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OFFICE OF LABOR RELATIONS, REGION X –
WASHINGTON, OREGON, IDAHO & ALASKA
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Federal Labor Standards Compliance &
Enforcement Training

Region X-Seattle Regional Office

(Jurisdiction: Washington, Alaska, Idaho, Oregon)

Office of Labor Standards and Enforcement, 10ASL

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(Area Covered: Oregon and Washington State)

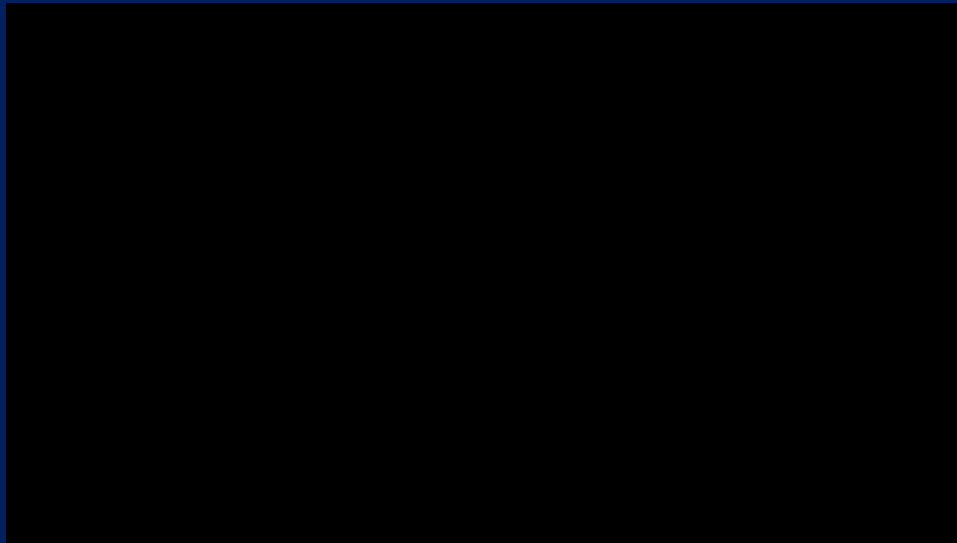
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(Area Covered: Alaska and Idaho)

Wage Theft in Minnesota: Non-union residential Construction

Residential construction industry built on 'payroll fraud' model



Davis-Bacon Act



Sen. James J. Davis (R-PA) & Rep. Robert L. Bacon (R-NY)

The act is named after its sponsors, [James J. Davis](#), a [Senator from Pennsylvania](#) and a former [Secretary of Labor](#) under three presidents, and [Representative Robert L. Bacon](#) of [Long Island, New York](#). The Davis–Bacon act was passed by [Congress](#) and signed into law by President [Herbert Hoover](#) on March 3, 1931.^[2]

**FREE
SOUP COFFEE & DOUGHNUTS
FOR THE UNEMPLOYED**





Key Federal Labor Laws

- ◎ Fair Labor Standards Act
- ◎ Davis-Bacon Act
- ◎ Davis-Bacon and Related Acts
- ◎ Contract Work Hours & Safety Standards Act
- ◎ The Copeland Act

HUD's Office of Davis-Bacon & Labor Standards (DBLS)

- (DBLS) is responsible for administering and enforcing Federal labor standards for HUD programs.
- These requirements include the DBRA, Copeland Act, and CWHSSA in construction programs.
- Also, maintenance and technical salary rate requirements for HUD's Office of Public and Indian Housing.

Today's Focus: Two of three types of prevailing wage requirements in HUD Programs.

- ① Davis Bacon Act prevailing wages payable to laborers & mechanics
- ① HUD-Determined prevailing wages (routine & non-routine) payable to laborers and mechanics as relating to maintenance work.

Davis-Bacon Act (DBA)

- ❑ **Davis-Bacon And Related Acts (DBRA) Davis-Bacon requirements are extended to over 60 related acts that provide federal assistance for construction through grants, loans and insurance.**
- ❑ **Enacted in 1931**
- ❑ **Amended in 1935 and 1964**
- ❑ **Applies to Federally assisted construction contracts in excess of \$2,000 for construction, alteration, and/or repair of public buildings or public works, including painting and decorating and requires:**

DBA

- ❑ Payment of locally “prevailing wages” and “fringe benefits” to laborers and mechanics;
- ❑ Employed by contractors and subcontractors who are performing work on the site of work;
- ❑ Protects communities and workers from non-local contractors underbidding local wage levels

Davis-Bacon Act (DBA)

- ❑ Permit withholding from payments due to contractor on account of wage restitution found due to laborers & mechanics;**
- ❑ Permit the payment of wage restitution from amounts withheld from contract payments;**
- ❑ Not less often than once a week;**
- ❑ Posting of wage rates and poster in a prominent & accessible place at the job site.**

Requires Posting:

**EMPLOYEE RIGHTS
UNDER THE DAVIS-BACON ACT**

**FOR LABORERS AND MECHANICS
EMPLOYED ON FEDERAL OR FEDERALLY
ASSISTED CONSTRUCTION PROJECTS**

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

PREVAILING WAGES You must be paid not less than the wage rate listed in the Davis-Bacon Wage Decision posted with this Notice for the work you perform.

OVERTIME You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 40 in a work week. There are few exceptions.


ENFORCEMENT Contract payments can be withheld to ensure workers receive wages and overtime pay due, and liquidated damages may apply if overtime pay requirements are not met. Davis-Bacon contract clauses allow contract termination and debarment of contractors from future federal contracts for up to three years. A contractor who falsifies certified payroll records or induces wage kickbacks may be subject to civil or criminal prosecution, fines and/or imprisonment.

APPRENTICES Apprentice rates apply only to apprentices properly registered under approved Federal or State apprenticeship programs.

PROPER PAY If you do not receive proper pay, or require further information on the applicable wages, contact the Contracting Officer listed below:

or contact the U.S. Department of Labor's Wage and Hour Division.

For additional information:
1-866-4-USWAGE
(1-866-487-9243) TTY: 1-877-889-5627

 **WHD**
U.S. Department of Labor

WWW.WAGEHOUR.DOL.GOV

U.S. Department of Labor | Employment Standards Administration | Wage and Hour Division

Wage rates &
Any Additional
classifications

Wage poster placed in
a prominent &
accessible location for
workers at the job
site.

Davis-Bacon Related Acts (DBRA)

Most HUD construction work is covered by DBRA; since HUD usually contracts indirectly for construction work.

Davis-Bacon wage rates apply to HUD programs because of prevailing wage requirements expressed in HUD “Related Acts” such as the

- **U.S. Housing Act of 1937**
- **Housing & Community Development Act of 1974, as amended.**

Distinguishing DBA and DBRA

- Examples federal, directly funded “DBA” Projects
 - VA builds a hospital
 - GSA builds a new office building
 - Air Force builds base housing (DOD)

Distinguishing DBA and DBRA (cont'd.)

- ◉ Examples of indirect use of federal funds or “DBRA Projects”:
 - Boise City Housing Authority uses HUD grant funds to construct low income housing units
 - City of Lewiston uses HUD’s CPD funds as part of their development budget

HUD grants being used to build new housing units



Housing Authorities use HUD funds for repairs and maintenance



Contract Work Hours & Safety Standards Act (CWHSSA)

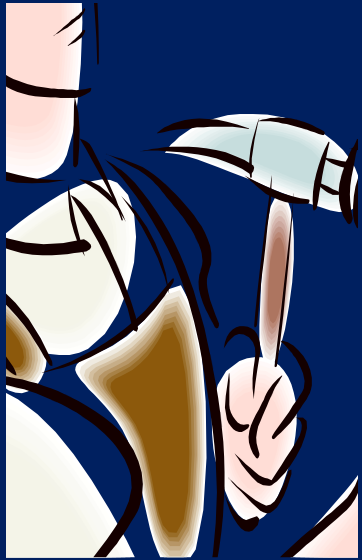
(40 U.S.C. 3701 *et seq.*)

- Enacted in 1962 - consolidated a number of “eight hour” laws that provided for overtime pay on federally financed contracts employing “laborers” and “mechanics”
- In 1986, the federal daily overtime requirement was repealed to require overtime pay only after 40 hours a week
- Both CWHSSA and Fair Labor Standards Act (FLSA) require overtime pay for work over 40 hours in a workweek

Contract Work Hours & Safety Standards Act (CWHSSA)

- ❑ **Applies to all Federal or Federally-assisted Davis-Bacon covered construction contracts exceeding \$100,000.00.**
- ❑ **Liquidated damages can be assessed at a rate of \$26 a day per violation not paid proper overtime.**
- ⦿ Is self-executing (even if not stated in contract)
- ⦿ Has no “site of the work” limitation

Copeland Act Requirements



- ❑ Prohibits “kickback” of wages and back wages.
- ❑ Requires contractors on covered projects to submit weekly a “statement of compliance”;
- ❑ Regulates payroll deductions from wages: FICA, federal, and state taxes, Court ordered payments, fringe benefit plans, etc.
- ❑ Kickback is a criminal violation punishable by fine of \$5,000 or 5 years in prison, or both.

❑ Copeland “Anti-Kickback” Act

Fear, Intimidation, Extortion - all - Copeland Act Violations



The Politics Of Passing 1964's Civil Rights Act

April 4, 2014 - 12:03 PM ET

Heard on Fresh Air

FRESH AIR



Civil Rights Act of 1964



Despite strong opposition from Southern senators, President Lyndon B. Johnson got Congress to pass the bill

Law gave Congress power to outlaw segregation in most public places; gave minorities equal access to facilities such as restaurants and theaters



The Poor People's Campaign was still being planned when Dr. King was assassinated in Memphis in 1968



Exerpt from the Mountaintop Speech:

- ⦿ The question is not, "If I stop to help this man in need, what will happen to me?" "If I do not stop to help the sanitation workers, what will happen to them?" That's the question.
- ⦿ Let us rise up tonight with a greater readiness. Let us stand with a greater determination. And let us move on in these powerful days, these days of challenge to make America what it ought to be. We have an opportunity to make America a better nation."

Dr. Martin Luther King's "Poor People's Campaign" & the Memphis Sanitation Workers Strike of 1968



MEMPHIS SANITATION WORKERS

"I AM A MAN."



BECAUSE OF THEM, WE CAN...

Memphis Sanitation Workers 1968



Living Wage Jobs

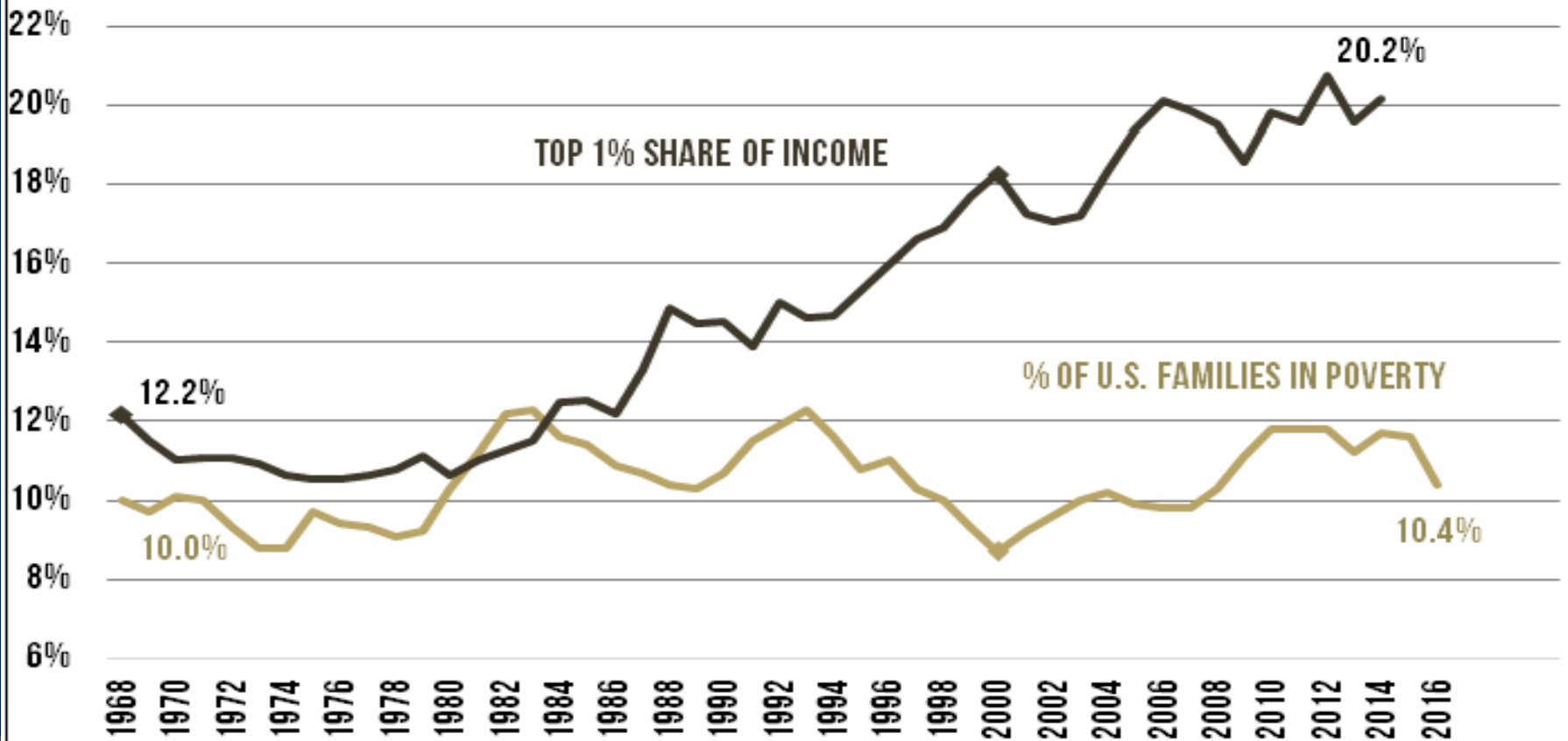


The Poor People's Campaign

- ⦿ The Poor People's Campaign fell short of its goal to win significant antipoverty legislation.
- ⦿ It did mark a change of the civil rights movement from advocating for only racial equality to interracial class issues and economic goals.

Since 1968, the number of Americans below the official poverty line has increased by 60 percent to 40.6 million.

**SHARE OF U.S. FAMILIES BELOW OFFICIAL POVERTY RATE
AND THE SHARE OF NATIONAL INCOME HELD BY THE TOP 1%**



Theft

Under **Idaho law**, a person commits **theft** when, with intent to deprive another person of property (or to wrongfully appropriate property), he or she wrongfully takes, obtains or withholds that property from its owner. ... obtaining property by fraud or misrepresentation, **and. stealing labor or services.**

A theft offense in Idaho can include the following specific actions:

- using deception to exert control over another person's property
- embezzling money
- using extortion to obtain another person's property (including by instilling fear of physical injury or property damage, or by threat to otherwise injury or harm)
- receiving or retaining stolen property
- acquiring lost or mistakenly delivered property (and not taking appropriate action afterward)
- obtaining property by fraud or misrepresentation, and
- stealing labor or services.

Wage Theft – What it is and what you can do about it.



Most Common Forms:

- 1) Not Paid Minimum Wage
- 2) Not Paid Correct Prevailing Wage for the Type of Work Performed
- 3) Not Paid For All Hours Worked
- 4) Not Paid Correct Overtime Rate
- 5) Not Paid At All

Most Common Forms:

- 6) Misclassified as Independent Contractors
- 7) No Final Pay check
- 8) Illegal deductions taken

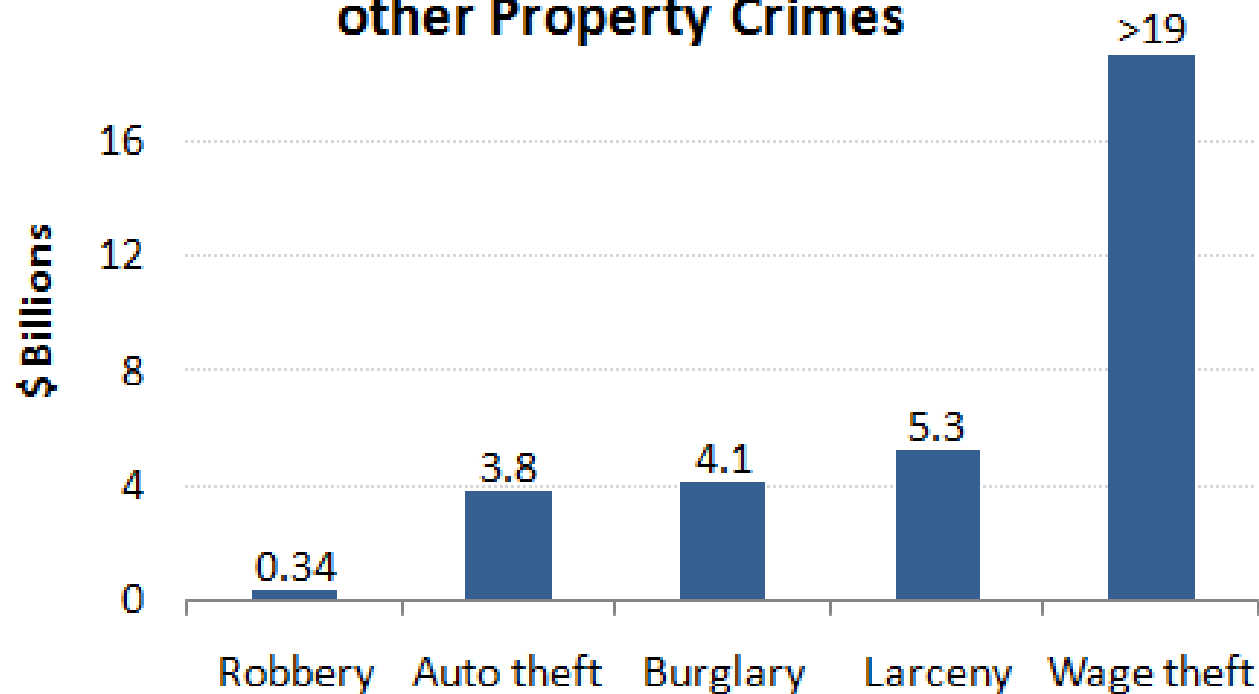
No one knows exactly how much wage theft occurs each year. One estimate is that it is costing workers more than \$ 50 billion per year.

Wage Theft By Category

- \$50 Billion Total Estimate
- \$8-14 Billion in minimum wage violations
- \$19 Billion in Overtime Violations



Wage Theft versus other Property Crimes



Source: FBI, EPF

Wage Theft versus other property crimes in the U.S. in terms of total annual loss in billions.

From Wikimedia Commons 19 June 2014

A Round trip to the Moon \$750 Million



2 Airbus A380 Cost \$810 Million



Chicago Cubs - \$1 Billion



Unprecedented Cases In a Range of Industries:



Researchers estimated:

The average loss per worker was about 15 percent of their annual earnings due to workplace violations.

Multiple laws are broken when wage theft occurs, including:

Fair Labor Standards Act (FLSA)

- Provides a federal minimum wage and allows states to set their own, higher minimum wage.
- Requires employers to pay time and a half for all hours worked above 40 hours per week.

Davis-Bacon Act

- Employees paid by a contractor or subcontractor of a federal government contract are entitled to receive the prevailing wages for that work in the city or region of the U.S. where the work was done.
- Prevailing wages are calculated by the U.S. Department of Labor and are higher than minimum wage.

Tax laws

- Tax laws are often broken when an employee is misclassified as an independent contractor. When an employee is called an independent contractor, the employer doesn't pay its share of federal taxes

Like with other kinds of robbery, wage theft is a crime.



Crime can range from unsophisticated petty theft to very sophisticated organized crime where the money is laundered all the way through the bank.

Faces of Victims

- Mr. Van Buren drove 135 miles to confront his employer to forestall eviction



Construction workers in the underground economy earn **half** of what properly reported workers earn.



Source: "Sinking Underground: The Growing Informal Economy in California Construction," Economic Roundtable, Yvonne Yen Liu, David Fleming, Patrick Barnes

**Without employment benefits,
underground workers often rely
on public assistance programs —
forcing taxpayers
to subsidize
these illegal
practices.**



Source: "Sinking Underground: The Growing Informal Economy in California Construction," Economic Roundtable, Yvonne Yen Lu, David Fleming, Patrick Barnes

Washington and Alaska

Washington and Alaska have the highest minimum wages in this Region.

Even at the highest of these, a person trying to support a family of 4, would be living below poverty on their state's minimum wage if working a standard 40 hour work week.

Low Wage Earners also get the fewest benefits with their jobs:

Only 30 percent of the lowest paid workers have access to paid sick leave.

Income Security is a pay check:

Research suggests that, on average, families need an income equal to about two times the federal poverty threshold to meet their most basic needs.

Minimum Income Thresholds:

In 2014, the cost of meeting basic needs for a family of four required about:

\$85,800 per year in Boston;

\$61,500 in Akron, Ohio;

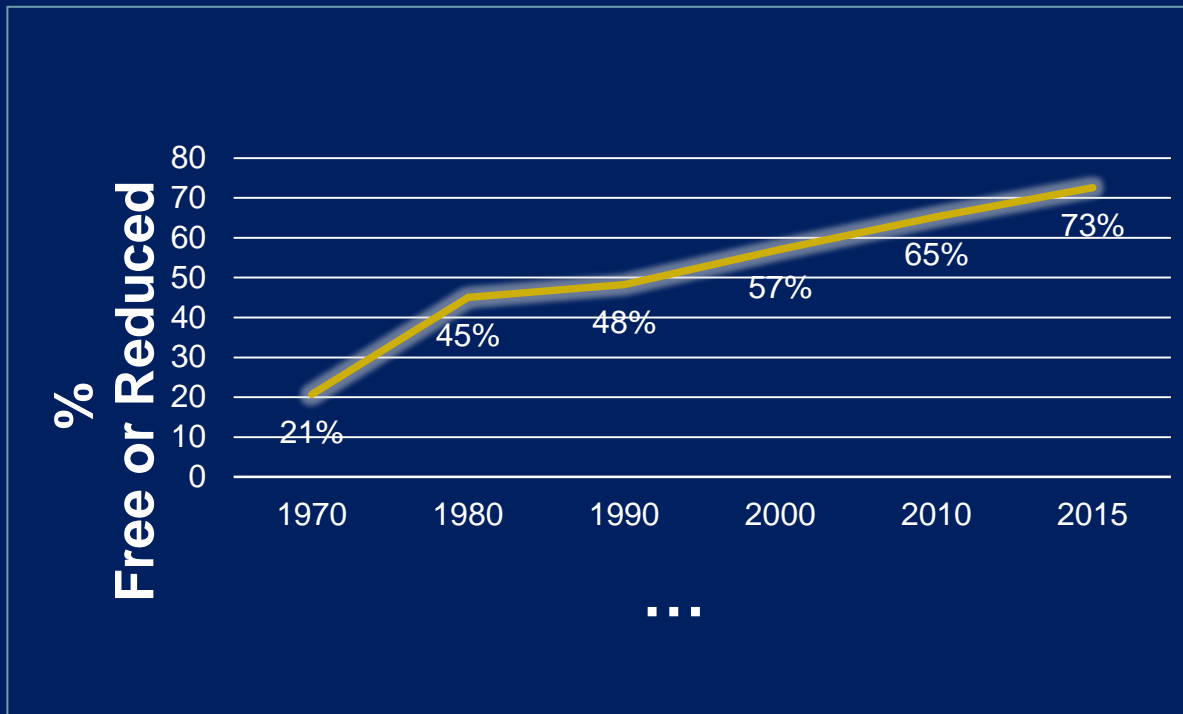
\$57,200 in Tulsa, Oklahoma.

When a worker earns only a minimum wage (\$290 for a 40-hour week), shaving a mere half hour a day from the paycheck means a loss of more than \$1400 a year, including overtime premiums.

In July 2015, USA Today reported that there were a higher percentage of children living in poverty “today” than during the Great Depression.

Child poverty is growing

Free/Reduced Lunch Program Trend



The Basics – 5 Key Labor Standards Objectives for Contract Administrators

- ❑ **Apply (Davis Bacon) labor standards requirements properly**
- ❑ **Learn how to support contractors**
- ❑ **Monitor the performance of these contractors**
- ❑ **Pursue probable violators: investigating evidence and drawing conclusions about ambiguous data.**
- ❑ **Pursue debarment and other sanctions when serious violations occur.**

Web Sites

- ❑ **Office of Labor Relations HUD**
<http://www.hud.gov/offices/olr/index.cfm>
- ❑ **US DOL Regulations**
<http://www.dol.gov/whd/govcontracts/dbra.htm>
- ❑ **Excluded Parties List**
<http://sam.gov/>
- ❑ **Wage Decisions On Line**
<http://www.wdol.gov/>

Labor Relations Desk Guides -

- [HUD Handbook 1344.1 Rev 2, Federal Labor Standards Requirements in Housing and Community Development Programs](#)
- [Revised: A Practical Guide for States, Indian Tribes and Local Agencies \(09/2011\)](#)
- [Contractor's Guide to Prevailing Wage Requirements](#)
- [OLSE flash! bulletins available on-line](#)

Labor Relations Letters

LR-09-01	8/12/09	Davis-Bacon applicability to demolition work
LR-06-03	11/15/06	Incorporation of Federal labor standards provisions and prevailing wage decisions into bid specifications and contracts
LR-06-02	11/15/06	Custody, security and disposal of Federal labor standards compliance documents and investigative records
LR-06-01	06/05/06	Housing Finance Agency Risk-Sharing Program and Projects
LR-04-02	09/08/04	Inapplicability of certain Federal labor standards provisions to Public Housing Agencies, Indian Tribes, Tribally Designated Housing Entities, Indian Housing Authorities and the Department of Hawaiian Homelands
LR-04-01	10/26/06	Administration and enforcement of prevailing wage rates determined or adopted by HUD (Rev 1)
LR-96-03	12/02/96	Application of Department of Labor guidance concerning "projects of a similar character" (Rev 1)
LR-96-02	08/21/96	Application of Federal labor standards to HOME projects
LR-96-01	12/02/96	Labor standards compliance requirements for self-employed laborers and mechanics (aka <i>Working Subcontractors</i>) (Rev 1)
LR-95-01	10/02/95	Contract Work Hours and Safety Standards Act (CWHSSA) Coverage threshold for overtime and health and safety provisions
LR-93-01	1/15/93	Determination of prevailing wage rates for construction work financed or eligible for financing under the Comprehensive Improvement Assistance Program (CIAP) or Comprehensive Grant Program (CGP)
LR-92-02	07/10/92	Submission requirements for §5.7 Labor Standards Enforcement Reports (Davis-Bacon and Related Acts)
LR-92-01	07/10/92	Applicability of Federal wage rate requirements to prison inmates engaged in HUD-assisted maintenance or construction work

Laborers & Mechanics

- ❑ Excludes timekeepers, inspectors, architects, engineers, and site security.
- ❑ Excludes Bona fide executive, administrative, or professional employees as defined by the FLSA regulations.
- ❑ On HUD projects excludes bona fide volunteers.

Laborers & Mechanics

- ❑ Includes workers whose duties are manual or physical in nature
- ❑ Includes apprentices, trainees and helpers
- ❑ Generally includes working foreman
- ❑ Covers sole proprietor owner operators performing the work of a laborer or mechanic

Site of the Work



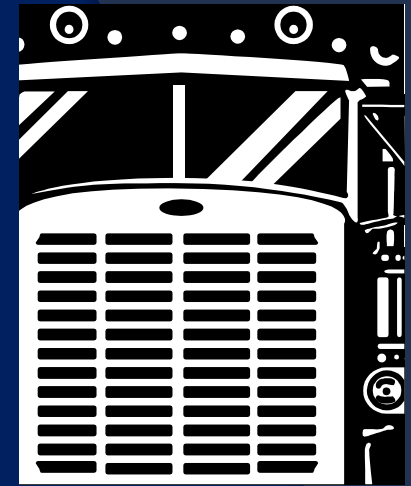
- ❑ Physical place or places where the construction remains after work has been completed;
- ❑ Includes fabrication plants, mobile factories, batch plants, borrow pits, headquarters, tool yards, etc **dedicated exclusively to and located virtually adjacent to actual construction location;**

Excluded from site of work

- ❑ Fabrication plants, batch plants, job headquarter, tool yards, etc., **of a commercial supplier** established by a supplier of materials
 - ❑ Before the opening of bids for a project and
 - ❑ **Are not located on the actual site of the work**
- ❑ Such facilities are not part of the site of work even where the operations are dedicated exclusively to the performance of the contract.

Truck Drivers:

Covered if driving on the “site of the work”



NOT subject to prevailing wage if:

- **only** loading/unloading on the “site of the work”
- Not driving on the “site of the work”
- Driving between Davis-Bacon site and commercial facilities

OWNER/OPERATORS:

HUD follows DOL *non-enforcement policy* for Owner/Operators who own and drive their own trucks...review LR Letter 96-01, Sec. 5.

What LCAs Need to Carry Out These Responsibilities

Specific Davis-Bacon Related Act (Statute) for the program involved.

- 1. D-B labor standards provisions**
- 2. Determining whether D-B wage are applicable**

HUD regulations: 24 CFR:

- ⊙ Program Regulations contain further information about Davis-Bacon**

<http://www.access.gpo.gov/nara/cfr/cfr-table-search.html>

DOL Regulations 29 CFR Part

- 1. 1 - Procedures for Predetermination of wage rates under DBA**
- 2. 3 - Payment & Reporting of Wages on Federal Construction Contracts**
- 3. 5 - Labor Standards Provisions Applicable to Federal Construction Contracts**

Davis-Bacon Wage Determinations

Selecting DB Wage Decisions

Davis-Bacon Wage Decisions Basics

- ▣ Is obtained from the DOL.gov website
- ▣ Must be incorporated in prime & sub-contracts
- ▣ Identifies work classifications, basic hourly wages, fringe benefits
- ▣ Must be posted at the job site
- ▣ 10 day grace period prior to bid opening

WAGE DECISION “LOCK-IN”

Competitively Bid Projects:

- ⦿ Lock-in at bid opening *provided* contract is awarded within 90 days
- ⦿ Must update wage decision if contract is awarded more than 90 days after bid opening
- ⦿ Modifications published less than 10 days before bid opening are not applicable if there is insufficient time to notify bidders

Negotiated Contracts:

- ⦿ Lock-in at contract award date or construction start date, whichever occurs first.

Selecting Applicable WDs

Type of Construction – AAM 130

- ◎ **RESIDENTIAL** construction projects, for Davis-Bacon purposes, include construction, alteration, or repair of single family houses, townhouses, and apartment buildings of no more than four (4) stories in height.
- ◎ **BUILDING** construction is generally the construction, rehabilitation and repair of sheltered enclosures with walk-in access for the purpose of housing persons, machinery, equipment or supplies (includes installation of utilities and equipment, both above and below grade).
- ◎ **HIGHWAY** projects include construction, alteration or repair of roads, streets, highways, runways, taxiways, alleys, trails, paths, parking areas, and similar projects not incidental to building or heavy construction.
- ◎ **HEAVY** is not a homogeneous classification. Because of this catch-all nature, projects within the heavy classification may sometimes be distinguished on the basis of their particular project characteristics and separate schedules issued. Example: sewer & water line projects.

Selecting Applicable WDs

Type of Construction – AAM 131

- ◎ Some construction items in a project may fall into a different type of construction –
 - Incidental to the principal type of construction,
 - or
 - Requiring a separate wage schedule.

Selecting Applicable WDs

Type of Construction – AAM 131

All Agency Memoranda (AAM)

Multiple wage schedules may apply to different types of construction on a project:

- **If construction items of a separate type of construction are:**
 - **20% or more of total project cost; or**
 - **Will cost \$1,000,000 or more.**

AAMs Nos. 130 & 131

- ◎ **AAM No. 130** addresses “Application Of The Standard Of Comparison ‘Projects Of A Character Similar’ Under The Davis-Bacon And Related Acts.”
- ◎ **AAM No. 131** provides “Clarification of All Agency Memorandum No. 130.”
- ◎ **AAM Nos. 130 & 131 are available at:**
<http://www.dol.gov/whd/programs/dbra/docs/memo-131.pdf>.

Review LR Letter 96-03

RESIDENTIAL Wage Decision

- Single family houses, townhouses
- Apartment buildings 4 stories or less



BUILDING Wage Decision

- Sheltered enclosures for the purpose of housing persons, machinery, equipment, etc.
- Apartment buildings greater than 4 stories
- Commercial buildings



HIGHWAY

Wage Decision

- Roads
- Highways
- Sidewalks
- Parking areas
- Other paving work not incidental to other construction



HEAVY

Wage Decision

- Projects which cannot be classified as Building, Residential, or Highway
- Dredging
- Water & sewer lines
- Parks and playgrounds
- Flood control



Selecting Wage Decision

- **Mixed Development Types:**
- **Convention Center with adjacent hotel**
- **Hotel/Arena**
- **Road/Sewer**

Contract needs to be unambiguous, ar language that is understood and enforceable

- **Prime must track time for each wage decision**

More Complexity in projects with multiple wage decisions

- **Ambiguity can lead to disputes**
- **Special consideration to avoiding ambiguity so that clear and enforceable requirements.**
- **Administrator and Prime Contractor must be able to track time for work occurring on each wage decision**

Obtaining Wage Decisions

On-line: www.wdol.gov

The screenshot shows a Microsoft Internet Explorer browser window displaying the Wage Determinations Online website. The browser's title bar reads "Wage Determinations Online - Microsoft Internet Explorer". The address bar is empty. The website features a header with an American flag graphic and the text "Wage Determinations OnLine.gov". Below the header, a navigation menu includes "HOME", "User Guide", and "Help". The main content area is organized into three columns: "Service Contract Act", "Davis-Bacon Act", and "Related Information". Each column contains a list of links. A "Welcome to the Wage Determinations OnLine Program!" section is located below the navigation menu, and a "News and Updates..." section is on the right side of the page. The browser's status bar at the bottom shows "Internet".

Wage Determinations Online - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Wage Determinations OnLine.gov
Providing public access to federal wage determinations and related information.

WDOL.gov is part of the Integrated Acquisition Environment, one of the E-Government initiatives in the President's Management Agenda. It is a collaborative effort of the Office of Management and Budget, Department of Labor, Department of Defense, General Services Administration, Department of Energy, and Department of Commerce.

▪ **HOME** [User Guide](#) | [Help](#) |

Service Contract Act	Davis-Bacon Act	Related Information
<ul style="list-style-type: none">▪ Selecting SCA WDs▪ e98▪ Archived WDs▪ WDs due to be revised	<ul style="list-style-type: none">▪ Selecting DBA WDs▪ Archived WDs▪ WDs due to be revised	<ul style="list-style-type: none">▪ Agency Labor Advisors▪ Library▪ DOL Wage and Hour Website

Welcome to the Wage Determinations OnLine Program!

This website provides a single location for federal contracting officers to use in obtaining appropriate Service Contract Act (SCA) and Davis-Bacon Act (DBA) wage determinations (WDs) for each official contract action. The website is available to the general public as

News and Updates...

- » [NOTICE: New Health & Welfare Fringe Benefit Rates!](#)
- » [Updated All Agency Memorandum \(AAM\)# 197](#) (PDF Document):
Subject: SCA Health and Welfare Fringe Benefit Changes.

Internet

WDs Due to be Revised

Wage Determinations - Microsoft Internet Explorer provided by US Department of Lab

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites Media

Address <http://192.239.92.108/new.html> Go Links

- Selecting SCA WDs
- e98
- Archived WDs
- WDs due to be revised
- Selecting DBA WDs
- Archived WDs
- WDs due to be revised
- Agency Labor Advisors
- Library
- DOL Wage and Hour Website

CAUTION: Users should note that the only WDs applicable to a particular solicitation or contract are those that have been incorporated by the contracting officer in that contract action.

**Davis-Bacon Act
General Wage Determinations
Due To Be Revised**

The following DBA General Wage Determinations have been revised or created new and will be available at WDOL.gov on or after February 11, 2005

- AK030001
- AK030002
- AK030006
- AK030008
- AZ030001
- AZ030002
- AZ030005
- AZ030011

Start | Internet | Inboxes - Microsoft Outlook | Microsoft PowerPoint - [...] | Wage Determinations... | 4:04 PM

Service Contract Act

- [Selecting SCA WDs](#)
- [e98](#)
- [Archived WDs](#)
- [WDs due to be revised](#)
- [PACT \(Price Adjustment Calculation Tool\) ^{NEW!}](#)

Davis-Bacon Act

- [Selecting DBA WDs](#)
- [Archived WDs](#)
- [WDs due to be revised](#)
- [Rollover Crosswalk ^{NEW!}](#)

Related Information

- [Agency Labor Advisors](#)
- [Library](#)
- [DOL Wage and Hour Website](#)

CAUTION: Users should note that the only WDs applicable to a particular solicitation or contract are those that have been incorporated by the contracting officer in that contract action.

Selecting DBA Wage Decisions

Select DBA WD by number:

(Enter WD number in the following format: two letter abbreviation for the state and the number of the WD. For example, VA3, NOT VA030003 or MD150 NOT MD030150.)

Search

OR

By Selection criteria beginning with:

State:

County:

Construction Type: ([Types of Construction Under DBA](#))

WD Number:

Search

[Back](#)

Browse by [state/territory](#).

View the latest [modifications](#) and [additions](#) to the Davis-Bacon Database.

View the [modifications](#) or [additions](#) to Davis-Bacon Wage Determinations due to be issued and published on WDOL.gov.

View [Archived Wage Determinations](#)

Here is the search screen. Note that we've selected *Idaho* for State, *Ada* for County and *Residential* for Construction Type. When you've completed your selection, click *Search* (and go to the next slide)

STATE/COUNTY GWD INDEX 06/22/18 ID0

STATE OF IDAHO

NO MODIFICATIONS DURING PERIOD ENDING

June 22, 2018

ID GENERAL DECISION COUNTY INDEX - PUBLICATION DATE: 01/05/18

County	Building	Heavy	Highway	Resident
Ada:				
				R-ID1
	BLD-ID25			
		HVY-ID71		
			HWY-ID90	
Adams:				
				R-ID2
	BLD-ID20			
		HVY-ID36		
			HWY-ID86	
Bannock:				
				R-ID5
	BLD-ID35			
		HVY-ID72		
			HWY-ID91	
Bear Lake:				
				R-ID5
	BLD-ID21			
		HVY-ID37		

State: Idaho Construction Type: Residential

Counties: Ada, Boise, Canyon, Elmore, Gem, Owyhee, Payette
and Washington Counties in Idaho.

* SUID1983-001 11/01/1983

	Rates	Fringes
CARPENTER.....	<u>\$ 9.07</u>	
CEMENT MASON/CONCRETE FINISHER...	<u>\$ 7.81</u>	
ELECTRICIAN.....	<u>\$ 8.72</u>	
Insulation Installer.....	<u>\$ 7.25</u>	
IRONWORKER.....	<u>\$ 8.25</u>	.75
LABORER.....	<u>\$ 7.25</u>	
PAINTER.....	<u>\$ 8.03</u>	
PLASTERER.....	<u>\$ 9.00</u>	
PLUMBER.....	\$ 10.82	
ROOFER, Including Built Up, Composition and Single Ply Roofs.....	<u>\$ 8.00</u>	
Sheet metal worker.....	<u>\$ 8.00</u>	.34
TRUCK DRIVER.....	<u>\$ 7.25</u>	

WELDERS - Receive rate prescribed for craft performing
operation to which welding is incidental.
=====

General Decision Number: ID180025 05/11/2018 ID25

Superseded General Decision Number: ID20170025

State: Idaho

Construction Type: Building

County: Ada County in Idaho.

BUILDING CONSTRUCTION PROJECTS (does not include single family homes or apartments up to and including 4 stories).

Modification Number	Publication Date
3	05/11/2018

BRID0003-002 06/01/2017

	Rates	Fringes
BRICKLAYER.....	\$ 27.53	17.45

| ELEC0291-001 01/01/2018

	Rates	Fringes
ELECTRICIAN.....	\$ 29.46	11.96+6%

ELEV0038-001 01/01/2018

	Rates	Fringes
ELEVATOR MECHANIC.....	\$ 42.74	32.645

IRON0732-002 06/01/2017

General Decision Number: AK170004 01/06/2017 AK4

Superseded General Decision Number: AK20160004

State: Alaska

Construction Type: Residential

County: Anchorage County in Alaska.

Area II Anchorage

Modification Number	Publication Date
0	01/06/2017

SUAK1999-007 05/14/1998

Here is the wage determination we've requested.

Note the decision number, effective date. Confirm we have the correct state, county and construction type.

Note also the publication dates are displayed.

General Decision Number TN010022

Wage Decision Number

Superseded General Decision No. TN000022

State: Tennessee

Character of
Construction

Construction Type:
RESIDENTIAL

Counties

County(ies) :

ANDERSON

JEFFERSON

UNION

BLOUNT

KNOX

GRAINGER

SEVIER

Description

RESIDENTIAL CONSTRUCTION PROJECTS (consisting of single family homes and apartments up to and including 4 stories)

Modification Number

0

Publication Date

03/02/2001

Modification #,
Publication Date

COUNTY(ies) :

KNOX

ELEC0760A 06/01/1998

ELECTRICIANS (INCLUDING
HVAC CONTROL WIRING &
ALARM INSTALLATION)

17

Fringes

Wage Rate

Fringe

ELEV0064A 04/08/2000

Classification

Rates

Fringes

ELEVATOR CONSTRUCTORS

Mechanic

20.585

6.985+a

a. SEVEN PAID HOLIDAYS: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day., Vacation Pay Credit: Employer contributes 8% of the basic hourly rate for employees with 5 years or more of service, or 6% of the basic hourly rate for employees with 6 months to 5 years of service.

Interpreting “General” WDs

Body of WD

Union Identifier – example:

“ELEV0101A 10/15/2006” indicates:

ELEV:	International Union – Elevator Constructors
101:	Local union number
A:	Internal processing number
10/15/2006:	Date collectively bargained rate was bargained to take effect

Interpreting “General” WDs

Body of WD

SU (Non-Union) Identifier – Example:

“SUAK1999-007 05/14/1998”

SU:	SUR vey – Basis of Rate(s)
AK:	Alaska
1999:	Date of Survey
007:	Internal numbering
5/14/1998:	Date submitted for publication

Note: SU non-union rates - remain unchanged until new survey

Prevailing Wage

❑ Wage and Fringe Benefit Example

❑ Basic Hourly Rate:	\$10.00
❑ Fringe Benefit:	<u>\$1.00</u>
❑ Total Prevailing Rate:	\$11.00

❑ The contractor may comply by paying:

- ❑ \$11.00 in cash wages
- ❑ \$10.00 plus \$1.00 in fringe benefits
- ❑ \$9.00 plus \$2.00 in fringe benefits

Prevailing Wage

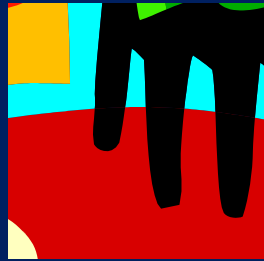
- ❑ “Prevailing wage” is made up of two interchangeable components:
 - ❑ Basic hourly wage
 - ❑ Fringe benefits
- ❑ Prevailing wages may be satisfied by:
 - ❑ Paying both in cash
 - ❑ Contributing payments to a bona fide plan
 - ❑ Any combination of the two

Fringe Benefits

□ Most common examples of Fringe Benefits



401K

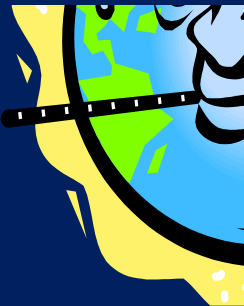


Health Ins.



Life Ins.

□ “Unfunded” Plans



Sick Leave



Holiday Pay



Vacation Pay

FEDERAL LABOR STANDARDS ADMINISTRATION

Determine Davis Bacon Applicability

Prepare Bid/Contract Documents

- [Wage Decision](#)
- [Federal Labor Standards](#)

Verify Contractor Eligibility

- [Excluded Parties List Check](#)

[Pre-Construction Activity](#)

[Additional Classification](#)

Reorganization Plan No. 14 of 1950 (DOL)

- Contracting agencies have day to day enforcement responsibility for:
 - Contract Stipulations
 - Wage Determinations
 - WH-1321 Poster
 - Reviewing certified payrolls
 - Employee interviews and investigations
 - Forwarding refusal-to-pay and/or debarment consideration cases to WHD for appropriate action
 - Enforcement reports

Construction Contract Provisions

CBDG Program:



Each contract subject to DB must incorporate:

1. Current wage decision (www.wdol.gov)
2. Contract provisions: **HUD - 4010**

Contract Provisions (Public & Indian Housing)

For Construction:



Each contract subject to DB must incorporate:

1. Current wage decision (www.wdol.gov)
2. Contract provisions:

HUD 5370 –Contract greater than \$100,000

HUD 5370 EZ –Greater \$2000 but less than
\$100,000

Contract Provisions (continued – Public & Indian Housing)

Non-Construction (Maintenance/Deferred Maintenance):

Each contract must incorporate:

1. Current wage decision
2. Contract provisions:



HUD 5370 – C - General Conditions for Non-construction Contracts

HUD-5370-C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- ⊙ 1) **Non-construction contracts (*without maintenance*) greater than \$100,000 - use Section I;**
- ⊙ 2) **Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II; and**
- ⊙ 3) **Maintenance contracts (including nonroutine maintenance), greater than \$100,000 – use Sections I and II.**

LCA Responsibilities for Davis Bacon Labor Standards

Monitoring/Enforcement

- Confirm the specific labor standards provisions applicable to project
- Ensure applicable wage determination

Weekly Payroll Receipt for DB

Conduct Interviews

Interview and Payroll Comparisons

Communication to Contractor

5.7 Enforcement Reports

Determine Coverage

- ❑ Davis-Bacon \$2000 Threshold
- ❑ Demolition ([Refer to LR Policy Letter 2009-01](#))
- ❑ HUD Program Thresholds
- ❑ Tribally Determined Rates
- ❑ Character of Construction Issues
[Memorandum #130 and #131](#)
- ❑ Maintenance or Construction ([Refer to LR Policy Letter 93-01](#))

Contract Requirements

Each contract must incorporate:

1. Current classifications and wage rates (www.wdol.gov)

Lock In Wage Effective Dates

2. Labor Standards Clauses

- CDBG/ HOME Projects: [HUD 4010](#)

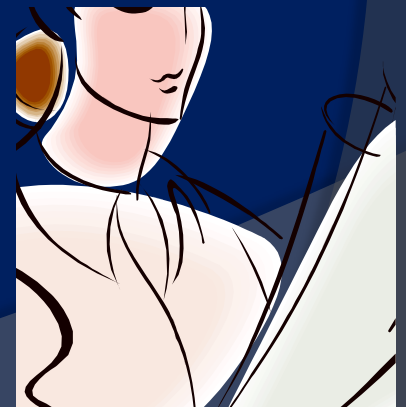
- HUD Insured: [HUD 2554](#)

- Housing Authorities: [HUD 5370](#) or ([Section I](#) or [Section II](#)) [HUD 5370 EZ](#)

Additional Classifications

Early Detections

- Review wage decision for missing classifications
- Discuss with contractors early
- Submit requests early, but after contract award
- HUD will respond in writing
- Post new classification & rate
- Make restitution payment if necessary



Contractor Eligibility

- ▣ Verify prime contractor eligibility using GSA's Debarment List
- ▣ Place printed record in contract file
- On-line access at:
 - <http://sam.gov/>

NEW

I. Pre-Construction Phase

- ❑ Determine Coverage
- ❑ Bid & Contract Documents
 - ❑ Federal Labor Standards Clauses
 - ❑ Wage Decision
- ❑ Confirm Eligibility Excluded Parties List Check
- ❑ Pre-Construction Conference
- ❑ Additional Classification

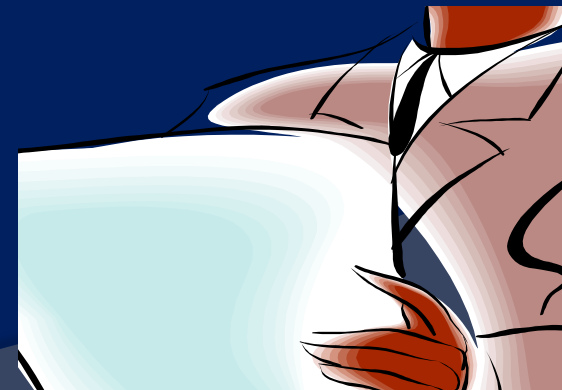
Contractor Responsibilities

□ PRIME CONTRACTOR:

- Incorporate labor clauses and correct wage determinations in all subcontracts
- Review all payrolls
- Submit all payrolls timely
- Request all additional classifications
- General compliance of employees
- Post wage rates, additional classifications and Davis-Bacon Poster

SUBCONTRACTORS (Including Lower Tier):

- Submit weekly payrolls to Prime
- Request additional classifications through Prime
- General compliance of employees



SUB-CONTRACTORS

- Prepare & submit certified weekly payrolls to Prime
- Instruct sub-tier or sub-contractors of responsibilities
- Request additional classifications from Prime
- Ensure interviewer access to employees on-site

Labor Standards Contract Clauses

❑ The Standards are in accordance with 29 CFR Parts 1, 3, and 5.

- ❑ Minimum wages
- ❑ Withholding
- ❑ Maintaining basic payroll records
- ❑ Submission of certified payroll records
- ❑ Apprentices
- ❑ Trainees
- ❑ Subcontractors
- ❑ Contract termination and debarment
- ❑ Rulings and interpretations
- ❑ Disputes
- ❑ Certification of eligibility

Labor Standards - Records to be Kept

- ▣ Copy of executed contract
- ▣ Bid opening / contract award dates
- ▣ Verification of contractor eligibility
- ▣ Wage decision/additional classifications
- ▣ Construction start date
- ▣ Certified payrolls
- ▣ Apprentice registrations
- ▣ Employee interviews & HUD-11s
- ▣ Documentation of enforcement
- ▣ Preserved no less than three years



Labor Standards - Records to be Kept

- ▣ Employee Personal Information (not on payrolls)
- ▣ Verification of fringe benefits or voluntary withholding



Preconstruction Conference

- ❑ HUD or its LCA's use these conferences to:
 - ❑ Confirm correct wage decision
 - ❑ Explain key labor standards contract provisions
 - ❑ Supply Contractor Guide & forms
 - ❑ Address additional classifications
 - ❑ Obtain subcontractors list
 - ❑ Pre-Construction Worksheet

Apprentices and Trainees

- ❑ Permitted to be paid less than the journeyman rate when:
 - ❑ Individually registered in approved apprenticeship or trainee plan.
 - ❑ The ratio of apprentices/trainees to journeyman on the job site meets the allowable ratio specified in the approved plan.
 - ❑ Paid a percentage of the basic hourly rate required and/or fringe benefits specified in the approved plan.
 - ❑ Fringe benefits are paid in accordance with the approved plan.

Additional Wage Classifications

also known as
“conformances”

How do I know if a conformance is needed for my project?

Step 1: Look at the project description, plans and specifications that itemizes each phase of the work —excavation, foundation, framing, flooring, dry walling, glazing, painting, roofing, electrical, plumbing.

Step 2: Obtain project wage decision.

Step 3: Save and visually scan the wage determination to make certain that there are published wage rates for all of the crafts you'll need listed in step 1. If there are missing crafts, you'll probably need to work with your contractor to get conformances for the classifications that aren't on the wage decision.

In the next several slides, we're going to discuss the process for obtaining additional classifications.

Crafts/Mechanics

SUAK1999-007 05/14/1998

	Rates	Fringes
Carpenter (excluding drywall hanging and batt and blown insulation).....	\$ 15.85	
Cement Mason (including cement finishing).....	\$ 21.30	
Drywall Hanger.....	\$ 10.00	
Electrician.....	\$ 22.99	
Glazier.....	\$ 17.50	
Painter.....	\$ 12.29	
Pipefitter HVAC Piping Only.....	\$ 18.50	
Plumber/Pipefitter.....	\$ 20.40	.87
Roofer (excluding shakes/shingles).....	\$ 13.13	
Sheet Metal Worker (including HVAC Duct).....	\$ 23.	

- ⦿ Drywall Taper
- ⦿ Soft Floor Layer
- ⦿ Tile Setter
- ⦿ Iron Worker
- ⦿ Stone Mason

Laborer Groups

```
Fence Erector (including  
wood and chain link).....$ 15.70  
  
Installer  
  Batt & Blown Insulation.....$ 16.00  
  
Laborer  
  Excavation.....$ 9.00  
  
  General (excluding  
  fence erecting and batt  
  and blown insulation).....$ 10.84  
  
  Hod Carrier/Mason  
  Tenders.....$ 14.24  
  Urethane Sprayer.....$ 19.00
```

- Asphalt Raker
- Landscape Laborer
- Grade Checker

Power Equipment Operators

Backhoe.....	\$ 19.05
Excavator.....	\$ 20.50

- Concrete Pump Operator
- Skid Steer Operator
- Crane
- Pile Driver
- Loader
- Compactor

Additional Work Classifications

- ❑ Prime contractor submits requests to add the missing classifications
 - ❑ On company letterhead
 - ❑ List the classifications requested
 - ❑ State the BHR & FR for each classification
 - ❑ Spell out tasks if not clear

Additional Work Classifications

- ❑ **DOL approves if:**
 - ❑ **Classification is used by the industry in the area**
 - ❑ **Work is not already performed by another classification on the wage decision.**
 - ❑ **Wage “fits” other wage decision rates**

Crafts/Mechanics

SUAK1999-007 05/14/1998

	Rates	Fringes
Carpenter (excluding drywall hanging and batt and blown insulation).....	\$ 15.85	
Cement Mason (including cement finishing).....	\$ 21.30	
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Roofer (excluding shakes/shingles).....	\$ 13.13	
Sheet Metal Worker (including HVAC Duct).....	\$ 23.	

- Drywall Taper
- Soft Floor Layer
- Tile Setter
- Iron Worker
- Stone Mason

AAM 213: Method for Approving Conformances Mechanics/Crafts

23.00

22.99

21.30

20.40

18.50 mean (5) (5)

17.50 mean minus one <- If DOL follows memo they probably will not approve craft
classifications less than this rate.

15.85

13.13

12.29

10.00

Add Class Form Example



June 10, 2016

**Re: The Concord, Jackson County, Medford, Oregon
Additional Wage Classification – Glazier**

Dear Ms. Miranda,

We are seeking an additional wage classification for a Glazier in Jackson County, Oregon. We are requesting a new classification for the trade of Glazier at \$24.65/hour with \$11.64 in fringe benefits.

1. The work to be performed by the classification requested is not performed by a classification in the wage determination, and;
2. The classification is utilized in the area by the construction industry, and ;
3. The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
4. The interested parties, including the employees or their authorized representatives agree with the classification(s) and proposed wage rate(s) and fringe rate(s).
5. The request does not involve wage rates for apprentices or trainees.

The subcontractor originating this request to utilize additional classification is:

River City Glass
2001 Foothill Blvd #E-1
Grants Pass, OR 97526

Thank you,

A handwritten signature in blue ink, appearing to read 'Thomas Walker', is written over a horizontal line.

Thomas Walker
Adroit Construction Co., Inc.
185 Mistletoe Rd
Ashland, OR 97520
541-482-4098
tom@adroitbuilt.com


ADROIT CONSTRUCTION Co., INC.
P.O. Box 609, Ashland, Oregon 97520 • 541-482-4098 • Fax: 541-482-4218
OREGON NO. 44384, CALIFORNIA NO. 454960B



- Provide a SIGNED letter from the contractor requesting trade and rate of pay by fax, mail, or E-mail (E-mail is preferred).
- E-mail the HUD 4230A, Contractor's Request Letter, and the Wage Decision to your Labor Relations Specialist.

Add Class Form Example

- Provide a SIGNED letter from the contractor requesting trade and rate of pay by fax, mail, or E-mail (E-mail is preferred).

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REPORT OF ADDITIONAL CLASSIFICATION AND RATE		HUD FORM 4230A <small>OMB Approval Number 2501-0011 (Exp. 06/30/2009)</small>	
1. FROM (name and address of requesting agency) U.S. Department of Housing & Urban Development Oregon State Office 400 SW Sixth Ave., Suite 700 Portland, OR 97204-1632 Attention: William K. Toward		2. PROJECT NAME AND NUMBER XYZ Project	
4. BRIEF DESCRIPTION OF PROJECT New Construction Multi-Family		3. LOCATION OF PROJECT (City, County and State) Portland, Multnomah County, Oregon	
5. CHARACTER OF CONSTRUCTION <input type="checkbox"/> Building <input type="checkbox"/> Heavy <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Residential <input type="checkbox"/> Other (specify)		7. WAGE DECISION EFFECTIVE DATE 04/7/06	
6. WAGE DECISION NO. (include modification number, if any)  OR030007 Mod 28 4/7/06 Wage Decision.pdf X COPY ATTACHED			
8. WORK CLASSIFICATION(S)		HOURLY WAGE RATES	
		BASIC WAGE	FRINGE BENEFIT(S) (if any)
Rooter		\$15.00	\$.0
9. PRIME CONTRACTOR (name, address) ABC Contractor		10. SUBCONTRACTOR/EMPLOYER, IF APPLICABLE (name, address)	
<p>Check All That Apply:</p> <p><input checked="" type="checkbox"/> The work to be performed by the additional classification(s) is not performed by a classification in the applicable wage decision.</p> <p><input checked="" type="checkbox"/> The proposed classification is utilized in the area by the construction industry.</p> <p><input checked="" type="checkbox"/> The proposed wage rate(s), including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage decision.</p> <p><input checked="" type="checkbox"/> The interested parties, including the employees or their authorized representatives, agree on the classification(s) and wage rate(s).</p> <p><input checked="" type="checkbox"/> Supporting documentation attached, including applicable wage decision.</p> <p>Check One:</p> <p><input checked="" type="checkbox"/> Approved, meets all criteria. DOL confirmation requested.</p> <p><input type="checkbox"/> One or more classifications fail to meet all criteria as explained in agency referral. DOL decision requested.</p>			
_____ Agency Representative (Typed name and signature)		_____ Date	
_____ Phone Number		FOR HUD USE ONLY U/2000: Log in: Log out:	

- E-mail the HUD 4230A, Request Letter, and Wage Decision to your Labor Relations Specialist.

HUD-4230A (6-05) PREVIOUS EDITIONS OBSOLETE

II. Construction Phase

- Monitor performance**
- Provide technical assistance**
- Complete routine project reviews**
- Request supplemental payroll records as needed**
- If warranted, conduct investigations**

- Certified Payroll Review**
- Check Interview Data**
- Examine Inspector Trip Reports**
- Compare Documents**
- Identify willful violations & other discrepancies**

On-site Project Inspections

- ❑ **Project inspectors regularly visit the construction site to ensure:**
 - ❑ **The correct wage determination, notice to employees, and any additional classifications are posted by the contractor at the site.**
 - ❑ **Employees are paid correctly by conducting employee interviews as follows:**
 - ❑ **Interviewers identify themselves**
 - ❑ **Confirm with identification**
 - ❑ **Explain the project is being assisted with Federal funds**
 - ❑ **Explain the purpose of the interview**
 - ❑ **Advise the employee that the prevailing wages applicable and where are posted**

CERTIFIED PAYROLLS

Payroll Format

- ❑ **Certified Payroll** (Any format is acceptable so long as it contains all of the information on the [WH-347](#))
- ❑ **SSNs Not Required** on this form. (maintained by employer)
- ❑ **Protect Confidential Data:** [HUD Privacy LR Letter](#)

Certified Payroll Basics

Date _____

I, _____ (Name of Signatory Party) _____ (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by _____ (Contractor or Subcontractor) on the _____ (Building or Work); that during the payroll period commencing on the _____ day of _____, and ending the _____ day of _____, all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said _____ (Contractor or Subcontractor) from the full weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Stat. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. § 3145), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

- in addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS:

NAME AND TITLE	SIGNATURE

THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.

- Compliance statement (w/ original signature of corporate official, such as President, Treasurer or Payroll Administrator or letter of delegation from an authorized principal ([WH-347](#)))

Certified Payroll Basics

Project & Contractor Information

- ▣ Contractor/sub-contractor name
- ▣ Business address
- ▣ Project name & number
- ▣ Week ending date
- ▣ Day & date for each day in the workweek
- ▣ Numbered Payrolls
- ▣ Name/SSN (Last 4 digits)
- ▣ Work Classifications
- ▣ Split Classifications
- ▣ Rate of Pay
- ▣ Deductions
- ▣ Fringe Benefits – Check box (a), (b) or (c)

Certified Payroll Basics

- ▣ “No Work” payrolls optional – but all weeks must be accounted
- ▣ Payrolls must be complete & legible
- ▣ Prime contractor reviews payrolls and submits to LCA
- ▣ Payroll retention = three years
- ▣ Payrolls due weekly
- ▣ Identify first and final payroll

Certified Payroll Basics

Date _____
 I, _____ (Name of Signatory Party) _____ (Title)
 do hereby state:

(1) That I pay or supervise the payment of the persons employed by _____ on the _____ (Contractor or Subcontractor); that during the payroll period commencing on the _____ (Building or Work) _____ day of _____, and ending the _____ day of _____, all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said _____ from the full _____ (Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Stat. 108, 72 Stat. 967, 76 Stat. 357, 40 U.S.C. § 3145), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.
 (3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:
 (a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS
 - in addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH
 - Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS:

NAME AND TITLE	SIGNATURE

THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.

- Compliance statement (w/ original signature of corporate official, such as President, Treasurer or Payroll Administrator or letter of delegation from an authorized principal ([WH-347](#)))

Permissible Deductions

- ❑ Social security or federal or state income tax withholding.
- ❑ Bona fide prepayment of wages.
- ❑ Court ordered payments.
- ❑ Reasonable cost” of board, lodging or other facilities meeting the requirements of section 3(m) of FLSA.
- ❑ Safety equipment - if not prohibited by FLSA or required by law for employer to furnish

Piece Work

- Convert to hourly wage rate
- $\text{Total weekly wages} \div \text{hours worked} = \text{effective hourly wage rate}$
- It is important that contractors keep good records of hours worked

Overtime

- For all hours worked over 40 per week
- Paid at 1½ times the regular rate of basic pay plus the straight-time rate of fringe benefits
- Applies to hours worked on covered project

Record Keeping:

FACT SHEET #21

- ◎ Employee name, address ssn
- ◎ Work classification
- ◎ Hourly rates of wages paid
- ◎ Daily & weekly hours worked
- ◎ Gross wages, deductions & actual net paid.
- ◎ Records must be maintained no less than 3 years following completion of work.

Typical Errors

- Missing documentation for Apprentices and Trainees
- Misclassification of workers
- Copy or fax Statement of Compliance
- Frequent computation errors
- Inadequate payroll information
- Incomplete payrolls
- Other deductions not identified
- Overtime violations
- Unauthorized signature on Statement of Compliance
- Wage rate errors
- Fringe Benefits not paid

What We Look For

- ❑ Are the apprenticeship records on file to support the registration and ratio for apprentices reported on the payrolls?
- ❑ Is statement of compliance fringe box A or B checked?
- ❑ Does the statement of compliance include all the required language?
- ❑ Is the statement of compliance signed by a principal or designee of the firm with an original signature?

Employee Interviews:

- ❑ Do they match the payrolls?
- ❑ Are there indications of misclassification?
- ❑ Piece rate or unpaid overtime indicated?
- ❑ Unidentified employers with no payrolls?
- ❑ Kickbacks?

Project Reviews

- ❑ **Communicate problems to contractor via:**
 - ❑ **Informal email, telephone corrections**
 - ❑ **Routine project reviews**
 - ❑ **Notice of Back Wage Due**

Investigations

- ❑ **Falsification indicators trigger investigations**
 - ❑ **Ratios of laborers to mechanics**
 - ❑ **Too few or irregular hours**
 - ❑ **Discrepancies in wage computations**
 - ❑ **Extraordinary deductions**
 - ❑ **Interviews indicate substantial violations**
 - ❑ **Credible complaints of falsification**
 - ❑ **Complaint Intake Form (Form 4731)**
 - ❑ **Questionnaire (Form 4730)**

Investigations

Issaquah firm to pay \$550K to workers in overtime suit | The Seattle Times - Google Chrome

www.seattletimes.com/business/issaquah-firm-to-pay-550k-to-workers-in-overtime-suit/

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Business

Issaquah firm to pay \$550K to workers in overtime suit

Originally published February 20, 2014 at 5:39 pm | Updated February 20, 2014 at 7:46 pm

By Amy Martinez

A drywall contractor in Issaquah has agreed to pay \$550,000 to settle a U.S. Department of Labor lawsuit alleging it shortchanged nearly 400 workers on overtime wages over a 3½ year period.

The labor department said Thursday that Summit Drywall will pay \$275,000 in back wages and another \$275,000 in damages to workers who allegedly were illegally denied overtime compensation from October 2009 to April 2013.

About 380 current and former employees will receive money from the settlement, which was made final by a consent judgment in federal district court in Seattle.

Investigators found that drywall hangers and tapers were paid on a “piece-rate” basis and were not compensated for all the hours they worked, including time spent traveling between job sites and transporting equipment.

“In this region, long hours and low wages are prevalent in the drywall industry,” Janet Herold, the department’s regional solicitor in San Francisco, said in a statement. “This consent decree sends the unambiguous message that the department will not permit the underpayment of workers’ wages in piece-rate schemes.”

Most Read Stories

- 1 Residents return to ‘war zone’ in wake of Wenatchee wildfire
- 2 Woman knocked unconscious by falling drone during Seattle’s Pride parade

On-Site Interviews

Use on-site interviews to:

- ▣ Validate / test payroll data
- ▣ Develop complaints
- ▣ Target interviews to substantiate suspected violations

· HUD-11 available at www.hudclips.org



Investigations

- ❑ Follow DOL investigations steps including employer conferences, notice of violations, withholding and appeal rights.
- ❑ Test indicators by seeking verification by:
 - ❑ Supplementing interviews and questionnaires
 - ❑ Securing relevant detailed employer payroll records
- ❑ Coordinate with HUD, DOL and the HUD IG
- ❑ Enforcements Report to DOL (Handbook chapter 10)

Notice of Violations

- ❑ **Written notice of contractor of violations and potential underpayments should:**
 - ❑ **Identify “face of the payroll” violations.**
 - ❑ **Request documentation as needed.**
 - ❑ **Provide definitive response times.**
 - ❑ **Notify or explain consequences of failure to respond, i.e. funds withholding, delay closing**
 - ❑ **Routine project reviews sample**
 - ❑ **Back Wage Schedule sample**

HUD Determined Non-Routine Maintenance Wage

Decision

- Projects that are non-routinely occurring maintenance not so substantial in scope that they fall within a range of “reconstruction activity” subject to Davis Bacon rates
- Upkeep that is necessary, but, non-routine
- Cyclical upkeep

PHA's/TDHE's responsibilities

- ⦿ Ensure current MWD & contract standards are incorporated into the contract specs.
- ⦿ Verify contractor eligibility.
- ⦿ Provide technical support to contractor/sub
- ⦿ Conduct on-site interviews with laborers & mechanics
- ⦿ Perform periodic “spot-check reviews of con/sub records, including comparison of on-site interview data against such records.
- ⦿ Notify the contractor of any labor standards deficiencies & corrective actions.
- ⦿ Maintain full documentation of all labor standards administration & enforcement activities.

HUD Determined Maintenance Wage Decision

- Projects that are not construction
- Routine Maintenance/Upkeep/Repairs
- “MWD” – determined or adopted by HUD
- Annually set
- Applicable to low-income housing projects operated by PHA’s as defined by US Housing Act of 1937 & affordable housing operated by Indian tribes or TDHE’s.

Labor Standards - Records to be kept for HUD –determined rate projects

- ▣ Copy of executed contract
- ▣ Bid opening / contract award dates
- ▣ Verification of contractor eligibility
- ▣ Wage decision/additional classifications
- ▣ Construction start date
- ▣ Payroll records of sufficient detail to verify workers were paid correctly
- ▣ Apprenticeship registrations
- ▣ Employee interviews & HUD-11s
- ▣ Documentation of enforcement
- ▣ Preserved no less than three years



HUD Determined Technical Wage Decision

- Projects that involve design, survey, drafting which may be preliminary to construction or development

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