

WE ARE YOUR DOL



Kathy Hochul, Governor
Roberta L. Reardon, Commissioner

Brian Reilly
Audit Director
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Division of State Government Accountability
110 State Street, 11th Floor
Albany, NY 12236-0001

August 25, 2021

Re: Audit Report- 2019-S-46, Issued 03/03/2021

Corrective Action Plan for Audit Report 2019-S-46
titled: Selected Wage Investigation Procedures

OSC Recommendation (1): Pursue appropriate actions to ensure investigators make initial contact with employers within 60 days of case docketing and fully document their actions in WPM. If appropriate, establish additional benchmarks that align with the expected complexity and duration of the initial investigatory phase.

OSC Recommendation (2): Make efforts to identify the reasons for, and reduce, gaps in the investigation

OSC Recommendation (3): Identify and implement methods to better document and verify payments to claimants, especially in Direct Pay cases.

OSC Recommendation (4): Take steps to identify differences among District Office personnel's understanding of required wage investigation actions and related documentation – including final reports -and communicate clarifying information as needed.

Implementation Plan: The following outlines what the Department has implemented so far and what we plan to implement within the next nine months.

Recommendation 1: The Department has implemented a new notification and report item to enable supervisors to be alerted to cases docketed after 45 days. This will ensure preliminary employer contact is made according to current guidelines. This report also enables supervisors to monitor all incoming cases and adjust assignments when needed in order to meet goals. The Department will update procedures to include requirements that an explanation be entered in the case log in any instances where the preliminary contact standard cannot be met.

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Recommendation 2: The Department will continue to closely monitor caseloads at large and effectuate reassignments as needed so all offices can meet established benchmarks as efficiently as possible. The Department also continues to aggressively pursue new technological solutions and further automate core processes and tasks so that investigators can focus exclusively on investigating cases. These technological solutions include automation of certain tasks, centralizing certain functions, and creating electronic solutions for paper processes to save resources.

Recommendation 3: The Department is currently undertaking an analysis to determine under what circumstances it would be acceptable for employers to make supervised direct payments to workers. This analysis includes an examination of *methods* and *proof* of payment requirements and other factors which employers would be required to comply. The Department will issue new policy and procedure memos detailing these requirements by September 30 2021 and begin implementing them immediately thereafter. With the support of the New York State Office of Information Technology Services the Department has created an automated report of Direct Pay Cases, so that management can regularly review these cases to ensure procedures are followed.

Recommendation 4: Department staff are currently establishing report templates and checklists to help reduce gaps within the case review process. Written policies and procedures outlining report content requirements will be updated and issued by September 30, 2021. These policies and procedures will apply to all appropriate investigative units to accomplish consistency of documentation. Staff training and memos will be provided so that all staff understand the requirements. Department staff will update the Investigators' Manual to include new responsibilities and updated procedures.

Person Responsible for Implementation: Maura McCann, Director Labor Standards

Sincerely,

A handwritten signature in black ink, appearing to read "Milan Bhatt".

Milan Bhatt
Deputy Commissioner Worker Protection

Cc: Scott Melvin
Selica Grant
Erin Murphy
Maura McCann