



BRIEFLY...

COVID-19: WHD NEEDS TO CLOSELY MONITOR THE PANDEMIC IMPACT ON ITS OPERATIONS

August 07, 2020

WHY OIG CONDUCTED THE AUDIT

On March 18, 2020, Congress passed the Families First Coronavirus Response Act (FFCRA) in response to the COVID-19 pandemic to ensure American workers would not be forced to choose between their paychecks and the public health measures needed to combat the virus.

As part of Phase 1 of the OIG's Pandemic Oversight Response Plan, this report presents the results of our audit of the Wage and Hour Division's (WHD) initial response to the pandemic.

WHAT OIG DID

We conducted a performance audit to answer the following question:

To what extent has COVID-19 affected WHD's ability to implement its FFCRA responsibilities and conduct investigations, and what plans and guidance has WHD developed to address challenges encountered?

To answer this question, we conducted interviews with agency officials and reviewed the FFCRA, the temporary rule resulting from it, guidance and training documents, addendum to the agency operating plan, and WHD data.

READ THE FULL REPORT

<http://www.oig.dol.gov/public/reports/oa/2020/19-20-009-15-001.pdf>

WHAT OIG FOUND

Even though WHD acted quickly after Congress passed the FFCRA by issuing guidance, training staff, and conducting oversight, the agency continues to face challenges as it implements and enforces the requirements of the FFCRA.

One challenge is conducting enforcement activities while maximizing telework and maintaining social distancing. WHD's efforts should help control the spread of COVID-19. However, reduced or eliminated on-site investigations is impacting WHD's oversight of the FFCRA, as well as its existing programs, most notably those related to the Fair Labor Standards Act (FLSA).

Another major challenge is ensuring appropriate eligibility for FFCRA's emergency paid leave benefits. The Department issued a temporary rule with a broader definition for health care providers than the definition established by the Family and Medical Leave Act of 1993. The definition expands the types of occupations potentially exempt from FFCRA benefits. Additionally, the temporary rule includes an estimate of 9 million health care providers potentially impacted by the exemptions. The estimate provided to the public and other stakeholders could be understated because it does not include all the occupations in the Department's expanded definition for health care provider.

We also found WHD did develop a COVID-19 specific addendum for its operating plan. However, it focuses on past efforts and does not sufficiently address the agency's planned future actions, including how it intends to use the additional \$2.5 million it received in CARES Act funding to fulfill its obligations under the FFCRA.

WHAT OIG RECOMMENDED

The OIG made recommendations to WHD on how to improve its FFCRA-related strategies to plan and operate more effectively. WHD agreed with our recommendations.