

## The Importance of an FLSA Audit

### ENSURE COMPLIANCE

It is only through an in-depth investigation into an employer's time keeping and compensation practices, and an analysis of how those particular practices measure up to FLSA requirements, that an employer can be fully assured of its FLSA compliance.



### AVOID STAGGERING JUDGMENTS

FLSA lawsuits are popular because they offer employees a low risk means to recover staggering money judgments. For example, an employee who wins an FLSA lawsuit can recover not only back pay owed for unpaid overtime wages, but also "liquidated" or double damages.



### CREATE A GOOD FAITH DEFENSE

The FLSA provides a defense to liquidated damages to those employers who can prove that they had a good faith belief that their pay practices complied with FLSA requirements. An employer who conducts an FLSA Audit may qualify for the good faith defense.

### About the Law Firm of LIEBERT CASSIDY WHITMORE

With offices in Los Angeles, Fresno and San Francisco, Liebert Cassidy Whitmore provides professional services for over 50% of California's cities, counties and community colleges. The Firm is a full service employment and labor relations law firm providing expert consultation, representation, litigation, negotiation and investigation services to public agency management. In addition, the Firm produces a wide-range of dynamic management training workshops and seminars in employment and labor relations issues to cities, counties, courts, special districts, schools and community college districts.

The attorneys of Liebert Cassidy Whitmore have been assisting public employers to comply with the FLSA since 1985 when the FLSA was finally determined to be applicable to public employers. The Firm has represented public employers in dozens of FLSA lawsuits. The Firm also regularly trains public agency managers regarding FLSA compliance, and publishes and updates: *The Fair Labor Standards Act: A Public Sector Compliance Guide*.

[www.flsaaudit.com](http://www.flsaaudit.com)

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# FLSA Audit



The Smart Way to  
FLSA Compliance

LIEBERT CASSIDY WHITMORE



The Fair Labor Standards Act, our nation's wage and hour

law, broadly regulates how employers compensate their employees. From minimum wage to compensable work time to the rate of overtime pay, the FLSA covers every aspect of employee compensation, requiring employers to be informed and up-to-date on its complex and far-reaching rules and regulations.

Even the most innocent failures to comply with the numerous requirements of the Act may result in liability leading to staggering back pay, damages and attorneys' fees awards.

The employment law firm of Liebert Cassidy Whitmore offers public sector employers the **FLSA Audit** — the most effective tool an employer can use to help ensure compliance with the FLSA and avoid potential liability or costly litigation.

# The Liebert Cassidy Whitmore FLSA Audit

THE PUBLIC AGENCY EMPLOYER'S BEST SOLUTION FOR COMPLIANCE WITH THE FAIR LABOR STANDARDS ACT

## ■ COMPREHENSIVE 3-STEP PROCESS

Liebert Cassidy Whitmore uses a methodical, problem-solving approach to conduct an FLSA Audit that involves three key steps:

### STEP 1 - *Review Current Practices*

- review of policies, rules, and contracts
- exhaustive interviews with staff

### STEP 2 - *Analyze*

- expert analysis based on extensive FLSA experience
- comparison of practices against the latest FLSA requirements and regulations

### STEP 3 - *Report*

- clear and easy to understand
- offers practical recommendations
- may provide a good faith defense

## ■ AUDITS TAILORED TO AGENCY NEEDS

Public agencies differ and administrative policies vary widely. We can tailor audits to meet the specific needs of employers, such as:

1. Focus on specific departments
2. Target to known or suspected FLSA problems, such as overtime exemptions
3. Comprehensive examination of all payroll practices

## ■ CANDIDATES FOR AN FLSA AUDIT

- You cannot recall when your agency last audited its FLSA compliance.
- Your agency has not completed an FLSA audit for the last two to three years.
- Your agency utilizes a decentralized time keeping system that varies from department to department.
- Your employees earn significant amounts of overtime or compensatory time off.
- Your agency has decided that many of your employees qualify for the white-collar exemptions from the FLSA overtime requirements.
- Your agency does not keep records of employee work and overtime.

## ■ WHEN TO PERFORM AN FLSA AUDIT

- Preparation for Labor Negotiations
- Revisions to Personnel Rules, Municipal Code or Charter
- Employee Classification Changes
- Response to Grievances or Complaints