



PAGA Audit Checklist



Meal Break Compliance

- Are meal breaks being taken within 5 hours of the start of the shift?
- Are employees receiving a 30-minute, uninterrupted meal break?
- Are second meal breaks provided for shifts longer than 10 hours?
- Are missed or interrupted meal breaks compensated with an additional hour of pay?

Rest Break Compliance

- Are employees receiving a 10-minute rest break for every 4 hours worked?
- Are rest breaks taken in the middle of work periods, when feasible?
- Are missed or interrupted rest breaks compensated with an additional hour of pay?

Wage Statements Compliance

- Do wage statements include accurate total hours worked?
Are the rates of pay (including regular and overtime rates) clearly stated?
- Are all deductions (e.g., taxes, benefits) properly itemized?
Is the employer's full legal name, address, and contact information present?
- Are the Wage Statements fully compliant with Labor Code Section 226?
- Are the Wage Statements fully Compliant with Labor Code Section 246?

Overtime Calculations

- Are employees paid overtime at 1.5x their regular rate for hours worked over 8 in a day or 40 in a week?
- Are employees paid double time for hours worked over 12 in a day?
- Are employees who work 7 consecutive days in a workweek receiving overtime pay?
- Is overtime correctly calculated for employees working multiple rates during the same workweek?

Paid Sick Leave

- Is paid sick leave usage and balance clearly reflected on wage statements as required by Labor Code Section 246(i)?
- Are employees paid at their regular rate for any sick leave hours taken?

Final Wage Payments

- Are final wages (including all accrued vacation pay) paid same day termination?
- For employees who quit without notice, are final wages paid within 72 hours of their last day worked?
- For layoffs, are final wages paid immediately at the time of termination?

Minimum Wage Compliance

- Are all employees paid at or above the applicable state or local minimum wage?

Accurate Timekeeping

- Are employees' time records accurately reflecting all hours worked, including pre- or post-shift work?
- Are there any signs of off-the-clock work?
- Are clock-in and clock-out times recorded without illegal rounding practices?

Wage Payment Timeliness

- Are regular wages being paid on time, according to the payroll schedule?
- Are overtime wages being paid on the next regular payday for the pay period in which they were earned?

Break Room and Labor Law Postings

- Are break rooms properly stocked and accessible for employees?
- Are required labor law posters (such as wage and hour laws, harassment prevention, etc.) up to date and visible?

Record Retention and Access

- Are payroll and timekeeping records retained for at least 3 years?
- Are employees provided access to their own payroll records upon request?

Sexual Harassment Prevention Training Compliance

- Are non-supervisory employees receiving at least 1 hour of training within 6 months of hire and every 2 years thereafter?
- Are supervisory employees receiving at least 2 hours of training within 6 months of hire/promotion and every 2 years thereafter?
- Is the training conducted in a compliant format (live or online, interactive)?
- Is there documentation to verify employee participation in the required training?
- Are records of training completion retained for at least 2 years?

Exempt vs. Non-Exempt Employee Classification Compliance

- Are all employees classified as either exempt or non-exempt based on their job duties and compensation?
- For exempt employees, are they paid a salary that meets or exceeds the minimum salary threshold in California (currently at least twice the state minimum wage for full-time employment)?
- Are exempt employees' job duties consistent with the requirements for exemption (e.g., executive, administrative, or professional roles)?
- Are employees who no longer meet the exemption requirements reclassified as non-exempt and compensated appropriately, including for any potential back pay?