

GAO

Testimony

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DEPARTMENT OF LABOR

Case Studies from Ongoing
Work Show Examples in
Which Wage and Hour
Division Did Not Adequately
Pursue Labor Violations

Statement of Gregory D. Kutz, Managing Director
Forensic Audits and Special Investigations





Highlights of [GAO-08-973T](#), a testimony before the Committee on Education and Labor, House of Representatives

Why GAO Did This Study

Over 100 million workers are protected through the Department of Labor's (Labor) enforcement of labor laws. Under the Fair Labor Standards Act, Labor's Wage and Hour Division (WHD) enforces provisions that ensure workers are paid at least the federal minimum wage and for overtime. The Act applies to businesses engaged in interstate commerce or ones with annual sales over \$500,000. Conducting investigations based on worker complaints is WHD's priority. According to Labor, investigations range from comprehensive investigations to conciliations, which consist primarily of phone calls to a complainant's employer.

This testimony highlights findings from GAO's ongoing investigation of WHD's process for investigating and resolving wage and hour complaints. Specifically this testimony will report on cases GAO has identified from ongoing work that show inadequate WHD investigations of complaints.

To develop the case studies, GAO obtained and analyzed data from WHD for over 70,000 closed case files from fiscal years 2005 to 2007. GAO then reviewed WHD documents and obtained information from publicly available sources in order to determine facts about the employers that had complaints filed against them. The results of these cases cannot be projected to all 70,000 WHD cases. GAO plans to continue its work in this area to determine if identified case studies are indicators of more systematic problems in WHD.

To view the full product, including the scope and methodology, click on [GAO-08-973T](#). For more information, contact Gregory D. Kutz at (202) 512-6722 or kutzg@gao.gov.

DEPARTMENT OF LABOR

Case Studies from Ongoing Work Show Examples in Which Wage and Hour Division Did Not Adequately Pursue Labor Violations

What GAO Found

GAO identified case studies that show WHD inadequately investigated complaints from low-wage and minimum wage workers alleging that employers failed to pay the federal minimum wage, required overtime, and failed to pay employees their last paychecks. Examples of inadequate WHD responses to complaints included instances where WHD inappropriately rejected complaints, failed to adequately investigate complaints, or neglected to investigate until it was too late. The table below provides examples of several case studies.

Examples of Case Studies GAO Identified

Profession/ location	Alleged violation	WHD Actions, Conclusions, and Additional Details
Night attendant at assisted living facility/ Ohio	Minimum wage	<ul style="list-style-type: none"> A homeless woman receiving free room and board while working as a night attendant at a nursing home alleged her employer had failed to pay her wages for an entire year. According to WHD, the employer admitted it had failed to pay any wages to the night attendant and considered the room and board to be pay, but stated it did not have any money to pay the back wages. WHD dropped the case and advised the night attendant of her right to file a private lawsuit. The employer was still in business as of June 2008.
Pool maintenance technician/ Florida	Last paycheck – minimum wage	<ul style="list-style-type: none"> Pool maintenance technician alleged that he did not receive his final paycheck from his employer. Employer admitted to the WHD investigator that they did not pay the employee's last paycheck but refused to pay employee. WHD dropped case and advised the worker of his right to file a private lawsuit.
Cashier/ Florida	Last paycheck – minimum wage	<ul style="list-style-type: none"> Gasoline station cashier alleged he did not receive his final paycheck from his employer. According to WHD, the employer agreed that it owed the cashier his last paycheck, but asked the WHD investigator to call back later to resolve the complaint. WHD dropped the case after several subsequent calls to the employer were not returned. WHD advised the cashier of his right to file a private lawsuit.
Cook/Ohio	Overtime pay	<ul style="list-style-type: none"> Complainant alleged he was not paid for overtime Investigator did not perform any actions for 15 months citing a backlog of cases Investigation was dropped after 15 months when the investigator saw a news article showing that the business in question had closed

Source: GAO, WHD.

The investigations for these cases were inadequate for a variety of reasons. For example, investigators stated that some delays in investigating cases were caused by a backlog of complaints. In these cases by the time a complaint was assigned to an investigator, the statute of limitations for assessing back wages was close to expiring. In another instance an investigator stated that a thorough investigation was not performed because the complaint was filed anonymously. In addition, several investigators stated that because complaints were related to isolated issues, WHD did not normally perform a full investigation. Finally, for one last paycheck complaint, when asked about why a thorough investigation was not performed, the investigator simply stated it "was not a case."

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to discuss findings related to our ongoing investigation of the Department of Labor's (Labor) Wage and Hour Division (WHD) processes for investigating and resolving wage and hour complaints. Over 100 million workers are protected through WHD's enforcement of a number of labor laws—including the Fair Labor Standards Act (FLSA), the Migrant and Seasonal Agricultural Worker Protection Act, the Family and Medical Leave Act, the Davis Bacon Act, and other federal labor laws. WHD enforces labor laws governing issues such as minimum wage, overtime pay, child labor, and family medical leave. To ensure compliance, WHD uses a number of strategies including investigations, partnerships, and compliance assistance. Conducting investigations based on complaints received is WHD's first priority, but it also proactively initiates investigations in an effort to target businesses likely to violate labor laws. According to WHD, investigations can range from comprehensive investigations of employers covering all laws under the agency's jurisdiction to conciliations which consist primarily of phone calls to the complainant's employer. When WHD identifies violations, the agency assesses back wages to be paid to employees and can impose penalties and other sanctions against employers.

As requested, this testimony highlights findings from our ongoing investigation of WHD's process for investigating and resolving wage and hour complaints. Specifically, this testimony will report on 15 cases we have identified from our ongoing work that show inadequate WHD investigations of wage and hour complaints. The 15 cases are ones where we performed sufficient work to allow conclusions to be drawn about the adequacy of WHD's investigation and resolution of complaints. We plan to continue our work in this area to determine if identified case studies are indicators of more systematic problems in WHD processes for investigating and resolving wage and hour complaints. A companion GAO testimony¹ released today at this hearing discloses findings on trends in WHD investigations over the last 10 years. In addition, the testimony also provides findings detailing (1) a decrease in enforcement activities at WHD amidst a decrease in investigative staff, (2) WHD's failure to make effective use of its current compliance tools and strategies, and (3) the agency's inability to demonstrate performance results.

¹ GAO, Fair Labor Standards Act: Better Use of Available Resources and Consistent Reporting Would Improve Compliance, [GAO-08-962T](#). (Washington, D.C.: July 15, 2008)

To address our objectives, we obtained and analyzed closed case data from Labor's Wage and Hour Investigative Support and Reporting Database (WHISARD), which contained over 70,000 cases closed from October 1, 2004, through September 30, 2007. To identify case studies, we data-mined WHISARD for instances in which a significant delay occurred in assigning a case to an investigator, instances where an employer could not be located, and instances where investigator notes indicated an inadequate investigation may have been performed. We obtained and analyzed WHD case files, interviewed WHD investigators and/or district managers who performed investigations of the complaints, and reviewed publicly available data and data from the Department of Treasury's Financial Crimes Enforcement Network to determine facts about the employers that had complaints filed against them. Case study findings are specific to each individual complaint and cannot be projected to the entire population of WHISARD cases. In addition to case study reviews, we also conducted interviews with officials from Labor and WHD, and conducted walkthroughs of WHD offices in Dallas and Houston, Texas. During the walkthroughs, we interviewed WHD investigators to determine the general process for investigations. We also interviewed numerous labor advocacy groups to determine their experiences while interacting with WHD.

We performed our investigative work from January 2008 to July 2008 in accordance with standards prescribed by the President's Council on Integrity and Efficiency.

Summary

Case studies show that WHD inadequately investigated complaints from low-wage and minimum wage workers alleging that employers failed to pay the federal minimum wage, required overtime, and failed to issue a last paycheck. In the majority of the case studies, low-wage complainants were advised of their option to hire an attorney after WHD determined no action would be taken on their behalf. Examples of inadequate WHD responses to complaints included instances where WHD (1) inappropriately rejected complaints based on incorrect information provided by employers, (2) failed to make adequate attempts to locate employers, (3) did not thoroughly investigate and resolve complaints, and (4) delayed initiating

investigations for over a year and then dropped the complaint because the statute of limitations for assessing back wages was close to expiring.²

In one example, a delivery driver who was working 55 hours per week informed WHD that he was not receiving overtime pay as required. WHD waited more than 17 months before assigning an investigator to the complaint. The investigator subsequently dropped the case without performing any investigative actions. In another case study, an owner of a gasoline station agreed that a station cashier earning \$7.50 per hour did not receive a paycheck, but told WHD to call back later to resolve the issue. The WHD investigator was unsuccessful in contacting the employer again and the complainant was informed that WHD was dropping the case and his only option was to hire an attorney. In another case study, WHD investigated a complaint and found thousands of dollars in back wages were owed to a homeless employee working as a night attendant at an assisted living facility. However, because the facility owners stated in August 2006 that they were unable to pay the back wages, WHD dropped the case and advised the homeless complainant to explore her right to file a private lawsuit. This assisted living facility was still operating as of June 2008, but the complainant no longer works at the facility. WHD investigators stated some complaints were inadequately investigated because of a backlog of complaints, because a complaint was filed anonymously, and because complaints were related to isolated issues.

We data-mined WHD's WHISARD database and found thousands of cases with characteristics similar to the case studies we reviewed. For example, we found more than 16,000 cases, called conciliations,³ which were similar to some of our case studies because they were opened and closed within 3 days. In addition, we found more than 100 cases that were closed because WHD could not locate an employer, and hundreds of cases that were assigned to an investigator more than a year after the complaint was

²The statute of limitations for recovery of wages under the Fair Labor Standards Act and the Davis Bacon Act is 2 years from the employer's failure to pay the correct wages. 29 U.S.C. § 255. For willful violations, in which the employer knew its actions were illegal or acted recklessly in determining the legality of its actions, the statute of limitations is 3 years. Federal courts have enforced the statute of limitations even if the Department of Labor is investigating a complaint. *Shandelman v. Schuman*, 92 F. Supp. 334 (E.D.Pa. 1950).

³Conciliations are generally limited to a single violation, such as a missed paycheck, for a single worker. Investigative work is generally limited to a telephone conversation between a WHD investigator and an employer.

received. We have not performed additional work on these complaints to determine if the complaints were valid or if actions taken by WHD were appropriate.

WHD Inadequately Investigated and Resolved Complaints

We found that in all of the case studies reported in this testimony, WHD inadequately investigated complaints. We identified case studies where initial screening by WHD officials incorrectly rejected valid complaints due to reliance on documentation provided by employers, WHD failed to locate employers implicated in complaints, and WHD's investigations were limited to phone calls made to the complainant's employer. We also found examples of complaints that WHD did not attempt to investigate for over a year, eventually dropping the case because the statute of limitations was close to expiring. Table 1 provides a summary of 10 of our case studies closed by WHD between October 1, 2004, and September 31, 2007. An additional 5 case studies are summarized in appendix II.

Table 1: Case Studies of Inadequate WHD Investigations

Case	Type of business/ employee profession	Type of alleged violation	Employer location	WHD actions, conclusions, and additional details
1	Restaurant/ cashier	Minimum wage and overtime (FLSA)	Austin, Texas	<ul style="list-style-type: none"> • Complainant alleged she was not paid for overtime • WHD contacted employer and requested annual sales documentation to determine if federal laws covered the complaint • WHD reviewed the employer's documentation and subsequently dropped the case because documents provided showed the business' annual sales did not exceed the \$500,000 threshold required for federal law to apply • Seven employees, including the complainant, privately sued the employer in federal court • The employees' attorney found that the employer had sales in excess of \$500,000 annually • 4 of the 7 employees reached an undisclosed settlement with the employer
2	Farming and trucking/ truck driver	Child labor (FLSA)	Hamilton, Texas	<ul style="list-style-type: none"> • Complainant alleged possible child labor violations involving children operating large machinery • According to WHD records, investigators attempted to locate employer through internet and phone book searches, but dropped the case because the employer could not be located • Our public records searches easily identified a company with a similar name in the same town as indicated in the complaint • We confirmed the existence of the employer through phone calls to the business found in public records searches
3	Alcohol distributor/ delivery driver	Overtime pay (FLSA)	Lorton, Virginia	<ul style="list-style-type: none"> • Complainant alleged he was not paid for overtime • Investigator was assigned to the case 17 months after complaint was received • Investigator was unable to contact the complainant after the 17 month delay • Investigator dropped the complaint after 6 additional months due to the possible expiration of the statute of limitations • We successfully contacted the employer through a telephone call • Public records show this company is within WHD's jurisdiction with 100 employees and over \$25 million in annual net sales

Case	Type of business/ employee profession	Type of alleged violation	Employer location	WHD actions, conclusions, and additional details
4	Government contractor/ plumber	Prevailing wage (Davis Bacon and Related Acts)	Beltsville, Maryland	<ul style="list-style-type: none"> Complainant alleged company was misclassifying employees, resulting in lower wages Complainant alleged he was owed over \$7,000 in back wages Investigator was assigned to the case 18 months after complaint was received Investigator dropped the complaint shortly after it was assigned because the statute of limitations had expired
5	Restaurant/ cook	Overtime pay (FLSA)	Cleveland, Ohio	<ul style="list-style-type: none"> Complainant alleged he was not paid for overtime Investigator did not perform any actions for 15 months citing a backlog of cases Investigation was dropped after 15 months when the investigator saw a news article showing that the business in question had closed
6	Security company/ security guard	Minimum wage and overtime pay (FLSA)	Puerto Rico	<ul style="list-style-type: none"> Two complaints were filed against an employer alleging the business was failing to pay minimum wage and overtime Investigation was open for 2 years after first complaint was received with no investigative actions taken According to WHD's database, no work was performed and both cases were closed because the investigation had been inactive
7	Gasoline station/ cashier	Last paycheck – minimum wage (FLSA)	Tamarac, Florida	<ul style="list-style-type: none"> Complainant alleged she did not receive her final paycheck from the employer Employer agreed with WHD investigator that wages were owed and asked the investigator to call back later According to WHD, the case was dropped when subsequent calls to the employer were not answered or returned We successfully contacted this employer and confirmed that it is still in business as of June 2008 The complainant was advised of her right to file a private lawsuit
8	Assisted living facility/ night staff	Minimum wage (FLSA)	Toledo, Ohio	<ul style="list-style-type: none"> Complainant alleged nonpayment for work performed for over a year Employer admitted to WHD that it had failed to pay a homeless employee over \$4,000 for over 1 year of work, but stated it considered the free room and board provided to be pay According to WHD, the investigation was dropped after the employer informed WHD in August 2006 that it did not have the money to pay back wages As of June 2008 this employer is still in business The complainant was advised of her right to file a private lawsuit

Case	Type of business/ employee profession	Type of alleged violation	Employer location	WHD actions, conclusions, and additional details
9	Property management company / pool maintenance technician	Last paycheck – minimum wage (FLSA)	Sanibel, Florida	<ul style="list-style-type: none"> Complainant alleged that he did not receive his final paycheck from the employer According to WHD, the employer admitted to the WHD investigator that it did not pay the employee's last paycheck Employer berated the WHD investigator and said that the employee would not be paid The case was dropped and the complainant was advised of his right to file a private lawsuit
10	Swimming pool company / office manager	Last paycheck – minimum wage (FLSA)	Fort Lauderdale, Florida	<ul style="list-style-type: none"> Complainant alleged that she did not receive her final paycheck from the employer According to WHD, the investigator made telephone calls to the employer but did not receive a response Investigator stated that no further work was performed on the complaint because it "was not a case" The case was dropped and the complainant was advised of her right to file a private lawsuit We confirmed the existence of this employer through its own Web site and phone calls to the business

Source: GAO, WHD.

The following provides additional details on selected case studies summarized in table 1.

- Case Study 1: WHD received a complaint in August 2005 alleging that a fast food chicken restaurant was not paying overtime to employees. WHD requested information on the employer's annual sales in order to establish coverage under FLSA.⁴ The employer's bookkeeper told WHD that the business was a sole proprietorship, that the owner only owned two restaurant locations, and provided documents showing the business's annual sales were under \$500,000. WHD did not conduct an independent verification of the annual sales information, and did not

⁴ The protections of the Fair Labor Standards Act apply to employees engaged in interstate commerce or in the production of goods for interstate commerce. The act also applies to all employees of an enterprise that has at least \$500,000 in annual sales or business and has employees engaged in interstate commerce or in the production of goods for interstate commerce, or that has employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for interstate commerce by any person. 29 U.S.C. § 203. Even though an enterprise may have separate locations, it is considered a single enterprise for the \$500,000 coverage determination if related activities are performed through unified operation or common control by any person or persons for a common business purpose.

follow up on its research that identified other restaurants with the same name found in the local phone book. WHD subsequently dropped the case because it concluded there was no coverage under FLSA. We identified that at the time of the complaint a limited liability corporation with the same owner and name as the restaurant was in existence with more than two locations. Also in August 2005, seven individuals, including the complainant, filed a lawsuit against the restaurant and its owner in federal court for allegedly violating their minimum wage and overtime rights. As the case progressed, the plaintiffs' legal counsel provided evidence that the restaurant had more than two locations and over \$500,000 in annual sales. Four of the affected employees reached an undisclosed settlement with the employer.

- Case Study 2: WHD received an anonymous complaint alleging disabled boys were being paid cash to drive trucks in a small town in Texas. WHD officials stated that they normally do not respond to anonymous complaints due to resource constraints. However, for this case WHD decided to investigate because this complaint potentially related to a child labor violation. In an attempt to locate the employer, a WHD investigator performed an internet search and located a business going by a similar name and listed as a farm instead of being listed as a trucking company as the complaint indicated. Next, the WHD investigator attempted to locate the business in the local phone book, but accidentally searched in a phone book for a town over 100 miles away. WHD then dropped the case because the employer could not be found without searching other databases or calling the business with the similar name. However, we located and called the business, and confirmed that it was in fact a trucking company. Public records searches also revealed that there were two businesses owned by the same individual in that town and one of those listing a similar name as the complaint specified was classified as a trucking company.
- Case Study 3: WHD received a complaint from a delivery truck driver alleging his employer, an alcohol distributor, was not paying him for overtime. The investigation was assigned to a WHD investigator over 17 months after the complaint was received. WHD told us that the delay was due to a complaint backlog caused by a lack of agency resources. The case was open for several months with only minimal work conducted. WHD determined no further action could be taken on the complainant's behalf due to the potential expiration of the 2-year statute of limitations period and the inability to make contact with the employee. WHD took no further action to determine whether the company was also not paying overtime to its other employees. Using

publicly available information, we contacted the company and confirmed its existence. The company also falls within WHD's jurisdiction, with annual sales of over \$25 million according to public records.

- Case Study 7: WHD received a complaint in July 2007 alleging that a gasoline station did not pay a cashier minimum wage. The WHD investigator assigned to this case contacted a co owner of the business who admitted that the complainant had not been paid in full, but stated that nothing could be done until his partner returned in 5 days. The WHD investigator contacted the business after 5 days but did not receive a response from the owners. As a result, the investigator closed the case without recording a violation. The investigator told us that she did not record a violation because the co owner did not specify how much money was owed to the complainant. WHD took no further action on this case and informed the complainant of his right to file a private lawsuit.
- Case Study 8: WHD received a complaint in May 2006 from a homeless individual alleging that a nonprofit assisted living facility that provides care for adults with developmental problems did not pay her over 1 year's worth of wages for supervising its residents. WHD initiated an investigation of this business and was told by the owners that because the employee was homeless, they believed they were providing a service by giving free room and board in exchange for work performed. However, the owners were informed that the employee was required to be paid minimum wage regardless of the housing arrangements provided. In July 2006, the owners' attorney agreed that the owners owed thousands of dollars in back wages. The WHD investigator then calculated an estimated \$4,500 of back wages due to the complainant. However, 1 month later the owners stated they did not have the income to pay back wages. As a result, WHD closed the investigation with no further action and informed the complainant that she had the right to file a private lawsuit. WHD determined that no action would be taken to refer the employer to any type of collection activity because that would require litigation, which was deemed not appropriate for this investigation. Public records and telephone calls confirmed that the employer was still in business as of June 2008. The complainant no longer works at the facility.

Thousands of cases within WHD's WHISARD database contain characteristics similar to some of the case studies shown in table 1 and Appendix II. For example, we identified several case studies, often relating to complaints concerning employees not being paid their last paycheck,

where WHD failed to perform substantive investigations. In these cases, WHD investigators only telephoned employers in an attempt to recover back wages for the complainant. WHD classifies these cases as conciliations and routinely limits its work to a phone call on behalf of the complainant. If the employer disagreed with the complaint, did not return phone calls, or stated some other reason for failing to issue an employee's last paycheck, WHD routinely dropped these cases and advised complainants of their right to file a private action lawsuit. Case study 10 in table 1 and case studies 12 and 13 in Appendix II all relate to conciliations performed by WHD investigators. Analysis of the WHISARD database found over 35,000 conciliations were performed by WHD in the last 3 fiscal years, and at least 16,000 of those cases were assigned to an investigator and closed within 3 days. We do not know, however, the extent to which these complaints were valid or whether the closures were appropriate. Case study 10 in table 1 and case studies 12 and 13 in Appendix II were conciliations, and were also assigned to an investigator and closed within 3 days.

Analysis of the WHISARD database also found over 2,000 cases similar to case study 1 in which WHD determined that federal labor laws did not apply to a complaint based on documentation provided by the complainant's employer. For case study 1, WHD data showed that the case was dropped by WHD because it determined federal laws did not cover the employee. Our analysis of WHD's WHISARD database identified over 2,000 examples where a case was closed by WHD because it determined there was no coverage of the complaint under federal labor laws. We do not know the extent to which the WHD conclusions were appropriate. In addition, our analysis of WHD's WHISARD database identified over 100 cases similar to case study 2. Case study 2 describes a complaint where WHD failed to make adequate attempts to locate an employer and in the end dropped the case because it was unable to locate the employer. We do not know the extent to which WHD's closure of the more than 100 identified cases was appropriate.

Finally, analysis of WHD data found hundreds of cases similar to several of our case studies involving delays in investigating complaints. For case studies 3 and 4 detailed above and case study 14 in Appendix II, WHD failed to assign an investigator to a complaint until over 1 year after a complaint was filed. WHD subsequently dropped one of these cases after it determined that the statute of limitations on collecting back wages for the employees had expired. Through data-mining of WHD records we found 350 examples of additional complaints being assigned to an investigator over 12 months after a complaint was received.

Mr. Chairman and Members of the Committee, this concludes my statement. I would be pleased to answer any questions that you or other members of the committee may have at this time.

GAO Contacts

For further information about this testimony contact Gregory Kutz at (202) 512-6722 or kutzg@gao.gov or Jonathan Meyer at (214) 777-5766 or meyerj@gao.gov.

Appendix I: Scope and Methodology

To identify and investigate examples of inadequate Department of Labor (Labor) Wage and Hour Division (WHD) investigations we conducted interviews with officials from Labor and WHD. We also conducted walkthroughs of WHD offices in Dallas and Houston, Texas, and interviewed WHD investigators to determine the general process for investigations. We interviewed an individual who had made allegations to the committee concerning problems within WHD and their processes for investigating and resolving complaints. In addition, we interviewed numerous labor advocacy groups to determine their experiences while interacting with WHD. To identify macro-level data on WHD complaints, we obtained and analyzed closed case file data from Labor's Wage and Hour Investigative Support and Reporting Database (WHISARD) for cases closed between October 1, 2004 and September 30, 2007. WHISARD data was determined to be sufficiently reliable for the purposes of our work. To identify case studies, we data-mined WHISARD for cases with characteristics such as significant delays in assigning cases to an investigator, instances where an employer could not be located, and instances where investigator notes indicated an inadequate investigation was performed. We then obtained and analyzed WHD case files, interviewed WHD investigators and/or district managers who performed investigations of the complaints, and reviewed publicly available data and data from the Department of Treasury's Financial Crimes Enforcement Network in order to determine facts about the employers that had complaints filed against them. Finally, we obtained information from one complainant's legal counsel concerning closed litigation of suits filed related to labor law violations. Our findings from these case studies cannot be projected to the entire population of WHISARD case files.

Appendix II: Additional Case Studies of Inadequate WHD Investigations

Table 2 provides a summary of five additional case studies of inadequate Wage and Hour Division (WHD) investigations. These case studies show instances where WHD dropped cases after employers failed to return phone calls, instances where WHD identified violations but failed to force employers to pay employees their owed wages, and instances where WHD failed to follow up with complainants to ensure back wages were paid.

Table 2: Additional Case Studies of Inadequate WHD Investigations

Case	Type of business/ employee profession	Type of alleged violation	Employer location	WHD actions, conclusions, and additional details
11	Garment contractor / shirt labeler	Minimum wage, overtime, and recordkeeping (FLSA)	Santa Fe Springs, California	<ul style="list-style-type: none"> Complainant alleged employer failed to pay overtime WHD determined that over \$60,000 in overtime and minimum wage back wages were due to 24 employees Employer was a repeat offender – WHD conducted one previous investigation against this employer and one previous investigation against a company with the same owner and uncovered over \$28,000 in back wages due WHD was informed that the company was changing its name and was unable to make final contact with the owner The complainant was informed that no further action would be taken related to the \$60,000 in unpaid wages The investigation was closed and the complainant was advised of her right to file a private lawsuit
12	Trucking / truck driver	Last paycheck – minimum wage (FLSA)	Joliet, Illinois	<ul style="list-style-type: none"> Complainant alleged that he did not receive his final paycheck from the employer WHD called the employer who stated that the complainant had been paid, but refused to provide proof of payment Employer terminated two subsequent telephone calls The investigation was dropped and the complainant was advised of his right to file a private lawsuit WHD records did not indicate any work was done to determine if the complainant was paid
13	Staffing company / certified nursing assistant	Last paycheck/ minimum wage (FLSA)	Delray Beach, Florida	<ul style="list-style-type: none"> Complainant earning \$9.00 per hour alleged nonpayment of \$1,500 WHD left messages on the employer’s answering machine on 2 separate days without a response The investigation was dropped and the complainant was advised of her right to file a private lawsuit

Case	Type of business/ employee profession	Type of alleged violation	Employer location	WHD actions, conclusions, and additional details
14	Refuse company/ laborer	Overtime pay (FLSA)	Triangle, Virginia	<ul style="list-style-type: none"> • Complainant alleged he was not paid overtime • Investigator was assigned to the case approximately 18 months after complaint was received • WHD attempted to contact the complainant, but was unsuccessful • WHD sent a letter to the complainant giving him 10 days to respond before his complaint was dropped • WHD closed the case after no response was received from the complainant
15	Design company/ painter	Minimum wage (FLSA)	New York City, New York	<ul style="list-style-type: none"> • Three employees alleged that they were not paid for 4 weeks of work • Employer informed WHD that the workers would not be paid their legally due wages because they were not legal U.S. citizens • WHD informed the employer that the individuals are required to receive payment for work performed regardless of legal status • According to WHD, the employer still refused to pay the complainants • WHD subsequently dropped the case • WHD sent a letter to the three complainants informing them of their right to file a private lawsuit

Source: GAO, WHD.

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