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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

LAUREN JONES, individually, and on  
behalf of other members of the general  
public similarly situated,

Plaintiff,

vs.

CALIFORNIA FAMILY LIFE CENTER, a  
California nonprofit corporation; and DOES  
1 through 10, inclusive,

Defendants.

Case No.: CVRI2401900

**FIRST AMENDED CLASS ACTION  
COMPLAINT & ENFORCEMENT  
ACTION UNDER THE PRIVATE  
ATTORNEYS GENERAL ACT,  
CALIFORNIA LABOR CODE §§ 2698, *ET  
SEQ.***

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 (Failure to Provide Meal Periods);
- (3) Violation of California Labor Code §§ 226.7, 516, and 1198 (Failure to Authorize and Permit Rest Periods);
- (4) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to Maintain Payroll Records);
- (5) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination);
- (6) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment);
- (7) Civil Penalties for Violations of California Labor Code, Pursuant to PAGA, §§ 2698, *et seq.*;

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- (8) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and
- (9) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices)

**Jury Trial Demanded**

1 Plaintiff Lauren Jones, individually and on behalf of all other members of the public  
2 similarly situated, and as an aggrieved employee and on behalf of all aggrieved employees,  
3 alleges as follows:

#### 4 JURISDICTION AND VENUE

5 1. This class action is brought pursuant to California Code of Civil Procedure  
6 section 382 and California Labor Code sections 2698, *et seq.* (“PAGA”) to recover civil  
7 penalties and any other available relief on behalf of Plaintiff, the State of California, and other  
8 current and former employees who worked for Defendants in California as non-exempt, hourly  
9 paid employees and received at least one wage statement and against whom one or more  
10 violations of any provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision  
11 regulating hours and days of work in the applicable Industrial Welfare Commission (“IWC”)   
12 Wage Order were committed, as set forth in this complaint. The monetary damages, penalties,  
13 and restitution sought by Plaintiff exceed the minimal jurisdiction limits of the Superior Court  
14 and will be established according to proof at trial. This Court has jurisdiction over this action  
15 pursuant to the California Constitution, Article VI, section 10. The statutes under which this  
16 action is brought do not specify any other basis for jurisdiction. Plaintiff’s share of damages,  
17 penalties, and other relief sought in this action does not exceed \$75,000.

18 2. This Court has jurisdiction over Defendants because Defendants are either  
19 citizens of California, have sufficient minimum contacts in California, or otherwise  
20 intentionally avail themselves of the California market so as to render the exercise of jurisdiction  
21 over them by the California courts consistent with traditional notions of fair play and substantial  
22 justice.

23 3. Venue is proper in this Court, because Defendants filed Statement of Information  
24 forms with the California Secretary of State designating a principal place of business in Hemet,  
25 County of Riverside, in accordance with California Corporations Code section 2105(a)(3). Cal.  
26 Code Civ. P. § 395.5. Venue is also proper in this Court because Defendants employ persons  
27 in this county, and employed Plaintiff in this county, and thus a substantial portion of the  
28 transactions and occurrences related to this action occurred in this county.

1 **THE PARTIES**

2 4. Plaintiff Lauren Jones is a resident of San Jacinto, in Riverside County,  
3 California. Defendants employed Plaintiff as an hourly paid, non-exempt employee from  
4 approximately October 2003 to June 2023. Plaintiff worked for Defendants as a Direct Care  
5 Staff, Acting Facility Manager, and Facility Manager at their Hemet House and Sunset House  
6 locations in Hemet, California. During her employment, Plaintiff typically worked seven (7) to  
7 twelve (12) hours per day and five (5) days per week. Plaintiff's primary job duties included,  
8 without limitation, supervising youth residents, cooking, helping with house chores, organizing  
9 resident activities, administering medication to residents, and setting residents' schedules.

10 5. CALIFORNIA FAMILY LIFE CENTER was and is, upon information and  
11 belief, a California nonprofit corporation, and at all times hereinafter mentioned, an employer  
12 whose employees are engaged throughout this county and the State of California.

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

17 7. Plaintiff is informed and believes, and thereon alleges, that DOES 1 through 10  
18 were the partners, agents, owners, or managers of CALIFORNIA FAMILY LIFE CENTER at  
19 all relevant times.

20 8. Plaintiff is informed and believes, and thereon alleges, that each and all of the  
21 acts and omissions alleged herein was performed by, or is attributable to CALIFORNIA  
22 FAMILY LIFE CENTER and/or DOES 1 through 10 (collectively, "Defendants" or "CFLC"),  
23 each acting as the agent, employee, alter ego, and/or joint venturer of, or working in concert  
24 with, each of the other co-Defendants and was acting within the course and scope of such  
25 agency, employment, joint venture, or concerted activity with legal authority to act on the  
26 others' behalf. The acts of any and all Defendants were in accordance with, and represent, the  
27 official policy of Defendants.

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

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

## GENERAL ALLEGATIONS

11. Defendants provide supportive services for children, including but not limited to board and care, employment training, college readiness services, and foster/adoption support. Upon information and belief, Defendants maintain a single, centralized Human Resources (“HR”) department at their company headquarters in Hemet, California, which is responsible for the recruiting and hiring of new employees, and communicating and implementing Defendants’ company-wide policies, including timekeeping policies and meal and rest period policies, to employees throughout California.

12. In particular, Plaintiff and class members, on information and belief, received the same standardized documents and/or written policies. Upon information and belief, the usage of standardized documents and/or written policies, including new-hire documents, indicate that Defendants dictated policies at the corporate level and implemented them company-wide, regardless of their employees' assigned locations or positions. Upon information and belief, Defendants set forth uniform policies and procedures in several documents provided at an employee's time of hire.

13. Upon information and belief, Defendants maintain a centralized Payroll department at their company headquarters in Hemet, California, which processes payroll for all non-exempt, hourly paid employees working for Defendants at their various locations in California, including Plaintiff and class members. Based upon information and belief, Defendants issue the same formatted wage statements to all non-exempt, hourly paid employees in California, irrespective of their work locations. Upon information and belief, Defendants

1 process payroll for departing employees in the same manner throughout the State of California,  
2 regardless of the manner in which each employee's employment ends.

3 14. Defendants continue to employ non-exempt or hourly paid employees in  
4 California.

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

9 16. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
10 should have known that Plaintiff and class members were entitled to be paid at a regular rate of  
11 pay, and corresponding rates of pay for overtime wages and/or meal and rest period premiums,  
12 that included as eligible income all remuneration required by law, including but not limited to,  
13 all income derived from shift differential pay, incentive pay, nondiscretionary bonuses, and/or  
14 other forms of compensation, but failed to include all forms of remuneration in calculating the  
15 regular rate of pay for Plaintiff and class members.

16 17. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
17 should have known that Plaintiff and class members were entitled to meal periods in accordance  
18 with the California Labor Code and applicable IWC Wage Order or payment of one (1)  
19 additional hour of pay at their regular rates of pay when they were not provided with timely,  
20 uninterrupted, thirty (30) minute meal periods and that Plaintiff and class members were not  
21 provided with all meal periods or payment of one (1) additional hour of pay at their regular rates  
22 of pay when they did not receive a timely, uninterrupted, thirty (30) minute meal period.

23 18. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
24 should have known that Plaintiff and class members were entitled to rest periods in accordance  
25 with the California Labor Code and applicable IWC Wage Order or payment of one (1)  
26 additional hour of pay at their regular rates of pay when they were not authorized and permitted  
27 to take a compliant rest period and that Plaintiff and class members were not authorized and  
28 permitted to take compliant rest periods or provided with payment of one (1) additional hour of

1 pay at their regular rates of pay when they were not authorized and permitted to take a compliant  
2 rest period.

3 19. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
4 should have known that Plaintiff and class members were entitled to receive complete and  
5 accurate wage statements in accordance with California law. In violation of the California  
6 Labor Code, Plaintiff and class members were not provided complete and accurate wage  
7 statements.

8 20. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
9 should have known that they had a duty to maintain accurate and complete payroll records in  
10 accordance with the California Labor Code and applicable IWC Wage Order, but willfully,  
11 knowingly, and intentionally failed to do so.

12 21. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
13 should have known that Plaintiff and class members were entitled to timely payment of all  
14 wages earned upon termination of employment. In violation of the California Labor Code,  
15 Plaintiff and class members did not receive payment of all wages due, including, but not limited  
16 to, overtime wages, meal and rest period premiums, and/or sick leave pay, within permissible  
17 time periods.

18 22. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
19 should have known that Plaintiff and class members were entitled to timely payment of wages  
20 during their employment. In violation of the California Labor Code, Plaintiff and class members  
21 did not receive payment of all wages, including, but not limited to, overtime wages, meal and  
22 rest period premiums, and/or sick leave pay, within permissible time periods.

23 23. Plaintiff is informed and believes, and thereon alleges, that Defendants knew or  
24 should have known that Plaintiff and class members were entitled to receive sick leave benefits  
25 to be paid at a regular rate of pay, that included, as eligible income, all income derived from  
26 shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of  
27 compensation. In violation of the California Labor Code, Defendants failed to include all forms  
28 of remuneration in calculating the regular rate of pay for sick leave pay.

1           24. Plaintiff is informed and believes, and thereon alleges, that at all times herein  
2 mentioned, Defendants knew or should have known that they had a duty to compensate Plaintiff  
3 and class members for all hours worked, and that Defendants had the financial ability to pay  
4 such compensation, but willfully, knowingly, and intentionally failed to do so, and falsely  
5 represented to Plaintiff and class members that they were properly denied wages, all in order to  
6 increase Defendants' profits.

7                           **PAGA REPRESENTATIVE ALLEGATIONS**

8           25. At all times herein set forth, PAGA provides that any provision of law under the  
9 Labor Code and applicable IWC Wage Order that provides for a civil penalty to be assessed and  
10 collected by the Labor and Workforce Development Agency ("LWDA") for violations of the  
11 California Labor Code and applicable IWC Wage Order may, as an alternative, be recovered by  
12 aggrieved employees in a civil action brought on behalf of themselves and other current or  
13 former employees pursuant to procedures outlined in California Labor Code section 2699.3.

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

17           27. Plaintiff and other current and former employees of Defendants are "aggrieved  
18 employees" as defined by Labor Code section 2699(c) in that they are all Defendants' current  
19 or former employees and one or more of the alleged violations were committed against them.

20           28. Pursuant to California Labor Code sections 2699.3 and 2699.5, an aggrieved  
21 employee, including Plaintiff, may pursue a civil action arising under PAGA after the following  
22 requirements have been met:

23                   (a) The aggrieved employee or representative shall give written notice by  
24 online filing with the LWDA and by certified mail to the employer of the  
25 specific provisions of the California Labor Code alleged to have been  
26 violated, including the facts and theories to support the alleged violation.

27                   (b) An aggrieved employee's notice filed with the LWDA pursuant to  
28 2699.3(a) and any employer response to that notice shall be accompanied

1 by a filing fee of seventy-five dollars (\$75).

- 2 (c) The LWDA shall notify the employer and the aggrieved employee or  
3 representative by certified mail that it does not intend to investigate the  
4 alleged violation (“LWDA Notice”) within sixty (60) calendar days of the  
5 postmark date of the aggrieved employee’s notice. Upon receipt of the  
6 LWDA Notice, or if no LWDA Notice is provided within sixty-five (65)  
7 calendar days of the postmark date of the aggrieved employee’s notice,  
8 the aggrieved employee may commence a civil action pursuant to  
9 California Labor Code section 2699 to recover civil penalties.

10 29. Pursuant to California Labor Code sections 2699.3(c), aggrieved employees,  
11 through Plaintiff, may pursue a civil action arising under PAGA for violations of any provision  
12 other than those listed in Section 2699.5 after the following requirements have been met:

- 13 (a) The aggrieved employee or representative shall give written notice by  
14 online filing with the LWDA and by certified mail to the employer of the  
15 specific provisions of the California Labor Code alleged to have been  
16 violated (other than those listed in Section 2699.5), including the facts  
17 and theories to support the alleged violation.
- 18 (b) An aggrieved employee’s notice filed with the LWDA pursuant to  
19 2699.3(c) and any employer response to that notice shall be accompanied  
20 by a filing fee of seventy-five dollars (\$75).
- 21 (c) The employer may cure the alleged violation within thirty-three (33)  
22 calendar days of the postmark date of the notice sent by the aggrieved  
23 employee or representative. The employer shall give written notice  
24 within that period of time by certified mail to the aggrieved employee or  
25 representative and by online filing with the LWDA if the alleged violation  
26 is cured, including a description of actions taken, and no civil action  
27 pursuant to Section 2699 may commence. If the alleged violation is not  
28 cured within the 33-day period, the aggrieved employee may commence

1 a civil action pursuant to Section 2699.

2 30. On May 1, 2024, Plaintiff provided written notice by online filing to the LWDA  
3 and by Certified Mail to Defendants of the specific provisions of the California Labor Code  
4 alleged to have been violated, including facts and theories to support the alleged violations, in  
5 accordance with California Labor Code section 2699.3. Plaintiff's written notice was  
6 accompanied with the applicable filing fee of seventy-five dollars (\$75). The LWDA PAGA  
7 Administrator confirmed receipt of Plaintiff's written notice and assigned Plaintiff PAGA Case  
8 Number LWDA-CM-1025618-24. A true and correct copy of Plaintiff's written notice to the  
9 LWDA and Defendants is attached hereto as "Exhibit 1."

10 31. As of the filing date of this complaint, over 65 days have passed since Plaintiff  
11 sent the notice described above to the LWDA, and the LWDA has not responded that it intends  
12 to investigate Plaintiff's claims and Defendants have not cured the violations.

13 32. Thus, Plaintiff has satisfied the administrative prerequisites under California  
14 Labor Code sections 2699.3(a) and 2699.3(c) to recover civil penalties against Defendants for  
15 violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a),  
16 516, 1174(d), 1194, and 1198.

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

26 34. Defendants, at all times relevant to this complaint, were employers or persons  
27 acting on behalf of an employer(s) who violated Plaintiff's and other aggrieved employees'  
28 rights by violating various sections of the California Labor Code as set forth above.

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

36. Pursuant to PAGA, and in particular, California Labor Code sections 2699(a), 2699.3(a), 2699.3(c), and 2699.5, and section 558, Plaintiff, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for herself, all other aggrieved employees, and the State of California against Defendants for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1194, and 1198.

### **CLASS ACTION ALLEGATIONS**

37. Plaintiff brings this action on her own behalf, as well as on behalf of each and all other persons similarly situated, and thus seeks class certification under California Code of Civil Procedure section 382.

38. All claims alleged herein arise under California law for which Plaintiff seeks relief authorized by California law.

39. Plaintiff's proposed class consists of and is defined as follows:

All persons who worked for Defendants as non-exempt, hourly paid employees in California, within four years prior to the filing of the initial complaint until the date of trial ("Class").

40. Plaintiff's proposed subclass consists of and is defined as follows:

All persons who worked for Defendants as non-exempt, hourly paid employees in California and who received at least one wage statement within one (1) year prior to the filing of the initial complaint until the date of trial ("Subclass").

41. Members of the Class and Subclass are referred to herein as "class members."

42. Plaintiff reserves the right to redefine the Class and Subclass and to add additional subclasses as appropriate based on further investigation, discovery, and specific theories of liability.

43. There are common questions of law and fact as to class members that predominate over questions affecting only individual members, including, but not limited to:

- 1 (a) Whether Defendants failed to include all forms of remuneration in the  
2 regular rate of pay as required by law for purposes of paying overtime  
3 wages and/or meal and rest period premiums to Plaintiff and class  
4 members;
- 5 (b) Whether Defendants failed to provide Plaintiff and class members with  
6 meal periods;
- 7 (c) Whether Defendants failed to authorize and permit Plaintiff and class  
8 members to take rest periods;
- 9 (d) Whether Defendants provided Plaintiff and class members with complete  
10 and accurate wage statements as required by California Labor Code  
11 section 226(a);
- 12 (e) Whether Defendants maintained accurate payroll records as required by  
13 California Labor Code section 1174(d);
- 14 (f) Whether Defendants failed to pay earned overtime wages, meal and rest  
15 period premiums, and/or sick leave pay due to Plaintiff and class  
16 members upon their discharge;
- 17 (g) Whether Defendants failed timely to pay overtime wages, meal and rest  
18 period premiums, and/or sick leave pay due to Plaintiff and class  
19 members during their employment;
- 20 (h) Whether Defendants failed to properly calculate the regular rate of pay  
21 upon which Plaintiff's and class members' sick leave rate of pay was  
22 based;
- 23 (i) Whether Defendants engaged in unlawful and unfair business practices in  
24 violation of California Business & Professions Code sections 17200, *et*  
25 *seq.*; and
- 26 (j) The appropriate amount of damages, restitution, or monetary penalties  
27 resulting from Defendants' violations of California law.

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1           44.     There is a well-defined community of interest in the litigation and the class  
2 members are readily ascertainable:

3           (a)     Numerosity: The class members are so numerous that joinder of all  
4 members would be unfeasible and impractical. The membership of the  
5 entire class is unknown to Plaintiff at this time; however, the class is  
6 estimated to be greater than one hundred (100) individuals and the  
7 identity of such membership is readily ascertainable by inspection of  
8 Defendants' employment records.

9           (b)     Typicality: Plaintiff is qualified to, and will, fairly and adequately protect  
10 the interests of each class member with whom she has a well-defined  
11 community of interest, and Plaintiff's claims (or defenses, if any) are  
12 typical of all class members as demonstrated herein.

13           (c)     Adequacy: Plaintiff is qualified to, and will, fairly and adequately protect  
14 the interests of each class member with whom she has a well-defined  
15 community of interest and typicality of claims, as demonstrated herein.  
16 Plaintiff acknowledges that she has an obligation to make known to the  
17 Court any relationship, conflicts or differences with any class member.  
18 Plaintiff's attorneys, the proposed class counsel, are versed in the rules  
19 governing class action discovery, certification, and settlement. Plaintiff  
20 has incurred, and throughout the duration of this action, will continue to  
21 incur costs and attorneys' fees that have been, are, and will be necessarily  
22 expended for the prosecution of this action for the substantial benefit of  
23 each class member.

24           (d)     Superiority: The nature of this action makes the use of class action  
25 adjudication superior to other methods. A class action will achieve  
26 economies of time, effort, and expense as compared with separate  
27 lawsuits, and will avoid inconsistent outcomes because the same issues  
28 can be adjudicated in the same manner and at the same time for the entire

1 class.

2 (e) Public Policy Considerations: Employers in the State of California  
3 violate employment and labor laws every day. Current employees are  
4 often afraid to assert their rights out of fear of direct or indirect retaliation.  
5 Former employees are fearful of bringing actions because they believe  
6 their former employers might damage their future endeavors through  
7 negative references and/or other means. Class actions provide the class  
8 members who are not named in the complaint with a type of anonymity  
9 that allows for the vindication of their rights while simultaneously  
10 protecting their privacy.

11 **FIRST CAUSE OF ACTION**

12 **Violation of California Labor Code §§ 510 and 1198—Unpaid Overtime**

13 **(Against all Defendants)**

14 45. Plaintiff incorporates by reference and re-alleges as if fully stated herein each  
15 and every allegation set forth above.

16 46. California Labor Code section 510 codifies the right to overtime compensation  
17 at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8)  
18 hours in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh  
19 (7th) day of work, and to overtime compensation at twice the employee's regular rate of pay for  
20 hours worked in excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on  
21 the seventh (7th) day of work.

22 47. Labor Code section 1198 makes it illegal to employ an employee under  
23 conditions of labor that are prohibited by the applicable IWC Wage Order. California Labor  
24 Code section 1198 requires that “. . . the standard conditions of labor fixed by the commission  
25 shall be the . . . standard conditions of labor for employees. The employment of any employee  
26 . . . under conditions of labor prohibited by the order is unlawful.”

27 48. California Labor Code section 1198 and the applicable IWC Wage Order provide  
28 that it is unlawful to employ persons without compensating them at a rate of pay either time-

1 and-one-half or two-times that person's regular rate of pay, depending on the number of hours  
2 worked by the person on a daily or weekly basis.

3 49. Specifically, the applicable IWC Wage Order provides that Defendants are and  
4 were required to pay Plaintiff and class members working more than forty (40) hours in a  
5 workweek, at the rate of time and one-half (1 ½) for all hours worked in excess of forty (40)  
6 hours in a workweek.

7 50. The applicable IWC Wage Order further provides that Defendants are and were  
8 required to pay Plaintiff and class members working more than sixteen (16) hours in a day or  
9 more than forty-eight (48) hours in a workweek, overtime compensation at a rate of two (2)  
10 times their regular rate of pay. An employee's regular rate of pay includes all remuneration for  
11 employment paid to, or on behalf of, the employee, including shift differential pay,  
12 nondiscretionary bonuses, and incentive pay.

13 51. During the relevant time period, Defendants willfully failed to pay all overtime  
14 wages owed to Plaintiff and class members. During the relevant time period, Defendants did  
15 not pay Plaintiff and class members the correct overtime rate for the recorded overtime hours  
16 that they generated. In addition to an hourly wage, Defendants paid Plaintiff and class members  
17 shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of  
18 remuneration. However, in violation of the California Labor Code, Defendants failed to  
19 incorporate all compensation, including shift differential pay, incentive pay, nondiscretionary  
20 bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for  
21 purposes of calculating the overtime and/or double-time wage rates. Therefore, during times  
22 when Plaintiff and class members worked overtime and received these other forms of pay,  
23 Defendants failed to pay all overtime and/or double-time wage rates by paying a lower overtime  
24 rate than required.

25 52. For example, Defendants paid Plaintiff and class members incentive pay and/or  
26 nondiscretionary bonuses which were listed on Plaintiff's and class members' wage statements  
27 as "Bonus." During pay periods that Plaintiff and class members were paid overtime wages,  
28 Defendants did not incorporate these payments into Plaintiff's and class members' regular rate

1 of pay and, as a result, paid them at incorrect and lower rates of pay for overtime hours worked.  
2 Specifically, Defendants paid Plaintiff and class members 1.5 times their hourly rate of pay  
3 instead of 1.5 times their regular rate of pay. Defendants' failure to properly calculate the  
4 overtime rates of pay based on all remuneration paid has resulted in an underpayment of  
5 overtime wages to Plaintiff and class members on a company-wide basis.

6 53. Defendants' failure to pay Plaintiff and class members the balance of overtime  
7 compensation as required by California law, violates the provisions of California Labor Code  
8 sections 510 and 1198. Pursuant to California Labor Code section 1194, Plaintiff and class  
9 members are entitled to recover from Defendants their unpaid overtime compensation, as well  
10 as interest, costs, and attorneys' fees.

## 11 **SECOND CAUSE OF ACTION**

### 12 **Violations of California Labor Code §§ 226.7, 512(a), 516, and 1198—Meal Period**

#### 13 **Violations**

#### 14 **(Against all Defendants)**

15 54. Plaintiff incorporates by reference and re-alleges as if fully stated herein each  
16 and every allegation set forth above.

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

24 56. At all relevant times herein set forth, California Labor Code sections 226.7,  
25 512(a), 516, and 1198 provide that no employer shall require an employee to work during any  
26 meal period mandated by an applicable order of the IWC.

27 57. At all relevant times herein set forth, Labor Code sections 226.7 and 512(a), and  
28 the applicable IWC Wage Order also require employers to provide a second meal period of not

1 less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an  
2 employee one (1) additional hour of pay at the employee's regular rate, except that if the total  
3 hours worked is no more than twelve (12) hours, the second meal period may be waived by  
4 mutual consent of the employer and the employee only if the first meal period was not waived.

5 58. Under California law, an employer cannot evade meal period requirements via  
6 the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec.*  
7 *Assocs.*, 731 F.3d 952, 963 (9th Cir. Cal. 2013). In addition, an employee must be provided  
8 with the opportunity to eat his or her meal while performing the duties required and any on-duty  
9 meal period must, like any off-duty meal period, be at least 30 minutes long. *L'Chaim House,*  
10 *Inc., et al. v. Division of Labor Standards Enforcement*, 38 Cal. App. 5th 141 (2019).

11 59. At all relevant times herein set forth, if no waiver is in place, IWC Wage Order  
12 No. 5-2001, subdivision 11(E) allows for on-duty meal periods provided certain conditions are  
13 met, but requires such on-duty meal periods be at least 30 minutes in length. Specifically,  
14 residential care employees "may be required to work on-duty meal periods without penalty  
15 when necessary to meet regulatory or approved program standards and one of the following two  
16 conditions is met: (1) The residential care employee[] eats with residents during residents' meals  
17 and the employer provides the same meal at no charge to the employee; or (2) The employee is  
18 in sole charge of the resident(s) and, on the day shift, the employer provides a meal at no charge  
19 to the employee." Cal. Code Regs. tit. 8, § 11050(11)(E)(1)-(2). Further, under subdivision  
20 11(F), employees are granted the right to an off-duty meal period "upon 30 days' notice to the  
21 employer for each instance where an off-duty meal is desired . . . ." (*Pasadena Police Officers*  
22 *Assn. v. City of Pasadena* (1990) 51 Cal.3d 564, 576 [273 Cal.Rptr. 584, 797 P.2d 608]) *Palacio*  
23 *v. Jan & Gail's Care Homes, Inc.*, 242 Cal. App. 4th 1133, 1140, 196 Cal. Rptr. 3d 110, 114-  
24 15 (2015).

25 60. First, Defendants have systematically, and on a company-wide basis,  
26 understaffed their locations and failed to provide adequate meal period coverage to permit  
27 employees to take compliant meal periods. Because there was no one available to relieve  
28 Plaintiff and class members needing meal period coverage, Defendants required Plaintiff and

1 class members to remain on-duty at all times. As a result, Plaintiff and class members always  
2 had to remain available to attend to residents and address any incidents as they arose, including  
3 during meal periods. Moreover, Defendants also systematically discouraged and impeded  
4 Plaintiff and class members from taking meal periods by failing to schedule off-duty meal  
5 periods at all, even though they are aware and know that employees are entitled to such meal  
6 periods. For example, Plaintiff often worked shifts of seven (7) to ten (10) hours or more but  
7 was never provided with an opportunity to take off-duty meal periods.

8 61. Second, to the extent that Defendants implemented an “on-duty” meal period  
9 policy, upon information and belief, their practices and/or policies do not comply with IWC  
10 Wage Order No. 5-2001’s requirements for on-duty meal periods. Under California law, an  
11 “on-duty” meal period does not absolve employers of the duty to provide timely, 30-minute  
12 meal periods.<sup>1</sup> Throughout her employment, Plaintiff’s meal periods were often interrupted  
13 and/or cut short by her normal work duties, such as mediating between residents and assisting  
14 residents with their meals. Thus, Plaintiff’s on-duty meal periods were “the functional  
15 equivalent of no meal period at all.” *L’Chaim*, 38 Cal. App. 5th at 147.

16 62. Third, Defendants did not provide Plaintiff and class members with second 30-  
17 minute meal periods on days that they worked in excess of ten (10) hours in one day. During  
18 her employment, Plaintiff often worked shifts in excess of ten (10) or more hours per day but  
19 was not provided a second 30-minute meal period. Defendants did not present Plaintiff and  
20 class members with the opportunity to voluntarily choose whether to waive their second 30-  
21 minute meal period on any given day. Plaintiff and class members did not sign valid meal  
22 period waivers on days that they were entitled to meal periods and were not relieved of all  
23

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24 <sup>1</sup> Employers must provide employees a timely 30-minute meal period even though that  
25 meal period may be on-duty instead of off-duty. See *L’Chaim*, 38 Cal. App. 5th at 149 (“If an  
26 employee is entitled to an off-duty meal period of 30 minutes, yet work obligations intrude on  
27 a portion of that time, the off-duty period is converted to an on-duty period—no matter how  
28 small the portion of the period that work intruded upon—and the employee is paid for the entire  
period. There is no suggestion that once work interrupts an employee’s meal period, the period  
simply ends even if 30 minutes have not yet passed.”) and 147 (“[A]n on-duty meal period is  
not the functional equivalent of no meal period at all. On-duty meal periods are an intermediate  
category requiring more of employees than off-duty meal periods but less of employees than  
their normal work.”).

1 duties.

2 63. Fourth, Defendants maintained a company-wide on-premises meal period policy,  
3 which mandated that Plaintiff and class members remain on the premises for their meal periods.  
4 Because Plaintiff and class members were restricted from leaving the premises during meal  
5 periods, they were denied the ability to use their meal periods freely for their own purposes.  
6 Thus, Defendants effectively maintained control over Plaintiff and class members during meal  
7 periods.

8 64. Fifth, Defendants failed to provide Plaintiff and class members with a cost-free  
9 meal when Plaintiff and class members ate with residents during residents' meals and/or in sole  
10 charge of the resident(s) on the day shift, while working, as required by IWC Wage Order No.  
11 5-2001, subdivision 11(E).

12 65. Sixth, Defendants failed to provide off-duty meal periods requested by Plaintiff  
13 and class members, as required by IWC Wage Order No. 5-2001, subdivision 11(F).

14 66. At all times herein mentioned, Defendants knew or should have known that, as a  
15 result of these policies, Plaintiff and class members were prevented from being relieved of all  
16 duties and required to perform some of their assigned duties during meal periods. Defendants  
17 further knew or should have known that Defendants did not pay Plaintiff and class members  
18 meal period premiums when meal periods were missed, shortened, interrupted, and/or late.

19 67. Furthermore, Defendants engaged in a company-wide practice and/or policy of  
20 not paying all meal period premiums owed when compliant meal periods were not provided.  
21 Because of this practice and/or policy, Plaintiff and class members have not received premium  
22 pay for all missed, late, and interrupted meal periods. Alternatively, to the extent that  
23 Defendants did pay Plaintiff and class members premium pay for missed, late, and interrupted  
24 meal periods, Defendants did not pay Plaintiff and class members at the correct rate of pay for  
25 premiums because Defendants systematically failed to include all forms of compensation, such  
26 as shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of  
27 remuneration, in the regular rate of pay. As a result, Defendants failed to provide Plaintiff and  
28 class members compliant meal periods in violation of California Labor Code sections 226.7,

1 512(a), and 516 and failed to pay the full meal period premiums due.

2 68. Defendants' conduct violates the applicable IWC Wage Order, and California  
3 Labor Code sections 226.7, 512(a), 516, and 1198. Plaintiff and class members are therefore  
4 entitled to recover from Defendants one (1) additional hour of pay at the employee's regular  
5 rate of compensation for each work day that the meal period was not provided.

6 **THIRD CAUSE OF ACTION**

7 **Violation of California Labor Code §§ 226.7, 516, and 1198—Rest Period Violations**  
8 **(Against all Defendants)**

9 69. Plaintiff incorporates by reference and re-alleges as if fully stated herein each  
10 and every allegation set forth above.

11 70. At all relevant times herein set forth, the applicable IWC Wage Order and  
12 California Labor Code sections 226.7, 516, and 1198 were applicable to Plaintiff's and class  
13 members' employment by Defendants.

14 71. At all relevant times, the applicable IWC Wage Order provides that "[e]very  
15 employer shall authorize and permit all employees to take rest periods, which insofar as  
16 practicable shall be in the middle of each work period" and that the "rest period time shall be  
17 based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4)  
18 hours or major fraction thereof" unless the total daily work time is less than three and one-half  
19 (3 ½) hours.

20 72. At all relevant times, California Labor Code section 226.7 provides that no  
21 employer shall require an employee to work during any rest period mandated by an applicable  
22 order of the California IWC. To comply with its obligation to authorize and permit rest periods  
23 under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer  
24 must "relinquish any control over how employees spend their break time, and relieve their  
25 employees of all duties—including the obligation that an employee remain on call. A rest  
26 period, in short, must be a period of rest." *Augustus v. ABM Security Services, Inc.*, 2 Cal. 5th  
27 257, 273 (2016).

28 ///

1           73. Under IWC Wage Order No. 5-2001, subdivision 12(C), employees with direct  
2 responsibility for children who are under 18 years of age or who are not emancipated from the  
3 foster care system and who, in either case, are receiving 24 hour residential care, may be  
4 required to remain on the premises and maintain general supervision of residents during rest  
5 periods if the employee is in sole charge of residents. Another rest period shall be authorized  
6 and permitted.

7           74. At all relevant times, IWC Wage Order No. 5-2001's rest period provision  
8 allows, in limited circumstances, employers to require employees to take on-call rest periods,  
9 remaining ready to assist residents should the need arise. If called into service, the on-call  
10 employee is entitled to another rest period. The absence of analogous language in IWC Wage  
11 Order No. 4-2001 is compelling evidence the IWC did not intend to generally permit employers  
12 to require employees to remain on call during rest periods. (See *Mendiola*, supra, 60 Cal.4th at  
13 p. 847, 182 Cal.Rptr.3d 124, 340 P.3d 355.) *Augustus v. ABM Sec. Servs., Inc.*, 2 Cal. 5th 257,  
14 272, 385 P.3d 823, 834 (2016).

15           75. Pursuant to the applicable IWC Wage Order and California Labor Code section  
16 226.7(c), Plaintiff and class members are entitled to recover from Defendants one (1) additional  
17 hour of pay at their regular rates of pay for each work day that a required rest period was not  
18 authorized and permitted.

19           76. During the relevant time period, Defendants regularly failed to authorize and  
20 permit Plaintiff and class members to take a ten (10) minute rest period per each four (4) hour  
21 period worked or major fraction thereof. Additionally, Defendants failed to schedule rest  
22 periods, which, coupled with Defendants' failure to provide adequate rest period coverage,  
23 further led to Plaintiff and class members not being authorized and permitted to take rest  
24 periods.

25           77. Furthermore, Defendants maintained and implemented a company-wide on-  
26 premises rest period policy, which mandated that Plaintiff and class members remain on the  
27 premises during their rest periods. Because Plaintiff and class members were restricted from  
28 leaving Defendants' premises during rest periods, even when they were not in sole charge of

1 residents, they were denied the ability to use their rest periods freely for their own purposes,  
2 such as completing personal errands. Thus, Defendants effectively maintained control over  
3 Plaintiff and class members during rest periods.

4 78. As a result of Defendants' practices and policies, Plaintiff and class members  
5 worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without  
6 receiving all uninterrupted rest periods to which they were entitled. For example, Plaintiff had  
7 to forgo her rest periods altogether due to Defendants' expectation that employees work through  
8 their rest periods. Further, Defendants failed to authorize and permit Plaintiff and class  
9 members to take another rest period when their rest periods were interrupted to respond to the  
10 needs of residents as required by IWC Wage Order No. 5-2001, subdivision 12(C).

11 79. Defendants also have engaged in a company-wide practice and/or policy of not  
12 paying rest period premiums owed when compliant rest periods are not authorized and  
13 permitted. Because of this practice and/or policy, Plaintiff and class members have not received  
14 premium pay for all missed rest periods. Alternatively, to the extent that Defendants did pay  
15 Plaintiff and class members one (1) additional hour of premium pay for missed rest periods,  
16 Defendants did not pay Plaintiff and class members at the correct rate of pay for premiums  
17 because Defendants failed to include all forms of compensation, such as shift differential pay,  
18 incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate  
19 of pay.

20 80. Defendants' conduct violates the applicable IWC Wage Order and California  
21 Labor Code sections 226.7, 516, and 1198. Plaintiff and class members are therefore entitled  
22 to recover from Defendants one (1) additional hour of pay at the employee's regular rate of  
23 compensation for each work day that a compliant rest period was not authorized and permitted.

#### 24 **FOURTH CAUSE OF ACTION**

#### 25 **Violation of California Labor Code §§ 226(a), 1174(d), and 1198—Non-Compliant Wage**

#### 26 **Statements and Failure to Maintain Accurate Payroll Records**

#### 27 **(Against all Defendants)**

28 81. Plaintiff incorporates by reference and re-alleges as if fully stated herein each

1 and every allegation set forth above.

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

7 83. At all relevant times, Defendants have knowingly and intentionally provided  
8 Plaintiff and Subclass members with uniform, incomplete, and inaccurate wage statements. For  
9 example, Defendants issued uniform wage statements to Plaintiff and Subclass members that  
10 fail to correctly list: gross wages earned; net wages earned; and all applicable hourly rates in  
11 effect during the pay period, including rates of pay for overtime wages, meal and rest period  
12 premiums, and/or paid sick leave, and the corresponding number of hours worked at each hourly  
13 rate. Specifically, Defendants violated sections 226(a)(1), 226(a)(5), and 226(a)(9).

14 84. Because Defendants did not calculate Plaintiff's and Subclass members' regular  
15 rate of pay correctly for purposes of paying overtime wages, meal and rest period premiums,  
16 and/or paid sick leave, Defendants did not list the correct amount of gross wages in compliance  
17 with section 226(a)(1). For the same reason, Defendants failed to list the correct amount of net  
18 wages in violation of section 226(a)(5). Defendants also failed to correctly list all applicable  
19 hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages,  
20 meal and rest period premiums, and/or paid sick leave, in violation of section 226(a)(9).

21 85. The wage statement deficiencies also include, among other things, failing to list  
22 the number of piece-rate units earned and any applicable piece rate if the employee is paid on a  
23 piece-rate basis; failing to list all deductions; failing to list the inclusive dates of the period for  
24 which employees were paid; failing to list the name of the employee and only the last four digits  
25 of his or her social security number or an employee identification number other than a social  
26 security number; failing to list the name and address of the legal entity that is the employer;  
27 and/or failing to state all hours worked as a result of not recording or stating hours worked off-  
28 the-clock.

1           86.     California Labor Code section 1174(d) provides that “[e]very person employing  
2 labor in this state shall . . . [k]eep a record showing the names and addresses of all employees  
3 employed and the ages of all minors” and “[k]eep, at a central location in the state or at the  
4 plants or establishments at which employees are employed, payroll records showing the hours  
5 worked daily by and the wages paid to, and the number of piece-rate units earned by and any  
6 applicable piece rate paid to, employees employed at the respective plants or  
7 establishments . . . .” At all relevant times, and in violation of Labor Code section 1174(d),  
8 Defendants willfully failed to maintain accurate payroll records for Plaintiff and Subclass  
9 members showing the daily hours they worked and the wages paid thereto as a result of failing  
10 to record all wages owed, including overtime wages, meal and rest period premiums, and/or  
11 paid sick leave.

12           87.     California Labor Code section 1198 provides that the maximum hours of work  
13 and the standard conditions of labor shall be those fixed by the Labor Commissioner and as set  
14 forth in the applicable IWC Wage Order. Section 1198 further provides that “[t]he employment  
15 of any employees for longer hours than those fixed by the order or under conditions of labor  
16 prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers  
17 are required to keep accurate time records showing when the employee begins and ends each  
18 work period and meal period. During the relevant time period, Defendants engaged in company-  
19 wide practices and/or policies of failing to keep accurate records of meal period start and end  
20 times for Plaintiff and Subclass members, in violation of section 1198. Also, in light of  
21 Defendants’ failure to provide Plaintiff and Subclass members with second 30-minute meal  
22 periods to which they were entitled, Defendants kept no records of meal start and end times for  
23 second meal periods.

24           88.     Plaintiff and Subclass members are entitled to recover from Defendants the  
25 greater of their actual damages caused by Defendants’ failure to comply with California Labor  
26 Code section 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per  
27 employee.

28     ///

**FIFTH CAUSE OF ACTION**  
**Violation of California Labor Code §§ 201 and 202—Wages Not Timely Paid Upon**  
**Termination**  
**(Against all Defendants)**

89. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

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

91. On information and belief, Defendants have a company-wide practice and/or policy of paying departing employees their final wages late, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, Defendants terminated Plaintiff on or about July 3, 2023; however, Defendants did not provide Plaintiff with her final wages until about July 5, 2023. Thus, Defendants failed to pay Plaintiff her final wages immediately, in violation of California Labor Code section 201.

92. Defendants willfully failed to pay Plaintiff and class members who are no longer employed by Defendants the earned and unpaid wages set forth above, including but not limited to, overtime wages, meal and rest period premiums, and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ.

93. Defendants' failure to pay Plaintiff and class members who are no longer employed by Defendants their wages earned and unpaid at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employ, violates Labor Code sections 201 and 202. Plaintiff and class members are therefore entitled to recover from Defendants the statutory penalty wages for each day they were not paid, at their regular rate of pay, up to a

thirty (30) day maximum pursuant to California Labor Code section 203.

## **SIXTH CAUSE OF ACTION**

### **Violation of California Labor Code § 204—Failure to Timely Pay Wages During Employment (Against all Defendants)**

94. Plaintiff incorporates by reference and re-alleges as if fully stated herein each and every allegation set forth above.

95. This cause of action is dependent upon, and wholly derivative of, the overtime wages, meal and rest period premiums, and/or sick leave pay that were not timely paid to Plaintiff and class members during their employment.

96. At all times relevant herein set forth, Labor Code section 204 provides that all wages earned by any person in any employment between the first (1st) and the fifteenth (15th) days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the sixteenth (16th) and the twenty-sixth (26th) day of the month during which the labor was performed.

97. At all times relevant herein, Labor Code section 204 provides that all wages earned by any person in any employment between the sixteenth (16th) and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the first (1st) and the tenth (10th) day of the following month.

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

99. During the relevant time period, Defendants willfully failed to pay Plaintiff and class members all wages due including, but not limited to, overtime wages, meal and rest period premiums, and/or sick leave pay, within the time periods specified by California Labor Code

1 section 204.

2 100. Defendants' failure to pay Plaintiff and class members all wages due violates  
3 Labor Code section 204. Plaintiff and class members are therefore entitled to recover from  
4 Defendants the statutory penalty wages pursuant to California Labor Code section 210.

5 **SEVENTH CAUSE OF ACTION**

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

7 **(Against all Defendants)**

8 101. Plaintiff incorporates by reference and re-alleges as if fully stated herein each  
9 and every allegation set forth above.

10 102. California Labor Code §§ 2698, *et seq.* ("PAGA") permits Plaintiff to recover  
11 civil penalties for the violation(s) of the Labor Code sections enumerated in Labor Code section  
12 2699.5. Section 2699.5 enumerates Labor Code sections 201, 202, 204, 226(a), 226.7, 510,  
13 512(a), 1174(d), 1194, and 1198. Labor Code section 2699.3(c) permits aggrieved employees,  
14 including Plaintiff, to recover civil penalties for violations of those Labor Code sections not  
15 found in section 2699.5, including sections 246 and 516.

16 103. Defendants' conduct, as alleged herein, violates numerous sections of the  
17 California Labor Code, including, but not limited to, the following:

- 18 (a) Violation of Labor Code sections 226.7, 510, and 1198, and the applicable  
19 IWC Wage Order for Defendants' failure to include all forms of  
20 remuneration in the regular rate of pay as required by law for purposes of  
21 paying overtime wages and/or meal and rest period premiums to Plaintiff  
22 and other aggrieved employees, as alleged herein;
- 23 (b) Violation of Labor Code sections 226.7, 512(a), 516, and 1198, and the  
24 applicable IWC Wage Order for Defendants' failure to provide Plaintiff  
25 and other aggrieved employees with meal periods, as alleged herein;
- 26 (c) Violation of Labor Code sections 226.7, 516, and 1198, and the applicable  
27 IWC Wage Order for Defendants' failure to authorize and permit Plaintiff  
28 and other aggrieved employees to take rest periods, as alleged herein;

- (d) Violation of Labor Code sections 226(a) and 1198, and the applicable IWC Wage Order for failure to provide accurate and complete wage statements to Plaintiff and other aggrieved employees, as alleged herein;
- (e) Violation of Labor Code sections 1174(d) and 1198, and the applicable IWC Wage Order for failure to maintain payroll records, as alleged herein;
- (f) Violation of Labor Code sections 201 and 202 for failure to pay all earned wages upon termination, as alleged herein;
- (g) Violation of Labor Code section 204 for failure to pay all earned wages during employment, as alleged herein; and
- (h) Violation of Labor Code Section 246 for failure to properly calculate the sick leave paid to Plaintiff and other aggrieved employees, as set forth below.

104. At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. California Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) “[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]” or 2) “[p]aid sick time for nonexempt employees shall be calculated by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total hours worked in the full pay periods of the prior 90 days of employment.”

105. During the relevant time period, on information and belief, Defendants did not pay Plaintiff and other aggrieved employees the correct sick leave rates of pay. In addition to an hourly wage, Defendants paid Plaintiff and other aggrieved employees shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, Defendants failed to incorporate all remunerations,

1 including shift differential pay, incentive pay, and/or nondiscretionary bonuses, into the  
2 calculation of the regular rate of pay for purposes of calculating the sick leave pay rate.  
3 Therefore, during times when Plaintiff and other aggrieved employees took sick leave and  
4 received these other forms of pay, Defendants failed to pay all sick leave benefits by paying a  
5 lower sick leave pay rate than required. Specifically, Defendants paid Plaintiff and other  
6 aggrieved employees sick leave based on their hourly rate of pay instead of their regular rate of  
7 pay.

8 106. Defendants' failure to properly calculate the sick leave rates of pay based on all  
9 remuneration paid has resulted in an underpayment of sick leave benefits to Plaintiff and other  
10 aggrieved employees on a company-wide basis in violation of California Labor Code section  
11 246(l). Plaintiff and other aggrieved employees are therefore entitled to recover civil penalties  
12 pursuant to Labor Code sections 248.5 and/or 2699(a), (f), and (g).

### 13 **EIGHTH CAUSE OF ACTION**

#### 14 **Violation of California Business & Professions Code §§ 17200, *et seq.* –**

#### 15 **Unlawful Business Practices**

#### 16 **(Against all Defendants)**

17 107. Plaintiff incorporates by reference and re-alleges as if fully stated herein each  
18 and every allegation set forth above.

19 108. Defendants are "persons" as defined by California Business & Professions Code  
20 section 17201, as they are corporations, firms, partnerships, joint stock companies, and/or  
21 associations.

22 109. Defendants' conduct, as alleged herein, has been, and continues to be, unfair,  
23 unlawful and harmful to Plaintiff, class members, and to the general public. Plaintiff has  
24 suffered injury in fact and has lost money as a result of Defendants' unlawful business practices.  
25 Plaintiff seeks to enforce important rights affecting the public interest within the meaning of  
26 Code of Civil Procedure section 1021.5.

27 110. Defendants' activities, as alleged herein, are violations of California law, and  
28 constitute unlawful business acts and practices in violation of California Business & Professions

1 Code sections 17200, *et seq.*

2 111. A violation of California Business & Professions Code sections 17200, *et seq.*  
3 may be predicated on the violation of any state or federal law. In the instant case, Defendants’  
4 policies and practices have violated state law in at least the following respects:

- 5 (a) Failing to include all forms of remuneration in the regular rate of pay as  
6 required by law for purposes of paying overtime wages and/or meal and  
7 rest period premiums to Plaintiff and class members, in violation of  
8 California Labor Code sections 226.7, 510, and 1198, and the applicable  
9 IWC Wage Order, as alleged herein;
- 10 (b) Failing to provide all meal periods to Plaintiff and class members in  
11 violation of California Labor Code sections 226.7, 512(a), 516, and 1198,  
12 and the applicable IWC Wage Order, as alleged herein;
- 13 (c) Failing to authorize and permit Plaintiff and class members to take all rest  
14 periods in violation of California Labor Code sections 226.7, 516, and  
15 1198, and the applicable IWC Wage Order, as alleged herein;
- 16 (d) Failing to provide Plaintiff and class members with accurate wage  
17 statements and failing to maintain accurate payroll records in violation of  
18 California Labor Code sections 226(a), 1174(d), and 1198, and the  
19 applicable IWC Wage Order, as alleged herein;
- 20 (e) Failing timely to pay all earned wages to Plaintiff and class members in  
21 violation of California Labor Code section 204, as alleged herein; and
- 22 (f) Failing to properly calculate the sick leave paid to Plaintiff and class  
23 members in violation of Labor Code section 246(l), as set forth below.

24 112. At all relevant times herein, California Labor Code sections 245.5, 246, 246.5,  
25 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more  
26 days from the commencement of employment with paid sick days, to be accrued at least one  
27 hour for every 30 hours worked. Further, Labor Code section 246(l) provides that an employer  
28 shall calculate paid sick leave by using one of two calculations: 1) “[p]aid sick time for

1 nonexempt employees shall be calculated in the same manner as the regular rate of pay for the  
2 workweek in which the employee uses paid sick time, whether or not the employee actually  
3 works overtime in that workweek[;]” or 2) “[p]aid sick time for nonexempt employees shall be  
4 calculated by dividing the employee’s total wages, not including overtime premium pay, by the  
5 employee’s total hours worked in the full pay periods of the prior 90 days of employment.”

6 113. During the relevant time period, on information and belief, Defendants did not  
7 pay Plaintiff and class members the correct sick leave rates of pay. In addition to an hourly  
8 wage, Defendants paid Plaintiff and class members shift differential pay, incentive pay,  
9 nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the  
10 California Labor Code, Defendants failed to incorporate all remunerations, including shift  
11 differential pay, incentive pay, and/or nondiscretionary bonuses, into the calculation of the  
12 regular rate of pay for purposes of calculating the sick leave rate. Therefore, during times when  
13 Plaintiff and class members took sick leave and received these other forms of pay, Defendants  
14 failed to pay all sick leave benefits by paying a lower sick leave rate than required. Specifically,  
15 Defendants paid Plaintiff and class members sick leave based on their hourly rate of pay instead  
16 of their regular rate of pay.

17 114. Defendants’ failure to properly calculate the sick leave rates of pay based on all  
18 remuneration paid has resulted in an underpayment of sick leave benefits to Plaintiff and class  
19 members on a company-wide basis, in violation of Labor Code section 246(l).

20 115. As a result of the violations of California law herein described, Defendants  
21 unlawfully gained an unfair advantage over other businesses. Plaintiff and class members have  
22 suffered pecuniary loss by Defendants’ unlawful business acts and practices alleged herein.

23 116. Pursuant to California Business & Professions Code sections 17200, *et seq.*,  
24 Plaintiff and class members are entitled to restitution of the wages withheld and retained by  
25 Defendants during a period that commences four years prior to the filing of the initial complaint;  
26 a permanent injunction requiring Defendants to pay all outstanding wages due to Plaintiff and  
27 class members; and an award of attorneys’ fees pursuant to California Code of Civil Procedure  
28 section 1021.5 and other applicable laws; and an award of costs.

1 **NINTH CAUSE OF ACTION**

2 **Violation of California Business & Professions Code §§ 17200, *et seq.* –**

3 **Unfair Business Practices**

4 **(Against all Defendants)**

5 117. Plaintiff incorporates by reference and re-alleges as if fully stated herein each  
6 and every allegation set forth above.

7 118. Defendants are “persons” as defined by California Business & Professions Code  
8 section 17201, as they are corporations, firms, partnerships, joint stock companies, and/or  
9 associations.

10 119. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair, and  
11 harmful to Plaintiff, class members, and to the general public. Plaintiff has suffered injury in  
12 fact and has lost money as a result of Defendants’ unfair business practices. Plaintiff seeks to  
13 enforce important rights affecting the public interest within the meaning of Code of Civil  
14 Procedure section 1021.5.

15 120. Defendants’ activities, namely Defendants’ company-wide practice and/or policy  
16 of not paying Plaintiff and class members all meal and rest period premiums due to them under  
17 Labor Code section 226.7, deprived Plaintiff and class members of the compensation guarantee  
18 and enhanced enforcement implemented by section 226.7. The statutory remedy provided by  
19 section 226.7 is a “‘dual-purpose’ remedy intended primarily to compensate employees, and  
20 secondarily to shape employer conduct.” *Safeway, Inc. v. Superior Court*, 238 Cal. App. 4th  
21 1138, 1149 (2015). The statutory benefits of section 226.7 were guaranteed to Plaintiff and  
22 class members as part of their employment with Defendants, and thus Defendants’ practice  
23 and/or policy of denying these statutory benefits constitutes an unfair business practice in  
24 violation of California Business & Professions Code sections 17200, *et seq.* (*Id.*)

25 121. A violation of California Business & Professions Code sections 17200, *et seq.*  
26 may be predicated on any unfair business practice. In the instant case, Defendants’ policies and  
27 practices have violated the spirit of California’s meal and rest period laws and constitute acts  
28 against the public policy behind these laws.

122. Pursuant to California Business & Professions Code sections 17200, *et seq.*, Plaintiff and class members are entitled to restitution for the class-wide loss of the statutory benefits implemented by section 226.7 withheld and retained by Defendants during a period that commences four years prior to the filing of the initial complaint; a permanent injunction requiring Defendants to pay all statutory benefits implemented by section 226.7 due to Plaintiff and class members; an award of attorneys' fees pursuant to California Code of Civil Procedure section 1021.5 and other applicable laws; and an award of costs.

### **REQUEST FOR JURY TRIAL**

Plaintiff requests a trial by jury.

### **PRAYER FOR RELIEF**

Plaintiff, on behalf of all others similarly situated, prays for relief and judgment against Defendants, jointly and severally, as follows:

1. For damages, unpaid wages, penalties, injunctive relief, and attorneys' fees in excess of twenty-five thousand dollars (\$25,000), exclusive of interest and costs. Plaintiff reserves the right to amend her prayer for relief to seek a different amount.

### **Class Certification**

2. That this case be certified as a class action;
3. That Plaintiff be appointed as the representative of the Class and Subclass;
4. That counsel for Plaintiff be appointed as class counsel.

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

5. That the Court declare, adjudge, and decree that Defendants violated California Labor Code sections 510 and 1198, and the applicable IWC Wage Order by willfully failing to pay all overtime wages due to Plaintiff and class members;

6. For general unpaid wages at overtime wage rates and such general and special damages as may be appropriate;

7. For pre-judgment interest on any unpaid overtime compensation commencing from the date such amounts were due, or as otherwise provided by law;

///

1           8.     For reasonable attorneys' fees and for costs of suit incurred herein pursuant to  
2 California Labor Code section 1194(a); and

3           9.     For such other and further relief as the Court may deem equitable and  
4 appropriate.

5                               **As to the Second Cause of Action**

6           10.    That the Court declare, adjudge, and decree that Defendants violated California  
7 Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order by  
8 willfully failing to provide all meal periods to Plaintiff and class members;

9           11.    That the Court make an award to the Plaintiff and class members of one (1) hour  
10 of pay at each employee's regular rate of pay for each workday that a meal period was not  
11 provided;

12          12.    For all actual, consequential, and incidental losses and damages, according to  
13 proof;

14          13.    For premiums pursuant to California Labor Code section 226.7(c);

15          14.    For pre-judgment interest on any unpaid meal period premiums from the date  
16 such amounts were due, or as otherwise provided by law;

17          15.    For attorneys' fees pursuant to California Code of Civil Procedure section  
18 1021.5, or as otherwise provided by law; and

19          16.    For such other and further relief as the Court may deem equitable and  
20 appropriate.

21                               **As to the Third Cause of Action**

22          17.    That the Court declare, adjudge and decree that Defendants violated California  
23 Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order by willfully  
24 failing to authorize and permit Plaintiff and class members to take all rest periods;

25          18.    That the Court make an award to the Plaintiff and class members of one (1) hour  
26 of pay at each employee's regular rate of pay for each workday that a rest period was not  
27 authorized and permitted;

28       ///

1           19.     For all actual, consequential, and incidental losses and damages, according to  
2 proof;

3           20.     For premiums pursuant to California Labor Code section 226.7(c);

4           21.     For pre-judgment interest on any unpaid rest period premiums from the date such  
5 amounts were due, or as otherwise provided by law;

6           22.     For attorneys' fees pursuant to California Code of Civil Procedure section  
7 1021.5, or as otherwise provided by law; and

8           23.     For such other and further relief as the Court may deem equitable and  
9 appropriate.

10                                   **As to the Fourth Cause of Action**

11           24.     That the Court declare, adjudge and decree that Defendants violated the  
12 recordkeeping provisions of California Labor Code section 226(a) and the applicable IWC  
13 Wage Order as to Plaintiff and Subclass members, and willfully failed to provide accurate  
14 itemized wage statements thereto;

15           25.     For all actual, consequential, and incidental losses and damages, according to  
16 proof;

17           26.     For injunctive relief pursuant to California Labor Code section 226(h);

18           27.     For statutory penalties pursuant to California Labor Code section 226(e);

19           28.     For attorneys' fees and costs pursuant to California Labor Code section  
20 226(e)(1); and

21           29.     For such other and further relief as the Court may deem equitable and  
22 appropriate.

23                                   **As to the Fifth Cause of Action**

24           30.     That the Court declare, adjudge and decree that Defendants violated California  
25 Labor Code sections 201 and 202 by willfully failing to pay overtime wages, meal and rest  
26 period premiums, and/or sick leave pay owed at the time of termination of the employment of  
27 Plaintiff and other terminated class members;

28     ///

31. For all actual, consequential and incidental losses and damages, according to proof;

32. For waiting time penalties according to proof pursuant to California Labor Code section 203 for all employees who have left Defendants' employ;

33. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

34. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

35. For such other and further relief as the Court may deem equitable and appropriate.

### As to the Sixth Cause of Action

36. That the Court declare, adjudge and decree that Defendants violated California Labor Code section 204 by willfully failing to timely pay Plaintiff and class members overtime wages, meal and rest period premiums, and/or sick leave pay, during their employment;

37. For all actual, consequential and incidental losses and damages, according to proof;

38. For statutory penalties according to proof pursuant to California Labor Code section 210;

39. For pre-judgment interest on any unpaid wages from the date such amounts were due, or as otherwise provided by law;

40. For attorneys' fees pursuant to California Code of Civil Procedure section 1021.5, or as otherwise provided by law; and

41. For such other and further relief as the Court may deem equitable and appropriate.

### As to the Seventh Cause of Action

42. That the Court declare, adjudge and decree that Defendants violated the following California Labor Code provisions as to Plaintiff and/or other aggrieved employees: 226.7, 510, and 1198 (by failing to include all forms of remuneration in the regular rate of pay

for purposes of paying overtime wages and/or meal and rest period premiums); 226.7, 512(a), 516, and 1198 (by failing to provide all meal periods); 226.7, 516, and 1198 (by failing to authorize and permit all rest periods); 226(a), 1174(d), and 1198 (by failing to provide accurate wage statements and maintain accurate payroll records); 201 and 202 (by failing to timely pay all earned wages upon termination); 204 (by failing to timely pay all earned wages during employment); and 246 (by failing to properly calculate sick leave pay);

43. For civil penalties pursuant to the California Labor Code, including sections 210, 226.3, 248.5, 256, 558, 1174.5, 2699(a), (f), and (g), for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1194, and 1198;

44. For attorneys' fees and costs pursuant to California Labor Code section 2699(g)(1), and any and all other relevant statutes, for Defendants' violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1194, and 1198;

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

46. For such other and further relief as the Court may deem equitable and appropriate.

#### **As to the Eighth Cause of Action**

47. That the Court declare, adjudge and decree that Defendants' conduct of failing to include all forms of remuneration in the regular rate of pay for purposes of paying overtime wages and/or meal and rest period premiums to Plaintiff and class members, failing to provide Plaintiff and class members all meal periods, failing to authorize and permit Plaintiff and class members to take all rest periods, failing to provide Plaintiff and class members accurate and complete wage statements, failing to maintain accurate payroll records for Plaintiff and class members, failing to timely pay Plaintiff and class members all earned wages during employment, and failing to properly calculate Plaintiff's and class members' sick leave pay, constitutes an unlawful business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

///

48. For restitution of unpaid wages to Plaintiff and all class members and prejudgment interest from the day such amounts were due and payable;

49. For the appointment of a receiver to receive, manage, and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code sections 17200, *et seq.*;

50. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure section 1021.5; and

51. For such other and further relief as the Court may deem equitable and appropriate.

### As to the Ninth Cause of Action

52. That the Court declare, adjudge and decree that Defendants' conduct of denying Plaintiff and class members the statutory benefits guaranteed under section 226.7 constitutes an unfair business practice in violation of California Business and Professions Code sections 17200, *et seq.*;

53. For restitution of the statutory benefits under section 226.7 unfairly withheld from Plaintiff and class members and prejudgment interest from the day such amounts were due and payable;

54. For the appointment of a receiver to receive, manage, and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violations of California Business & Professions Code sections 17200, *et seq.*;

55. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure section 1021.5;

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

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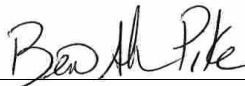
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1           57. For such other and further relief as the Court may deem equitable and  
2 appropriate.

3  
4 Dated: July 9, 2024

Respectfully submitted,

Capstone Law APC

6  
7 By: 

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Daniel S. Jonathan

Trisha K. Monesi

Shealene P. Mancuso

Attorneys for Plaintiff Lauren Jones

**EXHIBIT “1”**



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May 1, 2024

VIA ONLINE SUBMISSION

California Labor & Workforce Development Agency  
ATTN: PAGA Administrator  
(<https://dir.govfa.net/308>)

Subject: *Lauren Jones v. California Family Life Center*

Dear PAGA Administrator:

This office represents Lauren Jones in connection with her claims under the California Labor Code. Ms. Jones was an employee of CALIFORNIA FAMILY LIFE CENTER ("CFLC").

The employer may be contacted directly at the address below:

CALIFORNIA FAMILY LIFE CENTER  
930 N STATE STREET  
HEMET, CA 92543

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

CFLC employed Ms. Jones as an hourly paid, non-exempt Direct Care Staff, Acting Facility Manager, and Facility Manager from approximately October 2003 to June 2023. Ms. Jones worked for CFLC at its Hemet House and Sunset House locations in Hemet, California. During her employment, Ms. Jones typically worked seven (7) to twelve (12) hours per day and five (5) days per week. At the time Ms. Jones' employment with CFLC ended, she was compensated approximately \$21.50 per hour (\$23.50 per hour for weekend overnight shifts). Ms. Jones' primary job duties included, without limitation, supervising the youth residents, cooking, helping with house chores, organizing resident activities, administering medication to residents, and setting residents' schedules.

CFLC committed one or more of the following Labor Code violations against Ms. Jones, the facts and theories of which follow, making her an “aggrieved employee” pursuant to California Labor Code section 2699(c):<sup>1</sup>

### **CFLC’s Company-Wide and Uniform Payroll and HR Practices**

CALIFORNIA FAMILY LIFE CENTER is a California nonprofit corporation that provides supportive services for children, including but not limited to board and care, employment training, college readiness services, and foster/adoption support. Upon information and belief, CFLC maintains a single, centralized Human Resources (HR) department at its corporate headquarters in Hemet, California, for all non-exempt, hourly paid employees working for CFLC in California, including Ms. Jones and other aggrieved employees. At all relevant times, CFLC issued and maintained uniform, standardized scheduling and timekeeping practices and procedures for all non-exempt, hourly paid employees in California, including Ms. Jones and other aggrieved employees, regardless of their location or position.

Upon information and belief, CFLC maintains a centralized Payroll department at its corporate headquarters in Hemet, California, which processes payroll for all non-exempt, hourly paid employees working for CFLC in California, including Ms. Jones and other aggrieved employees. Further, CFLC issues the same formatted wage statements in the same manner for all non-exempt, hourly paid employees working in California, including Ms. Jones and other aggrieved employees, irrespective of their location, position, or manner in which each employee’s employment ended. In other words, CFLC utilized the same methods and formulas when calculating wages due to Ms. Jones and other aggrieved employees in California.

### **Violation of California Labor Code §§ 510 and 1198 – Unpaid Overtime**

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

CFLC willfully failed to pay all overtime wages owed to Ms. Jones and other aggrieved employees. During the relevant time period, Ms. Jones and other aggrieved employees were not paid overtime premiums for all of the hours they worked in excess of eight (8) hours in a day, in excess of twelve

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<sup>1</sup> These facts, theories, and claims are based on Ms. Jones’ experience and counsel’s review of those records currently available relating to Ms. Jones’ employment. Discovery conducted in litigation of wage and hour claims such as these often reveals additional claims that the aggrieved employee was not initially aware of (because the aggrieved employee was not aware of the law’s requirements, the employer misinformed its employee of the law’s requirements, or because the employer effectively hid the violations). Thus, Ms. Jones reserves the right to supplement this letter with additional facts, theories, and claims if she becomes aware of them subsequent to the submission of this letter.

(12) hours in a day, and/or in excess of forty (40) hours in a week, because all hours that they worked were not recorded.

First, during the relevant time period, upon information and belief, CFLC's timekeeping system did not always register and calculate overtime hours and wages correctly when Ms. Jones and other aggrieved employees inputted their hours. For example, CFLC's timekeeping records show that Ms. Jones input more than eight (8) hours as "Regular" time on some days, and worked more than 40 hours during a week, but was not always paid overtime wages for the hours exceeding eight (8) hours per day or 40 hours per week. Specifically, during the pay period of April 1 through April 15, 2023, Ms. Jones logged a 8.22 hour shift on April 2, a 10.00 hour shift on April 6, a 8.35 hour shift on April 9, and a 9.4 hour shift on April 13, but her pay records indicate she was paid only straight time and not overtime wages. Thus, on information and belief, Ms. Jones was not paid at an overtime rate for hours worked in excess of eight (8) in a day and/or in excess of 40 in a week.

Second, during the relevant time period, CFLC has systematically, and on a company-wide basis, understaffed its locations and failed to provide adequate meal period coverage to permit employees to take compliant meal periods. Because there was no one available to relieve other aggrieved employees needing meal period coverage, CFLC required other aggrieved employees to remain available to attend to residents and address any incidents as they arose, including during meal periods. Moreover, CFLC also had a practice of failing to schedule meal periods which, in conjunction with the assignment of heavy workloads, further caused other aggrieved employees to not be relieved of their duties for compliant meal periods.

Moreover, CFLC maintained a company-wide on-premises meal period policy, which mandated that other aggrieved employees remain on the premises for their meal periods. Because other aggrieved employees were restricted from leaving the premises during meal periods, they were denied the ability to use their meal periods freely for their own purposes, such as running personal errands. Thus, CFLC effectively maintained control over other aggrieved employees during unpaid meal periods.

CFLC knew or should have known that as a result of these company-wide practices and/or policies, other aggrieved employees were working off-the-clock during their meal periods, and were suffered or permitted to perform work for which they were not paid. Thus, Ms. Jones and other aggrieved employees worked shifts of eight (8) hours a day or more and/or forty (40) hours a week or more, but were not paid overtime wages for all of the overtime hours that qualified for overtime premium pay.

Moreover, CFLC did not pay Ms. Jones and other aggrieved employees the correct overtime rate for the recorded overtime hours that they generated. In addition to an hourly wage, CFLC paid Ms. Jones and other aggrieved employees shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CFLC failed to incorporate all compensation, including shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, into the calculation of the regular rate of pay for purposes of calculating the overtime wage rate. Therefore, during times when Ms. Jones and other aggrieved employees worked overtime and received these other forms of pay, CFLC failed to pay all overtime and/or double-time wages by paying a lower overtime rate than required.

For example, CFLC paid Ms. Jones and other aggrieved employees incentive pay and/or nondiscretionary bonuses which were listed on Ms. Jones' and other aggrieved employees' wage statements as "Bonus." During pay periods that Ms. Jones and other aggrieved employees were paid

overtime wages, CFLC did not incorporate these payments into Ms. Jones' and other aggrieved employees' regular rate of pay and, as a result, paid them at incorrect and lower rates of pay for overtime hours worked. Specifically, CFLC paid Ms. Jones and other aggrieved employees 1.5 times their hourly rate of pay instead of 1.5 times their regular rate of pay. CFLC's failure to properly calculate the overtime rates of pay based on all remuneration paid has resulted in an underpayment of overtime wages to Ms. Jones and other aggrieved employees on a company-wide basis.

CFLC's failure to pay Ms. Jones and other aggrieved employees the balance of overtime compensation, as required by California law, violates the provisions of California Labor Code sections 510 and 1198. Ms. Jones and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

#### **Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 – Unpaid Minimum Wages**

California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 require employers to pay employees the minimum wage fixed by the IWC. The payment of a lesser wage than the minimum so fixed is unlawful. Compensable work time is defined in IWC Wage Order No. 5-2001 as "the time during which an employee is subject to the control of an employer, and includes all the time the employee is suffered or permitted to work, whether or not required to do so." Cal. Code Regs. tit. 8, § 11050(2)(K) (defining "Hours Worked").

As set forth above, due to CFLC's policies and/or practices of understaffing its locations, assigning heavy workloads, failing to schedule meal periods, and requiring employees respond to remain on the work premises, other aggrieved employees were impeded from taking all uninterrupted meal periods to which they were entitled and were required to work off-the-clock during meal periods, have their meal periods interrupted, and/or were otherwise not relieved of all duties during unpaid meal periods.

Thus, CFLC did not pay minimum wages for all hours worked by other aggrieved employees. To the extent that these off-the-clock hours did not qualify for overtime premium payment, CFLC did not pay at least minimum wages for those hours worked off-the-clock in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198.

Accordingly, CFLC regularly failed to pay at least minimum wages to other aggrieved employees for all of the hours they worked in violation of California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198. Other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 1197.1 and/or 2699(a), (f)-(g).

#### **Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 – Failure to Provide Meal Periods**

California Labor Code sections 226.7, 512(a), 516, and 1198, and the applicable IWC Wage Order require employers to provide meal periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. Pursuant to Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order, an employer may not require, cause or permit an employee to work for a period of more than five (5) hours per day without providing the employee with an uninterrupted meal period of not less than thirty (30) minutes, except that if the total work period per day of the employee is not more than six (6) hours, the meal period

may be waived by mutual consent of both the employer and the employee. Under California law, first meal periods must start after no more than five hours. *Brinker Rest. Corp. v. Superior Court*, 53 Cal. 4th 1004, 1041-1042 (2012). Labor Code sections 226.7 and 512(a) and the applicable IWC Wage Order also require employers to provide a second meal period of not less than thirty (30) minutes if an employee works over ten (10) hours per day or to pay an employee one (1) additional hour of pay at the employee's regular rate, except that if the total hours worked is no more than twelve (12) hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.

Under California law, an employer cannot evade meal period requirements via the use of "on-duty" meal agreements because it understaffs its locations. *Abdullah v. U.S. Sec. Assocs.*, 731 F.3d 952, 963 (9th Cir. Cal. 2013). In addition, an employee must be provided with the opportunity to eat his or her meal while performing the duties required and any on-duty meal period must, like any off-duty meal period, be at least 30 minutes long. *L'Chaim House, Inc., et al. v. Division of Labor Standards Enforcement*, 38 Cal. App. 5th 141 (2019).

First, during the relevant time period, as set forth above, CFLC has systematically, and on a company-wide basis, understaffed its locations and failed to provide adequate meal period coverage to permit employees to take compliant meal periods. Because there was no one available to relieve Ms. Jones and other aggrieved employees needing meal period coverage, CFLC required Ms. Jones and other aggrieved employees to remain on-duty at all times. As a result, Ms. Jones and other aggrieved employees always had to remain available to attend to residents and address any incidents as they arose, including during meal periods. Moreover, CFLC also systematically discouraged and impeded Ms. Jones and other aggrieved employees from taking meal periods by failing to schedule off-duty meal periods at all, even though it is aware and knows that employees are entitled to such meal periods. For example, Ms. Jones often worked shifts of seven (7) to ten (10) hours or more but was never provided with an opportunity to take off-duty meal periods.

Second, to the extent that CFLC implemented an "on-duty" meal period policy, upon information and belief, its practices and/or policies do not comply with IWC Wage Order No. 5-2001's requirements for on-duty meal periods. Under California law, an "on-duty" meal period does not absolve employers of the duty to provide timely, 30-minute meal periods.<sup>2</sup> Throughout her employment, Ms. Jones' meal periods were often interrupted and/or cut short by her normal work duties, such as mediating between residents and assisting residents with their meals. Thus, Ms. Jones' on-duty meal periods were "the functional equivalent of no meal period at all." *L'Chaim*, 38 Cal. App. 5th at 147.

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<sup>2</sup> Employers must provide employees a timely 30-minute meal period even though that meal period may be on-duty instead of off-duty. See *L'Chaim*, 38 Cal. App. 5th at 149 ("If an employee is entitled to an off-duty meal period of 30 minutes, yet work obligations intrude on a portion of that time, the off-duty period is converted to an on-duty period—no matter how small the portion of the period that work intruded upon—and the employee is paid for the entire period. There is no suggestion that once work interrupts an employee's meal period, the period simply ends even if 30 minutes have not yet passed.") and 147 ("[A]n on-duty meal period is not the functional equivalent of no meal period at all. On-duty meal periods are an intermediate category requiring more of employees than off-duty meal periods but less of employees than their normal work.").

Third, CFLC did not provide Ms. Jones and other aggrieved employees with second 30-minute meal periods on days that they worked in excess of ten (10) hours in one day. During her employment, Ms. Jones often worked shifts in excess of ten (10) or more hours per day but was not provided a second 30-minute meal period. CFLC did not present Ms. Jones and other aggrieved employees with the opportunity to voluntarily choose whether to waive their second 30-minute meal period on any given day. Ms. Jones and other aggrieved employees did not sign valid meal period waivers on days that they were entitled to meal periods and were not relieved of all duties.

Fourth, as set forth above, CFLC maintained a company-wide on-premises meal period policy, which mandated that Ms. Jones and other aggrieved employees remain on the premises for their meal periods. Because Ms. Jones and other aggrieved employees were restricted from leaving the premises during meal periods, they were denied the ability to use their meal periods freely for their own purposes. Thus, CFLC effectively maintained control over Ms. Jones and other aggrieved employees during meal periods.

At all times herein mentioned, CFLC knew or should have known that, as a result of these policies, Ms. Jones and other aggrieved employees were prevented from being relieved of all duties and were required to perform some of their assigned duties during meal periods. CFLC further knew or should have known that it did not pay Ms. Jones and other aggrieved employees meal period premiums when meal periods were late, interrupted, shortened, and/or missed.

Furthermore, CFLC engaged in a company-wide practice and/or policy of not paying meal period premiums owed when compliant meal periods are not provided. Because of this practice and/or policy, Ms. Jones and other aggrieved employees have not received premium pay for all missed, late, and interrupted meal periods. Alternatively, to the extent that CFLC did pay Ms. Jones and other aggrieved employees premium pay for missed, late, and interrupted meal periods, CFLC did not pay Ms. Jones and other aggrieved employees at the correct rate of pay for premiums because CFLC systematically failed to include all forms of compensation, such as shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CFLC failed to provide all meal periods in violation of California Labor Code sections 226.7, 512(a), 516, and 1198. Ms. Jones and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

**Violation of California Labor Code §§ 226.7, 516, and 1198 – Failure to Authorize and Permit Rest Periods**

California Labor Code sections 226.7, 516, and 1198, and the applicable IWC Wage Order require employers to provide rest periods and to pay an employee one (1) additional hour of pay at the employee's regular rate for each work day that a meal or rest period is not provided. California Labor Code section 226.7 provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California IWC. The applicable IWC Wage Order provides that "[e]very employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period" and that the "rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof" unless the total daily work time is less than three and one-half (3 ½) hours.

To comply with its obligation to authorize and permit rest periods under California Labor Code section 226.7 and the applicable IWC Wage Order, an employer must “relinquish any control over how employees spend their break time, and relieve their employees of all duties—including the obligation that an employee remain on call. A rest period, in short, must be a period of rest.” *Augustus, et al. v. ABM Security Services, Inc.*, 2 Cal. 5th 257, 273 (2016).

During the relevant time period, CFLC regularly failed to authorize and permit Ms. Jones and other aggrieved employees to take a ten (10) minute rest period per each four (4) hour period worked or major fraction thereof. As with meal periods, CFLC’s company-wide practices of understaffing while assigning heavy workloads prevented Ms. Jones and other aggrieved employees from being relieved of all duty to take rest periods. Additionally, CFLC failed to schedule rest periods, which, coupled with CFLC’s failure to provide adequate rest period coverage, further led to Ms. Jones and other aggrieved employees not being authorized and permitted to take rest periods.

Furthermore, during the relevant time period, CFLC maintained a company-wide on-premises rest period policy, which mandated that other Ms. Jones and aggrieved employees remain on or near the work premises during their rest periods. Because Ms. Jones and other aggrieved employees were restricted from leaving the premises during rest periods, even when they were not in sole charge of residents, they were denied the ability to use their rest periods freely for their own purposes, such as running personal errands. Thus, CFLC effectively maintained control over Ms. Jones and other aggrieved employees during rest periods.

As a result of CFLC’s practices and policies, Ms. Jones and other aggrieved employees worked shifts in excess of 3.5 hours, in excess of 6 hours, and/or in excess of 10 hours without receiving all uninterrupted 10-minute rest periods to which they were entitled. For example, Ms. Jones had to forego her rest periods altogether due to CFLC’s expectation that employees work through their rest periods. Further, CFLC failed to authorize and permit Ms. Jones and other aggrieved employees to take another rest period when their rest periods were interrupted to respond to the needs of residents.

CFLC has also engaged in a company-wide practice and/or policy of not paying rest period premiums owed when compliant rest periods are not authorized and permitted. Because of this practice and/or policy, Ms. Jones and other aggrieved employees have not received premium pay for all missed rest periods. Alternatively, to the extent that CFLC did pay Ms. Jones and other aggrieved employees one (1) additional hour of premium pay for missed rest periods, CFLC did not pay Ms. Jones and other aggrieved employees at the correct rate of pay for premiums because CFLC failed to include all forms of compensation, such as shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration, in the regular rate of pay.

Accordingly, CFLC failed to authorize and permit all rest periods in violation of California Labor Code sections 226.7, 516, and 1198. Other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon, pursuant to Labor Code sections 558 and/or 2699(a), (f)-(g).

#### **Violation of California Labor Code §§ 226(a), 1174(d), and 1198 – Non-Compliant Wage Statements and Failure to Maintain Accurate Payroll Records**

California Labor Code section 226(a) requires employers to make, keep, and provide true, accurate, and complete employment records. CFLC has not provided Ms. Jones and other aggrieved employees with properly itemized wage statements. Labor Code section 226(e) provides that if an

employer fails to comply with providing an employee with properly itemized wage statements as set forth in 226(a), then the employee is entitled to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not to exceed \$4,000. Further, Labor Code section 226.3 provides that any employer who violates section 226(a) shall be subject to a civil penalty in the amount of \$250 per employee per violation in an initial citation and \$1,000 per employee for each violation in a subsequent citation, for which the employer fails to provide the employee a wage statement or fails to keep the required records pursuant to Section 226(a).

During the relevant time period, CFLC has knowingly and intentionally provided Ms. Jones and other aggrieved employees with uniform, incomplete, and inaccurate wage statements. For example, CFLC issued uniform wage statements to Ms. Jones and other aggrieved employees that fail to correctly list: gross wages earned; total hours worked; net wages earned; and all applicable hourly rates in effect during the pay period, including rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, and the corresponding number of hours worked at each hourly rate. Specifically, CFLC violated sections 226(a)(1), 226(a)(2), 226(a)(5), and 226(a)(9).

Because CFLC did not record the time other aggrieved employees spent working off-the-clock, CFLC did not list the correct amount of gross wages and net wages earned by other aggrieved employees in compliance with section 226(a)(1) and section 226(a)(5), respectively. For the same reason, CFLC failed to accurately list the total number of hours worked by other aggrieved employees, in violation of section 226(a)(2), and failed to list the applicable hourly rates of pay in effect during the pay period and the corresponding accurate number of hours worked at each hourly rate, in violation of section 226(a)(9).

Additionally, because CFLC did not calculate Ms. Jones' and other aggrieved employees' regular rate of pay correctly for purposes of paying overtime wages, meal and rest period premiums, and/or paid sick leave, CFLC did not list the correct amount of gross wages in compliance with section 226(a)(1). For the same reason, CFLC failed to list the correct amount of net wages in violation of section 226(a)(5). CFLC also failed to correctly list all applicable hourly rates in effect during the pay period, namely, correct rates of pay for overtime wages, meal and rest period premiums, and/or paid sick leave, in violation of section 226(a)(9).

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

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

1174(d), CFLC willfully failed to maintain accurate payroll records for Ms. Jones and other aggrieved employees showing the daily hours they worked and the wages paid thereto as a result of failing to record all wages owed, including overtime wages, minimum wages, meal and rest period premiums, and/or paid sick leave.

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. Section 1198 further provides that “[t]he employment of any employees for longer hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.” Pursuant to the applicable IWC Wage Order, employers are required to keep accurate time records showing when the employee begins and ends each work period and meal period. During the relevant time period, CFLC engaged in company-wide practices and/or policies of failing to keep accurate records of meal period start and end times for Ms. Jones and other aggrieved employees, in violation of section 1198. Also, in light of CFLC’s failure to provide Ms. Jones and other aggrieved employees with second 30-minute meal periods to which they were entitled, CFLC kept no records of meal start and end times for second meal periods.

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

Ms. Jones and other aggrieved employees are entitled to recover civil penalties, attorney’s fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)-(g).

#### **Violation of California Labor Code § 204 – Failure to Timely Pay Wages During Employment**

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

During the relevant time period, CFLC willfully failed to pay Ms. Jones and other aggrieved employees all wages due including, but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, within the time periods specified by California Labor Code section 204.

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

### **Violation of California Labor Code §§ 201 and 202 – Failure to Timely Pay Final Wages Upon Termination**

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

On information and belief, CFLC has a company-wide practice or policy of paying departing employees their final wages late, instead of adhering to the time requirements set forth in Labor Code sections 201 and 202. For example, CFLC terminated Ms. Jones on or about July 3, 2023; however, CFLC did not provide Ms. Jones with her final wages until about July 5, 2023. Thus, CFLC failed to pay Ms. Jones her final wages immediately, in violation of California Labor Code section 201.

In addition, CFLC willfully failed to pay Ms. Jones and other aggrieved employees who are no longer employed by CFLC the earned and unpaid wages set forth above, including but not limited to, overtime wages, minimum wages, meal and rest period premiums, and/or sick leave pay, either at the time of discharge, or within seventy-two (72) hours of their leaving CFLC's employ.

Ms. Jones and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 256 and/or 2699(a), (f)-(g).

### **Violation of California Labor Code § 246 – Failure to Properly Calculate Paid Sick Leave**

At all relevant times herein, California Labor Code sections 245.5, 246, 246.5, 247, 247.5, 248.5, and 249 provide employees who have worked in California for 30 or more days from the commencement of employment with paid sick days, to be accrued at least one hour for every 30 hours worked. Effective January 1, 2024, California Labor Code section 246(b)(4) requires employers to provide no less than 40 hours or five (5) days of paid sick leave (or equivalent paid leave or paid time off) in each year of the employee's employment. Further, Labor Code section 246(l) provides that an employer shall calculate paid sick leave by using one of two calculations: 1) "[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek[;]" or 2) "[p]aid sick time for nonexempt employees shall be calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

During the relevant time period, CFLC did not pay Ms. Jones and other aggrieved employees the correct sick leave rates of pay. In addition to an hourly wage, CFLC paid Ms. Jones and other aggrieved employees shift differential pay, incentive pay, nondiscretionary bonuses, and/or other forms of remuneration. However, in violation of the California Labor Code, CFLC failed to incorporate all remunerations, including shift differential pay, incentive pay and/or nondiscretionary bonuses, into the calculation of the regular rate of pay for purposes of calculating the sick leave pay rate. Therefore, during times when Ms. Jones and other aggrieved employees took sick leave and received these other forms of pay, CFLC failed to pay all sick leave benefits by paying a lower sick

leave rate than required. Specifically, CFLC paid Ms. Jones and other aggrieved employees based on their hourly rate of pay instead of their regular rate of pay.

CFLC's failure to properly calculate the sick leave rates of pay based on all remuneration paid has resulted in an underpayment of sick leave benefits to Ms. Jones and other aggrieved employees on a company-wide basis in violation of Labor Code section 246(l). Ms. Jones and other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 248.5 and/or 2699(a), (f)-(g).

### **Violation of California Labor Code § 2802 – Unreimbursed Business Expenses**

California Labor Code section 2802 requires employers to pay for all necessary expenditures and losses incurred by the employee in the performance of his or her job. The purpose of Labor Code section 2802 is to prevent employers from passing off their cost of doing business and operating expenses on to their employees. *Cochran v. Schwan's Home Service, Inc.*, 228 Cal. App. 4th 1137, 1144 (2014). The applicable wage order, IWC Wage Order No. 5-2001, provides that: "[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer, except that an employee whose wages are at least two (2) times the minimum wage provided herein may be required to provide and maintain hand tools and equipment customarily required by the trade or craft."

During the relevant time period, CFLC, on a company-wide basis, required other aggrieved employees to use their personal mobile devices, including, but not limited to, cellular phones, and/or mobile data to carry out their job duties but failed to reimburse them for the costs of their work-related mobile device and/or mobile data expenses. Although CFLC required other aggrieved employees to use their personal mobile devices and/or mobile data to carry out their work-related duties, CFLC failed to reimburse them for their costs incurred.

CFLC could have provided other aggrieved employees with the actual equipment for use on the job, such as company mobile devices, or CFLC could have reimbursed employees for the costs of their mobile device usage. Instead, CFLC passed these operating costs off onto other aggrieved employees.

Thus, CFLC had, and continues to have, a company-wide policy and/or practice of not reimbursing employees for expenses necessarily incurred in violation of California Labor Code section 2802. Other aggrieved employees are entitled to recover civil penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code sections 2699(a), (f)-(g).

### **Violation of California Labor Code § 2810.5(a)(1)(A)-(C) – Failure to Provide Notice of Material Terms of Employment**

California's Wage Theft Prevention Act was enacted to ensure that employers provide employees with basic information material to their employment relationship at the time of hiring, and to ensure that employees are given written and timely notice of any changes to basic information material to their employment. Codified at California Labor Code section 2810.5, the Wage Theft Prevention Act provides that at the time of hiring, an employer must provide written notice to employees of the rate(s) of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, the regular payday designated by the employer, and any allowances claims as part of the minimum wage, including meal or lodging

allowances. Effective January 1, 2015, an employer's written notice pursuant to section 2810.5 must also include a statement that the employee may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates.

CFLC failed to provide other aggrieved employees written notice that lists all the requisite information set forth in Labor Code section 2810.5(a)(1)(A)-(C). CFLC's failure to provide other aggrieved employees with written notice of basic information regarding their employment is in violation of California Labor Code section 2810.5.

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

### **California Labor Code § 558(a)**

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

Accordingly, Ms. Jones seeks the remedies set forth in Labor Code section 558 for herself, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a) and 2699.3(c), 2699.5, and 558, Ms. Jones, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for herself, all other aggrieved employees, and the State of California against CFLC for violations of California Labor Code sections 201, 202, 204, 226(a), 226.7, 246, 510, 512(a), 516, 1174(d), 1182.12, 1194, 1197, 1197.1, 1198, 2802, and 2810.5.

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

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

Sairah Budhwani  
Capstone Law APC  
1875 Century Park East, Suite 1000  
Los Angeles, CA 90067  
(310) 556-4811

Best Regards,

A handwritten signature in black ink, reading "Sairah Budhwani". The signature is written in a cursive, flowing style with a small dot at the end.

Sairah Budhwani

Copy: CALIFORNIA FAMILY LIFE CENTER (via U.S. Certified Mail)

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**PROOF OF SERVICE**

I am employed in the State of California, County of Los Angeles. I am over the age of 18 and not a party to the within suit; my business address is 1875 Century Park East, Suite 1000 Los Angeles, California 90067.

On **June 9, 2024**, I served the document described as: **FIRST AMENDED CLASS ACTION COMPLAINT & ENFORCEMENT ACTION UNDER THE PRIVATE ATTORNEYS GENERAL ACT, CALIFORNIA LABOR CODE §§ 2698, ET SEQ.** on the interested parties in this action by sending ☐ the original [or] ☒ a true copy thereof ☒ to interested parties as follows [or] ☐ as stated on the attached service list:

Joseph O. Fitzgerald (SBN: 255089)

jfitzgerald@macdonaldcody.com

Edye A. Hill (SBN: 223377)

ehill@macdonaldcody.com

MACDONALD & CODY, LLP

3400 Central Avenue, Suite 300

Riverside, California 92506

Tel.: (951) 877-3299

Fax: (951) 877-3317

*Attorneys for Defendant*

CALIFORNIA FAMILY LIFE CENTER

☐ **BY MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for mailing in the ordinary course of business at Los Angeles, California. I am “readily familiar” with this firm’s practice of collection and processing correspondence for mailing. Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day in the ordinary course of business with postage thereon fully prepaid at Los Angeles, California.

☐ **BY E-MAIL:** I hereby certify that this document was served from Los Angeles, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address or e-mail of record in this action.

☒ **BY ELECTRONIC SERVICE:** I caused the document(s) to be transmitted electronically via One Legal eService to the individuals listed above, as they exist on that database. This will constitute service of the document(s).

☐ **BY PERSONAL SERVICE:** I delivered the document, enclosed in a sealed envelope, by hand to the counsel for Defendant.

☐ **BY OVERNIGHT DELIVERY:** I am “readily familiar” with this firm’s practice of collection and processing correspondence for overnight delivery. Under that practice, overnight packages are enclosed in a sealed envelope with a packing slip attached thereto fully prepaid. The packages are picked up by the carrier at our offices or delivered by our office to a designated collection site.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on **June 9, 2024**, at Los Angeles, California.

Xochitl Tapia

Type/Print Name

Signature 