

# DOL VIOLATIONS CASE STUDY

Over the past few years, the Department of Labor (DOL) has ramped up its enforcement of federal laws. Touchstone Consulting Group is committed to helping you learn more about these laws and to giving you the tools you need to remain compliant. Listed below is a case study of a recent judgment on Fair Labor Standards Act (FLSA) violations.

## THE CASE

An enterprise operating six limited-service restaurants with pizza delivery in Worcester, Shrewsbury and Auburn has paid **\$292,016 IN BACK WAGES AND AN EQUAL AMOUNT IN DAMAGES FOR 73 EMPLOYEES.**

It has also amended its payroll practices to comply with federal FLSA requirements in an agreement with the DOL.

**JULY 1, 2013,  
AND  
JULY 31, 2016.**

Investigators in the Department's Wage and Hour Division (Division) found that Tavco Chandler Street Inc. and five associated companies—all doing business as Golden Pizza—

**FAILED TO COMPLY WITH THE FLSA'S OVERTIME AND RECORDKEEPING REQUIREMENTS BETWEEN JULY 1, 2013, AND JULY 31, 2016.**

The company failed to record all the hours employees had worked, and failed to pay them overtime at time and a half when they worked more than 40 hours in a week. The Division found the recent violations to be willful, as the company was previously investigated twice in 2011.

"This agreement recovers back wages for the workers who earned them. Golden Pizza's prompt payment and agreement to a consent judgment ensures that its employees will receive all the wages they are due now, and in the future," said Carlos Matos, director of the Division's Boston District Office. "Unfortunately, overtime and recordkeeping violations are not uncommon. Employers are obligated to comply with the FLSA, and are encouraged to contact us with any questions they may have."

The Division has received the back wages and is in the process of distributing them to the employees.

Source: DOL

## AVOID VIOLATING THE SAME LAWS

The FLSA requires that employees receive one and one-half times their regular rates of pay when they work more than 40 hours in a workweek and that employers maintain adequate and accurate records of employees' wages and work hours. Attorney-created resources can help you learn about your compliance obligations and make sure you are following the DOL's rules. Contact Touchstone Consulting Group today and ask for the following resources:

- Fair Labor Standards Act Reference Guide
- DOL Worker Classification Test
- DOL Wage and Hour Audits
- HR Q&A: State and Federal Labor Laws
- Federal Overtime Wage Laws
- HR Q&A: Overtime