

Littler and ComplianceHR Launch PAID Forward Solution for Wage and Hour Compliance

Employment and labor law practice Littler and ComplianceHR, a joint venture of Littler and Neota Logic, announced the launch of PAID Forward.

In a release, the firm said PAID Forward helps employers navigate a new self-reporting program from the Department of Labor (DOL) that allows them to proactively address potential wage and hour underpayments under the Fair Labor Standards Act (FLSA) without incurring penalties or litigation threats. The Payroll Audit Independent Determination (PAID) program, which the DOL announced on March 6, encourages employers to audit their compensation practices, report any potential violations to the DOL's Wage and Hour Division and remedy errors and compensate employees accordingly.

The release continues:

"The DOL's PAID program provides employers with a unique opportunity to self-report potential minimum wage, overtime or other violations through a formal mechanism and proactively resolve any issues, while avoiding various litigation-related expenses," said Tammy McCutchen, a principal in Littler's Washington, D.C., office, Vice President of ComplianceHR and a former administrator of the DOL's Wage and Hour Division. "PAID Forward is a valuable resource for employers that combines Littler's vast knowledge of FLSA audits and wage and hour compliance with ComplianceHR's artificial intelligence platform for delivering clear and actionable information."

"We are rolling out a new suite of expert system applications to identify potential off-the-clock work and

compensation inappropriately excluded from the overtime calculations,” said Lori Brown, Chief Executive Officer of ComplianceHR. “These new apps, together with our award-winning Navigator OT which analyzes the risk of overtime misclassifications, will provide our users with a comprehensive suite of tools for assessing FLSA compliance – the first step to participate in the DOL’s PAID program.”

The PAID Forward solution begins with a tool to determine if a company is eligible to participate in PAID and then uses the ComplianceHR application to identify potential FLSA risk. Finally, a team of experienced Littler attorneys will guide the company through identifying appropriate remedial actions going forward, calculating back wages, preparing the necessary submissions to the DOL and negotiating with the DOL to ensure practices being corrected are not subject to future litigation.

“Many employers are rightfully excited about this new program, but as with any major move by the federal government on employment law, there are a lot of questions,” said Lee Schreter, Co-Chair of Littler’s Wage and Hour Practice Group. “The PAID Forward service helps employers streamline their auditing and reporting, while providing counsel from attorneys to most effectively work with the DOL and ensure pay practices are compliant moving forward.”

The DOL’s PAID program opened April 3 and was initially designed as a six-month pilot program, after which the DOL will evaluate the effectiveness, participation rate and results to determine whether to make it permanent.