

# 2009 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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## **FY 2009 HIGHLIGHTS**

- **Answered 92% of all calls placed to the Call Center on the first attempt.**
- **Resolved 90.7% of 4,508 closed investigations; 66.3% were based on factual evidence obtained from one or both parties.**
- **Recovered wages in the amount of \$313,449 for 413 complainants based on investigative findings of fact; recovered an additional \$339,965 for 452 complainants prior to any investigative determination; and, recovered \$227,084 for 715 non-complainants.**
- **Total wages recovered and disbursed at the investigator level were \$880,498.**
- **Completed investigation of 34 of the 35 youth employment complaints received during the fiscal year; 11 youth employment complaints carried over from the previous fiscal year were closed.**
- **Completed 547 non-complaint investigations involving youth employment issues or training during the fiscal year.**
- **Assessed \$14,790 in civil money penalties for youth employment violations during 44 investigations; collected \$10,655 at the investigator level without litigation.**
- **Conducted 162 presentations and technical assistance visits with employers; trained 1,735 employers and employees on laws enforced by the Bureau.**

## Foreword

I dedicate this annual report to the men and women of the North Carolina Wage and Hour Bureau in recognition of their hard work and steadfast performance while serving the working citizens of North Carolina. Because of their accomplishments, I am very proud to present this report to any who would read it; the performance speaks for itself.



Jim Taylor  
Wage and Hour Director

## THE NC WAGE AND HOUR BUREAU

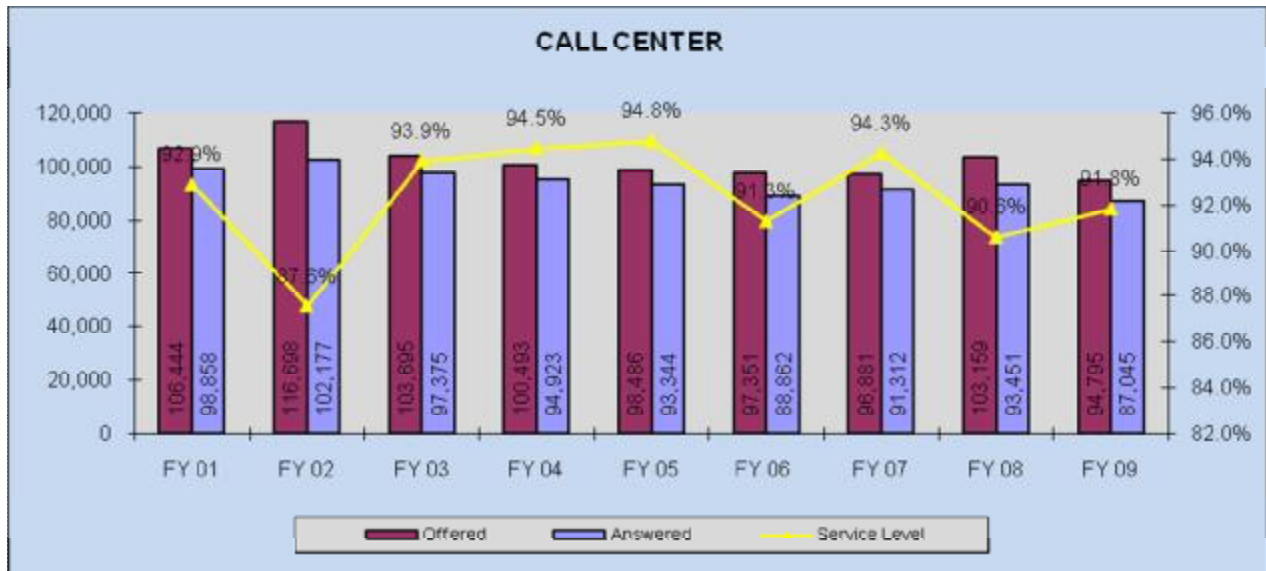
The Bureau is assigned a total of 32 “general fund” positions and an annual budget of \$1,984,499 to carry out the legislative mandates assigned. The chart at Appendix 1 indicates the organizational structure of the Bureau which consists of the following: 1) Bureau administration (Director, Assistant Director and two Program Assistant positions); 2) Eastern District (Supervisor, three Senior Investigator and four Field Investigator positions); 3) Western District (Supervisor, two Senior Investigator and five Field Investigator positions); and, 4) Intake and Compliance Unit (Supervisor, two Senior Investigator, four Investigator and five Public Information Assistant positions).

## PERFORMANCE AND ACHIEVEMENTS

### CALL CENTER

The Bureau’s call center is manned by five highly experienced, motivated and trained individuals who are the first point of contact to the Department of Labor for most customers. Their primary job duties are to gather information relative to alleged violations of laws enforced by the Bureau and to enter appropriate data into an electronic database that is used for assignment and tracking of complaints received. Additionally, they refer callers to other sections within the department; other state or federal agencies or civic/charitable organizations who may provide assistance.

The data in Chart 1 is indicative of the large volume of calls (approximately 18,000 per individual) received within the call center during fiscal year 2008-2009. Equally important to the number of calls received is the percentage of those calls answered on the first attempt (91.8%). This group of employees is truly focused on customer support and quality service as evidenced by their low turnover rate (only one departure due to spouse reassignment) during the last four years. Even though our call center is characterized as a “high volume, high stress” workplace, the numbers speak to the dedication and excellent customer service skills of the employees.

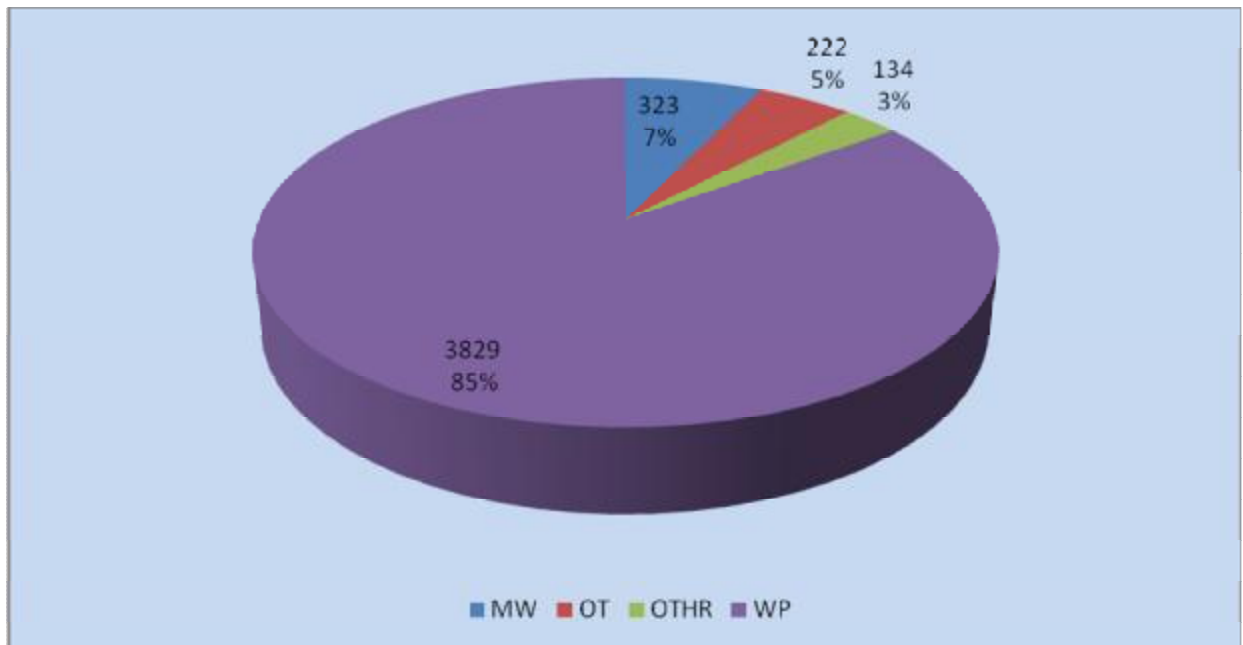


**CHART 1 - CALL CENTER PERFORMANCE**

Two of the five public information assistants are bi-lingual and provide assistance to callers who are Spanish-speaking; they also assist investigators and other department employees with Spanish issues as the need arises.

## **INVESTIGATIONS**

The data in Chart 2 indicates that the majority (84.9%) of the investigations closed this year were wage payment (WP) claims. These claims include such things as vacation/sick pay, bonuses, commissions, holiday pay, and the like. The percentage of these types of claims investigated each year remains relatively stable at approximately 85%. Minimum wage (MW) claims accounted for 7.2% of investigations closed; overtime (OT) accounted for 4.9%; and, other (OTHR, i.e., youth employment, recordkeeping, controlled substance and private personnel) accounted for 3%.

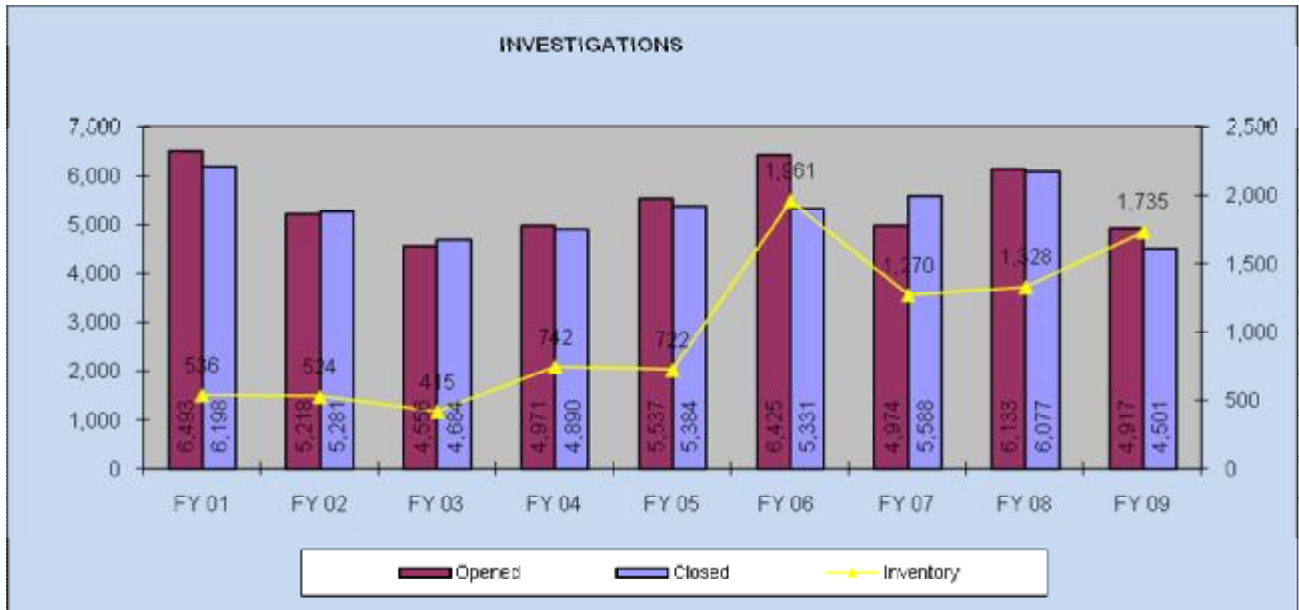


**CHART 2 - TYPES OF INVESTIGATIONS CLOSED**

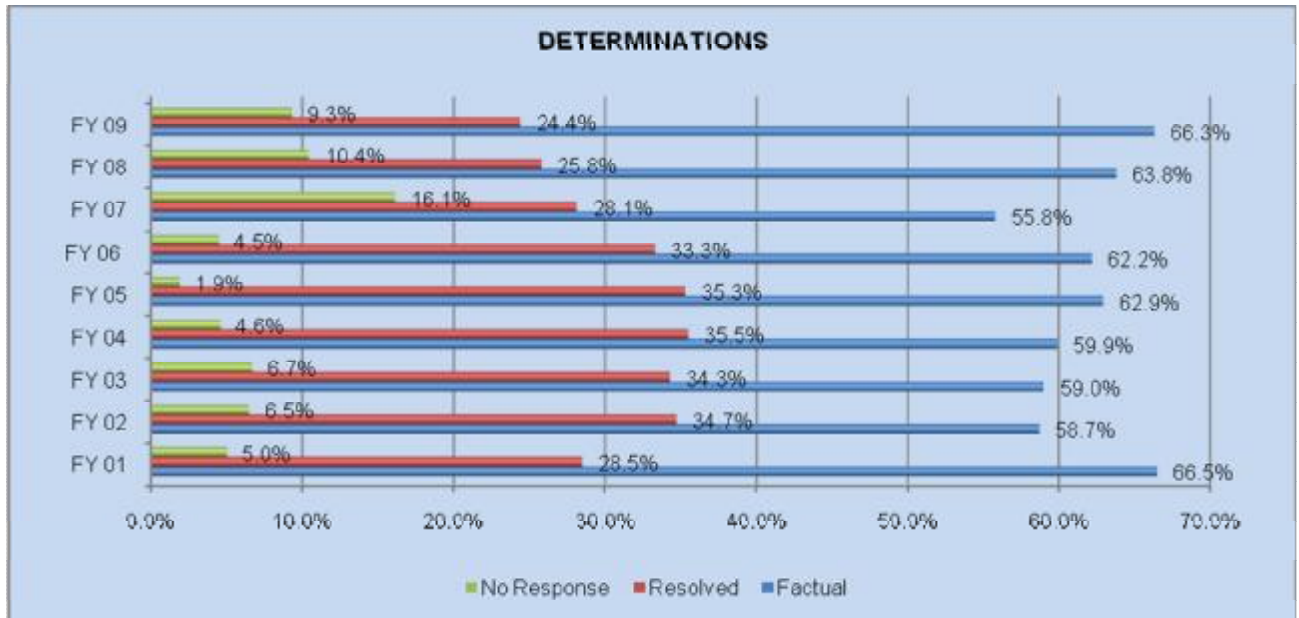
Chart 3 indicates the following compared to last fiscal year: a) number of investigations opened decreased by 19.9%; b) number of investigations closed decreased by 25.8%; and, the inventory of open cases on June 30<sup>th</sup> increased by 30.6%.

Chart 4 indicates that 66.3% of investigations closed this fiscal year were based on factual evidence from one or both parties; an additional 24.4% were resolved between the parties prior to a factual determination. Although we did not achieve our goal of 1.5% or fewer No Response investigations; the rate continued to move in a downward (positive) direction.

The primary reasons for the increase in inventory and number of “No Response” investigations are staff vacancies caused by budget reductions and hiring freezes; two investigator positions were vacant for most of the year and one investigator position was abolished. Nevertheless, we continued to fine-tune our processes and procedures to handle as many complaints as possible with available staff resulting in a reduction of open cases from the high of 2,000 in actions, the inventory was decreased from a high of 2,100 on November 30, 2008 to 1,735 by June 30, 2009.



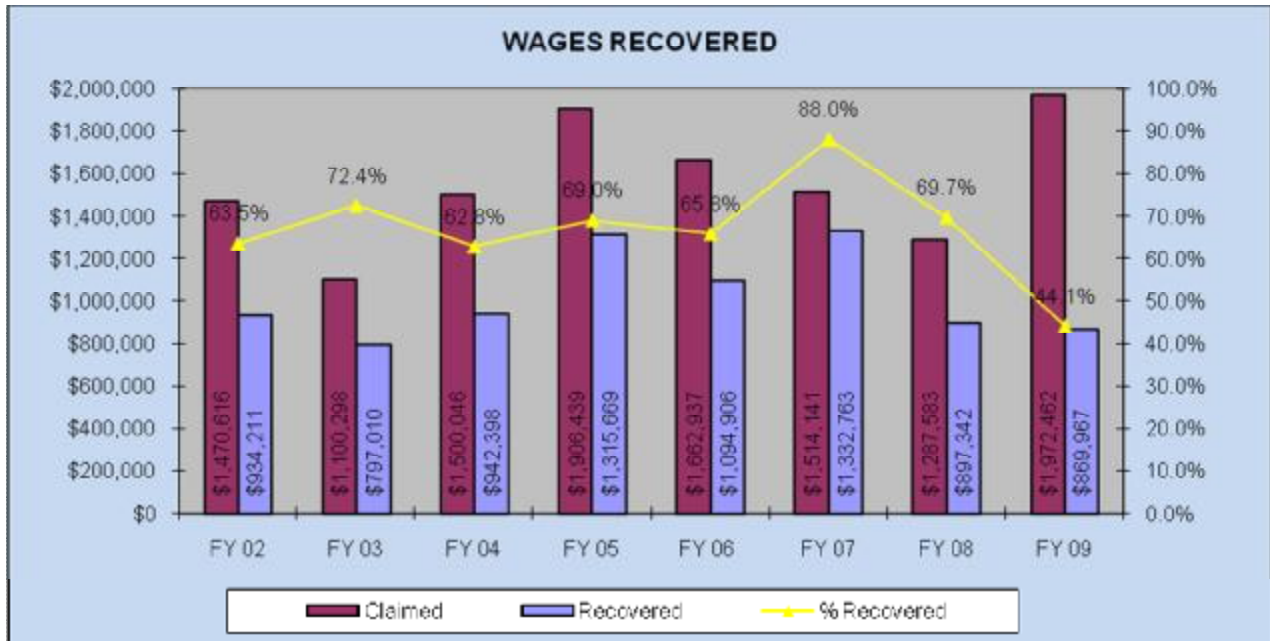
**CHART 3 - NUMBER OF INVESTIGATIONS COMPARISON**



**CHART 4 - INVESTIGATIVE DETERMINATIONS**

## WAGE RECOVERY

From the complainant's perspective, the most important aspect of our job is the recovery of unpaid wages. In that regard, our staff continues to provide excellent assistance as shown



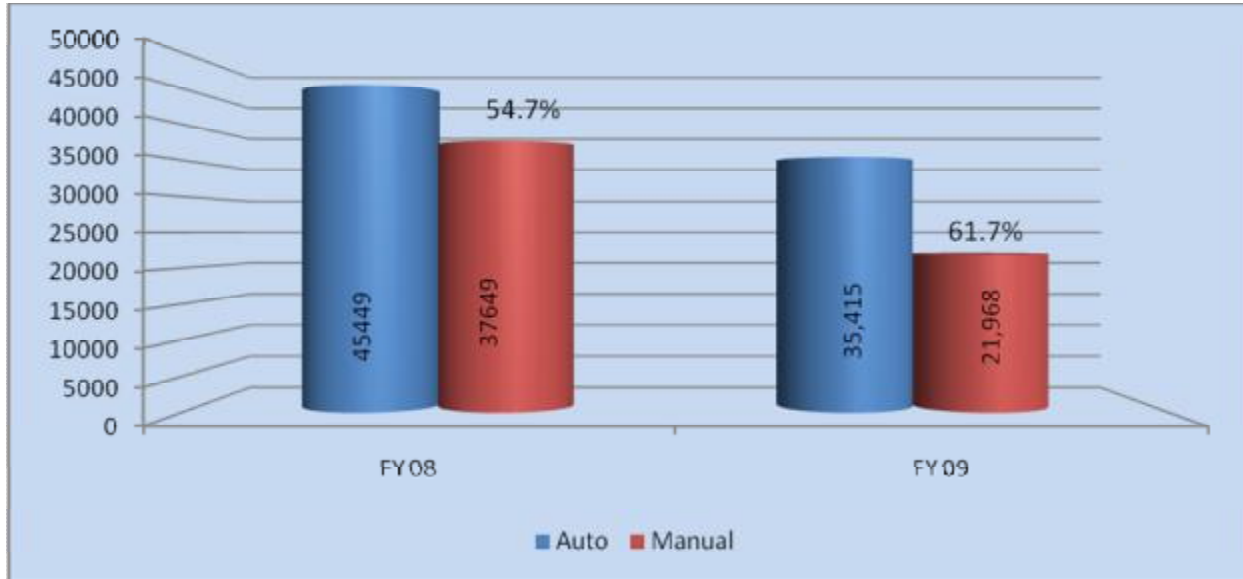
**CHART 5 - WAGES ASSESSED/RECOVERED**

in Chart 5. The numbers indicate that Bureau investigators were able to recover and distribute in excess of \$880,000 to employees without the cost of litigation. The chart is also the first one to indicate a correlation between the current economic recession and the performance results achieved by the investigative staff. The amount of wages determined due increased by 53.2% compared to the previous year even though an earlier chart indicated the number of investigations opened for the year decreased. Seven employers owing a total of \$654,671 to employees closed and/or filed for bankruptcy protections; therefore, no wages were recovered for these employees. The chart also indicates that the amount of wages recovered decreased by only 3.1% compared to the previous year resulting in much pride among Bureau staff for their ability to recover wages owed to employees who provided labor or services to employers.

## **YOUTH EMPLOYMENT CERTIFICATES**

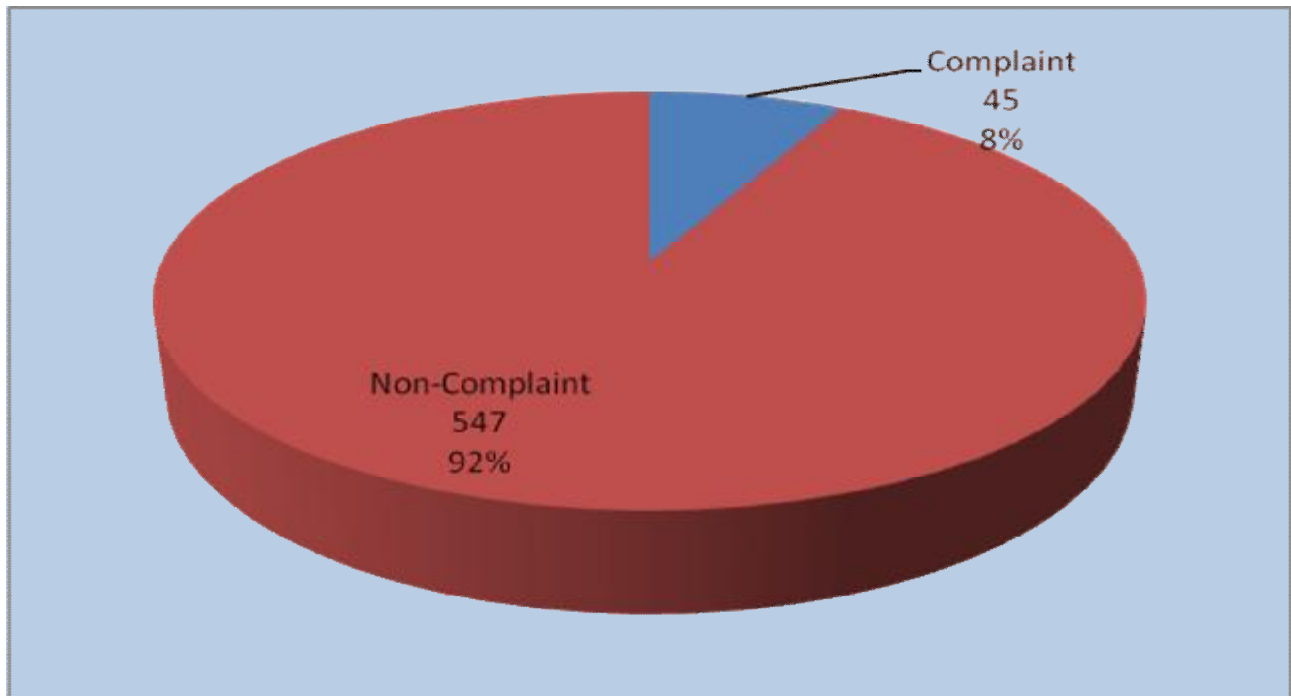
Protecting young workers from inappropriate or unsafe jobs is the cornerstone of the Youth Employment Certificates program and timely review of certificates issued continues to be a key element in our efforts to protect young workers. The data in Chart 6 indicates that 57,383 certificates (work permits) were issued this fiscal year; this represents a 31% decrease from the previous fiscal year. Some of the decrease was caused by the economic downturn and part is

due to the greater use of the on-line certificate issuance process. The chart also indicates that 61.7% of all certificates issued during fiscal year 2009 were issued through the on-line system. Certificates issued on-line provide immediate feedback to employers and applicants where the age and proposed job place the employer in jeopardy of compliance with state or federal child labor laws. Additionally, on-line issued certificates are reviewed the next business day whereas the review of certificates issued by the Department of Social Services and designees may lag by five to six months depending on receipt in our office.



**CHART 6 - YOUTH EMPLOYMENT CERTIFICATES ISSUED**

Chart 7 indicates the number of youth employment investigations completed by the Bureau during this fiscal year. Bureau staff completed investigations of 34 of the 35 youth employment complaints received during the fiscal year 2009; 11 youth employment complaints received in fiscal year 2008 were also completed. Additionally, 547 non-complaint investigations were completed which included youth employment compliance checks.



**CHART 7 – YOUTH EMPLOYMENT INVESTIGATIONS**

## BUREAU INITIATIVES

The following initiatives are planned for FY 09-10 in order to increase efficiency and effectiveness in the production of services to our customers and stakeholders:

1. Reduce complaint inventory to 1,000 or fewer cases by June 30, 2010.
2. Implement the use of an "on-line" complaint intake system by June 30, 2010.
3. Implement enforcement of newly enacted laws regarding:
  - a. Civil money penalty (CMP) assessments for youth employment and recordkeeping violations for workers under age 18;
  - b. Waiver of confirmation test for positive controlled substance samples for applicants only; and,
  - c. Annual reporting of youth employment investigations and employer training opportunities involving workers under age 18.
4. Increase the number of non-complaint youth employment investigations completed this fiscal year.
5. Publish training materials on-line by June 30, 2010.

## 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 October 1, 2009)

### Administration

1. Director: Jim Taylor
2. Asst. Director: Mike Morrow
3. Investigative Asst: Dawn Beasley
4. Investigative Asst: Shannon Council
5. Investigative Asst: Charity Locklear (On assignment)
6. 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: Bob Reynolds
4. Investigator: Aretha Brown
5. Investigator: Aaron Budhisetiawan
6. Investigator: Bob Curlee
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: Roger Bailey
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 Cepeda
11. Public Information Asst: Shelia Gill
12. Public Information Asst: Nicole Ingram