

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

April 9, 2024

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Raul Flores v. Contemporary Services Corporation*

To Whom It May Concern:

Please be advised that this law firm represents Raul Flores (“Mr. Flores”) in claims arising from his employment with Contemporary Services Corporation; and Does 1 through 100 (collectively “Contemporary Services”). Mr. Flores is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Contemporary Services’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” include all of Contemporary Services’ non-exempt employees who worked for Contemporary Services in California during the one year immediately preceding the date of this letter through the present.

Contemporary Services provide crowd management, security, and other related services to various events and venues. Mr. Flores began working for Contemporary Services as a non-exempt employee in the position of “Security Officer” (or other similarly-titled position) in approximately December 2021.

During Mr. Flores’ employment with Contemporary Services, Contemporary Services utilized a timekeeping system which resulted in Mr. Flores and other non-exempt employees not being compensated for all hours actually worked, whether by rounding, time-shaving, adjusting of time entries, or otherwise. Contemporary Services’ timekeeping policies/practices were not evenhanded and resulted in Mr. Flores and other non-exempt employees not being compensated for all hours worked. Further, on occasions when Mr. Flores and other aggrieved employees worked over eight hours in a workday and/or forty hours in a workweek, Contemporary Services’ timekeeping policies/practices deprived Mr. Flores and other aggrieved employees of additional overtime wages earned. Due to Contemporary Services’ timekeeping policies/practices that failed to compensate for all hours worked, Mr. Flores and other non-exempt employees were not compensated for all required minimum and overtime wages.

Contemporary Services also failed to provide Mr. Flores and other non-exempt employees with all legally compliant meal periods due to Contemporary Services' meal period policies/practices, which have resulted in late (commencing after the fifth hour of work), short (less than 30 minutes), and missed meal periods. In addition, Contemporary Services failed to provide Mr. Flores and other non-exempt employees with second meal periods on shifts over 10.0 hours. During at least a portion of the relevant time period, Contemporary Services did not require Mr. Flores and other non-exempt employees to record their meal periods. Instead, upon information and belief, Contemporary Services automatically deducted 30 minutes from the total hours worked for each shift worked regardless of whether the employee took a full 30-minute compliant meal period. On those occasions when Mr. Flores and other aggrieved employees were not provided with all legally-required and compliant meal periods to which they were entitled, Contemporary Services failed to compensate Mr. Flores and other aggrieved employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the relevant time period, Contemporary Services maintained no payroll code or other mechanism for paying meal period premiums under Labor Code § 226.7 in the event a legally compliant meal period was not provided to their non-exempt employees.

Contemporary Services also failed to authorize and permit all required rest periods for Mr. Flores and other non-exempt employees. Specifically, Contemporary Services often failed to authorize and permit a net 10-minute rest period for every four hours worked or major fraction thereof. Additionally, Contemporary Services failed to authorize and permit a full ten minutes of "net rest" in an area appropriate for rest away from the workstation during rest periods. Despite failing to authorize and permit Mr. Flores and other non-exempt employees to take all rest periods to which they were entitled, upon information and belief, during at least a portion of the relevant time period, Contemporary Services maintained no mechanism for the payment of rest period premium payments as required by Labor Code § 226.7 and did not pay Mr. Flores or other non-exempt employees any rest period premiums. Additionally, upon information and belief, Contemporary Services required Mr. Flores and other non-exempt employees to "sign out" for rest periods, which suggests that there should be records of all rest periods provided to and taken by aggrieved employees.

Contemporary Services also failed to adequately reimburse Mr. Flores and other aggrieved employees for all reasonable and necessary work expenditures, including, but not limited to, use of personal cellular phones. Despite requiring Mr. Flores and other aggrieved employees to use their cell phones for work, Contemporary Services did not adequately reimburse Mr. Flores and other aggrieved employees for their cellular phone expenses, even though they used their personal cellular phones for business purposes.

As a result of Contemporary Services' failure to compensate Mr. Flores and other non-exempt employees for all minimum wages, overtime wages, and all meal and rest period premium wages, Contemporary Services maintained inaccurate payroll records and

failed to issue accurate, compliant, itemized wage statements.

As described above, Contemporary Services committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 4 (“Wage Order 4”):

Minimum Wage Violations

Contemporary Services was required to pay Mr. Flores and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 4, § 4. As alleged above, Contemporary Services failed to conform its pay practices to the requirements of the law by failing to pay Mr. Flores and other aggrieved employees for all hours worked including, but not limited to, all hours they were subject to the control of Contemporary Services and/or suffered or permitted to work under the California Labor Code and Wage Order 4. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Flores and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

Contemporary Services was required to pay Mr. Flores and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 4, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday 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.” This Section further provides, “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.” As alleged above, Contemporary Services caused Mr. Flores and other aggrieved employees to work overtime hours but did not compensate Mr. Flores and other aggrieved employees at one and one-half times their regular rate of pay for such hours. As a result of these policies/practices, Mr. Flores and other aggrieved employees were not compensated for all overtime and double-time wages.

Meal Period Violations

As alleged above, Contemporary Services failed to provide Mr. Flores and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 4, § 11. As a result, Mr. Flores and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with

... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As alleged above, Contemporary Services also failed to authorize and permit Mr. Flores and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 4, § 12. As a result, Mr. Flores and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.”)

Failure to Reimburse Employees for Necessary Business Expenditures

As alleged above, Contemporary Services failed to reimburse Mr. Flores and other aggrieved employees for necessary work expenses, including the use of their personal cellular phones for business purposes. Contemporary Services' policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 4, § 9, and Labor Code §§ 2802 and 2804 (“An employer shall indemnify his or her employees 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 obedience to the directions of the employer.”) Mr. Higuera and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Contemporary Services failed to timely pay other aggrieved employees all of their final wages at the time of separation, which included all overtime, double-time, and minimum wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, Contemporary Services' failure to pay all final wages due to aggrieved employees was willful and, consequently, entitles aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Contemporary Services failed to pay their final wages after their separation, up to a maximum of thirty days.

Wage Statement Violations

Contemporary Services was required to furnish Mr. Flores and other aggrieved employees with complete and accurate itemized wage statements that showed, among other

things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 4, § 7. As a result of Contemporary Services' failure to pay all overtime, minimum, and double-time wages, and failure to pay all required meal and rest period premium wages, Contemporary Services maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Flores and other aggrieved employees in violation of Labor Code § 226. Contemporary Services' failure to comply with its wage statement obligations was knowing and intentional, and Mr. Flores and other aggrieved employees have suffered injury as a result.

As an "aggrieved employee," Mr. Flores will initiate a civil action on behalf of himself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Flores' own investigation, and on information and belief, Contemporary Services committed and continues to commit the following Labor Code violations:

- a. Contemporary Services violated Labor Code §§ 1182.12, 1194, 1194.2 and 1197 by failing to pay Mr. Flores and other aggrieved employees the statutory minimum wage for all hours worked;
- b. Contemporary Services violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Flores and other aggrieved employees all overtime compensation earned;
- c. Contemporary Services violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Mr. Flores and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- d. Contemporary Services violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit Mr. Flores and other aggrieved employees all required rest periods and failing to pay rest period premiums to Mr. Flores and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;
- e. Contemporary Services violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Flores and other aggrieved employees for all necessary expenditures incurred;
- f. Contemporary Services violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to aggrieved employees;
- g. Contemporary Services violated Labor Code § 226 by failing to furnish Mr. Flores and other aggrieved employees with accurate and compliant itemized wage statements;

- h. Contemporary Services violated Labor Code § 204 by failing to pay Mr. Flores and other aggrieved employees all wages earned at least twice during each calendar month; and
- i. Contemporary Services violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Mr. Flores and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Contemporary Services if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: Contemporary Services Corporation (via certified mail)