

An Introduction to
Federal Labor Standards
for Local Contracting Agencies



Kamaria "Mia" Taylor, Labor Standards Specialist

- Federal Statutes & Applicability
- Wage Decisions
- Contractor Responsibilities
- Work Classifications
- Pay Administration
- Compliance & Enforcement
- Agency Responsibilities
- Guidance





FEDERAL STATUTES & APPLICABILITY



The Davis-Bacon Act

Requires the payment of prevailing wage rates to all laborers and mechanics working on Federal government construction projects \$2,000 or more.

Construction includes alteration and/or repair, including painting and decorating of public buildings or works.

Signed into law March 3, 1931.



The Copeland Act

Prohibits contractor's from making an employee give up any part of their entitled pay.

- Requires that workers be paid weekly.
- Requires contractors to submit weekly certified payroll with a signed "statement of compliance".

Passed June 13, 1934

Contract Work Hours and Safety Standards Act

- Also known as **CWHSSA**
- Applies to federally assisted construction contracts **over \$100,000.**
- **Requires contractors to pay laborers and mechanics overtime pay for all hours worked over 40 hours in a work week.**
- Violations carry a liquidated damages penalty of **\$27** per day.

Related Acts

- **CDBG (UDAG/EDI/BEDI/Sec 108):** Housing and Community Development Act of 1974, as amended (HCDA); Section 110
- **HOME:** National Affordable Housing Act of 1990 (NAHA); Section 286
- **PHA:** U. S. Housing Act of 1937, as amended (USHA) Section 12
- **TDHE:** Native American Housing Assistance and Self-Determination Act of 1996, as amended, Section 104(b)
- **FHA:** Multifamily Housing Programs – National Housing Act of 1934, Section 212(a)

CDBG

CDBG (UDAG/EDI/BEDI/Sec 108): Housing and Community Development Act of 1974, as amended (HCDA); Section 110

- Construction contracts over \$2,000.
- Construction work financed in whole or in part.
- All laborers and mechanics employed by contractors.
- Rehabilitation of residential property with 8 or more units.
- Soft costs generally do not trigger Davis-Bacon.

Examples of Project Soft Costs

- Legal fees, accounting fees, taxes, land acquisition and anything other than non-construction.
- Architectural, engineering or related professional services required to prepare plans, drawings, or specifications of a project.
- Purchase of equipment, furniture, and business licenses.



CDBG

Equipment Installation

- Davis-Bacon applies to installation costs over 13% of the total equipment cost.
- Alterations to property or structural modifications are needed to accommodate the equipment (*i.e.*, widening entrances, relocating walls, or installing wiring)

Force Account Work

- Davis-Bacon does not apply to work done by employees hired directly by the grantee (city or state workers, etc.)

Equipment Installation Examples

- The cost of new light fixtures is \$4,000, plus \$3,000 for installation. **Davis-Bacon (DB) would apply** to the installation, since \$3,000 of \$7,000 is a substantial share of the contract amount.
 - $\$4,000 \times 13\% = \520 , installation cost are greater than 13%
- Purchase and installation of equipment is \$85,000, but the building must be altered at a cost of \$6,000. **DB would not apply**, since \$6,000 is not substantial compared to total contract price.
 - $\$85,000 \times 13\% = \$11,500$, installation cost are less than 13%

HOME

- Affordable housing with 12 or more units assisted with funds made available under this subtitle.
- Any contract for the construction of affordable housing with 12 or more units.
- Standard for applicability is *construction assisted*, not construction financed.
- Soft costs will trigger Davis-Bacon.

Contract Requirements

Federal Labor Standards Provisions obligate the contractor to comply with the Davis-Bacon Wage Decision, reporting requirements and provide remedies and sanctions should violations occur.

- **Each covered Davis-Bacon bid package and contract for construction/development must contain:**
 - Federal Labor Standards Provisions (HUD-4010)
 - Applicable Wage Decision

HUD-4010

Federal Labor Standards Provisions

U.S. Department of Housing
and Urban Development
Office of Labor Relations

Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or

(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.

(b) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that

The HUD-4010 must be incorporated in bid specifications and contract documents.

Site of Work

Davis-Bacon applies to laborers and mechanics on the “site of work”.

- Physical place(s) referenced in the contract or agreement.



Methods of Incorporation

The Federal labor standards provisions (HUD-4010) and applicable wage decisions can be incorporated in bid specifications and contracts by one of the following:

- by hard copy
- incorporated into other documents
- by reference

Demolition

In most cases, demolition is not covered by Davis-Bacon unless it will be followed by a Davis-Bacon covered construction.

Davis-Bacon coverage is based on knowledge that there will be subsequent construction and that the subsequent construction work will be covered by Davis-Bacon.





WAGE DECISIONS

Wage Decision

A wage decision is a document listing a minimum wage rate and fringe benefit for each classification DOL has determined prevailing in a specific area based on the type of construction.

- May be modified periodically
- Must be included in bid and contract documents
- Must be incorporated in prime & sub-contracts
- Must be posted at the job site in an area accessible to all workers and protected from the weather.



Residential Wage Decision

The construction, alteration, or repair of single-family houses or apartment buildings of no more than four (4) stories in height. This includes incidental items such as site work, parking areas, utilities, streets and sidewalks.

- Apartment buildings 4 stories or less
- Multi-family houses (8 or more)
- Single family houses (8 or more under one contract)
- Town or row houses

Building Wage Decision


The construction of sheltered enclosures for the purpose of housing persons, machinery, equipment or supplies. Structures need not be habitable to be considered building construction.

- Apartment buildings five (5) stories and up
- Commercial buildings
- Alteration or addition to buildings
- Remodeling, repairing & renovating buildings
- Shelters
- Warehouses
- Fire stations



Highway Wage Decision

The construction, alteration, or repair of roads, streets, highways, runways, taxiways, alleys, trails, paths, parking areas, and other similar projects that are not incidental to building or heavy construction.

- Curbs
 - Sidewalks
 - Parking lots
 - Street paving
 - Street reconstruction
- 



Heavy Wage Decision

The construction on projects that cannot be classified as building, residential, or highway.

- Water mains
- Water wells
- Water storage tanks
- Sewers (sanitary, storm, etc.)
- Parks and playgrounds
- Flood control
- Drainage projects



Davis-Bacon Wage Decision: <https://beta.sam.gov/>

 An official website of the United States Government [Here's how you know](#) ✓

This site is in beta and a work in progress ^

LOGIN.GOV is now live on Beta.SAM.gov

You will now log in to Beta.SAM.gov using login.gov. Please check out the video for more information: <https://beta.sam.gov/cm/videos/detail?id=231>

[More alerts](#) 



**You can enter the wage decision number if known
or click on the arrow under "All Award Data"**



[Sign in](#)

All Award Data

I'm looking for.. 

[Search](#)

Welcome

This will be the official U.S. government website for people who make, receive, and manage federal awards.

100% FREE TO USE

Davis-Bacon Wage Decision: <https://beta.sam.gov/>

 An official website of the United States Government [Here's how you know](#) ✓

This site is in beta and a work in progress ^

LOGIN.GOV is now live on Beta.SAM.gov



You will now log in to Beta.SAM.gov using login.gov. Please check out the video for more information: <https://beta.sam.gov/cm/videos/detail?id=231>

[More alerts](#) Ⓢ



**Click on "Wage Determinations"
then click on "Search"**



Sign in

All Award Data

Assistance Listings

Contract Opportunities

Contract Data

Entity Information

Federal Hierarchy

Wage Determinations

ing for..



Search

Welcome

This will be the official U.S. government website for people who make, receive, and manage federal awards.

100% FREE TO U.S.

Davis-Bacon Wage Decision: <https://beta.sam.gov/>

Wage Determination Type

☒ Davis-Bacon Act (DBA)

☐ Service Contract Act (SCA)

☐ Collective Bargaining Agreement (CBA)

Location

Select State

Virginia

Select County/Independent City

Richmond

DBA: Construction Type

Select Construction Type

Residential

Status

☒ Active Only

Wage Determinations Search

The Wage Determination filters to the left ask a series of questions to determine if the best WD is available on the site. If any criteria such as a specific location is not present or the non-standard service does not strictly apply, please click [here](#) to submit an e98 form. 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.

[DBA Rollover Crosswalk](#)
[DBAs to be revised](#)

Search Results

Showing 1 - 2 of 2 results

Sort By Date Modified ▼

Davis-Bacon Act WD #: **VA20210129**

State

Virginia

County/ies

Accomack, Essex, King And Queen, King George, Lancaster, Middlesex, Northampton, Northumberland, Richmond, Westmoreland

Wage Determination

Modification

0

Construction Type

Residential

Published Date

Jan 01, 2021

Select "DBA" then select the: State, County & Construction Type

Davis-Bacon Wage Decision: <https://beta.sam.gov/>

Wage Determination

Overview

Document

History

Document

Download

Print

**Print and/or save
Wage Decision for
contract documents
and file.**

"General Decision Number: VA20210129 01/01/2021"

Superseded General Decision Number: VA20200129

State: Virginia

Construction Type: Residential

Counties: Accomack, Essex, King And Queen, King George, Lancaster, Middlesex, Northampton, Northumberland, Richmond and Westmoreland Counties in Virginia.

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

Davis-Bacon Wage Decision: <https://beta.sam.gov/>

Wage Determination

Overview

Document

History

Modification Number

0

Publication Date

01/01/2021

SUVA2012-002 08/08/2014

	Rates	Fringes
CARPENTER.....	\$ 17.00	0.00
ELECTRICIAN.....	\$ 15.75	0.00
LABORER: Common or General.....	\$ 9.50	0.00
OPERATOR: Loader.....	\$ 18.75	0.00
PAINTER (Brush and Roller).....	\$ 10.17	0.00
PLUMBER.....	\$ 19.84	3.38

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

=====

Additional Classification Request

HUD Form 4230A: Also referred to as a “conformance”. If the work classification(s) needed is not listed on the wage decision, you will need to request an additional classification and wage rate.

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

HUD-4320A

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REPORT OF ADDITIONAL CLASSIFICATION AND RATE		HUD FORM 4230A <small>Civil Approval Number 2301-0011 (Rev. 8/01/2002)</small>	
1. FROM (name and address of requesting agency)		2. PROJECT NAME AND NUMBER	
		3. LOCATION OF PROJECT (City, County and State)	
4. BRIEF DESCRIPTION OF PROJECT		5. CHARACTER OF CONSTRUCTION <input type="checkbox"/> Building <input type="checkbox"/> Residential <input type="checkbox"/> Heavy <input type="checkbox"/> Other (specify) <input type="checkbox"/> Highway	
6. WAGE DECISION NO. (Include modification number, if any)		7. WAGE DECISION EFFECTIVE DATE (LOCK-IN):	
<input type="checkbox"/> COPY ATTACHED		DATE OF WAGE DECISION:	
8. WORK CLASSIFICATION(S)		HOURLY WAGE RATES	
		BASIC WAGE FRINGE BENEFIT(S) (if any)	
9. PRIME CONTRACTOR (name, address)		10. SUBCONTRACTOR/EMPLOYER, IF APPLICABLE (name, address)	
10a. SIGNATURE		10b. <input type="checkbox"/> Agree <input type="checkbox"/> Disagree	
DATE			
Check All That Apply: <input type="checkbox"/> The work to be performed by the additional classification(s) is not performed by a classification in the applicable wage decision. <input type="checkbox"/> The proposed classification is utilized in the area by the construction industry. <input 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. <input type="checkbox"/> The interested parties, including the employees or their authorized representatives, agree on the classification(s) and wage rate(s). <input type="checkbox"/> Supporting documentation attached, including applicable wage decision.			
Check One: <input type="checkbox"/> Approved, meets all criteria. DOL confirmation requested. <input type="checkbox"/> One or more classifications fail to meet all criteria. DOL decision requested.			
Agency Representative <small>(Typed name and signature)</small>		Date	
Phone Number		FOR HUD USE ONLY LR2000: Log in: Log out:	

- Complete numbers 1-10.
- Check any of the boxes that apply under "Check All That Apply".
- Email the form along with the wage decision used for the project to the Office of Davis-Bacon Labor Standards (DBLS).
- DBLS submits the request to DOL and notifies you by email of DOL's approval or exception (could take over 30 days).
- Contractors can pay the employee(s) the rates cited on the request until advised otherwise.
- If the DOL does not approve the request, you will be notified about what wage rate should be used for the work in question.

Wage Decision “Lock-In”

Competitively Bid Contracts

- Lock-in on bid opening date *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.

Contractor Eligibility

The agency must verify the eligibility of the prime contractor prior to initial closing or contract award on-line at:

System for Award Management (SAM): www.sam.gov

- The agency should make a record of the verification for the project file.
- Any contract awarded to a contractor found ineligible must be terminated immediately.

System for Award Management: www.sam.gov

[View assistance for SAM.gov](#)

Search Records

Search Tips to Get Started:

- Looking for entity registration records or entity exclusion records in SAM? Use **Quick Search** if you know an entity's Business Name, DUNS Number or CAGE Code. Use **Advanced Search** to structure your search using multiple categories and criteria.
- Are you a Federal government employee? Create a SAM user account with your government e-mail address and log into SAM before searching to see FOUO information and registrants who chose to opt out of the public search.
- Conducting small business-focused research? In addition to what is contained in SAM, small businesses can provide the Small Business Administration (SBA) supplemental information about themselves. Use the [SBA's Dynamic Small Business Search](#) to conduct further market research.
- Trying to find a contractor participating in the Disaster Response Registry? Use the **Disaster Response Registry Search** to locate contractors willing to provide debris removal, distribution of supplies, reconstruction, and other disaster or emergency relief services in the event of a national disaster.

Choose Quick Search or Advanced Search

QUICK SEARCH:

BECO CONSTRUCTION COMPANY, INC.]

(Example of search term includes the entity's name, etc.)

DUNS Number Search:

Enter DUNS number ONLY

CAGE Code Search:

Enter CAGE code ONLY

SEARCH

Need Help?

ADVANCED SEARCH:

Use specific criteria in multiple categories to structure your search.

ADVANCED SEARCH - ENTITY

ADVANCED SEARCH - EXCLUSION

DISASTER RESPONSE REGISTRY SEARCH

[Search Records](#) [Disclaimers](#) [FAPHS.gov](#)

Enter Prime Contractor name and click SEARCH

System for Award Management: www.sam.gov

[View assistance for SAM.gov](#)

Search Results

- Your search results represent the broadest set of records that match your search criteria. You may get entity registration records that are still in progress or have been submitted, but not yet activated. Check the status of each record.
- Of note, some entities choose to opt out of public display. Even if they are registered in SAM, you will not see their entity registration records in a public search. You can only see them if you log in as Federal Government user.
- You can refine your search results. If you used the Quick Search, select the search filters on this page. If you used one of the Advanced Search options, select the Edit Search button.
- If you want to perform a new search, use the Clear button to remove your current search results. If you are logged in with your SAM User Account, you can save your search criteria to run again later using the Save Search button.
- [NOTE: Please read this important message when searching for exclusion records.](#)

Current Search Terms: BECO CONSTRUCTION COMPANY, INC.*

Clear Search

Total records:0

Save PDF

Export Results

Print

Result Page:

Sort by Relevance ▼

Order by Descending ▼

FILTER RESULTS

By Record Status

☒ Active

☐ Inactive

By Record Type

☐ Entity Registration

☐ Exclusion

Your search for BECO CONSTRUCTION COMPANY, INC.* returned the following results...

No records found.

Print results and place in contract file.

Provide Contractor Training

- Make certain the contractor understands the requirements for Davis-Bacon compliance.
- Discuss request for Additional Classifications early.
- Refer contractor to *A Contractor's Guide to Prevailing Wage Requirements for Federally-Assisted Construction Projects*.





CONTRACTOR RESPONSIBILITIES

Prime Contractor

- Responsible for compliance of all employers
- Sub-contractors communicate through prime
- Include labor provisions & wage decision in all sub-contracts
- Provide sub-contractors with forms and guidance
- Reviews all payrolls for accuracy
- Submits certified payrolls for own employees and sub-contractors timely



Subcontractor Contractor

- Prepares & submits certified weekly payrolls to Prime
- Instruct sub-tier of responsibilities
- Request additional classifications through Prime



Required for all Contractors

- Pay according to required classifications and rates
- Permit access to employees during work
- Retain records documenting compliance for three years after project completion





WORK CLASSIFICATIONS

Laborers and Mechanics

The terms "laborers" and "mechanics" include those workers whose duties are manual or physical. Generally, mechanics are considered to include any worker who uses tools or who is performing the work of a recognized trade.

- Supervisors or Working Foreman are covered if they spend 20% or more of their time performing laborer or mechanic duties at the job site.
- Relatives who are performing work must be paid the required wage for the classification of job performed and must be included on payrolls.



Working Owner

An owner who has no employees is not authorized to sign his/her own payroll and Statement of Compliance. Instead, must be listed on the prime or subcontractor for whom they have executed a "contract" for services.

Owners of businesses working with their crew may certify to the payment of their own wages as well as their employee's wages. Owners need only list their name, work classification including "owner," and the daily and total hours worked. Owners *do not* need to list a rate of pay or amounts earned.





Construction Cleaning

Cleaning performed during construction is subject to prevailing wage provisions.

If a cleaning classification is not list on the wage decision, cleaners must be paid the rate for unskilled laborers.



Split Classifications

An employee may perform work in more than one classification ***provided***, the employer maintains accurate time records of the time spent in each classification of work performed.

If accurate time records are not maintained, the employee shall be compensated at the highest of all wage rates for the classifications in which work was performed.

Apprentices

Only apprentices registered in an approved program may be paid less than the wage rate listed on the wage decision for their work classification.

Approved programs are those which have been registered with the Department of Labor (DOL) or DOL recognized State Apprenticeship Agency.

The first payroll on which any apprentice appears should include:

- A copy of that apprentice's registration in an approved program.
- A copy of each apprenticeship agreement.
- A copy of the portions of the approved program pertaining to the wage rates and ratios.

Note: A worker who is not registered in an approved program must be paid the full journeyman's rate.

Material Delivery

- Material delivery truck drivers who come onto the site of work merely to drop off or pick up construction materials are not covered if the time spent on the site of work is not more than de minimis.
- De Minimis Rule: If the driver is not working exclusively on the site of work, to be covered by Davis-Bacon, the time spent working on site must be more than de minimis (20% or more of the work week).
- It is highly recommended that drivers keep track of their time in a manner that will assist in determining if 20% of their work week is spent on the 'site of work' (de minimis).

Truck Drivers

- Covered if driving on the “site of the work”
- Covered if working exclusively on the “site of the work”
- Not covered if **only** loading/unloading on the “site of the work”
- Not covered if driving off the “site of the work” between Davis-Bacon site and commercial facilities
- Truck “owner-operators” must be reported on the prime’s (responsible employer’s) weekly payrolls but unlike other classifications, do not need to show the hours worked or rates, only the notation ‘Owner-operator’.



Construction Site

- Covered if working at the “site of work”
- Loading from a ‘Stockpile’ while on the ‘site of work’ can exceed the de minimis (20% or more of the work week).
- Dumping material alone, more than likely will NOT exceed de minimis (20% or more of the work week).
- Trucks ‘lined up’ waiting to be loaded, can exceed the de minimis (20% or more of the work week).



Volunteers

- Perform services voluntarily
- Do not receive compensation
- May receive expenses, or a nominal fee
- Not otherwise employed on the project
- Note the project file, have volunteer sign





PAY ADMINISTRATION

Davis-Bacon Wage Rates

The wage decision will list a minimum basic wage or basic wage plus fringe benefits. Pay wage rates at or above those on wage decision for classification of work performed.

If the wage decision requires \$10 per hour + \$5 per hour fringe benefits, you must pay no less than \$15 per hour. You can meet this obligation in several ways, as long as you meet the total amount:

- \$10 basic plus + \$5 fringe benefits.
- \$12 basic plus + \$3 fringe benefits.
- \$9 basic plus + \$6 fringe benefits

Fringe Benefits

- Can include employer contributions to health insurance premiums, retirement contributions, life insurance, vacation & sick leave, etc.
- Contractor must identify on Statement of Compliance if fringe benefits are paid or are not paid
- Unfunded plans: Contractor must obtain DOL approval



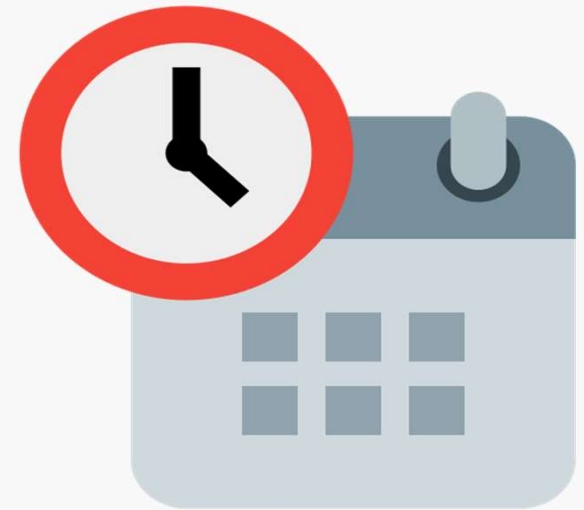
NOT Fringe Benefits

- Workers' compensation
- Unemployment compensation
- Social Security
- Employer payments or contributions required by Federal, State or local laws
- Use of company truck
- Holiday bonus



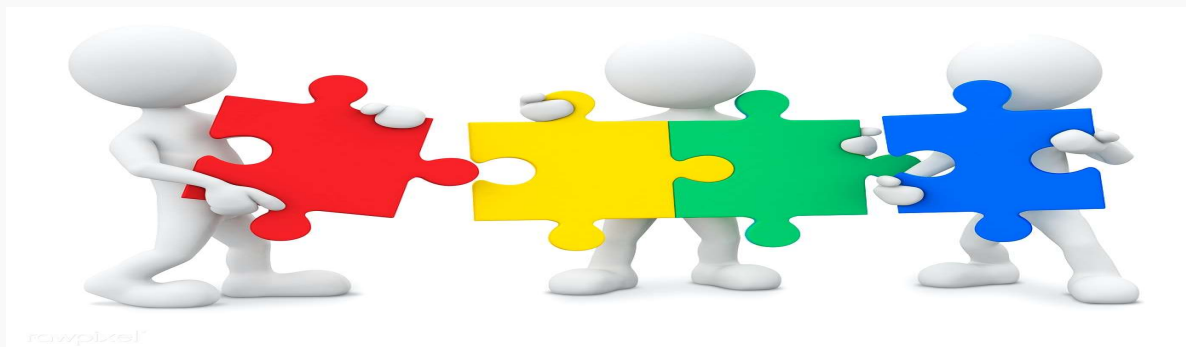
Overtime

- 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



Piece Work

- Convert to hourly wage rate
- Total weekly wages ÷ hours worked = effective hourly wage rate
 - $\$1000 \div 40\text{hrs} = \25 per hour
- It is important that contractors keep good records of hours worked



Pay Deductions

Allowable deductions include employee obligations for:

- Income taxes and Social Security payments
- Insurance premiums
- Retirement and savings accounts
- Any other legally-permissible deduction authorized by the employee.
- Those deemed permissible by 29 Code of Federal Regulations (CFR) Part 3. Deductions not provided must be approved by the DOL

Certified Payroll Basics

- Contractors are required to submit weekly certified payrolls to document compliance with prevailing wage requirements.
- The Statement of Compliance is required for each employer's weekly certified payroll. It is located on the reverse side of a standard payroll form (WH-347).
- Make sure the payroll is signed with an original signature.
- Must be signed by a principal of the firm or by an authorized agent (authorized by a principal in writing to sign the payroll reports).

Contractors are not required to use Payroll form WH-347. You can use any other type of payroll, such as computerized formats, as long as it contains all of the information required on the WH-347.

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The Statement of Compliance is the certification. It is located on the reverse side of a standard payroll form (WH-347).

Be sure the identifying information at the top is completed, particularly if attaching the Statement of Compliance to an alternate payroll form such as a computer payroll.

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
<input type="text"/>	<input type="text"/>

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.

Common Payroll Errors

- Missing documentation for Apprentices and Trainees
- Classification errors
- Copy or fax Statement of Compliance
- Frequent computation errors
- Incomplete payrolls
- Other deductions not identified
- Overtime violations
- Unauthorized signature on Statement of Compliance
- Wage rate errors





COMPLIANCE AND ENFORCEMENT

Davis-Bacon Posters

The Davis-Bacon poster, and a copy of the applicable Davis-Bacon wage decision, must be displayed at the job site of every project subject to Davis-Bacon wage requirements.

Websites for the English and Spanish versions of poster:

(WH-1321) Davis-Bacon Poster (English):

<https://www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf>

(WH-1321) Davis-Bacon Poster (En Español):

<https://www.dol.gov/whd/regs/compliance/posters/davispan.pdf>

Must be displayed at the job site of every project subject to Davis-Bacon.

Also available in Spanish.

EMPLOYEE RIGHTS UNDER THE DAVIS-BACON ACT	
FOR LABORERS AND MECHANICS EMPLOYED ON FEDERAL OR FEDERALLY ASSISTED CONSTRUCTION PROJECTS	
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 Equated 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: <div></div> or contact the U.S. Department of Labor's Wage and Hour Division.
<div>WAGE AND HOUR DIVISION UNITED STATES DEPARTMENT OF LABOR</div> <div>1-866-487-8243 TTY: 1-877-889-5627 www.dol.gov/whd</div> <div>WHD-REV1617</div>	

Project Wage Rate Sheet (HUD-4720)

This sheet is a one-page transcript that will show only the classifications and wage rates for a project.

- Easy for workers to see if they are paid properly
- Ready reference for the contract administrators reviewing payroll reports
- Should be prepared after the wage decision has been "locked-in"

Project Wage Rate Sheet				U.S. Department of Housing and Urban Development Office of Labor Relations		
PROJECT NAME:				WAGE DECISION NUMBER/MODIFICATION NUMBER:		
PROJECT NUMBER:				PROJECT COUNTY:		
WORK CLASSIFICATION	BASIC HOURLY RATE (BHR)	FRINGE BENEFITS	TOTAL HOURLY WAGE RATE	LABORERS FRINGE BENEFITS:		\$
				GROUP #	BHR	TOTAL WAGE
Bricklayers			\$			\$
Carpenters			\$			\$
Cement Masons			\$			\$
Drywall Hangers			\$			\$
Electricians			\$			\$
Iron Workers			\$			\$
Painters			\$	OPERATORS FRINGE BENEFITS:		\$
Plumbers			\$	GROUP #	BHR	TOTAL WAGE
Roofers			\$			\$
Sheet Metal Workers			\$			\$
Soft Floor Layers			\$			\$
Tapers			\$			\$
Tile Setters			\$	TRUCK DRIVERS FRINGE BENEFITS:		\$
OTHER CLASSIFICATIONS				GROUP #	BHR	TOTAL WAGE
			\$			\$
			\$			\$
			\$			\$
ADDITIONAL CLASSIFICATIONS (HUD Form 4230-A)						
WORK CLASSIFICATION	BASIC HOURLY RATE	FRINGE BENEFITS	TOTAL HOURLY WAGE RATE	DATE OF HUD SUBMISSION TO DOL		DATE OF DOL APPROVAL
			\$			
			\$			
			\$			
			\$			

Form HUD-4720 (03/2004)

Compliance Reviews

On-Site Employee Interviews (HUD-11's): are conducted as an enforcement activity to ensure Davis-Bacon Wages are being paid. The contract administrator or a designee (such as an agency construction inspector) should visit the project site and interview workers.

Project Payroll Reviews: compare the information on the interview forms to payrolls to ensure that the workers are properly listed for the days, work classifications and rate pay.



Record of Employee Interview (HUD-11)

The agency must periodically conduct interviews with the construction workers on the job site.

- The purpose of the interviews is to capture observations of the work being performed
- Get the workers' views on the number of hours they work, the type of work they perform and the wages they receive.

Record of Employee Interview			U.S. Department of Housing and Urban Development Office of Labor Relations		OMB Approval No. 2501-0009 (exp.09/30/2017)	
<small>Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information is collected to ensure compliance with the Federal labor standards by recording interviews with construction workers. The information collected will assist HUD in the conduct of compliance monitoring; the information will be used to test the veracity of certified payroll reports submitted by the employer. <u>Statistical Information</u>. The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats or hazards to their security or integrity that could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained. The information collected herein is voluntary, and any information provided shall be kept confidential.</small>						
1a. Project Name			2a. Employee Name			
1b. Project Number			2b. Employee Phone Number (including area code)			
1c. Contractor or Subcontractor (Employer)			2c. Employee Home Address & Zip Code			
			2d. Verification of identification? Yes <input type="checkbox"/> No <input type="checkbox"/>			
3a. How long on this job?	3b. Last date on this job before today?	3c. No. of hours last day on this job?	4a. Hourly rate of pay?	4b. Fringe Benefits?		4c. Pay stub?
				Vacation Yes <input type="checkbox"/> No <input type="checkbox"/>	Medical Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
				Pension Yes <input type="checkbox"/> No <input type="checkbox"/>		
5. Your job classification(s) (list all) — continue on a separate sheet if necessary						
6. Your duties						
7. Tools or equipment used						
8. Are you an apprentice or trainee? Y <input type="checkbox"/> N <input type="checkbox"/>						
9. Are you paid for all hours worked? Y <input type="checkbox"/> N <input type="checkbox"/>						
10. Are you paid at least time and 1/2 for all hours worked in excess of 40 in a week? Y <input type="checkbox"/> N <input type="checkbox"/>						
11. Have you ever been threatened or coerced into giving up any part of your pay? Y <input type="checkbox"/> N <input type="checkbox"/>						
12a. Employee Signature			12b. Date			
13. Duties observed by the interviewer (Please be specific.)						
14. Remarks						
15a. Interviewer name (please print)			15b. Signature of interviewer		15c. Date of interview	
Payroll Examination						
16. Remarks						
17a. Signature of Payroll Examiner			17b. Date			
Previous editions are obsolete						
Form HUD-11 (08/2004)						

Wage Restitution

When wage underpayment has occurred, the employer will be required to pay wage restitution to all affected employees within 30 days.

- The prime contractor is responsible for ensuring restitution is paid.
- Document restitution on a corrected certified payroll report.



Withholding of Funds

If wage underpayments or other violations are not corrected within 30 days after notification to the prime contractor, you have the authority to withhold money.

Withholding of money is considered serious and the prime contractor would be notified in writing.



Falsification of Payrolls



Contractors and/or subcontractors that are found to have willfully falsified payroll reports and Statements of Compliance, may be subject to civil or criminal prosecution.

Penalties may be imposed of \$1000 and/or one year in prison for each false statement.

DOL Debarment

Debarment is considered when a contractor has willfully:

- Submitted falsified certified payrolls
- Required kickbacks of wages or back wages
- Committed repeat violations

When a contractor is debarred, they are declared ineligible for up to 3 years from receiving Federal contracts.



Semi-Annual Enforcement Reports

- Part I – Contracting Activity: All Davis-Bacon covered projects contracts awarded within a 6-month time period
- Part II – Enforcement Activity: Wage restitution, complaints, investigations underpayments and violations.

Reporting Periods:

- Oct 1st - Mar 31st (**No report due April 7, 2021**)
- Apr 1st - Sep 30th (Report Due October 7th)

Update: Semi-Annual Enforcement Report

You do not need to submit the October 1, 2020 – March 31, 2021 Semi-Annual Enforcement Report to our office.

Email sent March 1, 2021:

“The purpose of this email to inform you that the Semi-Annual Labor Standards Enforcement Report for Local Contracting Agencies (SAR)—HUD forms 4710 and 4710 (i)—are not currently approved by OMB for data collection. Data collection approval from OBM is governed by 44 U.S. Code § 3507 (a).

HUD anticipates securing OMB approval by the time the next SAR is due (October 2021). Once HUD has an OMB-approved form, it will be provided to you. Please do not send any information to HUD for the October 1 – March 30 reporting period.”



AGENCY RESPONSIBILITIES

Agency Responsibilities

- Designate appropriate staff
- Establish contract management system
- Ensure contracts/subcontracts contain:
 - Federal labor standards (HUD- 4010)
 - Applicable wage decision (<https://beta.sam.gov/>)
- Verify contractor eligibility (www.sam.gov)
 - Print out results for contract file



Agency Responsibilities

- Conduct on-site inspections (HUD-11's):
 - Ensure wage decision and DOL Notice to Employees posters are posted on the job site
- Review payrolls
- Maintain full documentation for 3 years
- Refer investigations to HUD
- Submit DOL enforcement reports
- Comply with all HUD Requirements



Required Records to Keep

- 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 (3) years





ON-LINE RESOURCES

Davis-Bacon Websites

HUD, Office of Davis Bacon & Labor Standards:

https://www.hud.gov/program_offices/davis_bacon_and_labor_standards

Davis-Bacon Wage Decisions: <https://beta.sam.gov/>

Contractor Eligibility: www.sam.gov



Apprenticeship Registration Information

State Office of Apprenticeship website:
<https://www.doleta.gov/oa/stateoffices.cfm>

Virginia Contract

Patricia (Trish) Morrison, Division Director
Virginia Registered Apprenticeship
Virginia Department of Labor and Industry
Main Street Centre
600 East Main Street, Suite 207
Richmond, Virginia 23219.
Phone: (804) 786-2382
Patricia.Morrison@doli.virginia.gov

West Virginia Contact

Kenneth Milnes, State Director
USDOL/ETA/OA
405 Capital Street, Suite
Charleston, WV 25301
Phone: (304) 347-5794
Milnes.Kenneth@gov

Thank you for attending!

Kamaria E. Taylor,

Labor Standards Specialist

Email: kamaria.e.taylor@hud.gov

Phone: 804-822-4806

Jurisdictions: Virginia & West Virginia

