

**U.S. Department of Labor
Office of Inspector General
Office of Audit**

BRIEFLY...

Highlights of Report Number: 04-08-002-04-420, *New Orleans District Office's Processing of Worker Complaints Received in the Aftermath of Hurricane Katrina*, to the Assistant Secretary for Employment and Standards, dated March 31, 2008.

WHY READ THE REPORT

On August 29, 2005, Hurricane Katrina hit the Gulf Coast, causing more than \$100 million in damage. The following day, the levees protecting the City of New Orleans were breached and water poured in, flooding approximately 80 percent of the city. Officials ordered all persons to evacuate the city. After conditions improved, a mass influx of contractors and workers came to New Orleans for cleanup and reconstruction operations. This created a heightened need to ensure that labor laws were not being violated.

WHY OIG DID THE AUDIT

In response to a Congressional request, we conducted a performance audit of the Employment Standards Administration, Wage and Hour Division, New Orleans District Office's processing of worker complaints received in the aftermath of Hurricane Katrina. Our audit objectives were to determine whether the New Orleans Office (1) was adequately staffed after Hurricane Katrina; (2) used intake procedures that impeded workers' ability to file complaints; (3) adequately communicated with complainants; and (4) performed outreach to gather and investigate complaints made by migrant workers. Our audit covered the period July 1, 2005 through September 30, 2007.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2008/04-08-002-04-420.pdf>

March 2008

WHAT OIG FOUND

Wage and Hour adequately staffed the New Orleans office to serve the needs of the New Orleans workforce after Hurricane Katrina. We also found that:

- Wage and Hour lacks an emergency plan that specifically addresses how to serve the workforce in a similar disaster.
- The New Orleans Office did not maintain a record of all the inquiries it received and the decisions made on those inquiries. As a result, for inquiries on which it did not open an investigation, the New Orleans Office was unable to demonstrate the correctness of its decisions.
- The New Orleans Office did not adequately communicate with some complainants.
- The New Orleans Office's community outreach efforts did not produce a large number of complaints or investigations; however, the office initiated more directed investigations (402) in FY 2007, compared with 58 in FY 2005).

WHAT OIG RECOMMENDED

OIG recommended that the Assistant Secretary for Employment Standards ensure that:

- the Wage and Hour Continuity of Operations Plan (COOP) specifically addresses how Wage and Hour will serve a workforce in the event of a similar disaster;
- Wage and Hour district offices maintain a record of all inquiries received; and
- Wage and Hour investigators comply with the policy on regular communication with complainants.

The Assistant Secretary for Employment Standards agreed to improve the agency's COOP, did not agree to maintain a record of all inquiries received, and acknowledged violations regarding non-communication with complainants.