



**Wage & Hour Audits:
Ensuring Compliance
With Classification,
Overtime, And Other
Employee Pay Requirements**

The Department of Labor, its state counterparts, and private plaintiffs' attorneys are more aggressive than ever in their efforts to enforce laws that have at times proved challenging for employers, employees, and even the courts to understand and apply.

- In federal courts alone, wage and hour lawsuits have increased by an astounding 350 percent over the past decade. This does not include the sharp increase in wage and hour cases filed in state courts over the same period of time.
- Unlike discrimination lawsuits, most of which are brought by a single plaintiff, the potential exposure risk and damages in a wage and hour collective or class action can be staggering, may be doubled under federal law or tripled under some states' laws, and typically include an award to plaintiffs of their attorneys' fees.
- The U.S. Department of Labor Wage and Hour Division has added hundreds of new investigators in the past few years, which has led to a marked increase in DOL investigations and enforcement actions, with some recoveries exceeding \$1,000,000 and many prompting repeat and/or company-wide investigations by the DOL.

The threats posed by government enforcement and private litigation are neither remote nor small. To help employers mitigate exposure, Seyfarth Shaw provides proactive compliance reviews and assessments that analyze:

- Classification of certain employees as exempt from overtime and minimum wage requirements.
- Classification of certain workers as independent contractors.
- Calculation of overtime pay for hours worked and for compensation like tips, bonuses, and commissions; timekeeping policies and practices; tracking meal and rest breaks; and compliance with other state wage payment requirements.

Advantages Of An Assessment

- **Reduce risk materially:** An assessment will help you maximize your ability to maintain under federal law a two-year statute of limitations (rather than an expanded three-year period for “willful” violations) and avoid double damages through a “good-faith defense.”
- **Maximize flexibility:** We will help you to alter or update policies and practices in a manner that makes business and cultural sense while maintaining employee morale.
- **Reduce long-term costs:** We will identify and assist you in eliminating the most likely targets for class actions and state/federal agency investigations that create exposure at the bet-the-company level and can cause excessive, additional business costs in terms of lost time, distraction from operations and negative publicity.



We have experience in all 50 states, and we have several specialty groups dedicated to the states that raise some of the most complicated issues.

A Right-Sized Solution: Creating the Right Assessment for Your Organization

An off-the-shelf assessment may not meet your organization's particular needs, and unnecessary services can drive up your costs. With our model processes and documents serving as a starting point, we tailor our approach to fit your organization's specific needs effectively and cost-efficiently.

Our Value-Driven Approach

We recognize that most clients want high-quality legal services while ensuring that the costs are managed and predictable. Therefore, we have developed *SeyfarthLean*, which is an innovative, award-winning proprietary business model that relies on Six Sigma principles and the convergence of technology, process management, and project management techniques to deliver client-focused solutions. Our processes will help us:

- Understand your needs and how you define value
- Deliver service and value that exceed your expectations
- Identify the right staffing and pricing for you
- Remain responsive and efficient

Why Seyfarth Shaw?

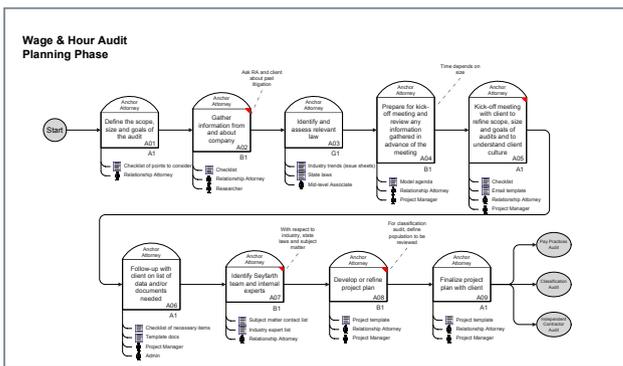
Preeminence in our Practice: Seyfarth Shaw is home to many of the country's pre-eminent wage and hour attorneys. We spend the majority of our time litigating and counseling in this specialized, regulatory area of wage and hour law. We have achieved excellent results for clients nationwide. We serve all sizes of companies across a broad range of industries, arming us with the knowledge and experience necessary to tailor an audit specific to your industry and needs.

Practical Business-Focused Solutions: Unlike wage and hour assessments that end with issue spotting and suggestions that would cause significant business disruption, our objective is to help your business identify and prioritize wage and hour issues and then to help you implement the solutions and manage any changes in a logical and ordered manner consistent with your business's needs and goals.

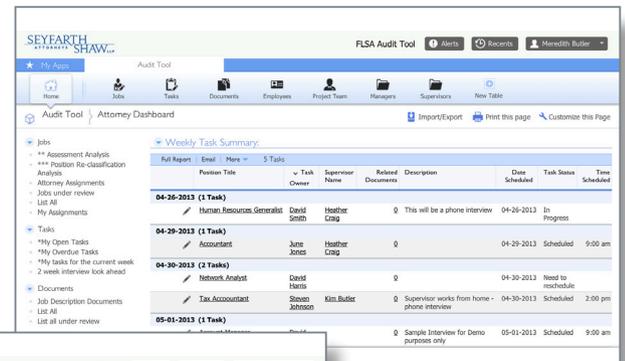
Project Management: Our team of certified Project Management Professionals play an active role in our engagements by working closely with the legal and client teams to leverage our suite of technology tools and enhance team communications, ensure timely delivery of work product, and monitor project schedules, scope, and budget.

A Vibrant California Practice: California has some of the most onerous, detailed and sometimes obscure employment laws in the country. Seyfarth's California Workplace Solutions Team consists of more than 35 Seyfarth attorneys who are at the forefront of new developments shaped by the California employment environment.

Sample Tools We Use:



Process Map



Job	Job Title	Job Function	Job Family	Job Review Issue	Seyfarth App. Assessment	Salary - Min	Salary - Max	Seyfarth Attorney	# of Supervisors	# of Supervisors Completed	Least Date Scheduled
Phase 1 (3 Jobs)											
Account Manager	Management	Sales	Interviews underway	Non-Exempt		\$62,200.00	\$91,500.00	David Smith	0	0	05-01-2013
Marketing Specialist	Sales	Sales	Interviews underway	Non-Exempt		\$49,200.00	\$55,000.00	David Smith	0	0	
Accountant	Accounting	Accounting	Not Started	Non-Exempt		\$54,900.00	\$63,000.00	June Jones	0	0	04-29-2013
Phase 2 (4 Jobs)											
Human Resources Generalist	HR	HR	Interviews underway	Non-Exempt		\$43,500.00	\$47,000.00	David Smith	0	0	04-26-2013
Human Resources Specialist	HR	HR	Interviews underway	Non-Exempt		\$46,500.00	\$55,000.00	David Smith	0	0	

Dashboard

For the most comprehensive and up-to-date wage & hour law developments and to learn more about our practice, please scan the code to visit our blog: www.wagehourlitigation.com



Atlanta

Boston

Chicago

Houston

Los Angeles

New York

Sacramento

San Francisco

Washington, D.C.

London

Shanghai

www.seyfarth.com