

2010 Annual Report

We are...



**the
Wage and Hour
Bureau!**



Jim Taylor
Director

Cherie Berry
Commissioner of Labor

Mike Morrow
Assistant Director

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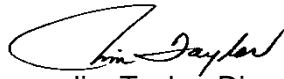
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FY 2010 HIGHLIGHTS

- **Answered 91.6% of all calls placed to the Call Center on the first attempt.**
- **Completed 6,591 investigations with 18 investigators; an average of 366 investigations per investigator.**
- **Resolved 94.7% of 6,591 closed investigations; 67.3% were based on factual evidence obtained from one or both parties.**
- **Investigated 1,421 employers for alleged wage violations involving 2,558 workers; total wages due in excess of \$3.7 million.**
- **Recovered wages in excess of \$1.9 million for 2,248 workers without the time and expense of litigation actions.**
- **Completed investigation of 51 youth employment complaints received during the fiscal year; 429 non-complaint investigations into youth employment provisions were also completed.**

Foreword

This report represents our efforts on behalf of the workers who provided valuable economic benefits to our state as a result of their labors. We in the Bureau take great pride in the efforts we expended on their behalf and are extremely happy with the amount of money we were able to return to these working citizens. I am confident that the readers of this report will recognize the dedicated effort necessary to produce consistent results as indicated in this report.



Jim Taylor, Director
Wage and Hour Bureau

THE NC WAGE AND HOUR BUREAU

The Bureau is assigned a total of 31 “general fund” positions as indicated by Appendix 1 with an annual budget of \$2,004,567 to carry out the legislative mandates assigned.

PERFORMANCE AND ACHIEVEMENTS

CALL CENTER

The Bureau’s call center, most often the Department’s initial point of contact for most customers, is manned by five highly motivated staff members with between two and one-half and 12 years of experience in this high-volume, customer service environment. Their job is to provide information to customers and to determine the applicability of state or federal wage and hour laws for alleged violations. If applicable, they obtain required information and enter the complaints directly into an electronic database for assignment, investigation and tracking. Additionally they refer callers to other Department of Labor bureaus; appropriate local, state and federal agencies tasked with enforcement of laws related to their concerns; or, provide resource data and contact information for lawyer referral and legal aid centers when unaware of any government agency that can assist the caller. Two of these staff members are fluent in Spanish and provide direct assistance to callers, investigators and other Department personnel when dealing with Spanish-language matters.

The data in Chart 1 indicates that the call volume of slightly under 92,000 calls has declined in each of the last two years; however, the number remains high compared to other call centers within state government. The service level, which is defined as the percentage of calls answered on the first attempt, continues to remain above the 90% standard that has been established for the call center. During this past year, information specialists have each answered more than 18,000 calls.

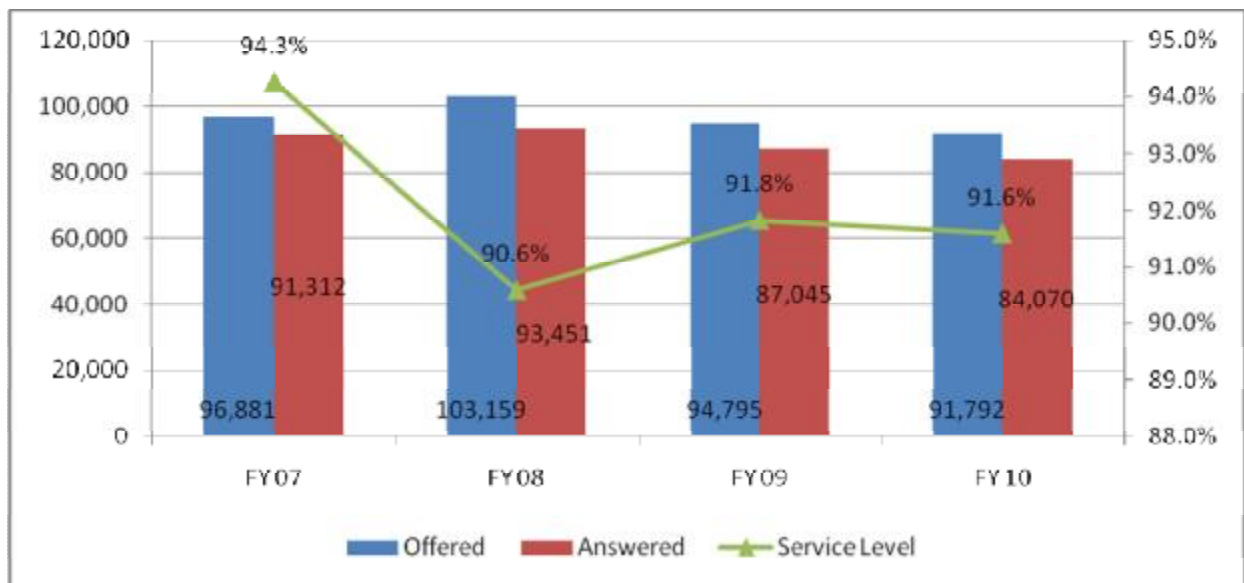


CHART 1 - CALL CENTER PERFORMANCE

INVESTIGATIONS

The data in Chart 2 indicates that 90.1% of all investigations closed this year were relative to employer promises such as vacation, bonuses, commissions, holiday or rates of pay in excess of the required minimum wage level. The number of minimum wage, overtime investigations declined from the previous year; other investigations (youth employment, private personnel and controlled substance) increased compared to the previous year.

The data illustrated in Chart 3 indicates the number of complaints filed with our office increased by 14.8% compared to the previous year and increased by 4% over the four-year average. The number of investigation closed during the year also increased by 46.4% compared to the previous year and increased by 15.9% over the four-year average. The most notable indicator

in chart 3 is the dramatic reduction in inventory; 111% compared to the previous year and 56.8% compared to the four-year average.

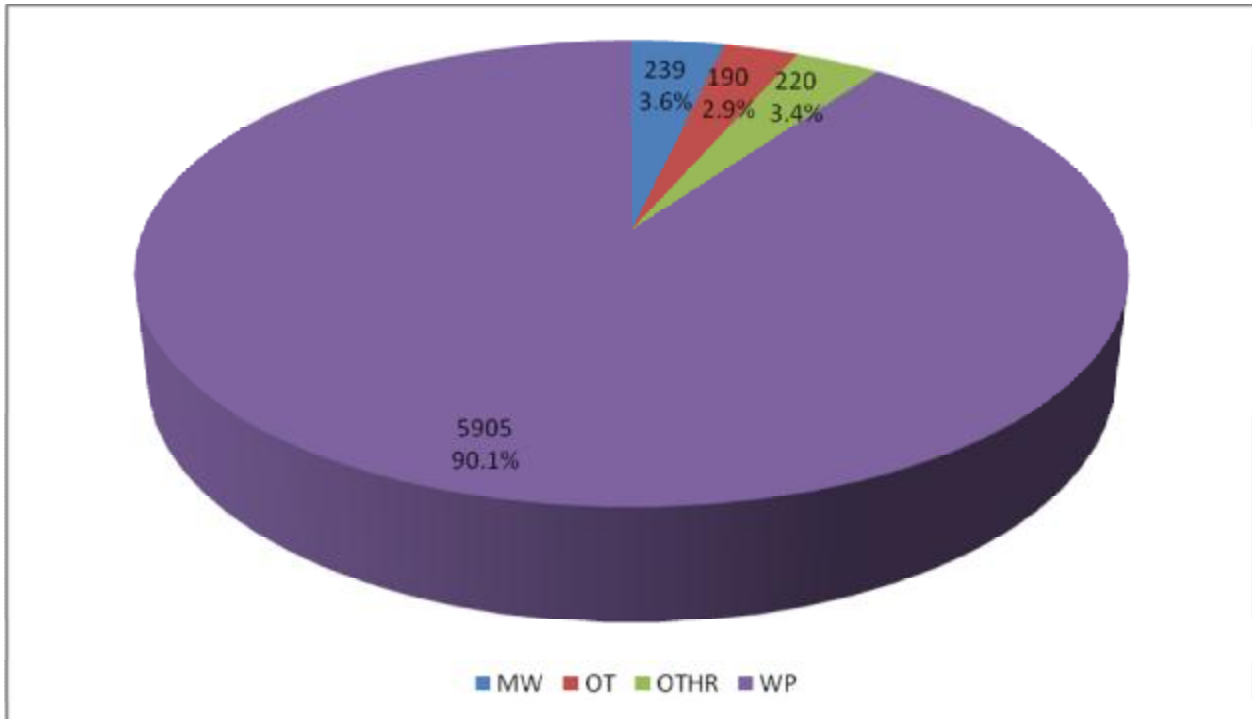


CHART 2 - TYPES OF INVESTIGATIONS CLOSED



Chart 3 - Number of Investigations Comparison

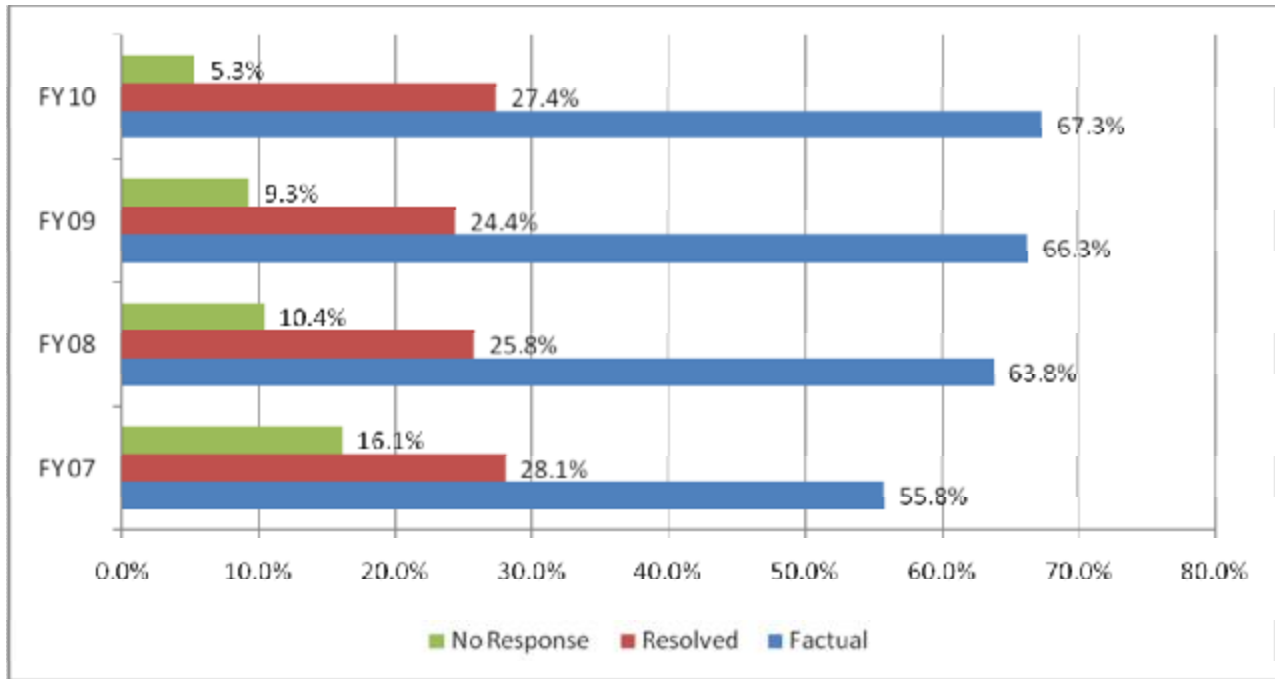


CHART 4 - INVESTIGATIVE DETERMINATIONS

Chart 4 indicates that the percentage of cases closed based on factual evidence and those in which the complaints were resolved with the parties remained fairly constant when compared to the previous year. The greatest success during the year was in the area of “No Response” investigations which were reduced by 57% compared to the previous year and 51.5% compared to the four-year average.

WAGE RECOVERY

From the complainant’s perspective, the most important service that we provide is the recovery of unpaid wages. In that regard, our staff continues to provide excellent assistance as shown in Chart 5. Our office investigated 1,421 employers and determined that 2,558 workers were due in excess of \$3.7 million; this represents a 91% increase in the amount due from the previous year. As a result of these investigations, 1,696 employers paid more than \$1.9 million to 2,248 workers without the time and expense involved with litigation actions. This represents a wage recovery rate of 51.3% for the year compared to 44.1% from the previous year.

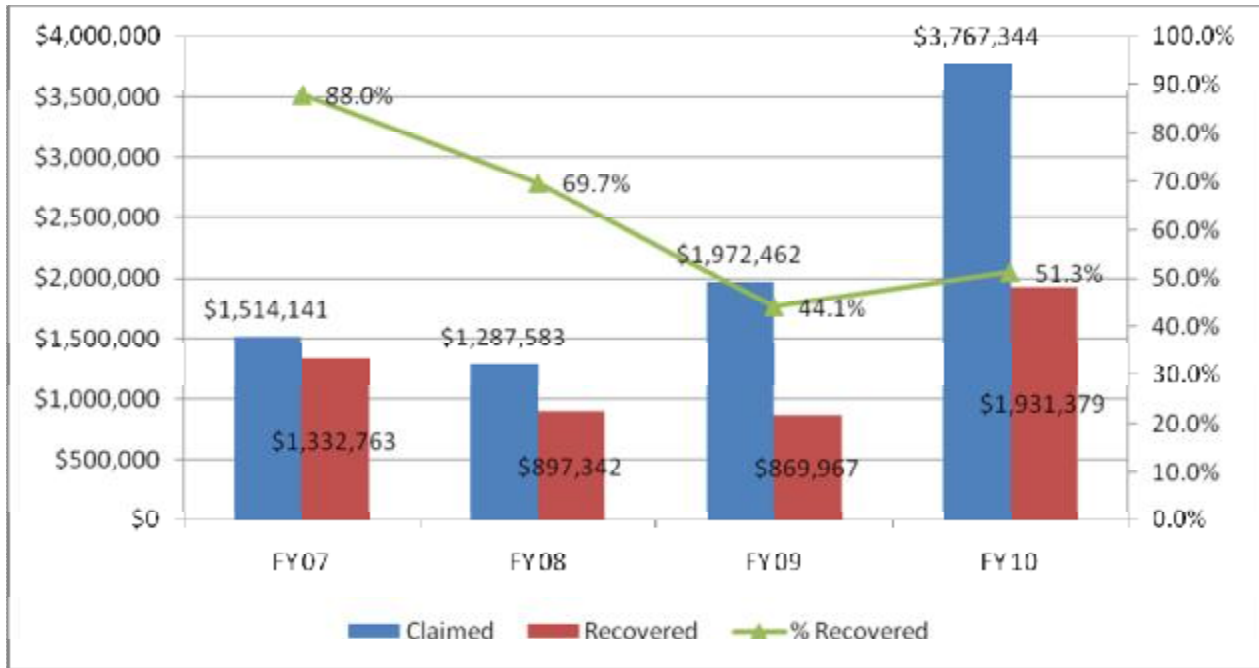


CHART 5 - WAGES ASSESSED/RECOVERED

YOUTH EMPLOYMENT CERTIFICATES

Protecting young workers from inappropriate or unsafe jobs is the cornerstone of the Youth Employment Certificate program and timely review of certificates issued continues to be a key element in our efforts to protect young workers. The data in Chart 6 indicates that 56,733 certificates (work permits) were issued this fiscal year; this represents a 1.9% decrease from the previous fiscal year. The chart also indicates that 55.8% of all certificates issued during fiscal year 2010 were issued through the on-line system. Certificates issued on-line provide immediate feedback to employers and applicants regarding compliance with state and federal child labor laws. where the age and proposed job place the employer in jeopardy of compliance with state or federal child labor laws. While on-line issued certificates are reviewed the next business day certificates issued by the Department of Social Services and designees may lag up to five to six months depending on when they are received by mail.

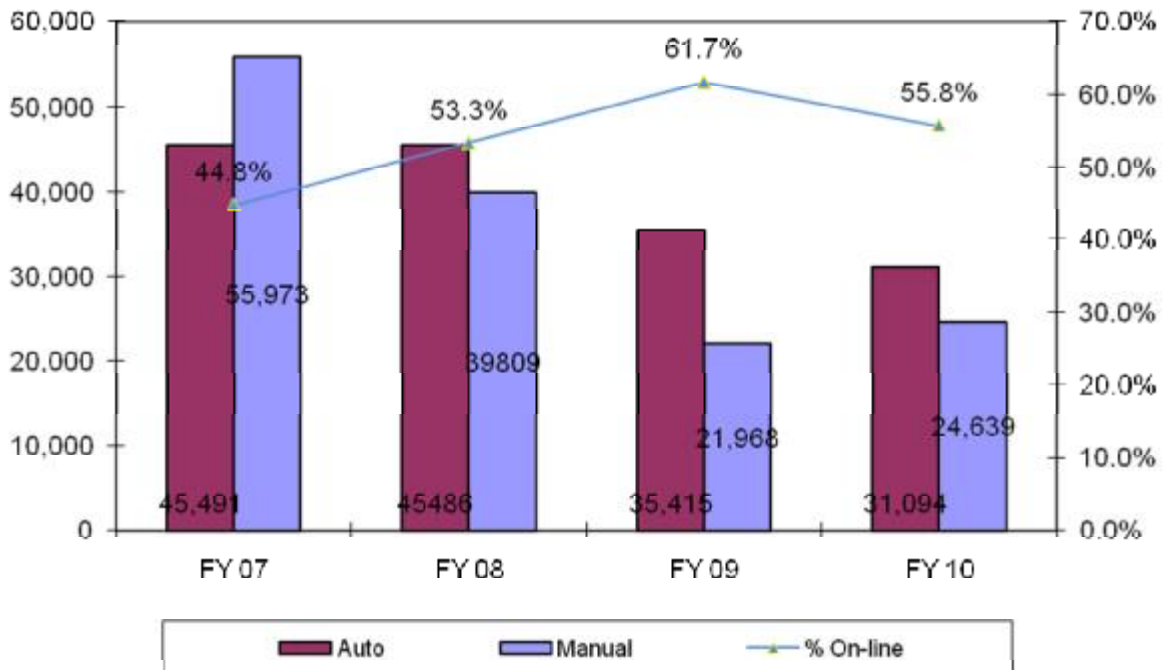


CHART 6 - YOUTH EMPLOYMENT CERTIFICATES ISSUED

Chart 7 indicates that the Bureau received 51 complaints involving youth employment violations during this fiscal year; all 51 of those complaints were investigated. Additionally, 429 investigations were conducted with employers who are subject to all provisions of the North Carolina Wage and Hour Act; therefore, non-complaint investigations for youth employment provisions were also conducted in these businesses.

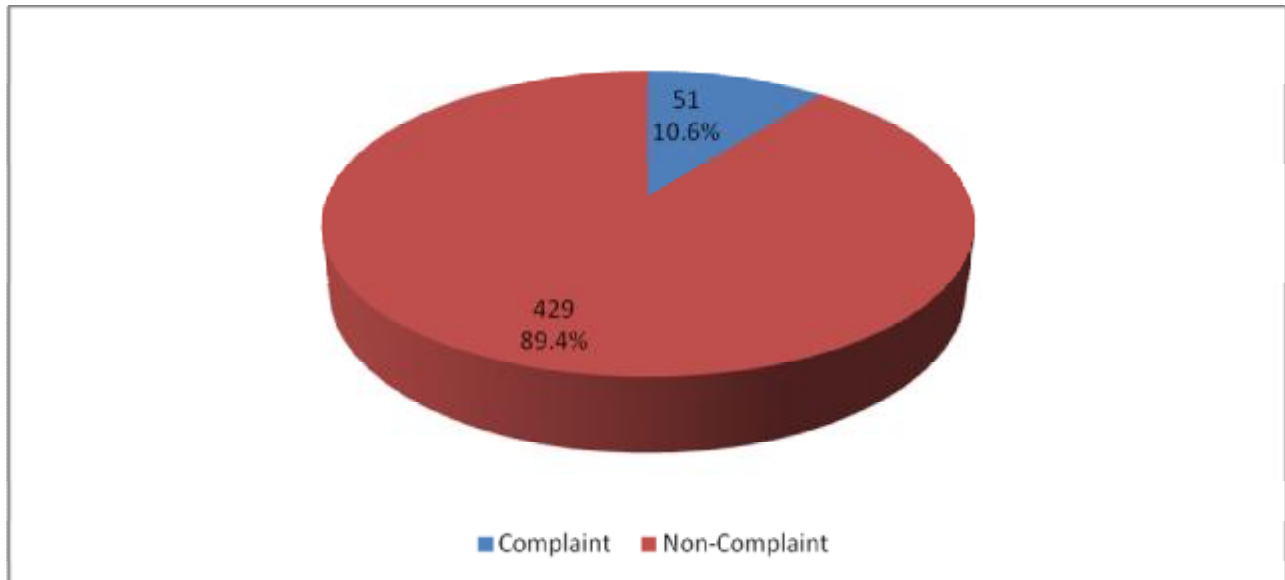


CHART 7 – YOUTH EMPLOYMENT INVESTIGATIONS

BUREAU INITIATIVES

The following initiatives are planned for FY 10-11 in order to increase efficiency and effectiveness in the production of services to our customers and stakeholders:

1. Reduce complaint inventory to 800 or fewer cases by June 30, 2011.
2. Implement the use of an "on-line" complaint intake system by June 30, 2011.
3. Complete four investigative sweeps of high-complaint industries by June 30, 2011.

SUMMARY

The data and charts presented in this report clearly reflect the efforts and hard work of all members of the Wage and Hour Bureau staff from the initial contact through investigation completion.

Hopefully, many of you who read this report will not need our services; however, please feel comfortable that our staff is committed to serving your needs in a timely, fair and consistent manner. We are very proud of the work that we do on your behalf and invite your comments or suggestions on ways to improve our services.

Appendix 1

WAGE AND HOUR BUREAU STAFF

(As of September 1, 2010)

Administration

1. Director: Jim Taylor
2. Asst. Director: Mike Morrow
3. Investigative Asst: Dawn Beasley
4. Investigative Asst: Shannon Council
5. Investigative Asst: LuJuana Patterson (On assignment)

Eastern District

1. Supervisor: Randy Kimrey
2. Senior Investigator: Don Anderson
3. Senior Investigator: Jeff Barnhill
4. Senior Investigator: Angela Richardson
5. Investigator: Rick Barnes
6. Investigator: Tony Berrios
7. Investigator: Taylor Cambron

Western District

1. Supervisor: Val Eucare
2. Senior Investigator: Kisha Holmes
3. Senior Investigator: Vacant
4. Investigator: Angela Buckner
5. Investigator: Shari Phelps
6. Investigator: Vacant
7. Investigator: Becky Lusk
8. Investigator: Jennifer Presnell

Intake Compliance Unit

1. Supervisor: Darryl Saunders
2. Senior Investigator: Marsha Moore
3. Senior Investigator: Marisol Suarez
4. Investigator: Elnora Russell-Fields
5. Investigator: LaKisha Cameron
6. Investigator: Lane Carter
7. Investigator: Claire Wallace
8. Public Information Asst: Blanca Acevedo
9. Public Information Asst: Julian Blumenfeld
10. Public Information Asst: Selenia Genao
11. Public Information Asst: Shelia Gill
12. Public Information Asst: Nicole Ingram