

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

December 13, 2024

VIA LWDA WEBSITE

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

Re: *Rosa I. Soto de Salto v. Jack in the Box Inc.*

To Whom It May Concern:

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

Jack in the Box operates a chain of restaurants with locations throughout California and the United States. Ms. Soto de Salto has been employed by Jack in the Box as a cook since approximately 1989. Ms. Soto de Salto’s job duties include cooking, preparation work, cleaning, and instructing other kitchen workers.

Throughout Ms. Soto de Salto’s employment with Jack in the Box, Jack in the Box’s timekeeping policies and/or practices have resulted in Ms. Soto de Salto and other aggrieved employees not being compensated for all hours actually worked, whether by rounding, time-shaving, or otherwise. Specifically, Jack in the Box has a policy and/or practice of only recording the scheduled start and end times of employee shifts, as opposed to the times they actually worked, despite the fact that Ms. Soto de Salto and other aggrieved employees regularly work hours outside of their scheduled shifts. As a result of Jack in the Box’s failure to pay Ms. Soto de Salto and other aggrieved employees for their actual hours worked, Jack in the Box has failed to pay Ms. Soto de Salto and other aggrieved employees for all minimum and overtime wages earned.

Jack in the Box has failed to provide Ms. Soto de Salto and other aggrieved employees with all legally compliant meal periods due to Jack in the Box’s meal period

policies/practices, which have resulted in late (commencing after the fifth hour of work) and short (less than 30 minutes) meal periods. Ms. Soto de Salto and other aggrieved employees' meal periods are also regularly interrupted due to work demands. Jack in the Box has also failed to provide Ms. Soto de Salto or other aggrieved employees with second meal periods on shifts over 10.0 hours. On those occasions when Ms. Soto de Salto and other aggrieved employees have not been provided with all legally required meal periods to which they were entitled, Jack in the Box has not compensated Ms. Soto de Salto and other aggrieved employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the putative class period, Jack in the Box maintained no payroll code for paying meal period premiums under Labor Code § 226.7.

Ms. Soto de Salto and other aggrieved employees have also not been authorized and permitted to take all legally compliant rest periods due to Jack in the Box's rest period policies/practices, which fail to authorize and permit an off-duty rest period for every four hours worked, or major fraction thereof. Specifically, due to work demands imposed by Jack in the Box, Ms. Soto de Salto and other aggrieved employees are regularly prevented from being relieved of all work duties during required rest periods. Moreover, Ms. Soto de Salto and other aggrieved employees have not been authorized and permitted to take a third rest period on shifts in excess of 10.0 hours due to Jack in the Box's rest period policies/practices, which fail to authorize and permit non-exempt employees to take a third rest period on occasions when they have worked over 10.0 hours in a workday. On the occasions when Ms. Soto de Salto and other aggrieved employees have not been provided with all legally compliant rest periods to which they were entitled, Jack in the Box failed to compensate Ms. Soto de Salto and other aggrieved employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7. Upon information and belief, during at least a portion of the putative class period, Jack in the Box maintained no payroll code or other mechanism for the payment of rest period premiums as required by Labor Code § 226.7 in the event a legally compliant rest period was not provided to their non-exempt employees.

Jack in the Box has also failed to reimburse Ms. Soto de Salto and other aggrieved employees for all reasonable and necessary work expenditures. Specifically, Jack in the Box requires Ms. Soto de Salto and other aggrieved employees to purchase special slip-resistant shoes for work but failed to reimburse Ms. Soto de Salto and other aggrieved employees for the purchase of such shoes. Additionally, Jack in the Box requires Ms. Soto de Salto and other aggrieved employees to use their personal cellular phones for work purposes but does not reimburse Ms. Soto de Salto and other aggrieved employees for the costs associated with their cellular phones. As a result of Jack in the Box's failure to reimburse Ms. Soto de Salto and other aggrieved employees for all necessary business expenses incurred, Ms. Soto de Salto and other aggrieved employees are entitled to reimbursement pursuant to Labor Code § 2802.

As a result of Jack in the Box's failure to pay all minimum and overtime wages, as well as meal and rest period premium wages, Jack in the Box has maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Soto de Salto and other aggrieved employees.

As described above, Jack in the Box committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 5 ("Wage Order 5"):

Minimum Wage Violations

Jack in the Box was required to pay Ms. Soto de Salto and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 5, § 4. As alleged above, Jack in the Box failed to conform its pay practices to the requirements of the law by failing to pay Ms. Soto de Salto and other aggrieved employees for all hours worked including, but not limited to, all hours they were subject to the control of Jack in the Box and/or suffered or permitted to work under the California Labor Code and Wage Order 5. As a result of these policies/practices, which fail to compensate for all hours worked, Ms. Soto de Salto and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

Jack in the Box was required to pay Ms. Soto de Salto and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 5, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." This Section further provides, "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." As alleged above, Jack in the Box caused Ms. Soto de Salto and other aggrieved employees to work overtime hours but did not compensate Ms. Soto de Salto and other aggrieved employees at one and one-half times their regular rate of pay for such hours. As a result of these policies/practices, Ms. Soto de Salto and other aggrieved employees were not compensated for all overtime and double-time wages.

Meal Period Violations

As alleged above, Jack in the Box failed to provide Ms. Soto de Salto and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 5, § 11. As a result, Ms. Soto de Salto and other aggrieved

employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As alleged above, Jack in the Box also failed to authorize and permit Ms. Soto de Salto and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 5, § 12. As a result, Ms. Soto de Salto and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Failure to Reimburse Employees for Necessary Business Expenditures

As alleged above, Jack in the Box failed to reimburse Ms. Soto de Salto and other aggrieved employees for necessary work expenses, including the purchase of slip resistant shoes needed for working in the kitchen. Jack in the Box’s policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 5, § 9, and Labor Code §§ 2802 and 2804 (“An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.”) Ms. Soto de Salto and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

Wage Statement Violations

Jack in the Box was required to furnish Ms. Soto de Salto and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 5, § 7. As a result of Jack in the Box’s failure to pay all overtime, minimum, and double-time wages, and failure to pay all required meal and rest period premium wages, Jack in the Box maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Soto de Salto and other aggrieved employees in violation of Labor Code § 226. Jack in the Box’s failure to comply with its wage statement obligations was knowing and intentional, and Ms. Soto de Salto and other aggrieved employees have suffered injury as a result.

As an “aggrieved employee,” Ms. Soto de Salto will initiate a civil action on behalf of herself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Soto de Salto’s own investigation, and on information and belief, Jack in the Box committed and continues to commit the following Labor Code violations:

- a. Jack in the Box violated Labor Code §§ 1182.12, 1194, 1194.2, and 1197 by failing to pay Ms. Soto de Salto and other aggrieved employees the statutory minimum wage for all hours worked;
- b. Jack in the Box violated Labor Code §§ 204, 510, 1194, and 1198 by failing to pay Ms. Soto de Salto and other aggrieved employees all overtime compensation earned;
- c. Jack in the Box violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Ms. Soto de Salto and other aggrieved employees at these employees’ respective regular rates of compensation for meal period violations;
- d. Jack in the Box violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit Ms. Soto de Salto and other aggrieved employees all required rest periods and failing to pay rest period premiums to Ms. Soto de Salto and other aggrieved employees at these employees’ respective regular rates of compensation for rest period violations;
- e. Jack in the Box violated Labor Code §§ 2802 and 2804 by failing to reimburse Ms. Soto de Salto and other aggrieved employees for all necessary expenditures incurred;
- f. Jack in the Box violated Labor Code § 226 by failing to furnish Ms. Soto de Salto and other aggrieved employees with accurate and compliant itemized wage statements;
- g. Jack in the Box violated Labor Code § 204 by failing to pay Ms. Soto de Salto and other aggrieved employees all wages earned at least twice during each calendar month; and
- h. Jack in the Box violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Ms. Soto de Salto and other aggrieved employees.

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

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: Jack in the Box Inc. (via certified mail)