meal
21 periods were not waived by mutual consent;
- 22 i. Whether Defendants engaged in a pattern or practice of failing to properly compensate
23 Plaintiff and the members of the Class who worked as hourly, nonexempt employees in
24 California during the Class Period for missed, untimely, or on-duty meal periods as required
25 by California law;
- 26 j. Whether Defendants violated section 11 of the applicable California Industrial Welfare
27 Commission's ("IWC") Wage Order(s) by failing to provide Plaintiff and the members of the
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- 1 Class who worked as hourly, nonexempt employees in California during the Class Period with
2 timely, off-duty, 30-minute meal periods;
- 3 k. Whether Defendants engaged in an unfair practice and violated California Business and
4 Professions Code, section 17200, *et seq.* by failing to provide Plaintiff and the members of
5 the Class who worked as hourly, nonexempt employees in California during the Class Period
6 with their statutory, off-duty, meal periods;
- 7 l. Whether Defendants maintained accurate time records of off-duty, 30-minute meal periods
8 taken by Plaintiff and members of the Class during the Class Period in accordance with section
9 7 of the applicable IWC Wage Order(s);
- 10 m. Whether Defendants engaged in a pattern or practice of failing to properly compensate
11 Plaintiff and the members of the Class who worked as hourly, nonexempt employees in
12 California during the Class Period for failing to provide full-length 10-minute rest breaks as
13 contemplated by California law for work periods in excess of four hours;
- 14 n. Whether Defendants failed to compensate, and therefore violated section 12 of the applicable
15 IWC Wage Order(s) and Labor Code section 226.7 by failing to provide 10-minute,
16 uninterrupted rest breaks as contemplated by California law for work periods in excess of four
17 hours;
- 18 o. Whether Defendants engaged in a pattern or practice of failing to pay appropriate amounts of
19 overtime pay to Plaintiff and the Class for hours worked in excess of eight hours in a day;
- 20 p. Whether Defendants engaged in a pattern or practice of failing to pay appropriate amounts of
21 double time for hours worked in excess of 12 hours in a day;
- 22 q. Whether Defendants violated section 510 of the Labor Code and/or section 3 of the applicable
23 IWC Wage Order(s) by failing to pay overtime pay to Plaintiff and the Class for hours worked
24 in excess of eight hours in a day;
- 25 r. Whether Defendants violated section 510 of the Labor Code and/or section 3 of the applicable
26 IWC Wage Order(s) by failing to pay overtime pay to Plaintiff and the Class for the first eight
27 hours worked in a day on the seventh consecutive day in a workweek and double time for all
28 hours worked in excess of eight hours on such days;

- s. Whether Defendants violated Labor Code sections 218.5, 204, 1197, and 1198 due to failure to compensate Plaintiff and the Class for those acts Defendants required Plaintiff and members of the Class to perform for the benefit of Defendants;
- t. Whether Defendants violated Labor Code section 226(a) by issuing inaccurate wage statements to Plaintiff and members of the Class that failed to include payments for missed, untimely, and/or on-duty meal periods among wages earned throughout the Class Period;
- u. Whether Defendants violated Labor Code section 226 by issuing inaccurate wage statements to Plaintiff and members of the Class that failed to accurately state the total hours worked and therefore, the total gross and net wages owed, to the detriment of Plaintiff and the Class;
- v. Whether Defendants have engaged in a common course of failing to pay nonexempt employees all wages due upon termination;
- w. Whether Defendants violated California Labor Code section 2802 by failing to reimburse Plaintiff and Class Members for all necessary business-related expenses they incurred;
- x. Whether Defendants have engaged in unfair competition by the above-listed conduct; and
- y. The nature and extent of class-wide injury and the measure of damages for the injury.

47. Typicality. Plaintiff's claims are typical of the members of the Class. Plaintiff, like other members of the Class working for Defendants in California, was subjected to Defendants' policy and practice of refusing to properly and fully pay premiums for meal period and rest break violations, overtime compensation, necessary business-related expenses, and all wages upon separation in violation of California wage and hour laws. Plaintiff's job duties were and are typical of those of other class members who worked for Defendants in California.

48. Adequacy of Representation. Plaintiff will fairly and adequately represent the interests of the Class because her individual interests are consistent with and not antagonistic to the interests of the Class, and because Plaintiff has selected counsel who has the requisite resources and ability to prosecute this case as a class action and are experienced labor and employment attorneys who have successfully litigated other cases involving similar issues.

49. Superiority of Class Mechanism. The class action mechanism is superior to any alternatives that might exist for the fair and efficient adjudication of these claims. Proceeding as a class

1 action would permit the large number of injured parties to prosecute their common claims in a single
2 forum simultaneously, efficiently, and without unnecessary duplication of evidence, effort and judicial
3 resources. A class action is the only practical way to avoid the potentially inconsistent results that
4 numerous individual trials are likely to generate. Moreover, class treatment is the only realistic means
5 by which Plaintiff can effectively litigate against a large, well-represented corporate defendant like
6 Defendants. In the absence of a class action, Defendants would be unjustly enriched because they would
7 be able to retain the benefits and fruits of the many wrongful violations of the California state laws.
8 Numerous repetitive individual actions would also place an enormous burden on the courts as they are
9 forced to take duplicative evidence and decide the same issues relating to Defendants' conduct over and
10 over again.

11 **VI. FIRST CAUSE OF ACTION**

12 **Failure to Provide Meal Periods**

13 **in Violation of Cal. Labor Code §§ 512 and 226.7; IWC Wage Order No. 5-2001, § 11**

14 **(Brought by Plaintiff on Behalf of Herself and the Class Against All Defendants)**

15 50. Plaintiff hereby re-alleges and incorporates by reference all paragraphs of this Complaint
16 as if fully set forth herein.

17 51. California Labor Code section 226.7(a) provides, "No employer shall require any
18 employee to work during any meal or rest period mandated by an applicable order of the Industrial
19 Welfare Commission."

20 52. IWC Wage Order No. 5-2001 (11)(A) provides, in pertinent part: "No employer shall
21 employ any person for a work period of more than five (5) hours without a meal period of not less than
22 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work
23 the meal period may be waived by mutual consent of the employer and the employee."

24 53. Section 512(k) of the California Labor Code provides, in pertinent part, that: "An
25 employer may not employ an employee for a work period of more than five hours per day without
26 providing the employee with a meal period of not less than 30 minutes, except that if the total work period
27 per day of the employee is no more than six hours, the meal period may be waived by mutual consent of
28 both the employer and employee. An employer may not employ an employee for a work period of more

1 than 10 hours per day without providing the employee with a second meal period of not less than 30
2 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be
3 waived by mutual consent of the employer and the employee only if the first meal period was not waived.”

4 54. Defendants enforce practices that effectively require Plaintiff and other Class Members to
5 remain on duty during their meal periods to ensure that they complete all assigned jobs without accruing
6 overtime hours. In effect, these policies and practices cause Plaintiff and other Class Members to remain
7 on-duty during meal periods, and therefore, constitute a failure on Defendants’ part to provide compliant
8 meal periods.

9 55. Plaintiff and Class Members are required to report that they took 60-minute meal periods
10 even though they did not even receive 30-minute meal periods, because Defendants’ uniform policy and
11 practice uses a system that rejects any time entries that do not include a compliant meal period; it is not
12 physically possible to report a skipped/missed meal period.

13 56. So, Defendants enforce practices that effectively require Plaintiff and Class Members to
14 perform work during their meal periods, the effects of which Defendants could have mitigated by
15 reducing permitting overtime work, by increasing staff-to-job ratios, or reducing Plaintiff’s and Class
16 Members’ assigned jobs each day. However, Defendants instead chose to instruct Plaintiff and other
17 Class Members to work during their meal periods if needed to ensure no overtime hours accrued. In
18 effect, these policies and practices cause Plaintiff and other Class Members to remain on-duty during
19 meal periods, and therefore, constitute a failure on Defendants’ part to provide compliant meal periods.

20 57. Defendants also did not schedule second meal periods and had no policy for permitting
21 and authorizing Plaintiff and other employees to take second 30-minute meal periods on days they
22 worked in excess of 10 hours in one day. For example, during her employment, Plaintiff worked over
23 10 hours in a day but did not receive a second complaint meal period on those days, nor did she consent
24 to waiving them. Because of Defendants’ companywide practice of denying hourly, nonexempt
25 employees second 30-minute meal periods, Plaintiff and other Class Members were not relieved of all
26 duties such that they could take full-length second 30-minute meal periods and instead had to work during
27 a portion of that time allotted for meal periods. Accordingly, Defendants failed to provide all meal
28 periods in violation of California Labor Code sections 226.7 and 512. Defendants knew or should have

1 known that their companywide adoption of the requirement that employees skip their meal period without
2 executing waivers to do so would result in a failure to provide Plaintiff and other Class Members with
3 full and timely meal periods as required by the applicable IWC Wage Order(s) and Labor Code sections
4 226.7 and 512(a). Furthermore, Plaintiff and other Class Members did not sign valid meal period waivers
5 on days that they were entitled to meal periods but were not relieved of all duties.

6 58. Moreover, Defendants engaged in a systematic, companywide policy to not pay meal
7 period premiums. Alternatively, to the extent that Defendants did pay Plaintiff and other Class Members
8 one additional hour of premium pay for missed meal periods, Defendants did not pay Plaintiff and other
9 Class Members at the correct rate of pay for premium wages because Defendants failed to include all
10 forms of compensation, such as commissions, incentive pay, and/or nondiscretionary bonuses, in the
11 regular rate of pay. As a result, to the extent Defendants paid Plaintiff and other Class Members premium
12 pay for missed meal periods, it did so at a lower rate than required by law. As a result, Defendants failed
13 to provide Plaintiff and other Class Members compliant meal periods and failed to pay the full meal
14 period premiums due, in accordance with California Labor Code sections 204, 210, 226.7, and 512.

15 59. By their actions in requiring their employees to work during their entire meal periods
16 and/or their failure to relieve nonexempt, hourly, nonexempt employees of their duties for their off-duty
17 meal periods, Defendants have violated California Labor Code section 226.7 and section 11 of IWC
18 Wage Order No. 5-2001 and is liable to Plaintiff and the Class.

19 60. As a result of the unlawful acts of Defendants, Plaintiff and the Class have been deprived
20 of timely off-duty meal periods and are entitled to recovery under Labor Code section 226.7(b) and
21 section 11 of IWC Wage Order No. 5-2001, in the amount of one additional hour of pay at the employee's
22 regular rate of pay for each work period during each day in which Defendants failed to provide their
23 hourly, nonexempt employees with timely, statutory, off-duty meal periods.

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1 rest breaks in an attempt to finish all work necessary within their scheduled times; as such, it is not
2 possible to both finish all work necessary within their scheduled times and take the additional 20 minutes
3 of rest breaks, so Plaintiff and Class Members regularly skip their rest breaks. In effect, these policies
4 and practices cause Plaintiff and other Class Members to remain on-duty during rest breaks, and
5 therefore, constitute a failure on Defendants' part to provide compliant rest breaks.

6 67. Defendants enforce practices that effectively require Plaintiff and other Class Members to
7 perform work during their rest breaks, the effects of which Defendants could have mitigated by reducing
8 permitting overtime work, by increasing staff-to-job ratios, or reducing Plaintiff's and Class Members'
9 assigned jobs each day. However, Defendants instead chose to instruct Plaintiff and other Class Members
10 to remain on duty during their rest breaks and to perform work during their rest breaks when it was
11 apparent all assigned work would not be completed within eight hours—before overtime hours accrued.
12 In effect, these policies and practices cause Plaintiff and other Class Members to remain on duty during
13 rest breaks, and therefore, constitute a failure on Defendants' part to provide compliant rest breaks.

14 68. Furthermore, as with meal periods, Defendants' staffing and job-assignment policies
15 required employees to forgo their 10-minute rest breaks, entirely preventing Plaintiff and Class Members
16 from being relieved of all duty in order to take compliant rest breaks; these practices forced Plaintiff and
17 other Class Members to remain on duty for all of their rest breaks. As a result, Plaintiff and Class
18 Members would work shifts in excess of 3.5 hours without the net 10-minute rest breaks to which they
19 were entitled. More specifically, throughout her employment, during 8-hour or longer shifts, Plaintiff
20 and Class Members regularly worked during the entirety of their 10-minute rest breaks by using that time
21 to continue performing work for Defendants.

22 69. At the same time, Defendants implemented a companywide policy to not pay rest break
23 premiums. Alternatively, to the extent that Defendants did pay Plaintiff and other Class Members one
24 additional hour of premium pay for missed rest breaks, Defendants did not pay Plaintiff and other Class
25 Members at the correct rate of pay for premium wages because Defendants failed to include all forms of
26 compensation, such as commissions, incentive pay, and/or nondiscretionary bonuses, in the regular rate
27 of pay. As a result, to the extent Defendants paid Plaintiff and other Class Members premium pay for
28 missed rest breaks, it did so at a lower rate than required by law. As a result, Plaintiff and other Class

Members were denied compliant rest breaks and Defendants failed to pay the full rest break premiums due, in violation of Labor Code section 226.7 and the applicable IWC Wage Order(s).

70. Defendants' unlawful conduct alleged herein occurred in the course of employment of Plaintiff and all others similarly situated and such conduct has continued through the filing of the initial Complaint.

71. As a direct and proximate result of Defendants' unlawful action, Plaintiff and the Class have been deprived of full-length 10-minute rest breaks and/or were not paid for rest breaks taken during the Class Period and are entitled to recovery under Labor Code section 226.7(b) in the amount of one additional hour of pay at the employee's regular rate of compensation for each work period during each day in which Defendants failed to provide employees with compliant and/or paid rest breaks.

VIII. THIRD CAUSE OF ACTION

Failure to Pay Minimum Wages

Upon Payment of Wages in Violation of Cal. Labor Code §§ 510, 1194, 1194.2,

and 1197; IWC Wage Order No. 5-2001, § 4

(Brought by Plaintiff on Behalf of Herself and the Class Against All Defendants)

72. Plaintiff hereby re-alleges and incorporates by reference all paragraphs of this Complaint as if fully set forth herein.

73. Labor Code section 510 provides in relevant part: "[e]ight hours of labor constitutes a day's work. Any work in excess of eight hours in one work day and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee."

74. Labor Code section 1197 provides: "The minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed is unlawful."

1 75. Labor Code section 1182.12 establishes the right of employees to be paid minimum wages
2 for all hours worked in amounts set by state law.

3 76. Labor Code section 1194, subdivision (a) provides: “Notwithstanding any agreement to
4 work for a lesser wage, an employee receiving less than the legal minimum wage or the legal overtime
5 compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the
6 full amount of this minimum wage or overtime compensation, including interest thereon, reasonable
7 attorney’s fees, and costs of suit.”

8 77. Labor Code section 1194.2 provides in pertinent part: “In any action under Section 1193.6
9 or Section 1194 to recover wages because of the payment of a wage less than the minimum wage fixed
10 by an order of the commission, an employee shall be entitled to recover liquidated damages in an amount
11 equal to the wages unlawfully unpaid and interest thereon.”

12 78. Pursuant to IWC Wage Order No. 5-2001, section (2)(H), at all times material hereto,
13 “hours worked” includes “the time during which an employee is subject to the control of an employer,
14 and includes all the time the employee is suffered or permitted to work, whether or not required to do
15 so.”

16 79. At all times relevant during the liability period, under the provisions of IWC Wage Order
17 No. 5-2001, Plaintiff and each Class Member should have received not less than the minimum wage in a
18 sum according to proof for the time worked, but not compensated.

19 80. For all hours that Plaintiff and Class Members worked, they are entitled to not less than
20 the California minimum wage and, pursuant to Labor Code section 1194.2(a) liquidated damages in an
21 amount equal to the unpaid minimum wages and interest thereon.

22 81. Pursuant to Labor Code section 1194, Plaintiff and Class Members are also entitled to
23 their attorneys’ fees, costs, and interest according to proof.

24 82. At all times relevant during the liability period, Defendants willfully failed and refused,
25 and continue to willfully fail and refuse, to pay Plaintiff and Class Members the amounts owed.

26 83. As described above, Defendants required Plaintiff and other Class Members to continue
27 working at the end of their shifts while clocked out and during their meal periods also while they were
28 clocked out. Defendants instructed Plaintiff and other Class Members to clock back in from their meal

1 periods only once their 60-minute meal periods had elapsed and to ensure that they clocked out before
2 accruing overtime while also completing all assigned jobs.

3 84. This off-the-clock time primarily occurred because Plaintiff and other Class Members
4 were required, while clocked out, to continue performing work for Defendants to ensure they completed
5 all assigned jobs without accruing overtime. Defendants enforce practices that effectively require
6 Plaintiff and Class Members to perform work during their off-the-clock meal periods, the effects of which
7 Defendant could have mitigated by reducing permitting overtime work, by increasing staff-to-job ratios,
8 or reducing Plaintiff's and Class Members' assigned jobs each day. However, Defendant instead chose
9 to instruct Plaintiff and other Class Members to perform compensable work during and after shifts while
10 clocked out. In effect, these policies and practices cause Plaintiff and other Class Members to remain on-
11 duty during meal periods and after their shifts, and therefore, constitute a failure on Defendants' part to
12 provide minimum wages for all hours worked.

13 85. Also, Defendants did not pay at least minimum wages for off-the-clock hours that
14 qualified for overtime premium payment. And to the extent that these off-the-clock hours did not qualify
15 for overtime premium pay, Defendants did not pay at least minimum wages for those hours worked off-
16 the-clock.

17 86. Defendants' unlawful conduct alleged herein occurred in the course of employment of
18 Plaintiff and all other similarly situated nonexempt, hourly, nonexempt employees, and Defendants have
19 done so continuously throughout the filing of this complaint.

20 87. As a direct and proximate result of Defendants' violation of Labor Code sections 510 and
21 1197, Plaintiff and other Class Members have suffered irreparable harm and money damages entitling
22 them to damages, injunctive relief or restitution. Plaintiff, on behalf of herself and on behalf of the Class,
23 seeks damages and all other relief allowable including all wages due while working as Defendants'
24 hourly, nonexempt employees, attorneys' fees, liquidated damages, prejudgment interest, and as to those
25 employees no longer employed by Defendants, waiting time penalties pursuant to Labor Code sections
26 200, *et seq.*

27 88. Plaintiff and Class Members are entitled to the unpaid amount of minimum wages, pre-
28 judgment interest, liquidated damages, statutory penalties, attorneys' fees, and costs according to Labor

Code sections 204, 558, 1194 *et seq.*, 1197, 1198, and Code of Civil Procedure 1021.5.

IX. FOURTH CAUSE OF ACTION

Failure to Pay Overtime Wages

in Violation of Cal. Labor Code §§ 510 and 1194, IWC Wage Order No. 5-2001, § 3

(Brought by Plaintiff on Behalf of Herself and the Class Against All Defendants)

89. Plaintiff hereby re-alleges and incorporates by reference all paragraphs of this Complaint as if fully set forth herein.

90. Pursuant to section 3 of IWC Wage Order No. 5-2001; California Code of Regulations, Title 8, Chapter 5, section 11040, section 12; and Labor Code sections 200, 204, 226, 500, 510, 512, 1194, and 1198, Defendants were required to compensate Plaintiff and members of the Class for all overtime hours worked, which is calculated at one and one-half (1½) times the regular rate of pay for hours worked in excess of eight hours per day and/or 40 hours per week, and for the first eight hours on the seventh consecutive work day, with double time after eight hours on the seventh day of any work week, or after 12 hours in any work day.

91. Plaintiff and members of the Class were and are nonexempt employees entitled to the protections of IWC Wage Order No. 5-2001; California Code of Regulations, Title 8, section 11040, section 12; and Labor Code sections 200, 226, 500, 510, 512, 1194, and 1198. In addition, during the Class Period, Plaintiff and other members of the Class consistently worked five days per week for shifts of eight hours or more. During the course of Plaintiff's employment, and during the course of the employment of the members of the Class, Defendants failed to compensate Plaintiff and the Class for overtime hours worked as required under the aforementioned Labor Codes and Regulations.

92. Under the aforementioned Wage Orders, statutes, and regulations, Plaintiff and members of the Class are entitled to one and one-half (1½) times and/or double their regular rate of pay for overtime work performed during the four years preceding the filing of this Complaint, based on appropriate calculations of the "total remuneration" for each workweek.

93. In violation of state law, Defendants have knowingly and willfully refused to perform their obligations to compensate Plaintiff and the Class for all wages earned and all hours worked. As a direct result, Plaintiff and the Class have suffered, and continue to suffer, substantial losses related to the

1 use and enjoyment of such wages, lost interest on such wages, and expenses and attorneys' fees in seeking
2 to compel Defendants to fully perform their obligations under state law, all to their respective damage in
3 amounts according to proof at time of trial, but in amounts in excess of the minimum jurisdiction of this
4 Court.

5 94. Defendants committed the acts alleged herein knowingly and willfully, with the wrongful
6 and deliberate intention of injuring Plaintiff and the Class, from improper motives amounting to malice,
7 and in conscious disregard of Plaintiff's rights and the rights of the Class. Plaintiff and the Class are thus
8 entitled to recover nominal, actual, compensatory, punitive, and exemplary damages in amounts
9 according to proof a time of trial, but in amounts in excess of the minimum jurisdiction of this Court.

10 95. Defendants' conduct described herein violates IWC Wage Order No. 5-2001; California
11 Code of Regulations, Title 8, section 11040, section 12; and Labor Code sections 200, 226, 500, 510,
12 512, and 1198. Therefore, pursuant to Labor Code sections 200, 203, 204, 226, 226.7, 512, 558, and
13 1194, Plaintiff and the Class are entitled to recover the unpaid balance of overtime compensation
14 Defendants owes Plaintiff and the Class, plus interest, penalties, attorneys' fees, expenses, and costs of
15 suit.

16 **X. FIFTH CAUSE OF ACTION**

17 **Failure to Furnish Timely and Accurate Wage Statements**

18 **Upon Payment of Wages in Violation of Cal. Labor Code § 226**

19 **(Brought by Plaintiff on Behalf of Herself and the Class Against All Defendants)**

20 96. Plaintiff hereby re-alleges and incorporates by reference all paragraphs of this Complaint
21 as if fully set forth herein.

22 97. Labor Code section 226(a) sets forth reporting requirements for employers when they pay
23 wages, as follows: "Every employer shall . . . at the time of each payment of wages, furnish his or her
24 employees . . . an itemized statement in writing showing (1) gross wages earned; (2) total hours worked
25 by the employee . . . (3) the number of piece-rate units earned and any applicable piece rate if the
26 employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written
27 orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive
28 dates of the period for which the employee is paid, (7) the name of the employee and only the last four

1 digits of their social security number or an employee identification number other than a social security
2 number, (8) the name and address of the legal entity that is the employer . . . , and (9) all applicable hourly
3 rates in effect during the pay period and the corresponding number of hours worked at each hourly rate
4 by the employee. . . .” Section (e) provides: “An employee suffering injury as a result of a knowing and
5 intentional failure by an employer to comply with subdivision (a) shall be entitled to recover the greater
6 of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one
7 hundred dollars (\$100) per employee for each violation in a subsequent pay period, not exceeding an
8 aggregate penalty of four thousand dollars (\$4,000), and shall be entitled to an award of costs and
9 reasonable attorney’s fees.”

10 98. In violation of Labor Code section 226(a)(), Defendants failed to list the name of the legal
11 entity that is the employer on Plaintiff’s and Class Members’ wage statements. Plaintiff’s and Class
12 Members’ wage statements read “The Duncan Group DBA Peoples Self H” rather than providing the
13 correct legal name of Defendant—The Duncan Group DBA People’s Self-Help Housing.

14 99. Defendants failed to accurately record the correct daily straight time and overtime hours
15 worked by Plaintiff and Class Members as well as the correct overtime rate. More specifically, the total
16 straight time hours and overtime hours listed are also incorrect because Defendants did not permit
17 Plaintiff and Class Members to record all hours Plaintiff and Class Members worked. As a result, the
18 total gross and net wages paid are also inaccurate.

19 100. Likewise, Defendants did not permit Plaintiff and Class Members to record or report
20 missed meal periods and rest breaks, so the wage statements were also inaccurate in that they did not list
21 any of the meal period premiums and rest break premiums Defendants owed Plaintiff and Class Members.

22 101. Plaintiff and Class Members were damaged by these failures because, among other things,
23 the failures hindered Plaintiff and the Class from determining the amounts of wages actually owed to
24 them.

25 102. Plaintiff and Class Members request recovery of Labor Code section 226(e) penalties
26 according to proof, as well as interest, attorneys’ fees and costs pursuant to Labor Code section 226(e),
27 in a sum as provided by the Labor Code and/or other statutes.

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1 **XI. SIXTH CAUSE OF ACTION**

2 **Failure to Pay All Wages Owed Upon Separation**

3 **in Violation of Cal. Labor Code §§ 201–203**

4 **(Brought by Plaintiff on Behalf of Herself and the Class Against All Defendants)**

5 103. Plaintiff hereby re-alleges and incorporates by reference all paragraphs of this Complaint
6 as if fully set forth herein.

7 104. Labor Code section 201 provides, in relevant part, “[I]f an employer discharges an
8 employee, the wages earned and unpaid at the time of discharge are due and payable immediately.”

9 105. Labor Code section 202 provides, in relevant part, “[I]f an employee not having a written
10 contract for a definite period quits his or her employment, his or her wages shall become due and payable
11 not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her
12 intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.”

13 106. Section 203 of the California Labor Code provides that if an employer willfully fails to
14 pay compensation promptly upon discharge or resignation, as required by sections 201 and 202, then the
15 employer is liable for penalties in the form of continued compensation up to 30 workdays.

16 107. At all times relevant during the liability period, Plaintiff and the other members of the
17 Class were employees of Defendants covered by Labor Code section 203. Pursuant to Labor Code
18 section 201, upon Plaintiff’s and the Class Members’ separation dates, Defendants were required to pay
19 Plaintiff and the Class Members all wages earned.

20 108. At the time of Plaintiff’s and the Class Members’ respective separation dates, Plaintiff and
21 Class Members had unpaid wages. Defendants willfully failed to pay Plaintiff and other members of the
22 Class who are no longer employed by Defendants for their uncompensated hours, uncompensated
23 overtime, and missed, untimely, or on-duty meal periods and rest breaks, upon their termination or
24 separation from employment with Defendants as required by California Labor Code sections 201 and
25 202. Thus, in violation of Labor Code section 201, Defendants failed to pay Plaintiff and the Class
26 Members the full amount of wages due and owing them, in amounts to be proven at the time of trial, but
27 in excess of the jurisdictional minimum of this Court.

28 109. Defendants failed to pay Plaintiff her final payment of all wages within the requisite time

1 based on the circumstances of her separation—immediately upon her termination in October 2024.
2 Instead, Defendants have still never Plaintiff her final wages, including her unpaid minimum wages,
3 overtime wages, meal period premiums and rest break premiums, which were all required to be paid
4 immediately under Labor Code section 201.

5 110. Defendants’ failure to pay Plaintiff and the Class respective wages due and owed to them
6 was willful, and done with the wrongful and deliberate intention of injuring Plaintiff and the Class
7 Members and in conscious disregard of their rights.

8 111. Defendants’ willful failure to pay former employee Plaintiff and the Class all of the wages
9 due and owing them constitutes violations of Labor Code sections 201 and 203, which provide that an
10 employee’s wages will continue as a penalty up to 30 days from the time the wages were due. Therefore,
11 former employee Plaintiff and the Class Members are each entitled to penalties pursuant to Labor Code
12 section 203.

13 **XII. SEVENTH CAUSE OF ACTION**

14 **Failure to Reimburse All Necessary, Business-Related Expenses**

15 **in Violation of Cal. Labor Code § 2802**

16 **(Brought by Plaintiff on Behalf of Herself and the Class Against All Defendants)**

17 112. Plaintiff hereby re-alleges and incorporates by reference all paragraphs of this Complaint
18 as if fully set forth herein.

19 113. California Labor Code section 2802 provides that “An employer shall indemnify his or
20 her employee for all necessary expenditures or losses incurred by the employee in direct consequence of
21 the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though
22 unlawful unless the employee, at the time of obeying the directions, believed them to be unlawful.”

23 114. During the applicable statutory period, Plaintiff and Class Members incurred necessary
24 expenditures and losses in direct consequence of the discharge of their employment duties and their
25 obedience to the directions of Defendants, Defendants did not reimburse Plaintiff and Class Members for
26 these expenditures or losses. Defendants required Plaintiff and Class Members to (1) perform property
27 management duties at multiple properties during a single day, (2) mail applications and other items at the
28 Post Office, and (3) deposit rent checks at the bank. All of these tasks required driving personal vehicles.

As such, Plaintiff and Class Members incurred mileage expenses by driving their personal vehicles to the different properties in a single shift, to the Post Office, and to the bank. However, Defendants failed to reimburse Plaintiff and Class Members for these mileage expenses.

115. Defendants have failed to fully reimburse Plaintiff and Class Members for necessary business-related expenses and losses.

116. Plaintiff and Class Members are entitled to recover their necessary unreimbursed business-related expenses and losses incurred during the course and scope of their employment, plus interest accrued from the date on which the employee incurred the necessary expenditures at the same rate as judgments in civil actions in the State of California, pursuant to California Labor Code section 2802.

XIII. EIGHTH CAUSE OF ACTION

Violations of California's Unfair Competition Law ("UCL"),

California Business and Professions Code §§ 17200, *et seq.*

(Brought by Plaintiff on Behalf of Herself and the Class Against All Defendants)

117. Plaintiff hereby re-alleges and incorporates by reference all paragraphs of this Complaint as if fully set forth herein.

118. Section 17200 of the California Business and Professions Code (the "UCL") prohibits any unlawful, unfair, or fraudulent business practices.

119. Through their actions alleged herein, Defendants have engaged in unfair competition within the meaning of the UCL. Defendants' conduct, as alleged herein, constitutes unlawful, unfair, and/or fraudulent business practices under the UCL.

120. Defendants' unlawful conduct under the UCL includes, but is not limited to, violating the statutes alleged herein. Defendants' unfair conduct under the UCL includes, but is not limited to, failure to pay Class Members wages and compensation they earned through labor provided, and failing to otherwise compensate Class Members and also failure to reimburse all necessary, business-related expenses, as alleged herein. Defendants' fraudulent conduct includes, but is not limited to, issuing wage statements containing false and/or misleading information about the time the Class Members worked and the amount of wages or compensation due.

121. Defendants' violations of California wage and hour laws and illegal payroll practices or payment policies constitute a business practice because they were done repeatedly over a significant period of time, and in a systematic manner to the detriment of Plaintiff and Class Members.

122. Plaintiff has standing to assert this claim because she has suffered injury in fact and has lost money as a result of Defendants' conduct.

123. For the four years preceding the filing of this action, Plaintiff and Class Members have suffered damages and request restitutionary disgorgement of all monies and profits to be disgorged from Defendants in an amount according to proof at the time of trial and an injunction prohibiting them from engaging in the unlawful, unfair, and/or fraudulent conduct alleged herein.

XIV. NINTH CAUSE OF ACTION

For Civil Penalties Pursuant to California’s Private Attorneys General Act of 2004 (“PAGA”),

§§ 2698, *et seq.*, for Violations of California Labor Code Sections

(Brought by Plaintiff on Behalf of Herself and the General Public Against All Defendants)

124. Plaintiff hereby re-alleges and incorporates by reference all paragraphs of this Complaint as if fully set forth herein.

125. PAGA provides that any provision of law under the Labor Code and applicable IWC Wage Order(s) that provides for a civil penalty to be assessed and collected by California's Labor and Workforce Development Agency ("LWDA") for violations of the California Labor Code and applicable IWC Wage Order(s) may, as an alternative, be recovered by aggrieved employees in a civil action brought on behalf of themselves and other current or former employees pursuant to procedures outlined in California Labor Code section 2699.3.

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

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

128. Pursuant to Labor Code sections 2699.3 and 2699.5, aggrieved employees, including

1 Plaintiff, may pursue a civil action arising under PAGA, alleging violations of any provision listed in
2 section 2699.5, after the following requirements have been met:

- 3 a. The aggrieved employee shall give written notice (“Employee’s Notice”) by online filing
4 to the LWDA and by certified mail to the employer of the specific provisions of the
5 California Labor Code alleged to have been violated, including the facts and theories to
6 support the alleged violations;
- 7 b. The Employee’s Notice filed with the LWDA is accompanied by a \$75 filing fee; and
- 8 c. The LWDA shall provide notice (“LWDA Notice”) to the employer and the aggrieved
9 employee by certified mail that it does not intend to investigate the alleged violation within
10 60 calendar days of the postmark date of the Employee’s Notice. Upon receipt of the
11 LWDA Notice, or if the LWDA Notice is not provided within 65 calendar days of the
12 postmark date of the Employee’s Notice, the aggrieved employee may commence a civil
13 action pursuant to California Labor Code section 2699 to recover civil penalties in
14 addition to any other penalties to which the employee may be entitled.

15 129. Pursuant to California Labor Code sections 2699.3(c), aggrieved employees, including
16 Plaintiff, may pursue a civil action arising under PAGA for violations of any provision other than those
17 listed in section 2699.5 after the following requirements have been met:

- 18 a. The aggrieved employee shall give written notice by online filing (“Employee’s Notice”) to the LWDA and by certified mail to the employer of the specific provisions of the
19 California Labor Code alleged to have been violated, including the facts and theories to
20 support the alleged violations;
- 21 b. The Employee’s Notice filed with the LWDA is accompanied by a \$75 filing fee; and
- 22 c. The employer may cure the alleged violation within 33 calendar days of the postmark date
23 of the Employee’s Notice. The employer shall give written notice by certified mail within
24 that period of time to the aggrieved employee or representative and the agency if the
25 alleged violation is cured, including a description of actions taken, and no civil action
26 pursuant to Section 2699 may commence. If the alleged violation is not cured within the
27 33-day period, the employee may commence a civil action pursuant to Section 2699.

1 130. On February 27, 2025, Plaintiff provided written notice by online filing to the LWDA and
2 by certified mail to Defendants of the specific provisions of the California Labor Code alleged to have
3 been violated, including facts and theories to support the alleged violations, in accordance with California
4 Labor Code section 2699.3. Plaintiff's notice to the LWDA was accompanied by the \$75 filing fee. A
5 true and correct copy of Plaintiff's written notice to the LWDA; THE DUNCAN GROUP doing business
6 as PEOPLE'S SELF-HELP HOUSING dated February 27, 2025 is attached hereto as "**Exhibit 1**" and is
7 incorporated herein.

8 131. As of the filing date of the initial complaint, over 65 days have passed since Plaintiff sent
9 the LWDA Notice described above, and the LWDA has not responded that it intends to investigate
10 Plaintiff's claims. Defendants have not given notice that it has cured the alleged violations set forth in
11 this Complaint. Thus, Plaintiff has satisfied the administrative prerequisites under California Labor Code
12 section 2699.3(a) and (c) to recover civil penalties against all defendants, in addition to other remedies,
13 for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d),
14 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

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

24 133. Defendants, at all times relevant herein, were employers or persons acting on behalf of an
25 employer(s) who violated Plaintiff's and other non-party aggrieved employees' rights by violating
26 various sections of the California Labor Code as set forth above.

27 134. As set forth below, Defendants have violated numerous provisions of both the Labor Code
28 sections regulating hours and days of work as well as the applicable IWC Wage Order(s), including:

- a. Violations of Labor Code sections 226.7, 512(a), 1198, and the applicable IWC Wage Order(s) for Defendants' failure to provide Plaintiff and other Class Members with compliant meal periods and/or rest breaks, as set forth above;
- b. Violations of Labor Code sections 1182.12, 1194, 1197, 1197.1, 1198, and the applicable IWC Wage Order(s) for Defendants' failure to compensate Plaintiff and other Class Members with at least minimum wages for all hours worked as set forth above;
- c. Violations of Labor Code sections 510, 1198, and the applicable IWC Wage Order(s) for Defendants' failure to compensate Plaintiff and other Class Members with overtime wages for all hours worked in excess of eight in one day or 40 in one week and double time for all hours worked in excess of 12 hours, as set forth above;
- d. Violations of Labor Code sections 226(a), 1198, and the applicable IWC Wage Order(s) for failure to provide accurate and complete wage statements to Plaintiff and other Class Members as set forth above;
- e. Violations of Labor Code sections 1174(d), 1198, and the applicable IWC Wage Order(s) for failure to maintain payroll records. 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 Order(s). 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(s), 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, Defendants failed, on a companywide basis, to keep records of meal period start and stop times for Plaintiff and other non-party aggrieved employees in violation of section 1198. 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

1 the number of piece-rate units earned by and any applicable piece rate paid to, employees
2 employed at the respective plants or establishments” During the relevant time period,
3 and in violation of Labor Code section 1174(d), Defendants willfully failed to maintain
4 accurate payroll records for Plaintiff and other non-party aggrieved employees showing
5 the daily hours they actually worked and the wages paid thereto as a result of failing to
6 record the off-the-clock hours that they worked;

- 7 f. Violations of Labor Code sections 201, 202, and 203 for failure to pay all earned wages
8 upon termination as set forth above;
- 9 g. Violations of Labor Code section 204 for failure to pay all earned wages during
10 employment as set forth above;
- 11 h. Violations of Labor Code section 2802 for failure to reimburse employees for all
12 necessary, business-related expenses incurred during employment as set forth above;
- 13 i. Plaintiff and other non-party aggrieved employees are therefore entitled to recover
14 penalties, attorneys’ fees, costs, and interest thereupon, pursuant to Labor Code section
15 2699(f)-(g); and
- 16 j. Any and all additional applicable civil penalties and sums as provided by the California
17 Labor Code and/or other relevant statutes.

18 135. Pursuant to California Labor Code sections 2699(a), 2699.3, 2699.5, and section 558,
19 Plaintiff, acting in the public interest as a private attorney general, seeks assessment and collection of
20 civil penalties for himself, all other non-party aggrieved employees, and the State of California against
21 all defendants, in addition to other remedies, for violations of California Labor Code sections 201, 202,
22 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, and 2802.

23 136. In addition, Plaintiff seeks and is entitled to sixty-five percent (65%) of all penalties
24 obtained under California Labor Code section 2699 to be allocated to the LWDA, for education of
25 employers and employees about their rights and responsibilities under the California Labor Code, and
26 thirty-five percent (35%) to all aggrieved employees.

27 137. Further, Plaintiff is entitled to recover reasonable attorneys’ fees and costs pursuant to
28 California Labor Code sections 2699(g)(1), 218.5, 1194(a) and any other applicable statute.

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1. An order that this action may proceed and may be maintained as a class action;
2. All unpaid minimum wages and liquidated damages due to Plaintiff and each Class Member on their minimum wage claims;
3. All unpaid overtime wages due to Plaintiff and each Class Member;
4. One hour of wages due to Plaintiff and each Class Member for each work period of more than four hours when they did not receive an uninterrupted 10-minute rest break;
5. One hour of wages due to Plaintiff and each Class Member for each work period of more than five hours when they did not receive an uninterrupted 30-minute meal period;
6. All unpaid minimum wages and liquidated damages due to Plaintiff and each Class Member on their minimum wage claim;
7. For restitution of all monies due to Plaintiff and members of the Class and disgorged profits from the unlawful business practices of Defendants;
8. For waiting time penalties pursuant to Labor Code section 203;
9. Statutory penalties under Labor Code section 226(e);
10. For reimbursement of business expenses under California Labor Code section 2802;
11. For penalties pursuant to Labor Code sections 204, 206, 210, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174.5, 1182.12, 1194, 1194.2, 1197.1, 1198, and 2802;
12. For injunctive relief enjoining Defendants from engaging in the unlawful and unfair business practices complained of herein;
13. For all civil penalties permitted by California's Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.*, based on all the alleged statutory violations set forth in this Complaint;
14. For costs of suit and expenses incurred herein pursuant to Labor Code sections 226 and 1194;
15. Prejudgment interest at the maximum legal rate on all due and unpaid wages pursuant to Labor Code section 218.6 and Civil Code sections 3287 and 3289;

16. For reasonable attorneys' fees pursuant to Labor Code sections 218.5, 226, 1194, 2699(g), and

1 Code of Civil Procedure section 1021.5;

2 17. Accounting of Defendants' records for the liability period;

3 18. General, special, and consequential damages, to the extent allowed by law; and

4 19. All such other and further relief that the Court may deem just and proper.

5
6 Dated: May 6, 2025

ABRAMSON LABOR GROUP

7
8 By: 
Cheryl A. Kenner

9
10 Attorneys for Plaintiff RASHELL FLORES
and all others similarly situated and aggrieved

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Dated: May 6, 2025

ABRAMSON LABOR GROUP

Attorneys for Plaintiff RASHELL FLORES
and all others similarly situated and aggrieved

EXHIBIT 1



1700 W Burbank Blvd.
Burbank, California 91506
t | 213.493.6300
Cheryl.K@abramsonlabor.com
www.AbramsonLaborGroup.com

February 27, 2025

VIA ONLINE SUBMISSION

Stewart Knox, Secretary
California Labor & Workforce
Development Agency
800 Capitol Mall, Suite 5000 (MIC-55)
Sacramento, CA 95814

VIA CERTIFIED MAIL

The Duncan Group
Attn: Legal Department
1060 Kendall Rd.
San Luis Obispo, CA 93401

The Duncan Group
Attn: Human Resources
2940 Spring St.
Paso Robles, CA 93446

NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO CALIFORNIA LABOR CODE
SECTION 2698, *ET SEQ.*

To: The California Labor and Workforce Development Agency; The Duncan Group dba
People's Self-Help Housing

From: Rashell Flores, on behalf of herself and all other current and former hourly nonexempt
employees for violations of the California Labor Code

To Whom It May Concern:

Abramson Labor Group has been retained by current former Rashell Flores ("Ms. Flores") to seek compensation and all other available relief, including civil penalties on her behalf and on the behalf of all those similarly aggrieved (collectively with Ms. Flores, "Claimants") who have been injured by The Duncan Group doing business as People's Self-Help Housing's ("Duncan") violations of the California Labor Code. Ms. Flores, on behalf of herself and all other similarly aggrieved current and former hourly nonexempt employees of Duncan, intend to seek civil penalties, attorneys' fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.* of the Labor Code Private Attorneys General Act of 2004 ("PAGA").

Factual Statement:

Duncan builds and then manages multi-unit rental housing complexes for families, seniors, veterans, those living with disabilities, and those transitioning out of homelessness in California.

Claimant Ms. Flores worked at multiple Duncan locations from approximately June 21, 2022 through approximately October 2024 as an hourly, nonexempt employee in the position of Property Manager, earning \$19.00 per hour. During her employment, Ms. Flores worked at several Paso Robles, California locations and one Templeton, California location. Ms. Flores, on behalf of herself and all other similarly aggrieved current and former employees in California in various positions, are or were generally engaged in property management functions at various Duncan properties. As part of her employment with Duncan, Claimant and other hourly, nonexempt employees, collectively, “hourly nonexempt employees,” are or were assigned to and required to suffer and permitted to work without pay, while performing tasks collectively including, but not limited to, managing daily office operations, processing rental applications, updating and monitoring waitlists, complying with annual certifications, collecting and posting rent, obtaining maintenance work orders, drafting and responding to emails and calls with other departments; preparing and completing re-certification paperwork for senior tax credit properties; processing senior tax credit applications; addressing work orders; and preparing reports for upper management.

Claimant Ms. Flores regularly worked 6-7 days per week for nine hours or more hours per day. During the entire course of her employment, Duncan failed to provide Ms. Flores and continues to fail to provide those similarly aggrieved with some minimum wages, overtime pay, and compliant meal periods and rest breaks and corresponding premium pay. Duncan has also failed to pay minimum wages to Ms. Flores and other hourly, nonexempt employees in violation of Labor Code sections 510, 1194, 1197, and 1182.12, and section 4 of IWC Wage Order No. 5-2001. As a consequence of failing to pay minimum wages, Duncan has failed to comply with Labor Code sections 226.7, 510, and 512, and sections 3, 11, and 12 of all applicable Industrial Welfare Commission (“IWC”) Wage Orders, including but not limited to, IWC Wage Order No. 5-2001. In violation of Labor Code sections 510, 1194, 1197, and 1182.12, Duncan has failed to compensate Claimants at a rate of one and one-half (1.5) times their regular rate for all hours worked over eight (8) hours per workday and the first eight (8) hours worked on the seventh day of a workweek and at two (2) times their regular rate for hours worked over twelve (12) hours per workday and eight (8) hours on the seventh day of a workweek.

Duncan has also failed and continues to fail to pay all wages owed every pay period in violation of Labor Code section 204. Likewise, Duncan has failed and continues to fail to provide timely, accurate wage statements to Ms. Flores and other aggrieved persons in violation of Labor Code section 226(a). With regard to those no longer employed by Duncan, including Ms. Flores, Gemini has violated Labor Code section 203 by failing to pay all wages due upon separation. Duncan has failed and continues to fail to fully reimburse Claimants for all necessary, business-related expenses and losses they incurred, including, but not limited to, all costs for mileage for trips driven on Duncan’s behalf, in violation of Labor Code section 2802. Ms. Flores is informed and believes that such violations are ongoing, systematic, and continuous. Ms. Flores intend to bring an action against Duncan under the Private Attorneys General Act (“PAGA”) to recover wages and penalties as provided by California law.¹

¹ Without limitation, Ms. Flores, if permitted, will seek any and all penalties otherwise capable of being collected by the Commission. This includes each provision as set forth in Labor Code section 2699.5 as follows:

The provisions of subdivision (a) of Section 2699.3 apply to any alleged violation of the following provisions: subdivision (k) of Section 96, Sections 98.6, 201, 201.3, 201.5, 201.7, 202, 203, 203.1, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206, 206.5, 208, 209, and 212, subdivision (d) of Section 213, Sections 221, 222, 222.5, 223, and 224, subdivision (a) of Section 226, Sections 226.7, 227, 227.3, 230, 230.1, 230.2, 230.3, 230A, 230.7, 230.8, and 231, subdivision (c) of Section 232, subdivision (c) of Section 232.5, Sections 233, 234, 351, 353,

Theories of Labor Code Violations and Remedies:

Claimant Ms. Flores was employed by Duncan from approximately June 21, 2022 to approximately October 2024 as an hourly, nonexempt employee holding the position of Property Manager. For a period of at least four (4) years prior to February 2025, but for our purposes here, one (1) year prior, Duncan has violated and continues to violate the California Labor Code sections as detailed below.

Claimants also were at all times entitled to payment of **minimum wages**. Duncan has failed and continues to fail to pay Claimants minimum wages for all hours worked as required by Labor Code sections 510, 1194, and 1194.2 and sections 4 and 5 of IWC Wage Order No. 5-2001. First, Claimants worked while off-the-clock—meaning they were not punched in for work—and therefore, those working hours were not recorded and then compensated. This off-the-clock time primarily occurred (1) both during shifts specifically during meal periods in which Ms. Flores and Claimants clocked out but continued performing compensable work and (2) at the end of their shifts because additional tasks needed to be completed but the Ms. Flores and Claimants were not permitted to work beyond the end of their scheduled shifts. As such, when work remained at the end of a shift, Ms. Flores and Claimants still continued working to complete any remaining tasks or urgent ones that needed to be addressed. Accordingly, Claimants were not paid for that time spent working off the clock. That is, Defendant implemented policies and enforced practices requiring Claimants to perform work while clocked out and what should have been their meal periods and rest breaks, the effects of which Defendant could have mitigated by adjusting expectations and/or by adding more staff to reduce the expected daily workload. However, Defendant instead chose to instruct Claimants to both report only their scheduled hours while also complete certain tasks within a given timeframe that necessitated working off the clock. In effect, these policies and practices cause Claimants to remain on-duty during meal periods and rest breaks, and therefore, constitute a failure on Duncan's part to provide minimum wages for that compensable work. With that, Duncan's corresponding failure to provide premium pay at the correct regular rate, if any premiums were paid at all, in lieu of compliant meal periods and rest breaks constitutes Duncan's failure to pay minimum wages and all hours worked every pay period and all wages upon separation in violation of Labor Code sections 201, 202, 203, 204, 226(a), 510, 1182.12, 1194, and 1197. Second, Duncan's failure to pay Claimants their meal period and rest break premiums for noncompliant meal periods and rest breaks, as explained in further detail below, also constitutes a failure to pay minimum wages to Claimants. For all of the foregoing reasons, Claimants are entitled to recover wages and/or penalties as provided by Labor Code section 1197.1 and section 20 of IWC Wage Order No. 5-2001.

Claimants were at all times entitled to unpaid off-duty, uninterrupted **meal periods**. As explained in the preceding paragraph, Duncan failed to authorize and permit timely, full-length meal periods for Ms. Flores and all other similarly aggrieved employees as required by Labor Code sections 226.7 and 512 and section 11 of IWC Wage Order No. 5-2001. Ms. Flores and Claimants were required to perform work during their meal periods in the form of continuing to perform their assigned services that either cut into their 30-minute meal periods necessitating that they returned from their meal period early before 30 minutes had elapsed or else forcing them to forgo their meal period entirely. Ms. Flores and Claimants were still

and 403, subdivision (b) of Section 404, Sections 432.2, 432.5, 432.7, 435, 450, 510, 511, 512, 513, 551, 552, 601, 602, 603, 604, 750, 751.8, 800, 850, 851, 851.5, 852, 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1025, 1026, 1101, 1102, 1102.5, and 1153, subdivisions (c) and (d) of Section 1174, Sections 1194, 1197, 1197.1, 1197.5, and 1198, subdivision (b) of Section 1198.3, Sections 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294, 1294.1, 1294.5, 1296, 1297, 1298, 1301, 1308, 1308.1, 1308.7, 1309, 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695, subdivision (a) of Section 1695.5, Sections 1695.55, 1695.6, 1695.7, 1695.8, 1695.9, 1696, 1696.5, 1696.6, 1697.1, 1700.25, 1700.26, 1700.31, 1700.32, 1700.40, and 1700.47, paragraphs (1), (2), and (3) of subdivision (a) of, and subdivision (e) of, Section 1701.4, subdivision (a) of Section 1701.5, Sections 1701.8, 1701.10, 1701.12, 1735, 1771, 1774, 1776, 1777.5, 1811, 1815, 2651., and 2673, subdivision (a) of Section 2673.1, Sections 2695.2, 2800, 2801, 2802, 2806, and 2810, subdivision (b) of Section 2929, and Sections 3095, 6310, 6311, and 6399.7.

required to report that they took a 60-minute meal period even though they didn't because Duncan enforced a policy that did use a system that would reject time entries that did not include a meal period; it was not physically possible to report that they skipped their meal periods. Despite those issues, Duncan did not compensate Claimants with an extra hour of pay at the regular rate for noncompliant meal periods for each workday on which they occurred. Accordingly, since Duncan required Ms. Flores and others similarly situated to work during their meal periods in violation of Labor Code sections 226.7(a) and 512, Claimants seek all available penalties as set forth in Labor Code sections 558, section 20 of IWC Wage Order No. 5-2001, and 2699(f).

Claimants were at all times entitled to take paid, off duty 10-minute **rest breaks**. However, for the same reasons cited in the preceding paragraph regarding meal periods and additional reasons, Duncan likewise failed to authorize and permit Ms. Flores and all other similarly aggrieved employees to take the overwhelming majority of their full-length, off-duty rest breaks as required by Labor Code sections 226.7 and section 12 of IWC Wage Order No. 5-2001. In addition to the reasons provided for noncompliant meal periods in the preceding paragraph, Ms. Flores and Claimants also experienced noncompliant rest breaks in part because Duncan enforced a policy requiring Claimants to work within their scheduled shifts and not beyond that time, which caused Claimants to forgo rest breaks in attempt to finish all work necessary within their scheduled times; it would not have been possible to do so if the additional 20 minutes of rest breaks were taken. As such, Claimants were not able to take their requisite number of 10-minute rest breaks based on their shift duration; Claimants regularly worked through their rest breaks. Duncan did not compensate Claimants with an extra hour of pay at the regular rate for noncompliant rest breaks for each workday on which they occurred. Therefore, Claimants are entitled to recover wages and/or penalties as provided by Labor Code section 558 and section 20 of IWC Wage Order No. 5-2001. Furthermore, since Duncan required their hourly nonexempt employees to perform work during rest periods in violation of Labor Code section 226.7(b), Claimants seek all available penalties set forth in Labor Code sections 558 and 2699.

At all times relevant herein, Claimants were entitled to the payment of **overtime**. That is, pursuant to Labor Code sections 510, 1194, 1197, and 1182.12, Duncan was required to compensate Claimants at a rate of one-and-one-half (1.5) times their regular rate for all hours worked over eight (8) hours per workday and the first eight (8) hours worked on the seventh day of a workweek and at two (2) times their regular rate for hours worked over 12 hours per workday and eight hours on the seventh day of a workweek. Ms. Flores occasionally worked and Claimants regularly worked overtime hours. Duncan has failed to and continues to fail to pay Claimants overtime wages owed for off-the-clock time worked that should have been compensated as overtime, yet regularly required them to work these overtime hours without premium pay under Labor Code section 1194. In short, during the entire course of their employment, Duncan failed to provide Ms. Flores and continues to fail to provide all others similarly situated with all overtime pay in violation of 226.7, 510, and 512 and all applicable IWC Wage Orders, including but not limited to IWC Wage Order 5-2001, section 3.

Pursuant to Labor Code sections 201–203, Claimants who have since separated from Duncan, including Ms. Flores, were entitled to be paid all **wages owed upon separation** within the statutorily allotted time—immediately (resignation with notice and termination) or within seventy-two (72) hours (resignation without notice). Claimants, including Ms. Flores, did not receive all wages owed upon separation based on Duncan's prior failings to pay all wages owed every pay period, including but not limited to minimum and overtime wages for all hours worked and meal period and rest break premiums, as explained above.

Claimants were at all times entitled to be provided timely and accurate **wage statements** from Duncan pursuant to Labor Code section 226. First, Ms. Flores's wage statements read "The Duncan Group DBA Peoples Self H" rather than providing the correct legal name of Defendant—The Duncan Group DBA People's Self-Help Housing. Second, because Duncan failed to pay Claimants all of their meal period and rest break premiums for noncompliant meal periods and rest breaks and failed to pay Claimants minimum

wages for all hours worked before, during, and after their shifts and for all overtime wages due, Claimants' wage statements were inaccurate in reflecting meal period and rest break premiums owed, overtime and minimum wages, and all hours worked every pay period. As a consequence, Claimants' wage statements also do not reflect the accurate amount of net and gross wages owed. Accordingly, Claimants seek all available penalties as set forth in Labor Code sections 226(e) and 2699.

Finally, Claimants were entitled to be reimbursed by Duncan for all necessary, **business-related expenses** they incurred in executing their duties for Duncan. California Labor Code section 2802 provides that "An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful." Duncan required Ms. Flores and Claimants to travel from one property to another as well as to the post office and bank during their shifts, however, Duncan failed to reimburse Ms. Flores and Claimants for their mileage associated with those regular trips. In sum, Duncan has failed to reimburse Ms. Flores and Claimants for all necessary, business-related expenses and losses they incurred, including, but not limited to, these costs incurred for mileage for trips driven on behalf of Duncan during their shifts. Accordingly, Claimants are entitled to recover their unreimbursed expenditures and losses pursuant to Labor Code section 2802.

Duncan's uniform failure to pay overtime and minimum wages, failure to authorize and permit full-length, off-duty rest breaks and meal periods or pay Claimants adequate premium compensation in lieu thereof, failure to furnish timely and accurate wage statements, failure to pay all wages owed upon separation, and failure to reimburse all necessary, business-related expenses violate Labor Code sections 204, 226(a), 226.7, 510, 512, 1182.12, 1194, 1197, and 2802, and as such, penalties are recoverable as set forth in Labor Code sections 210, 1194, *et seq.*, and 2699.

Claimants are entitled to recover unpaid wages, with interest, and are entitled to an award of attorneys' fees as permitted by Labor Code section 1194, other penalties as permitted by Labor Code sections 210 and 2699, and waiting time penalties for former employees pursuant to Labor Code section 203.

Accordingly, Claimants seek the remedies set forth in the above-referenced Labor Code sections for themselves, 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), 2699.3(c), and 2699.5, Ms. Flores, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for themselves, all other aggrieved employees, and the State of California against Duncan 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, 1198, and 2802.

Should you require any additional information, please feel free to contact me.

Sincerely,

ABRAMSON LABOR GROUP

A handwritten signature in cursive script that reads "Cheryl Kenner".

Cheryl A. Kenner