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Superior Court of California  
County of Santa Barbara  
Darrel E. Parker, Executive Officer  
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By: Elizabeth Spann, Deputy

7  
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **FOR THE COUNTY OF SANTA BARBARA**

10 **-Cook Division-**

11 DAWN WILSON, an individual,  
12  
13 Plaintiff,

14 vs.

15 OLIVE GROVE CHARTER SCHOOLS,  
16 INC., a California domestic nonprofit;  
DOES 1 through 50, inclusive,  
17  
18 Defendants.

Case No.: 19CV01182

**COMPLAINT FOR DAMAGES:**

1. Violation of California Labor Code § 1102.5;
2. Wrongful Termination in Violation of Public Policy; and
3. Intentional Infliction of Emotional Distress;

**DEMAND FOR JURY TRIAL**

19  
20 COMES NOW, Plaintiff DAWN WILSON (hereinafter referred to as "Plaintiff"), who  
21 demands a jury trial and alleges as follows:

22 **PARTIES, VENUE AND JURISDICTION**

23 1. At all relevant times, Plaintiff DAWN WILSON is an individual residing in the  
24 County of San Luis Obispo, State of California.

25 2. At all relevant times, Defendant OLIVE GROVE CHARTER SCHOOLS, INC., a  
26 California domestic nonprofit, was and is, authorized to do business in California. Defendant  
27 OLIVE GROVE CHARTER SCHOOLS, INC., (hereinafter "OGCS" or "Defendant") employed  
28 Plaintiff in Santa Maria, California.

1           3.     At all relevant times, Defendant OGCS was Plaintiff's employer.

2           4.     OGCS has offices in Santa Barbara, Buellton, Lompoc, Orcutt/Santa Maria, San  
3 Luis Obispo and New Cuyama.

4           5.     At all times pertinent, Defendants employed Plaintiff in Santa Barbara County,  
5 California.

6           6.     Plaintiff does not know the true names or capacities of the Defendants sued as  
7 DOES 1 through 50, inclusive, and by reason thereof sue these defendants under such fictitious  
8 names. When their true names and capacities have been ascertained, Plaintiff will amend this  
9 complaint to reflect the same. Plaintiff is informed and believes and based thereon alleges that  
10 such fictitiously named Defendants were the agents, servants, and employees of each of the named  
11 Defendants and, in doing the acts and things hereinafter alleged, were all times acting within the  
12 course and scope of said agency, servitude, and employment. And with the permission, consent  
13 and approval, or subsequent ratification, of each of the named Defendants. Whenever reference is  
14 made to Defendants, it is intended to include the named Defendant as well as the DOE Defendants.  
15 Each of the fictitiously named DOE Defendants is responsible in some manner for the occurrences  
16 alleged and proximately caused Plaintiff's damages.

17           7.     For the purpose of this Complaint, each use of the term "Defendants" and/or the  
18 term "Defendants" or "DOES 1-50" refers not only to the named Defendants set forth above, but  
19 also to DOES 1-50, collectively.

20           8.     Plaintiff is informed, believes, and, based thereon alleges that the fictitiously named  
21 Defendants were the agents, servants and employees of Defendants and, in doing the acts and  
22 things hereinafter alleged, were all times acting within the course of scope of said agency,  
23 servitude, and employment and with their permission, consent, and approval or subsequent  
24 ratification of the named Defendants. Whenever reference is made to the Defendants, it is intended  
25 to include the named Defendant as well as all of the DOE Defendants. Each of the fictitiously  
26 named DOE Defendants is responsible in some manner for the occurrences alleged and proximity  
27 caused Plaintiff's damages.



1           19.     As the Controller and Chief Operating Officer, Plaintiff oversaw the day to day  
2 operations, including legal issues, program development, student engagement. Plaintiff also  
3 oversaw the Accounting Department and worked with Board of Directors and Officers (the  
4 "Board") on strategic planning, forecasting, budgeting, risk management, financial data controls,  
5 approving expenditures, and negotiating contracts.

6           20.     Plaintiff worked closely with Laura Mudge, the Chief Executive Officer and  
7 Executive Director of the School. Ms. Mudge has three daughters, two of which are, Anna Mudge,  
8 who is a Teacher's Assistant at OGCS and Juliette Mudge, a former student of OGCS, as set forth  
9 below.

10          21.     Plaintiff repeatedly complained about Ms. Mudge's unethical and unlawful  
11 behavior to the attention of the Board of Directors, including Bill Anaya, Board President. The  
12 following are the various concerns Plaintiff brought forward including conflicts of interest, misuse  
13 of public funds and falsifying of grades.

14          22.     Plaintiff complained to Mr. Anaya, the Board President, that Ms. Mudge was  
15 having an affair with Nick Driver, who is the Sr. Vice President of Charter School Management  
16 Corporation ("CSMC"), which has the largest contract with OGCS, because it was a Conflict of  
17 Interest. The contract is for five years and a fee of two percent (2%) based on revenue. OGCS was  
18 budgeted to spend \$8,000,000.00 in the 2018-2019 school year. Ms. Mudge's failure to disclose,  
19 to the Board, her personal relationship with Mr. Driver, is a violation of the OGCS Conflict of  
20 Interest Code pursuant to California Government Code section 87300. Therefore Ms. Mudge's  
21 actions constituted unlawful activity.

22          23.     Ms. Mudge hired her daughter, Anna Mudge, to teach at OGCS. Ms. Mudge did  
23 not follow procedure which requires that the position be posted on Edjoin, the School's job posting  
24 site. Anna Mudge was not credentialed as a substitute or intern teacher. Ms. Anna Mudge was  
25 hired as a Teacher's Assistant for \$48,000.00 per year, which breakdown to an hourly rate of  
26 \$37.79 (\$48,000.00 divided by 183 contract days divided by eight hours a day is \$37.79 an hour).  
27 In comparison, OGSC Teacher's Assistant's, with the exception of Anna Mudge, were paid \$15.00

1 per hour. Ms. Mudge misused public funds in violation of California Penal Code section 424 by  
2 inflating her daughter's salary. Plaintiff complained about Ms. Mudge's misuse of public funds to  
3 Mr. Anaya on several occasions.

4 24. Plaintiff reported to Mr. Anaya that Ms. Mudge gave her daughter, Anna, the access  
5 category of "District Access" although she was a Teacher's Assistant. This access level is higher  
6 than even the OGCS Principals. Moreover, Ms. Anna Mudge was classified as a "Secretary-  
7 District" in the personnel information on Renaissance Place which gave her full access every  
8 student's information, and the ability to view and edit information throughout the system, which  
9 is an unethical conflict of interest and a breach of student privacy.

10 25. Plaintiff complained directly to Ms. Mudge that she was misusing public funds.  
11 Plaintiff complained to Ms. Mudge about the following questionable expenses: more than  
12 \$10,000.00 on a salt-water fish-tank for a Marine Biology Class that was not yet being offered;  
13 \$6,000.00 spent on the robotics program; booking a five star hotel in New Orleans for a conference  
14 when there were more reasonably priced alternatives closer to the conference location; purchasing  
15 a \$2,000.00 loveseat for the sitting area at the Lompoc location; spending \$4,400.00 on camera  
16 equipment for a photography class with only eight students enrolled. These expenses were  
17 incurred prior to required Board of Directors authorization.

18 26. Plaintiff complained to Ms. Mudge about her misuse of public funds to book a hotel  
19 room in Santa Barbara, which is against School policy due to lack of distance from district office  
20 for sole purpose of a romantic rendezvous with Mr. Driver.

21 27. In April 2018, Plaintiff complained to Mr. Anaya that Ms. Mudge ordered  
22 computers totaling \$43,744.93 without receiving prior Board authorization. The Executive  
23 Director spending limit without prior pre-approval is \$10,000.00. As of August 7, 2018, there are  
24 no Board of Directors' minutes that reflect approval of the expenditure.

25 28. On July 11, 2018, Mr. Anaya, informed Plaintiff that a "disgruntled employee" had  
26 made a complaint that Ms. Mudge had unilaterally changed her daughter, Juliette Mudge's, senior  
27 year grades. Juliette Mudge's poor grades were subsequently changed to A's and B's in the  
28

1 computer system even though it was mathematically impossible to achieve such grades. This  
2 means that the Master Teacher did not change the grades. Ms. Mudge's alteration of Juliette's  
3 grades was a violation of California Education Code section 49066. Juliette Mudge's transcripts  
4 were finalized, sent to the University of California at Santa Cruz and she was accepted based on  
5 the falsified grades. On July 12, 2018, Mr. Anaya directed Plaintiff to "investigate and see what  
6 you can find and keep me posted."

7 29. On July 13, 2018, Plaintiff began investigating the unlawful grade change. Plaintiff  
8 called Sherry Keinert, OGCS's Registrar, to request the name and time stamp of any and all  
9 modifications made to Juliette Mudge's senior year grades.

10 30. Plaintiff spoke with Mr. Anaya on Sunday, July 15, 2018, at which time Plaintiff  
11 provided him with a status update on the grade change investigation.

12 31. On July 23, 2018, Ms. Mudge placed Plaintiff on an Administrative Leave.

13 32. On July 30, 2018, Plaintiff received a notification of termination from her  
14 employment with OGCS, citing violations of school policy and unsatisfactory job performance as  
15 the reason for the termination.

16 33. Prior to her termination, Plaintiff had never received prior notice about poor job  
17 performance.

18 **FIRST CAUSE OF ACTION**

19 **Whistleblower Retaliation**

20 **(Labor Code, § 1102.5, subd. (b))**

21 **(Against all Defendants)**

22 34. Plaintiff realleges and incorporates herein by reference, each and every allegation  
23 contained in the preceding paragraphs of this Complaint as though fully set forth herein.

24 35. Pursuant to the California Labor Code, an employer may not retaliate against an  
25 employee for disclosing a violation of or noncompliance with state or federal statutes or local,  
26 state, or federal regulations to a person with authority over the employee or to another employee  
27 with the authority to correct the violation or noncompliance. (Lab. Code, § 1102.5, subd. (b).)

1           36.     Plaintiff repeatedly complained to the OGCS Board about Ms. Mudge's unethical  
2 and unlawful behavior

3           37.     Plaintiff complained to the Board that Ms. Mudge was having an affair with Nick  
4 Driver, which created a conflict of interest in violation of California Government Code section  
5 87300.

6           38.     Plaintiff reported to the Board that Ms. Mudge hired her daughter, Anna Mudge, to  
7 teach at OGCS, and was given an inflated salary which was a misuse of public funds.

8           39.     Plaintiff reported to the Board that Ms. Mudge gave her daughter, Anna Mudge,  
9 the access category of "District Access" although she was a Teacher's Assistant, giving her full  
10 access every student's information, and the ability to view and edit information throughout the  
11 system which was unethical and breach of student privacy.

12          40.     Plaintiff reported to the Board about Ms. Mudge misuse of public funds in violation  
13 of California Penal Code section 424, including a hotel room in Santa Barbara for the sole purpose  
14 of a romantic rendezvous with Mr. Driver and big-ticket purchases without prior Board approval.

15          41.     Plaintiff reported to the Board that Ms. Mudge ordered computers totaling  
16 \$43,744.93 without receiving prior Board authorization.

17          42.     On July 11, 2018, Mr. Anaya, informed Plaintiff that a student's grades were  
18 changed by someone other than the Master Teacher in violation of California Education Code  
19 section 49066. Plaintiff learned that the student was Juliette Mudge.

20          43.     On July 12, 2018, Mr. Anaya directed Plaintiff to "investigate and see what you  
21 can find and keep me posted."

22          44.     Plaintiff began investigating the unlawful grade change on July 13, 2018.

23          45.     Plaintiff gave Mr. Anaya an update on July 15, 2018.

24          46.     Plaintiff was placed on Administrative Leave by Ms. Mudge on July 23, 2018.

25          47.     Plaintiff was terminated on July 30, 2018.

26          48.     Prior to Plaintiff's termination, she had no prior disciplinary actions taken against  
27 her and had only documented successful performance.

1 49. Plaintiff's disclosure of violations was a substantial motivating factor in her  
2 termination.

3 50. As a direct and proximate result of the discrimination Plaintiff was subjected to,  
4 she has suffered and continue to suffer lost wages, benefits, and earning potential, and suffered  
5 humiliation, extreme and severe mental anguish, emotional distress normally associated with such  
6 discrimination. Plaintiff is therefore entitled to general and compensatory damages in an amount  
7 to be proven at trial.

8 51. In doing the acts herein alleged, Defendants, and each of them, acted with  
9 oppression, fraud, malice, and in conscious disregard of the rights of Plaintiff, and Plaintiff is  
10 therefore entitled to punitive damages in an amount according to proof at the time of trial.

11 52. Plaintiff has incurred, and continue to incur, attorneys' fees and legal expenses in  
12 an amount according to proof at the time of trial, and seek the same pursuant to California Code  
13 of Civil Procedure, section 1021.5, or as otherwise permitted by law.

14 **SECOND CAUSE OF ACTION**

15 **WRONGFUL TERIMATION IN VIOLATION OF PUBLIC POLICY**

16 **(Against all Defendants)**

17 53. Plaintiff refers to and incorporates by references all facts alleged in the preceding  
18 paragraphs as though fully set forth herein.

19 54. Defendants were motivated to terminate Plaintiff's employment in retaliation of  
20 Plaintiff for asserting her rights, in violation of California's strong public policy against Labor  
21 Code Sections 1102.5.

22 55. Plaintiff is informed, believes, and thereon alleges that Defendants did therefore  
23 wrongfully terminate Plaintiff in violation of public policy and in retaliation for exercising her  
24 rights pursuant to the California Labor Code Section 1102.5.

25 56. Plaintiff made repeated complaints to the Board about Ms. Mudge's misuse of  
26 public funds and unethical conflicts of interest in violation of California law.

27 57. On July 11, 2018, Mr. Anaya, informed Plaintiff that a student's grades were  
28



1 changed by someone other than the Master Teacher in violation of California Education Code  
2 section 49066. Plaintiff learned that the student was Juliette Mudge.

3 58. On July 12, 2018, Mr. Anaya directed Plaintiff to "investigate and see what you  
4 can find and keep me posted."

5 59. Plaintiff began investigating the unlawful grade change on July 13, 2018.

6 60. Plaintiff gave Mr. Anaya an update on July 15, 2018.

7 61. Plaintiff was placed on Administrative Leave by Ms. Mudge on July 23, 2018.

8 62. Plaintiff was terminated on July 30, 2018.

9 63. Prior to Plaintiff's termination, she had no prior disciplinary actions taken against  
10 her and had only documented successful performance.

11 64. As a direct and proximate result of the unlawful conduct of Defendants, Plaintiff  
12 has suffered special damages including but not limited to past and future wage loss, and other  
13 damages to be proven at time of trial.

14 65. As a direct and proximate result of the unlawful conduct of Defendants, Plaintiff  
15 has suffered general damages including but not limited to, shock, embarrassment, humiliation,  
16 emotional distress, stress and other damages to be proven at the time of trial.

17 66. The unlawful conduct alleged above was engaged in and/or ratified by the officers,  
18 directors, supervisors and/or managing agents of Defendants, who were acting at all times relevant  
19 to this Complaint within the scope and course of their employment.

20 67. Defendants committed the acts herein alleged maliciously, fraudulently and  
21 oppressively in conscious disregard for Plaintiff's rights.

22 68. As a result of the conduct of Defendants, Plaintiff was forced to retain an attorney  
23 in order to protect her rights. Accordingly, Plaintiff seeks the reasonable attorneys' fees and costs  
24 incurred in this litigation in an amount according to proof of trial.

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