



COLORADO

Department of Local Affairs

Short Davis-Bacon Training

The Davis Bacon Act

The Davis-Bacon and Related Acts, apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works.

Davis-Bacon Act and Related Act contractors and subcontractors must pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.

DAVIS BACON is SITE-based Act. DOL defines what is considered the “site” in 29 CFR 5.2.

THERE ARE TWO MAIN REQUIREMENTS FOR HUD-ASSISTED CONTRACTS:

- All contracts must include Labor Standards Provisions.
- All contracts must include the applicable wage determination.

**THE LABOR STANDARDS PROVISIONS
AND THE APPLICABLE WAGE
DETERMINATION MUST BE
INCORPORATED INTO THE CONTRACT**

WAYS TO INCORPORATE THE DOCUMENTS:

1. REFERENCE
2. BID DOCUMENT INCORPORATION
3. ATTACHMENT

[See Labor Relations Letter 2006-03](#)



Check to see if the contractor is eligible!

How?

Search records by entering their name
and their business' name into

www.SAM.gov



COLORADO
Department of Local Affairs

- Getting a Wage Determination

SAMPLE PREVAILING WAGE DETERMINATION

(www.wdol.gov)

General Decision Number: CO00013 06/14/2013

Superseded General Decision Number: CO2012

State: Colorado

Construction Types: Building

County: Denver County in Colorado.

Modification Number Publication Date

0	01/04/2013
1	01/18/2013
2	03/22/2013
3	04/05/2013
4	06/14/2013

SAMPLE PREVAILING WAGE RATE (continued)

BRIL0021-012 06/01/2009	Rates	Fringes
Pointer, cleaner and caulker.\$	39.20	18.51

CARP0555-001 06/01/2012	Rates	Fringes
CARPENTER Carpenter, Lather, Millwright, Piledriver, and Soft Floor Layer.....\$	41.52	25.47

CARP0555-002 10/01/2012	Rates	Fringes
CARPENTER (Excluding structures with elevators and structures over 3 1/2 stories)\$	32.12	25.47

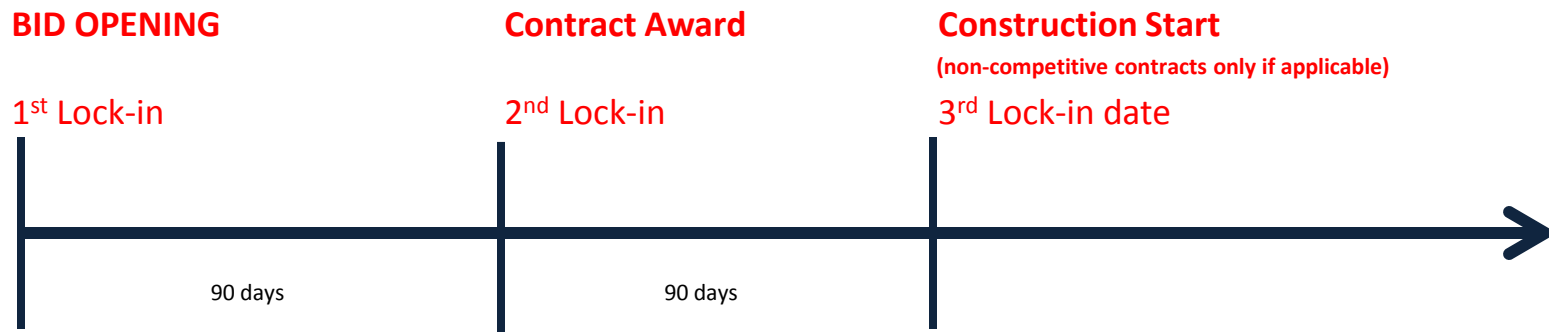
ELEC0009-003 06/03/2013	Rates	Fringes
Line Construction Groundman \$	34.98	20.80
Lineman & Equipment Operator \$	44.85	26.67

ELEC0134-001 06/04/2012	Rates	Fringes
ELECTRICIAN.....\$	42.00	26.75

What do I do if a job classification on my project is missing?

- Verify that the classification you are looking for isn't already covered by another existing classification.
- Complete and submit the form HUD-4230A

Lock-in Dates



Where there is NO bid opening or contract award, the very first day of construction locks the wage determination in.

Code of Federal Regulations

Title 29- Labor, Volume 1

Part 1—Procedures for Predetermination of Wage Rates

Section 1.6

Use and effectiveness of wage determinations.

(C) (3) All actions modifying a general wage determination shall be effective with respect to any project to which the determination applies, if notice of such actions is published before contract award (or the start of construction where there is no contract award) except as follows:

1. In the case of contracts entered into pursuant to competitive bidding procedures, a modification, notice of which is published less than 10 days before the opening of bids shall be effective unless the agency finds that there is not a reasonable time still available before bid opening to notify bidders of the modification and a report of the find is inserted in the contract file.
2. In the case of projects to receive housing assistance payments under section 8 of the U.S. Housing Act of 1937, a modification shall be effective if notice of such modification is published prior to the beginning of construction or the date the agreement to enter into a housing assistance payments contract is signed, whichever occurs first.
3. If under paragraph (c) (3)(i) of this section the contract has not been awarded within 90 days after bid opening, or if under paragraph (C) (3) (ii) or (iii) of this section construction has not begun within 90 days after initial endorsement or the signing of the agreement to enter into a housing assistance payments contract, any modification, notice of which is published in the Federal Register prior to award of the contract or the beginning of construction, as appropriate, shall be effective with respect to that contract unless the head of the agency or his or her designee requests and obtains an extension of the 90 day period from the Administrator.

Certified Payroll

Certified Payroll Report

- **WEEKLY** - Payrolls must be filled out for each week of work. Employees **MUST BE PAID WEEKLY!**
- **AUTHORIZED** – Signed by a company officer or appointee to be valid.
- **NUMBERED** - Each payroll week must be numbered consecutively. The first payroll should be marked “FIRST” followed by Payroll 2 then Payroll 3, and so on. The last payroll must be marked “FINAL”.
- **NO WORK** - Weeks where no work is performed still require submitting a certified payroll with “NO WORK PERFORMED” written across the payroll **OR** a “NO WORK REPORT”.



Contractor Work Hours and Safety Standards Act (CWHSSA)

Overtime computation

Overtime hours are defined as all hours worked on the contract in excess of 40 hours in any work week. Overtime hours must be paid at no less than one and one-half times the regular rate of basic pay plus the straight-time rate of any required fringe benefits.



*More on
this later*

Remember, the overtime rate is computed at one and one-half times the basic rate of pay plus any fringe benefits. For example, if the wage decision requires \$10/hour basic plus \$5/hour fringe benefits, the overtime rate would be: $(\$10 \times 1\frac{1}{2}) + \$5 = \$20/\text{hour}$.

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

Owners w/ Crew



Owners may certify to the payment of their own prevailing wages where the owner of a business is working on the site with his/her own crew.

Such owners need only list their name, work classification as "owner," and the daily and total hours worked. (**Such owners *do not* need to list a rate of pay or amounts earned.**)

Equipment Owner / Operators

Owner-operators of non-hauling equipment such as bulldozers, loaders, scrapers, etc., are considered **employees of the contractor or subcontractor**. These individuals **are** covered under Davis-Bacon and minimum wages apply. **These workers must appear on the contractor's/subcontractor's payroll with all information shown.**



Frequently, *owner-operators of power equipment* (e.g., backhoes, front-end loaders) will contract for services at a rate for both "**man and machine.**" In these cases, the owner-operator includes liability, equipment maintenance, and salary in an hourly or contract rate for services. Because of the prevalence of such practice and the inherent difficulty in ascribing costs for liability and maintenance costs versus hourly *labor* salary, HUD may accept a combined ("man and machine") hourly rate on the responsible contractor's certified payroll provided that such hourly rate may not be less than the rate on the wage determination for the respective power equipment operator.

Requirements on-site (site postings)

Project Wage Rate Sheet

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:		\$ TOTAL WAGE
				GROUP #	BHR	
Bricklayers			\$			\$
Carpenters			\$			\$
Cement Masons			\$			\$
Drywall Hangers			\$			\$
Electricians			\$			\$
Iron Workers			\$			\$
Painters			\$	OPERATORS FRINGE BENEFITS:		\$
				GROUP #	BHR	
Plumbers			\$			\$
Roofers			\$			\$
Sheet Metal Workers			\$			\$
Soft Floor Layers			\$			\$
Tapers			\$			\$
Tile Setters			\$	TRUCK DRIVERS FRINGE BENEFITS:		\$
				GROUP #	BHR	
OTHER CLASSIFICATIONS						
			\$			\$
			\$			\$
			\$			\$
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)

Notice to All Employees

(also available in Spanish)

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: 1-877-889-5827

WWW.WAGEHOUR.DOL.GOV

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

WHD 027/Revised April 2005

Payroll Form: Statement of Compliance

Date _____

(Name of Signatory Party)

(Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by

(Contractor or Subcontractor)

(Building or Work)

2

_____ on the _____ day of _____, 20____, commencing on the _____ day of _____, 20____, and ending the _____ day of _____, 20____, 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. 397; 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 herein 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.

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EMPLOYEE INTERVIEWS HUD-11

Record of Employee Interview

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

OMB Approval No. 2501-0009
(exp. 10/31/2010)

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. Sensitive Information. 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.

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		
3a. How long on this job?			3d. Verification of identification? Yes <input type="checkbox"/> No <input type="checkbox"/>		
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?	
		Vacation Yes <input type="checkbox"/> No <input type="checkbox"/>		4c. Pay stub? Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Medical 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	N	10. Are you paid at least time and 1/2 for all hours worked in excess of 40 in a week?	
<input type="checkbox"/>	<input type="checkbox"/>			Y	N
9. Are you paid for all hours worked?		<input type="checkbox"/>	<input type="checkbox"/>	11. Have you ever been threatened or coerced into giving up any part of your pay?	
<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	<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

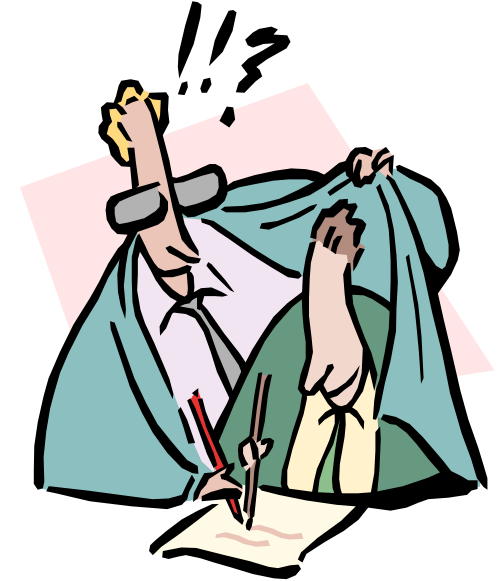
Form HUD-11 (08/2004)

* Also available in Spanish

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



Typical Errors

page 2-12 Contractors Guide Book

- Missing documentation for Apprentices and Trainees
- Classification errors
- Frequent computation errors
- Inadequate payroll information
- Incomplete payrolls
- Missing 4 digit SSN
- Other deductions not identified
- Overtime violations
- Unauthorized signature on Statement of Compliance
- Wrong wage rate for classification worked



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- **1. What is Davis-Bacon?** Federal law per the Federal Labor Standards Provisions (FLSP) mandating wage rates and fringe for any mechanics and laborers working on a construction project funded in whole **OR** in part with federal funds such as **CDBG-DR**. The wages and fringe are based on the state and county where the work is being done in addition to the type of work being done (residential vs. highway construction etc.) The wage rates and fringe do occasionally change so keep that in mind.
- **2. How do I find out the wages and fringe that are applicable to my project?** You will complete Exhibit D (Request for Wage Determination) in the Labor and Construction (Section VIII) part of the CDBG Guidebook **PRIOR** to the release of an RFP (Request for Proposals) or bid and email it to your program manager. You need to build in enough time to make sure the wage determination gets included in the RFP/bid documents.
- **3. What do I do with the wage/fringe determination once I get them?** The complete wage determination is to be included in your RFP/bid package along with the FLSP (Exhibit VIII I-2). Also, be sure to include in in your **bid or proposal announcement** that Davis-Bacon wages are applicable to the project.

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- **4. How will I know if the wages change?** Contact your program manager approximately 10 days prior to the bid opening to confirm there have been no changes to the wage determination. If there have been changes you will need to get the new wage determination to all contractors planning to submit a proposal or bid.
- **5. When is the wage determination considered “locked –in”?** The wage determination is locked in on the day the proposals/bids are due. The wages/fringes for your project will not change UNLESS you wait more than 90 days from the date the proposals/bids are due to award the contract (preferable in writing/email). If the contract has not been awarded in 90 days you must request a new wage decision and use those wages/fringes (which may or may not have changed) for your project.
- **6. When do I officially discuss all of the requirements regarding the wage rates and labor standards provisions with the contractor?** You should do this at the pre-construction meeting with the general and sub-contractors. Remind them of the wage determination and the need for it and the FLSP to be attached to all contracts. Distribute all posters that are to be displayed at the job site along with a copy of the wage determination. You should also distribute the “Making Davis-Bacon Work, A Contractor Guide” to the general and all sub-contractors. Review payroll requirements.
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- **7. Do I need to include any documents re the wages or labor standards in the agreement with the contractor(s)?** Yes you do! Be sure to include a copy of the official wage determination and the FLSP in your contract documents...including any contracts your General Contractor has with any sub-contractors.
- **8. What if my contractor tells me there is no work classification listed in the wage decision for one or more of the workers?** Contact your program manager. You will need to coordinate with your general
- contractor to suggest the classification and the basic wage and fringe. You will give this information to your project manager who will then request the additional classification. This process can take up to 30 days so once you have made a contract award discuss the need to any new/additional classification with your contractor.
- **9. What are my responsibilities during the construction period?** The grantee is responsible for **reviewing and approving** all weekly payrolls submitted for reimbursement. You are also responsible for conducting on-site interviews for 10% of each job classification using Section VII Exhibit V and V.!
- **10. What do I do if there are any complaints by workers on the job-site?** Contact your program manager for guidance.
- **11. Finally, the project is finished!** Almost, complete the Final Statement of Wage compliance (Section VIII Exhibit X) and send it to your program manager.