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February 12, 2024

**Via Online Filing:**

California Labor & Workforce  
Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)  
Sacramento, CA 95814

455 Golden Gate Avenue, 9<sup>th</sup> Floor  
San Francisco, CA 94102

**Via Certified U.S. Mail:**

LeaderStat LLC  
1322 B Manning Pkwy  
Powell, OH 43065

LeaderStat LLC  
c/o  
Registered Agent Solutions, Inc.  
720 14th Street  
Sacramento, CA

Matthew C. Kane  
BakerHostetler  
11601 Wilshire Blvd., Suite 1400  
Los Angeles, CA 90025-0509

Re: *PAGA Notice Pursuant to California Labor Code § 2699*

Claimant: Keyona Turner  
Employer: LeaderStat LLC

Dear Sir or Madam:

Claimant Keyona Turner (“Claimant”) has retained Ashkan Shakouri of Shakouri Law Firm to represent her, and all other aggrieved employees, for wage and hour claims against her employer LeaderStat LLC (“Employer”).

During the relevant period Employer has violated, and/or has caused to be violated, several Labor Code provisions and are therefore liable for civil penalties under Labor Code § 2698, *et seq.* We request that your agency investigate the claims alleged herein or permit Claimant to seek civil penalties under the Private Attorney General Act (“PAGA”) on behalf of the Labor and Workforce and development Agency (“LWDA”) and the State of California in a representative action. This letter will serve as notice of these allegations pursuant to Labor Code § 2699.3.

Claimant is bringing these PAGA claims on behalf of herself and all other non-exempt employees of Employer who were assigned to work at a healthcare facility inside California and who were subject to at least one of the violations alleged herein during the applicable recovery period (“Aggrieved Employees”). Aggrieved Employees include Claimant.

Claimant personally suffered some of the Labor Code violations committed by Employer, while other violations, though not personally suffered by her, were suffered, and continue to be suffered, by other Aggrieved Employees. As held in *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal.App.5th 745, 758, “[b]y the plain language of the statute, an aggrieved employee need only suffer one of the Labor Code violations alleged against his or her employer to be able to bring a PAGA claim on behalf of himself or herself and current or former employees who suffered any Labor Code violation at the hands of the employer. Claimant need not have actually suffered all of the Labor Code violations that he alleges to have taken place for purposes of seeking PAGA penalties.” (citation omitted). Accordingly, Claimant plans to pursue penalties for all the violations committed by Employer against the Aggrieved Employees, including those she did not personally suffer.

### **Claimant’s Employment with Employer**

Employer hired, paid and assigned Claimant to work a travel assignment as a non-exempt, hourly-paid travel Certified Nursing Assistant at ManorCare Health Services-Palm Desert in Palm Desert, California, from on or about February 2022 until on or about April 2022. Employer then assigned Claimant to work another travel assignment as a non-exempt, hourly-paid travel Certified Nursing Assistant at the Little Sisters of the Poor at St. Anne’s Home in San Francisco, California, from on or about November 2022 until on or about March 2023.

### **Employer’s Failure to Pay All Overtime or Double Time Owed**

Pursuant to Labor Code §§ 200, 226, 500, 510 and 1198 and the Applicable Wage Orders at all times relevant hereto, employers are required to compensate non-exempt employees for all worked overtime hours, which is calculated at one and one-half times the regular rate of pay for all hours worked in excess of 8 hours per day and/or 40 hours per week. Employers are also

required to compensate non-exempt employees for all hours worked in excess of 12 hours in any workday at double their regular rate of pay.

Employer, from time to time, failed to pay overtime rates for all overtime hours worked by Aggrieved Employees.

Under Labor Code § 200, “wages” consist of “all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation.” In California, overtime is computed based on the regular rate of pay. The regular rate of pay includes many different kinds of remuneration, including hourly earnings, salary, piece work earnings, commissions, certain bonuses, and the value of meals and lodging.

During the applicable recovery period, Employer has had a practice of adjusting “travel stipends,” including housing, meal and/or incidental payments to its Aggrieved Employees, based on number of hours or shifts they work in a given workweek. Therefore, Employer’s promised “travel stipends” are not intended to reimburse its employees for their travel expenses, but, in fact, are a form of disguised wages.

Despite the fact that the amount of the promised “travel stipends” are based upon, and vary with, the number of weekly hours or shifts worked by its employees, and thus are actually a form of disguised wages, during the applicable recovery period Employer has had a practice of not including the value of those “travel stipends,” including housing, meals and/or incidentals, whether paid in cash or in kind, in its employees’ regular rates of pay, including Claimant’s regular rate of pay, for the purposes of calculating their overtime of pay.

As a result of these violations, Employer is liable for civil penalties pursuant to Labor Code §§ 558 & 2698 *et seq.*

### **Employer’s Failure to Pay for All Hours Worked, Including Failure to Pay Minimum Wage**

In California, an employer is required to compensate its non-exempt employees for all hours worked pursuant to the Applicable Wage Orders and Labor Code §§ 200, 223, 226, 500, 510, 1197 and 1198. Furthermore, under Labor Code §§ 1194, 1194.2, and 1197, it is unlawful for an employer to suffer or permit a California employee to work without paying at least minimum wage for all time worked as required by the Applicable Wage Orders.

During the relevant period, Employer has had a practice of failing to compensate Aggrieved Employees for all their worked hours by not paying for all hours recorded on their time cards, and by engaging in improper rounding and auto-deduct practices with respect to meal breaks, so that when Aggrieved Employees worked during their supposed meal breaks, Employer failed to pay them for such time.

In violation of California law, Employer has intentionally and willfully refused to perform its obligations to compensate Aggrieved Employees for all wages earned and all worked hours. As

a direct result, they have suffered, and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such unpaid wages, incurred expenses and attorneys' fees in seeking to compel Employer to fully perform its obligations under California law.

Employer's conduct described herein violates Labor Code §§ 200, 223, 226, 500, 1194, 1194.2, 1197 and 1198, and the Applicable Wage Orders. Therefore, pursuant to Labor Code §§ 203, 218.5, 226, 558, 1194 and 1194.2, Aggrieved Employees are entitled to recover damages for the nonpayment of wages of all their worked hours in addition to penalties, liquidated damages, reasonable attorneys' fees, expenses, and costs of suit.

As a result of these violations, Employer is liable for civil penalties pursuant to Labor Code § 558 & 2698 *et seq.*

#### **Employer's Failure to Authorize and/or Permit Meal Breaks**

During the relevant period, Employer has, from time to time, not authorized and/or permitted Aggrieved Employees from taking lawful meal breaks under California law.

Labor Code § 512 provides, "[a]n employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes... An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes..." Labor Code § 226.7(a) provides, "[n]o employer shall require an employee to work during any meal or rest period mandated by an applicable order of the Industrial Welfare Commission."

During the applicable recovery period, Aggrieved Employees regularly worked in excess of 5-hour work periods without being authorized and/or permitted to take a lawful first and/or second meal break, as required by Labor Code §§ 226.7, 512 and the Applicable Wage Orders, due to, among other reasons, work overload and staffing shortages.

Aggrieved Employees are entitled to recover one additional hour of pay at their regular rate of compensation for each workday that a meal break was not authorized and/or permitted by Employer. Aggrieved Employees are also entitled to their costs and reasonable attorneys' fees, according to proof and to interest on all due and unpaid wages at the legal rate of interest.

As a result of these violations, Employer is liable for civil penalties pursuant to Labor Code §§ 558 & 2698 *et seq.*

#### **Employer's Failure to Authorize and/or Permit Rest Breaks**

During the relevant period, Employer has, from time to time, not authorized and/or permitted Aggrieved Employees from taking lawful rest breaks under California law.

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

Commission.” The applicable Wage Orders require that employers authorize or permit non-exempt employees to take a rest break that must, insofar as practicable, be taken in the middle of each work period. The rest break is based on the total hours worked daily and must be at the minimum rate of a net ten consecutive minutes for each four-hour work period, or major fraction thereof.

Pursuant to Labor Code § 226.7, if an employer fails to authorize or permit an employee a rest break in accordance with the applicable Wage Orders, the employer shall pay the employee one additional hour of pay at the employee's regular rate of pay for each workday that the rest break is not provided. The provisions of the applicable Wage Orders state that the rest break is defined as a "net" ten minutes, which means that the rest break begins when the employee reaches an area away from the work area that is appropriate for rest.

During the applicable recovery period, Aggrieved Employees regularly worked in excess of 4-hour work periods, or fractions thereof, without being authorized and/or permitted to take a lawful first, second, third, and/or fourth rest breaks, as required by Labor Code §§ 226.7 and the Applicable Wage Orders, due to, among other reasons, work overload and staffing shortages.

Aggrieved Employees are entitled to recover one additional hour of pay at their regular rate of compensation for each workday that a rest break was not authorized and/or permitted. Aggrieved Employees are also entitled to their costs and reasonable attorneys' fees, according to proof and to interest on all due and unpaid wages at the legal rate of interest.

As a result of these violations, Employer is liable for, among other things, civil penalties pursuant to Labor Code §§ 558 & 2698 *et seq.*

#### **Employer's Failure to Reimburse Necessary Business Expenditures**

An employer is required to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. Labor Code §§ 2800 and 2802.

During the applicable recovery period, Employer, from time to time, has failed to reimburse Aggrieved Employees for the cost of using their personal mobile phones for work purposes.

As a result of these violations, Employer is liable for, among other things, civil penalties pursuant to Labor Code §§ 558 & 2698 *et seq.*

#### **Employer's Failure to Pay Wages Due Upon Termination**

An employee who is discharged must be paid all of his or her wages, including accrued vacation, immediately at the time of termination. Labor Code §§ 201 and 227.3. Pursuant to Labor Code § 202 (a), “[i]f an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter.”

Labor Code § 203 provides a penalty for the willful failure to pay all wages due to an employee who is discharged or quits. This penalty consists of an amount equal to the sum of the employee's wages at the employee's prior rate of pay, until the unpaid wages are paid, in an amount not to exceed the equivalent of 30 days' pay.

During the applicable recovery period, some Aggrieved Employees have separated from Employer as a result of being discharged or having voluntarily resigned their employment.

Upon information and belief, Employer, from time to time, has intentionally and willfully not paid other Aggrieved Employees all their owed wages at the time of separation in violation of statutes cited above. Claimant does not allege that all separated Aggrieved Employees are owed waiting time penalties or that they are owed the full 30-day penalty under Labor Code § 203, because it is unknown to Claimant at this time whether Employer paid some of the separated Aggrieved Employees all their owed wages upon separation or paid them all their owed wages less than 30 days after their separation.

As a result of these violations, Employer is liable for civil penalties pursuant to Labor Code §§ 558 & 2698 *et seq.*

#### **Employer's Failure to Furnish Accurate Wage Statements**

During the relevant period, Employer, from time to time, has not furnished accurate wage statements not only because those wage statements fail to accurately display the amount of wages and premiums owed to Aggrieved Employees but also because such wage statements fail to accurately display the number of hours worked by them.

This claim is brought under Labor Code § 226(a), which sets forth reporting requirements for employers when paying wages, including that every employer shall furnish each of his or her employees an itemized statement in writing showing, among other things, (1) gross wages earned, (2) total hours worked by the employee, (3) net wages earned, (4) all applicable hourly rates in effect during the pay period, (5) the corresponding number of hours worked at each hourly rate, and (6) the name and address of the legal entity that is the employer.

Labor Code § 226(e) provides that an employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorneys' fees.

Employer, from time to time, knowingly and intentionally failed to provide Aggrieved Employees with paycheck deduction statements accurately displaying the information required by Labor Code § 226(a).

As a direct and proximate result of Employer's conduct as alleged above, Aggrieved Employees affected by said violations are each entitled to a civil penalty of \$50 for the initial pay

period and \$100 for each subsequent pay period in which Employer violated the reporting requirements of Labor Code § 226, up to a maximum of \$4,000. Additionally, under Labor Code § 226.3, Employer is subject to a civil penalty in the amount of \$250 per Aggrieved Employee per violation in an initial citation and \$1,000 per Aggrieved Employee for each violation in a subsequent citation, for which it failed to provide them a wage deduction statement or fails to keep their wage statements as required under Labor Code § 226(a).

Aggrieved Employees will seek penalties as permitted under Labor Code § 226 for each violation. Further, Aggrieved Employees will seek recovery of civil penalties under Labor Code §§ 226.3, 558 and 2698, *et seq.*

Without limitation, Claimant, if permitted, will further seek any and all penalties otherwise capable of being collected under Labor Code § 558 and PAGA. This includes each of the following, as is set forth in Labor Code § 2699.5, which states:

The provisions of subdivision (a) of Section 2699.3 apply to any alleged violation of the following provisions: subdivision (k) of Section 96, Sections 98.6, 201, 201.3, 201.5, 201.7, 202, 203, 203.1, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206, 206.5, 208, 209, and 212, subdivision (d) of Section 213, Sections 221, 222, 222.5, 223, and 224, subdivision (a) of Section 226, Sections 226.7, 227, 227.3, 230, 230.1, 230.2, 230.3, 230.4, 230.7, 230.8, and 231, subdivision (c) of Section 232, subdivision (c) of Section 232.5, Sections 233, 234, 351, 353, and 403, subdivision (b) of Section 404, Sections 432.2, 432.5, 432.7, 435, 450, 510, 511, 512, 513, 551, 552, 601, 602, 603, 604, 750, 751.8, 800, 850, 851, 851.5, 852, 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1025, 1026, 1101, 1102, 1102.5, and 1153, subdivisions (c) and (d) of Section 1174, Sections 1194, 1197, 1197.1, 1197.5, and 1198, subdivision (b) of Section 1198.3, Sections 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294, 1294.1, 1294.5, 1296, 1297, 1298, 1301, 1308, 1308.1, 1308.7, 1309, 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695, subdivision (a) of Section 1695.5, Sections 1695.55, 1695.6, 1695.7, 1695.8, 1695.9, 1696, 1696.5, 1696.6, 1697.1, 1700.25, 1700.26, 1700.31, 1700.32, 1700.40, and 1700.47, paragraphs (1), (2), and (3) of subdivision (a) of, and subdivision (e) of, Section 1701.4, subdivision (a) of Section 1701.5, Sections 1701.8, 1701.10, 1701.12, 1735, 1771, 1774, 1776, 1777.5, 1811, 1815, 2651, and 2673, subdivision (a) of Section 2673.1, Sections 2695.2, 2800, 2801, 2802, 2806, and 2810, subdivision (b) of Section 2929, and Sections 3095, 6310, 6311, and 6399.7.

**Conclusion**

Claimant respectfully requests that the agency investigate the above allegations and hereby provide notice of the allegations pursuant to PAGA's provisions. Alternatively, Claimant requests that the agency inform her if it does not intend to investigate these violations so that she may pursue her claims as a representative action in civil court on behalf of herself and other Aggrieved Employees.

Respectfully Submitted,

SHAKOURI LAW FIRM

*Ashkan Shakouri*

Ashkan Shakouri

Attorney for Claimant and all other  
Aggrieved Employees