U.S. DEPARTMENT OF LABOR INVESTIGATION RESULTS IN ALABAMA SECURITY CONTRACTOR PAYING $1,184,722 IN BACK WAGES AND BENEFITS TO 236 EMPLOYEES

HUNTSVILLE, AL – After a U.S. Department of Labor Wage and Hour Division investigation, a Huntsville, Alabama, security company and two subcontractors will pay $1,184,722 in back wages to 236 employees after a U.S. Department of Labor investigation found the companies violated provisions of the Fair Labor Standards Act (FLSA), Service Contract Act (SCA), and the Contract Work Hours and Safety Standards Act (CWHSSA).

Division investigators determined that ManTech International Corp. and its subcontractors, Systems Development Corp. and Bevilacqua Research Corp., violated the SCA by paying employees rates and benefits less than those required by law. In addition, the companies violated the CWHSSA by not paying the employees time and one half their regular rates of pay for hours they worked beyond 40 in a workweek.

Investigators also found that Systems Development and Bevilacqua Research both violated the FLSA by failing to record any hours employees worked beyond 40 per workweek as overtime hours in the payroll records.

“No contractor should gain an economic advantage by paying workers below the wages and fringe benefits required on a prevailing wage contract,” said Kenneth Stripling, Wage and Hour Division District Director in Birmingham. “Not only does this practice undercut what the workers involved are legally owed, it results in unfair competition for contractors who play by the rules.”

The SCA requires contractors and subcontractors performing services on prime contracts in excess of $2,500 to pay service employees in various classes no less than the wage rates and fringe benefits found prevailing in the locality, or the rates, including prospective increases, contained in a predecessor contractor’s collective bargaining agreement.

For more information about the FLSA, SCA, CWHSSA, and other laws enforced by the Division, contact the Division’s toll-free helpline at 866-4US-WAGE (487-9243) or visit the Division’s web site. The Division also offers a search tool which allows users to determine if you are owed back wages collected by the Division.

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