

Compliance Requirements

Section 3, Procurement, & Federal Labor Standards



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October 29, 2020

YAY



COMPLIANCE

Section 3



Jobs



Training



Contracts

“ To ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons ”

Section 3 of the Housing and Urban Development Act of 1968

provided under section 8 of the 1937 Act (42 U.S.C. 1437f) pursuant to 24 CFR part 882, subpart G.

Service area means the geographical area in which the persons benefitting from the section 3 covered project reside. The service area shall not extend beyond the unit of general local government in which the section 3 covered assistance is expended. In HUD's Indian housing programs, the service area, for IHAs established by an Indian tribe as a result of the exercise of the tribe's sovereign power, is limited to the area of tribal jurisdiction.

Subcontractor means any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work

Law is supported by regulation.

section 3 shall include a provision in the NOFA that notifies applicants that section 3 and the regulations in part 135 are applicable to funding awards made under the NOFA. Additionally the NOFA shall require as an application submission requirement (which may be specified in the NOFA or application kit) a certification by the applicant that the applicant will comply with the regulations in part 135. (For PHAs, this requirement will be met where a PHA Resolution in Support of the Application is submitted.) With respect to application evaluation, HUD will accept an applicant's certification unless there is evidence substantially challenging the certification.

(b) *Statement of purpose in NOFAs.* (1) For competitively awarded assistance

Applicability

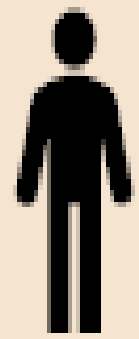
- Section 3 requirements apply to **all** housing rehabilitation, housing construction or other public construction projects
 - Recipient or sub recipient's award exceeds \$200,000;
 - Contract or subcontract exceeds \$100,000
- Does not apply to purchase of supplies and materials except when installation is involved

When is the regulation triggered?

When *hiring, contracting or job training opportunities arise* in connection with housing rehabilitation, housing construction or other public construction.

- Recruitment of Section 3 Residents & Businesses

Definitions



A Section 3 resident is:

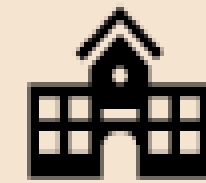


A public housing resident

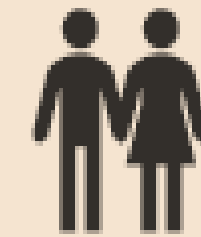
OR



A low- or very low-income resident of the metropolitan area or nonmetropolitan county where Section 3-covered assistance is spent

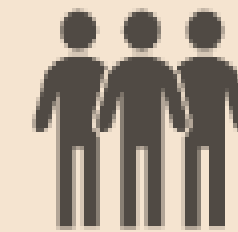


A Section 3 business is:



51% or more owned by Section 3 residents

OR



30% or more permanent, full-time employees are Section 3 residents

OR



25% of subcontracts are awarded to Section 3 businesses

Section 3 Goals

- Demonstrate good faith effort to meet numerical goals established in regulation— “safe harbor”
 - 30 percent of the number of new hires
 - 10 percent of the total dollar amount of contracts for building trades
 - 3 percent of the total dollar amount of other contracts

**How are
these
“safe
harbor”
goals
achieved?**

- ✓ **Outreach to Section 3 residents and businesses**
- ✓ **Documentation of Outreach**
- ✓ **Give a Preference in hiring and contracting to Section 3 residences and businesses**





Recipient Responsibilities

- Post Job and Contract opportunities in sources generally available to LMI people
- Advertisement for bids and proposals contain the following each advertisement/public notice and website: “This project is covered under the requirements of Section 3 of the HUD Act of 1968.”
- Incorporating the HUD mandated Section 3 clauses in all contracts
- Providing Resident Certification and Affidavit forms for employment at the recipient or sub-recipient’s business offices and allowing applications to be submitted at appropriate local locations
- Encouraging the training of Section 3 residents by the contractors
- Refusing to award contracts to businesses or persons that have previously violated Section 3 requirements.
- Include discussion of Section 3 in pre-construction meeting
- Provide/ make available Solicitation Package
- Document actions taken to comply
- Reporting annually

Recipients also must implement at least one (1) of the following actions:

- ❖ Facilitating an opportunity fair annually for contractors to meet interested Section 3 residents for possible employment.
- ❖ When employment opportunities arise or are anticipated, posting all job sites funded by DCA with a location or phone number of whom and how to apply for any opportunities for employment, training or contracting. The sign should be no smaller than 24" x 24" in Black ink and specifically read:

“This project is covered under Section 3 of the HUD Act of 1968 which requires that any new hiring opportunities first be directed to low- and very low-income persons in this community. Please contact (list the contact person name and number) for information on any employment, contracting and sub-contracting opportunities.”

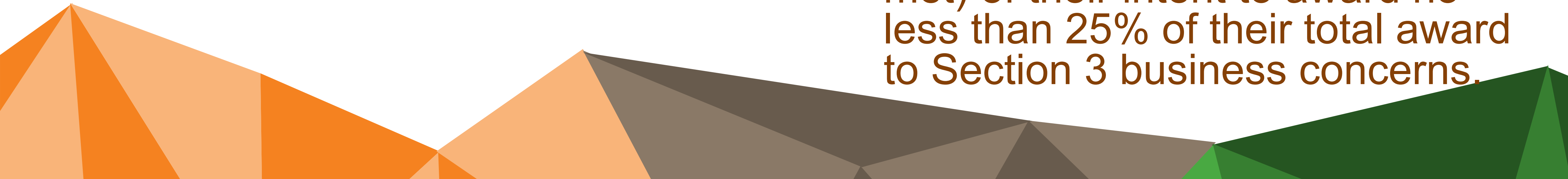
Preferences & Eligibility

Hiring

1. In HUD assisted housing.
2. At the site where the work is being performed.
3. In the city where the work is being performed.
4. In the county where the work is being performed.

Contracting (Business Concerns)

1. ROB owned/operated at 51% by Section 3 Residents.
2. Businesses that employ Section 3 residents at no less than 30% of the contractors aggregate full time staff.
3. Contractors that at the time of bid show evidence (meaning the specific name and preference met) of their intent to award no less than 25% of their total award to Section 3 business concerns.



Operating Procedures

- Post positions in at least three community sources (see Policy)
- Use of temporary agencies
 - Placements must self certify and be offered Preference
- Post contracting opportunities in at least three community sources
- Contractor must convey history of compliance
- Contract language regarding compliance for those that claim a Preference
 - Preference must be maintained or subject to penalties
 - Contractors may be banned from future participation



Solicitation Package

Instructions

Section 3 Clause

Cure and Termination Clause

Selection of Preference

Previous Compliance Certification

Action Plan

Solicitation Package forms

Section 3 Self-Certification and Action Plan

- Allows a contractor to claim preference
or
- Allows a contractor to decline preference

Previous Section 3 Compliance Certification

- Allows a contractor to certify compliance on previous work

Assurance of Compliance Certification/Action Plan

- List subcontractors (if known)
- List of workforce
 - Changes will constitute NEW hires
 - Provides “Before and After” picture for compliance documentation
 - Provides record keeping requirements

Self Certifications



Solicitation Package

Contract award exceeding \$100,000 & Claiming Preference

- Section 3 Self-Certification and Action Plan and the Section 3 Business Concern Self Certification portions at time of BID

Contract award exceeding \$100,000

- Entire package completed and submitted prior to AWARD

Contract award less than \$100,000

- Package is made available
- Package included in direct solicitations for professional services
- If claiming a preference
 - Section 3 Self-Certification and Action Plan and the Section 3 Business Concern Self Certification portions at time of BID/PROPOSAL





The Rule

How things are changing

Authority



1968

Section 3 is codified in the
Housing and Urban
Development Act



1995

FHEO published the current
regulations in 24 CFR Part 135



2015

FHEO published new proposed
regulations in 24 CFR Part 135,
which never became final



2019

FPM published proposed
regulations in 24 CFR Part 75



Key Change

Redefining Section 3 residents



A Section 3 resident is:



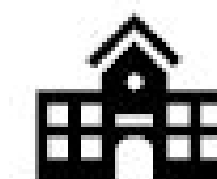
A ~~public housing~~ Census tract resident

OR



A low- or very low-income resident ~~of the metropolitan area or nonmetropolitan county where Section 3-covered assistance is spent~~

OR



Employed by a Section 3 business

Key Change

Redefining Section 3 businesses



A Section 3 business is:



51% or more owned by ~~Section 3 residents~~
low- or very low-income persons

OR



~~30% or more permanent, full-time employees~~
are ~~Section 3 residents~~

75% or more labor hours are performed
by low- or very low-income persons

OR



~~25% of subcontracts are awarded to~~
~~Section 3 businesses~~

25% or more owned by current residents of
public housing or Section 8-assisted housing

Key Changes

- **Promote sustained employment and career development:**
 - Focuses on labor hours instead of new hires creating an incentive for employers to invest in and retain their newly hired low-income workers.
- **Align Section 3 reporting with standard business practices:**
 - Consistent with business practices which already track Davis-Bacon utilization (HUD wage rates, and with the entities' payroll systems)
- **Applicability and Thresholds:**
 - Assistance used for housing rehabilitation, housing construction, and other public construction is subject to Section 3 requirements.
 - Updated the threshold, exempting projects costing less than \$200,000
 - Does not provide an exemption threshold for Lead Hazard Control and Healthy Home grants.
- **Reporting and Targeted Section 3 Workers:**
 - Targeted Section 3 are those within the "1 Mile Radius" of the worksite.
 - Reporting and benchmarks will focus on "Targeted Section 3 Workers" representing the highest priority groups.
 - Priority groups would be low and very-low income workers residing within the service area or neighborhood of the project.



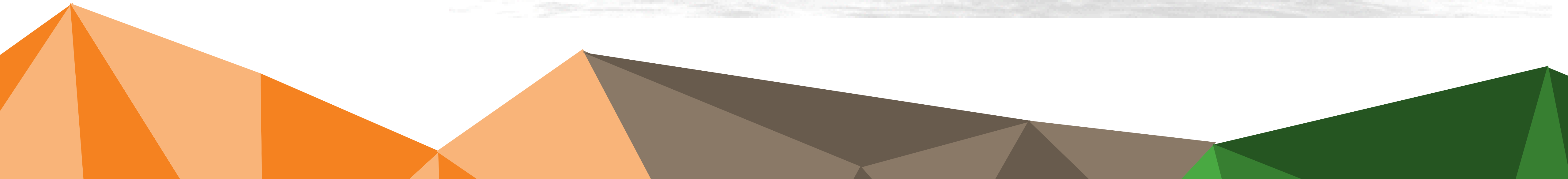
Resources

- Section 3 Policy & Solicitation Package:
<https://www.dca.ga.gov/node/3858>

- Section 3 New Rule
[Federal Register](#)

Procurement

- ✓ Standards
- ✓ Methods
- ✓ Sole Source Requirements
- ✓ Contract Requirements



Procurement Standards

DCA's procurement policies and procedures implement the requirements of 24 CFR 570.489 (g), which says the State shall establish requirements for procurement policies and procedures for units of general local government, based on full and open competition.

- Identification of Methods of Procurement and their applicability
- Prohibition of cost plus a percentage of cost
- Assurance that all purchase orders and contracts include any clauses required by Federal statutes, Executive orders, and implementing regulations
- Subrecipient and contractor determinations shall be made in accordance with the standards in 2 CFR 200.330.

Procurement transactions will be provided in a manner providing full & open competition

Avoid:

- ✗ Unreasonable requirements
- ✗ Noncompetitive pricing practices
- ✗ Noncompetitive awards to consultants that are on retainer contracts
- ✗ Organizational conflicts of interest
- ✗ Specifying only a brand name product
- ✗ Any arbitrary action in the procurement process



Procurement Standards

- Documented Conflict of Interest Policy, which states:

No employee, officer, or agent...

“May participate in the selection, award, or administration of a contract supported by a Federal award if a real or apparent conflict of interest is present.”

Prohibited Conflicts


Persons with CDBG responsibilities, decision-making power or information may **NOT:**

- Obtain a financial interest or benefit from CDBG activity
- Have any interest in contract or subcontract
- Applies to family members and business ties
- Applies during tenure and 1 year after

Example: Grant Administrator cannot assist grantee with drafting statements of work or RFPs for grant administration if they intend to submit proposal.

May explain process, discuss instructions/process publicly available on DCA website

Standards – Selection Procedures

- ✓ Accurate description of the technical requirements for material, product, or service without restricting competition
 - ✓ Clear requirements and evaluation factors
 - ✓ The review of proposed procurement actions by Recipient officials to avoid purchasing unnecessary or duplicative items.
 - ✓ A cost or price analysis for every procurement action
 - ✓ Consideration of contractor integrity, compliance with public policy, record of past performance, and financial and technical resources in the selection process
- 

Methods of Procurement

- **Small purchase:** Procurements under \$100,000 (if allowed by local policy).
 - Require that price or rate quotations be obtained at least three (3) sources.
 - Not appropriate for procurement of administrative or professional services
- **Competitive Proposals:** Professional Services
- **Competitive Sealed Bids:** Public Works Construction
- **Sole Source:** Requires DCA Approval
 - ✓ The item or service is available from only one source;
 - ✓ Urgent public need will not allow for the delay caused by advertising;
 - ✓ Although a number of bids were solicited, only one response was received.

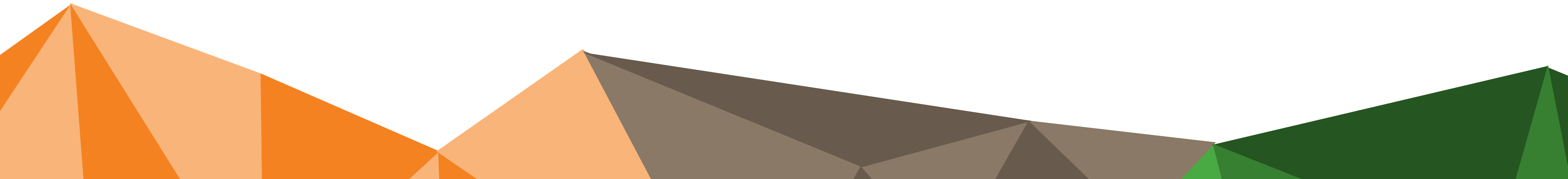
Competitive Negotiation

Method of procurement for Professional Services using publicized RFPs or RFQs

- Private grant writers/administrators
- Engineers and Architects
- Not applicable if contracting with Regional Commissions

Maintain Complete Records

- RFP
- Proof of Publication
- Distribution List
- Copies of Proposals Received
- Scoring Sheets
- Meeting Minutes – Council/Board Approval
- Executed Contracts
- Correspondence with Section 3 businesses



Competitive Sealed Bid

- DCA, under the authority of 24 CFR 570.489(g), has adopted Title 36, Chapter 91 of the Official Code of Georgia, Georgia Public Works Construction Law
 - Traditional design–bid–construct method
 - Alternative methods require DCA approval
 - Advertising Requirements (including Section 3)
 - Contract opportunity must be posted in the governing authority's office
 - Contract opportunity must be advertised in either the legal organ of the government, or on an Internet website of the government entity or one identified by the entity
 - Place on Georgia's Procurement Registry, (HB 322)

Competitive Sealed Bid – Advertising Requirements

- If advertised in newspaper, opportunity must be advertised at least two times:
 - The first advertisement must be at least 4 weeks prior to the bid opening date; and
 - The second advertisement must follow at least 2 weeks after the first advertisement
- Advertisements placed on an Internet website should run continuously for at least four weeks.
- Each advertisement shall include such details and specifications as will enable the public to know the extent and character of the bid or proposal opportunity

Section 3 Advertising Requirements

**HUD Section 3
Business
Registry**
<https://www.hud.gov/section3businessregistry>

Construction
Contract
Opportunities
must be
posted in at
least
3 locations

GPR, your website, Dodge
Room, newspaper, DOL,
DFCS

All ads must include this
Section 3 language: “This is a
Section 3 Covered Contract.
Section 3 Business Concerns
are encouraged to apply.”

Competitive Sealed Bid- Bonding Requirements

State requirements (contracts \$100,000+):

1. A performance bond from contractors executed in connection with each contract.
2. A payment bond on the part of the contractor for 100% of the contract price.

Federal requirements (contracts \$100,000+):

1. A bid guarantee from each bidder equal to 5% of the bid price.
2. A performance bond from contractors for 100% of the contract shall be executed in connection with each contract.
3. A payment bond on the part of the contractor for 100% of the contract price.

DCA requirements:

- adequate contractor's liability insurance from all contractors
 - \$25,000 property and \$50,000 bodily injury coverage

Sole Source Requests

- Chief Elected or Authorized Official's request letter
- Description of Procurement Methodology
- Tear Sheet of the Bid Advertisement or RFP/RFQ
- Local Government's Attorney Opinion
- Professional Services Procurement
 - list of the active, qualified consultants or engineers/architects that were mailed the RFPs/RFQs (7 for grant administrators and 10 for engineers/architects)
 - certified return receipt documentation or adequate email documentation
- Sealed Bid Procurements
 - Local Government's Engineer/Architect states that the one bid response's prices were reasonable and appropriate based on independent cost estimates.

Section 3
Solicitation
package is
completed
& submitted
to Recipient
prior to
award for
contracts
\$100,000+

| | | | | | | |
|--|--|--|--|---|--|--|
| <input type="checkbox"/> Contractor/Subcontractor Affidavit | (Compliance with OCGA 13-10-91) Applicable to All Contracts and Subcontracts | | | | | |
| <input type="checkbox"/> Section 3 Clause | All Contracts | | | | | |
| <input type="checkbox"/> Provision for Remedies | All Contracts | | | | | |
| | ARCHITECTURAL & ENGINEERING SERVICES | HOUSING REHAB | | CONSTRUCTION CONTRA | | |
| | | <input type="checkbox"/> Less than 8 Units | <input type="checkbox"/> 8 or More Units | <input type="checkbox"/> Over \$100,000 | <input type="checkbox"/> Over \$40,000 | <input type="checkbox"/> Over \$10,000 |
| <input type="checkbox"/> Provision for termination | ✓ If over \$10,000 | ✓ If over \$10,000 | ✓ If over \$10,000 | ✓ | ✓ | ✓ |
| Executive Orders 11246/11375 | | | | | | |
| <input type="checkbox"/> EEO Clause | | | | ✓ | ✓ | ✓ |
| <input type="checkbox"/> EEO Specifications | | | | ✓ | ✓ | ✓ |
| <input type="checkbox"/> Affirmative Action | | | | ✓ | ✓ | ✓ |
| <input type="checkbox"/> Non-Segregated Facilities | | | | ✓ | ✓ | ✓ |
| Federal Labor Standards | | | | | | |
| <input type="checkbox"/> Copeland Anti-Kickback | | | ✓ | ✓ | ✓ | ✓ |
| <input type="checkbox"/> Davis-Bacon Clause | | | ✓ | ✓ | ✓ | ✓ |
| <input type="checkbox"/> Wage Rate from DCA | | | ✓ | ✓ | ✓ | ✓ |
| <input type="checkbox"/> Work Hours & Safety | | | ✓ If over \$10,000 | ✓ | | |
| <input type="checkbox"/> Performance Bonds | | | | ✓ | ✓ | |
| <input type="checkbox"/> 5% Bid Bond | | | | ✓ | | |
| <input type="checkbox"/> Clean Air/ Water Clause | | | | ✓ | | |
| <input type="checkbox"/> Provision for Disability Accessibility (if a bldg.) | ✓ | | | | | |
| <input type="checkbox"/> Provision for GA Energy Code (if a bldg.) | ✓ | | | | | |

Resources

GMA's Public Works Construction
Guidebook,

<https://www.gmanet.com/GMASite/media/PDF/publications/publicworks.pdf>

HB 322,

<https://gov.georgia.gov/document/signed-legislation/hb-322pdf/download>

**Federal
Labor
Standards**

**RESTRICTED
— AREA —**

**CONSTRUCTION
WORK IN
PROGRESS**

Key Regulations & Statutes

Copeland Act (Anti-kickback Act)

- Prohibits kickback of pay
- Requires certified weekly payrolls
- Regulates payroll deductions

Contract Work Hours & Safety Act

- Overtime pay for working over 40 hours
- Applies to contracts over \$100,000
- Requires liquidated damages of \$10 per day/per violation

Davis-Bacon Act

- Outlines labor standards for federal projects
- Applicable to all contracts over \$2,000 involving federal funds
- Provides minimum wages by position
- Ensures minimum pay & other labor standards are enforced at work site
- Applies to all laborers and mechanics
- Applies to entire project, not just CDBG funded portion



Steps to Complying with Davis-Bacon & Related Acts

1. Request for Wage Rates (DCA Recipients Manual Appendix 1)
2. Request for Contractor Clearance (DCA Recipients Manual Appendix 1)
3. Provide Notice of Contract Action (DCA Recipients Manual Appendix 1)
4. Hold a Preconstruction Conference
5. Review Submitted Payrolls
6. Conduct Job Site Interviews

Forms can be emailed to
CDBG.Biz@dca.ga.gov



Wage Decisions

- Identifies worker classifications, hourly wage, and fringe benefits
- **Four Categories**
 - Heavy
 - Highway
 - Buildings
 - Residential



Request for Wage Determination

- ✓ **Submit request to DCA**
(cdbg.biz@dca.ga.gov)
 - 30 days prior to advertising for contract bids
- ✓ **Check 10 days before bid opening**
 - **New:** 10- day wage check form (DCA Recipients Manual Appendix 1)
- **Wage rates must be a part of the bid package and should be included in contracts**

Wage Decision Lock-in


Competitively Bid

- Lock in at bid opening if contract is executed within 90 days of bid opening
- If contract is not executed within 90 days, resubmit 10-day wage check form 10 days prior to contract execution

Negotiated Contracts

- Lock in at contract execution

Additional Classification Request

- Written Request:
 1. Local government
 2. Contractor – specify hourly rate and fringe benefits
 - DOL has 30 days to respond
 - Determination is based on wage decision issued
- 

Wage Decision & Posters

- Must be posted on the Job Site
- Employees must be able to view
- Protect from the weather

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 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.



WAGE AND HOUR DIVISION
UNITED STATES DEPARTMENT OF LABOR

1-866-487-9243
TTY: 1-877-688-5827
www.dol.gov/whd



WH1321 REV 10/17

Request for Contractor Clearance

- Form can be e-mailed to DCA (cdbg.biz@dca.ga.gov)
- Ensures contractor is not on Federal Debarred list
- Must be cleared before entering into a contract

Notice of Contract Action

- Must be submitted to DCA within seven (7) days of contract execution
- **Include certified and itemized bid tabulation with form**
- Construction drawdowns will be withheld if not submitted
- Field Reps will schedule formal labor review after submission of NOCA

Pre-construction Conference

Mandatory, conducted by your grant administrator with the contractor.

- Held prior to the start of construction
- Outlines contractor & subcontractor responsibilities, project timelines, logistics, etc.
- Explains Davis-Bacon, other applicable laws & contract provisions, Section 3
- Notify your CDBG Field Rep of place and time
 - Cindy Alligood, (478) 290-1074,
Cindy.Alligood@dca.ga.gov
 - Robert Compton, (229) 733-7021,
Robert.Compton@dca.ga.gov
 - Malisa Thompson, (404) 326-1048,
Malisa.Thompson@dca.ga.gov
 - Pam Truitt, (404) 977-3326,
Pam.Truitt@dca.ga.gov



Starting the project



Without a Pre-Con Meeting

Payrolls

- Contractors must submit all payrolls to grant recipient
- Must include the name and identifying number of each worker the first time they appear
 - Contractor must provide address and social security number upon request
- Every payroll must
 - list the worker's classification, which must match the Wage Decision document
 - include the hourly rate of pay and the number of hours worked
 - indicate permissible deductions (see 29 CFR Part 3.5)
 - be numbered, with the last payroll labeled "Final Payroll"
 - be certified by the owner, officer or designee of the construction company

PAYROLL
(For Contractor's Optional Use; See Instructions at www.dol.gov/whd/forms/wh347instr.htm)
Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.



| | | |
|---|---------|--|
| NAME OF CONTRACTOR <input type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/> | ADDRESS | OMB No.:1235-0008 Expires: 04/30/2021 |
|---|---------|--|

| | | | |
|-------------|-----------------|----------------------|-------------------------|
| PAYROLL NO. | FOR WEEK ENDING | PROJECT AND LOCATION | PROJECT OR CONTRACT NO. |
|-------------|-----------------|----------------------|-------------------------|

| (1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER | (2) NO. OF WITHHOLDING EXEMPTIONS | (3) WORK CLASSIFICATION | OT OR ST. | (4) DAY AND DATE | | | | | | | (5) TOTAL HOURS | (6) RATE OF PAY | (7) GROSS AMOUNT EARNED | (8) DEDUCTIONS | | | | | | (9) NET WAGES PAID FOR WEEK |
|--|--|-------------------------------|-----------|-----------------------|--|--|--|--|--|--|-----------------------|-----------------------|----------------------------------|-------------------|-------------------------|--|--|-------|---------------------|---|
| | | | | | | | | | | | | | | FICA | WITH- HOLDING TAX | | | OTHER | TOTAL DEDUCTIONS | |
| | | | | HOURS WORKED EACH DAY | | | | | | | | | | | | | | | | |
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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 |
|-------------------|-------------|
| | |
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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.

Payrolls (Cont'd)

Sole proprietors, self-employed mechanics

- Cannot self-certify to wages without a crew
- Must be reported on “responsible employer” payroll
- Can certify to hours when working with a crew
- (Only report hours worked and list owner as classification)

Exemptions

- **Volunteers**

- Does not receive compensation for services performed
- Cannot be employed at any other time on the jobsite

- **Prison Labor**

- Must have a letter from the Department of Corrections
- Must be utilized directly by the grantee

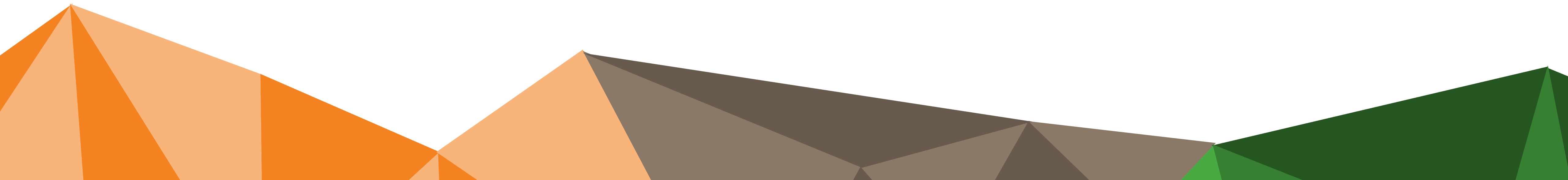
Payroll Review

- Review for all trades
- Compare payrolls to wage decisions and interviews
- Follow up on discrepancies



Job Site Interviews

- Have to be conducted on representative # of workers in each classification
- Interview responses should be checked against Wage Decision and payrolls
- Confidential – should not be overheard by contractors
- CONDUCT INTERVIEWS EARLY & OFTEN



Recipient Responsibilities

- Ensure submission of weekly payrolls
- Conduct on-site interviews
- Review payrolls/compare to interviews
- Ensure correction of underpayments
- Maintain records

The image shows several sheets of architectural blueprints rolled up and fanned out. The blueprints are white with black lines and text, showing various technical drawings and dimensions. The rolls are arranged diagonally across the frame, creating a sense of depth and focus on the technical nature of the work.

Prime Contractor Responsibilities

- Responsible for compliance of all contractors
- Include contract clauses and applicable wage rates in all sub-contracts
- Review wage rates for additional classifications
- Provide sub-contractors with guidance
- Prepare and submit certified payrolls for employees



Sub-contractor responsibilities

- Prepare and submit certified weekly payrolls
- Review wage rates and request additional classifications, if necessary
- Ensure access to employees for on-site interviews

Resources

- Making Davis-Bacon Work: A Contractor's Guide to Prevailing Wage Requirements for Federally-Assisted Construction Projects,
<https://www.hudexchange.info/resource/2541/making-davis-bacon-work-contractors-guide-prevailing-wage-requirements/>
- Making Davis-Bacon Work: A Practical Guide for States, Indian Tribes and Local Agencies
<https://www.hudexchange.info/resource/2542/making-davis-bacon-work-guide-states-indian-tribes-local-agencies/>
- Department of Labor, Davis-Bacon & Related Acts,
<https://www.dol.gov/whd/govcontracts/dbra.htm>

Thank you!

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GA DCA

Compliance Requirements

