



Carpenters Union uncovers payroll fraud of nearly \$70,000

FEBRUARY 2016 — A joint enforcement effort between North Central States Regional Council of Carpenters and Fair Contracting Foundation of Minnesota (FCF) led to payroll fraud complaints against Hunt’s Carpet Service, Inc., of Minneapolis. The complaints, filed with the Hennepin County Attorney’s Office and the Minneapolis Civil Rights Department, led to a recovery of nearly \$70,000 in wages as well as a public record of violations by the contractor.

A total of eight workers received back wages for work they did on two detention center projects for Hennepin County and an affordable senior housing project for the City of Minneapolis. Hunt’s Carpet Service not only paid its workers its usual wage of less than \$20/hour on these jobs (well below the required prevailing wage), but on its pay stubs it also listed that each worker was making the prevailing wage but only working 20 hours per week, when in reality they were working 40-plus hours per week. That scheme started to fall apart in January 2015 when a Hunt’s worker talked with NCSRCC Business Representative Jeff Miller about the difference in what was portrayed and in what was actually happening.

Miller worked with FCF to get affidavits from this worker and two others, showing clear violations on multiple public projects that had prevailing wage stipulations, and submitted them to the City and County in March 2015. All funds were returned to the workers earlier this month.

In addition to the repayment of back wages, Hunt’s Carpet Service agreed to voluntarily debar themselves for five years from bidding on any Hennepin County prevailing wage projects, as well as other prevailing wage projects in the state, as part of the settlement.

“These workers learned that they are entitled to their rights under the law and their rights as human beings,” said Kem Tae Lynch, investigating attorney at FCF. “They were overjoyed with how the situation was resolved.”

Three of those workers also chose to become members of the North Central States Regional Council of Carpenters.