# GOVERNMENT OF THE DISTRICT OF COLUMBIA Office of the Attorney General



In re: Levy Premium Foodservice Limited Partnership

#### SETTLEMENT AGREEMENT

The Attorney General for the District of Columbia, on behalf of the District of Columbia ("District"), and Levy Premium Foodservice Limited Partnership ("Levy" or "Respondent") (together, the "Parties"), hereby enter into this Settlement Agreement, and agree as follows:

#### I. THE PARTIES

- 1. The Attorney General for the District of Columbia is the chief legal officer for the District of Columbia. The Attorney General has general charge and conduct of all legal business of the District and all suits initiated by and against the District and is responsible for upholding the public interest.
- 2. Levy Premium Foodservice Limited Partnership is an Illinois corporation headquartered at 980 N. Michigan Ave., Suite 400, Chicago, IL 60611. Levy conducts business in Washington, D.C., which includes operating concessions and dining offerings at Nationals Ballpark, a professional baseball stadium located at 1500 South Capitol Street SE, Washington, DC 20003.

#### II. FACTS & RECITALS

3. Respondent has operated concessions and dining offerings at Nationals Ballpark since 2009. Respondent currently employs approximately 700 food service employees who work at Nationals Ballpark.

- 4. Respondent utilizes a payroll software system to issue pay stubs to its employees and comply with District wage-and-hour laws, including the Sick & Safe Leave Act ("SSLA"). D.C. Code § 32-531.01, et seq.
- 5. The SSLA requires employers with over 100 employees to provide each employee with "one hour of paid sick leave for every 37 hours worked, not to exceed 7 days per calendar year." D.C. Code § 32-531.02(a)(1).
- 6. Around November 2020, Respondent adopted a new payroll system, transitioning from a system named "Kronos" to another named "MyStaff." After the payroll system transition, employees reported receiving pay stubs displaying inaccurate paid sick leave balances.
- 7. Respondent acknowledges that many pay stubs received by employees after the November 2020 payroll system transition displayed inaccurate paid sick leave balances.
- 8. Respondent represents that these inaccuracies were inadvertent and were the result of an error in the payroll system transition, which incorrectly loaded an outdated and inaccurate paid sick leave balance dataset.
- 9. Through this Settlement Agreement, Respondent is taking action to rectify inaccuracies regarding paid sick balances and implement policies and practices to prevent future errors from occurring.
- 10. To avoid delay, uncertainty, and expense of any protracted litigation, the Parties have reached a full and final settlement, which is memorialized in this Agreement.
  - 11. The facts and recitals enumerated in this section are hereinafter referred to

as the "Covered Conduct."

### III. <u>DEFINITIONS</u>

- 12. "Covered Conduct" means the facts and recitals enumerated in Section II.
- 13. "Effective Date" means the date upon which this Settlement Agreement is fully executed.
- 14. "MyStaff PSL Balance" refers to paid sick leave balances provided on pay stubs issued to employees following the transition to MyStaff in approximately November 2020.

#### IV. INJUNCTIVE TERMS

- 15. Audit and Production of Corrected PSL Dataset. Within 14 days of the Effective Date, Respondent shall provide to the District employees' corrected paid sick leave balances (the "Corrected PSL Dataset"). The Corrected PSL Dataset will include for each employee: (i) the starting amount of leave as of November 2020, (ii) the rate of paid sick leave accrual, (iii) total hours worked, (iv) paid sick leave accrued, (v) an additional 8 hours of paid sick leave as part of this settlement, (vi) the paid sick leave taken, (vii) the most recent inaccurate paid sick leave balance disclosed on the employee's pay stub (the "Error PSL Balance"), and (vii) the corrected paid sick leave balance as of March 31, 2023 (the "Corrected PSL Balance").
- 16. Correction of Paid Sick Leave Balances. Within 30 days of the Effective Date, Respondent shall correct all employee paid sick leave balances in MyStaff.
  - a. Where an employee's paid sick leave balance in the Corrected PSL Dataset is greater than their MyStaff PSL Balance, Respondent will apply the higher balance from the Corrected PSL Dataset.
  - b. Where an employee's paid sick leave balance in the Corrected PSL Dataset is lower than their MyStaff PSL Balance, Respondent will apply the higher

balance from the MyStaff PSL Balance.1

- 17. Notice to Employees. Within 30 days of the Effective Date, Respondent will send a text message to all employees working at Nationals Ballpark to alert them that their sick leave balances have been increased and directing them to the notice that Levy will send via U.S. Mail with further information. Levy will mail the notices within 10 business days of sending the text message.
- 18. No Annual Limit on Paid Sick Leave Accrual. Levy will not apply any annual limit on employees' paid sick leave accrual.
- V. Prospective Compliance. Respondent has recalculated employees' paid sick leave balances and has ensured that there is no 56-hour accrual cap in its payroll system. Respondent will have a designated individual who will be available to employees to answer any questions or review their sick leave balances. In the event that employees dispute their corrected balance, Respondent agrees to work in good faith and exercise due diligence in resolving disputes. Respondent will periodically review its policies and payroll systems to ensure compliance with the SSLA and that no further issues have developed.

# VI. MONETARY & BENEFIT TERMS

19. Additional Employee Benefit of 8 Hours of Paid Sick Leave Day.

Respondent shall provide all employees with an additional 8 hours of paid sick leave.

This additional paid sick leave day shall be itemized in the Corrected PSL Spreadsheet.

20. Payment to the District. Respondent agrees to pay the District an amount

<sup>&</sup>lt;sup>1</sup> Respondent represents that a limited subset of employees were issued a manual calculation of their paid sick leave balances by Respondent's human resources managers. Respondent will take reasonable efforts to locate any manually calculated paid sick leave balances and, in the event an employee's manual calculation is higher than their balance in the Corrected PSL Dataset, apply the higher manual calculation. Respondent shall note in the Corrected PSL Dataset all instances where a higher manual calculation was applied.

of \$35,300 as an agreed-upon compensation to the District for its costs of investigation.

#### VII. RELEASE

21. The Parties have agreed to the terms of this Settlement Agreement to resolve any District claims that arise out of the Covered Conduct. In exchange for the performance of Respondent's obligations under this Settlement Agreement, the District hereby fully releases and forever discharges Respondent from any and all civil claims and liabilities that the Attorney General had, now has, or could have brought under the SSLA arising out of the Covered Conduct.

#### VIII. ADDITIONAL TERMS

- 22. This Settlement Agreement shall be considered effective and fully executed on the Effective Date. This Settlement Agreement may be executed in counterparts, and a facsimile or .pdf signature shall be deemed to be, and shall have the same force and effect, as an original signature. Copies of signature pages transmitted electronically shall have the same effect as originals of those signature pages.
- 23. Respondent shall not knowingly permit third parties authorized by Respondent to act on its behalf to engage in practices that would be violative of this Settlement Agreement.
- 24. This Settlement Agreement represents the full and complete terms of the settlement entered by the Parties. In any action undertaken by the Parties, neither prior versions of this Settlement Agreement nor prior versions of any of its terms may be introduced for any purpose whatsoever.
- 25. All notices sent pursuant to this Settlement Agreement shall be provided to the following address via first class and electronic mail, unless a different address is

specified in writing by the party changing such address:

Randolph T. Chen
Assistant Chief, Workers' Rights and Antifraud Section
Office of the Attorney General
400 6th St., NW, 10<sup>th</sup> Floor
Washington, D.C. 20001
randolph.chen@dc.gov

Counsel for the District of Columbia

Nicole Gardner Gardner Skelton, PLLC 505 East Blvd. Charlotte, N.C. 28203 nicole@gardnerskelton.com

Monica Halloran Levy Premium Foodservice Limited Partnership 980 N. Michigan Ave., Suite 400, Chicago, IL 60611 mhalloran@Levyrestaurants.com

Counsel for Respondent

26. Any failure by any party to this Settlement Agreement to insist upon the strict performance by any other party of any of the provisions of this Settlement Agreement shall not be deemed a waiver of any of the provisions of this Settlement Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Settlement Agreement.

27. If any clause, provision, or section of this Settlement Agreement shall, for any reason, be held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect any other clause, provision, or section of this Settlement Agreement and this Settlement Agreement shall be construed and enforced as if such illegal, invalid or unenforceable clause, section, or other provision had not

been contained herein.

28. Nothing in this Settlement Agreement shall be construed as an admission by Respondent that it has violated any state or federal law or relieving Respondent of the obligation to comply with all state and federal laws, regulations, or rules, nor shall any of the provisions of this Settlement Agreement be deemed to be permission to engage in any acts or practices prohibited by such laws, regulations, or rules.

29. Respondent shall not form a separate entity or corporation for the purpose of engaging in acts or practices in whole or in part that are prohibited in this Settlement Agreement.

## For the District of Columbia:

BRIAN L. SCHWALB	
Attorney General for the District	of Columbia

James Graham Lake	
Granam Lake	
Chief, Workers' Rights and Antifraud S	ection
Office of the Attorney General	
400 6th St., NW, 10th Floor	

Date: 5/4/23

Counsel for the District of Columbia

For Respondent:

Washington, D.C. 20001

Signed: Elyabet Molly race

Title: Treasurer of its GP