

Attachment A

Guilford Child Development

Davis-Bacon Compliance Information for Contractors

RESPONSIBILITIES

The grantee, Guilford Child Development, is responsible for the full compliance of all contractors and subcontractors on Davis-Bacon projects. This requires the collection and review of certified payrolls, the monitoring of Davis-Bacon Act (DBA) compliance, and the inspection / verification of compliance by contractors and sub-contractors.

Each contractor should review their own certified payrolls, as well as each sub-contractor's payrolls for compliance prior to submitting them to Guilford Child Development for review and subsequent submission to the state.

DAVIS-BACON WAGE DECISION AND APPLICABLE PREVAILING WAGE

The applicable Wage Determination (WD) for your contract was provided at the time the RFP was issued. The latest version of this WD must be utilized in all contracts with the Guilford Child Development, and must also be included in any contracts you sign with sub-contractors.

The applicable WD is fixed at a point in the contracting process, sometimes referred to as "locking-in". This is the point at which if a new WD is released by the Department of Labor (DOL), it does not replace the WD being utilized in the contracting process. Once "locked-in", the WD is used for the duration of the project unless specific criteria are met. Guidelines around the "locking-in" of the prevailing wage are:

- The formal bid opening date as long as the construction contract is awarded within 90 days.
- If the construction contract isn't awarded within 90 days of the formal bid, the date the construction contract is awarded is the lock-in date.
- If there is no formal bid opening, the date the construction contract is signed is the lock-in date.
- If construction begins prior to a formal bid opening or the contract award date, the date that construction began locks in the rates.

The contractor is responsible for posting a copy of the WD and a copy of the DOL Davis-Bacon poster WH-1321 in a central area of the contractor's offices where it is visible to workers. A copy of the WH-1321 is available upon request.

CERTIFIED PAYROLL REPORTS

- Contractors must submit a weekly certified payroll report (CPR) to the prime contractor beginning the first week the company works on the project and for every week after until their work is completed. Sub-contractors submit CPRs to contractors, who review them and send them on to the prime contractor for review and transmission to the contracting agency.
- Contractors can use their own payroll form provided it has all the same info as DOL's Payroll WH-347.
- The last four digits of the social security number (SSN) should be listed for each employee. Contractors and sub-contractors must maintain payroll records with the full SSN, but only the last four digits should be submitted on the CPR.
- Certified payrolls should be numbered. An option is to number the payrolls beginning with #1 to coincide with each payroll week of the project, and mark the last payroll "Final".
- "No Work" payrolls should be submitted whenever there is a temporary break in a contractor's work. If there is an extended period of no work, notify Guilford Child Development in writing of the temporary break and include an approximate date when your company will return to the project.
- All contractors must keep basic records for a Davis-Bacon project for at least three-(3) years after completion of the project.

Payrolls must include:

1. Project name
2. Contractor's name and address
3. Week ending date
4. Work classification
 - For trades such as laborers and power equipment operators, designate what group they belong to.
 - If there are employees that work in more than one job classification, the contractor can pay the wage rates specified for each classification only if accurate time records showing the time spent in each classification are supplied.
 - If not, these employees must be paid the highest wage rate of all of the classifications of work performed.
5. Apprentice or journeyman
 - The first time an apprentice appears on a payroll, the contractor must provide apprentice certification papers from the DOL showing the wage rate and ratio of apprentices to journeymen.
 - The maximum number of apprentices that can be on the job site cannot exceed the ratio of apprentices to journeymen allowed in the approved program.

- If no certification is provided, or if the proper ratio is not used, the apprentice must be paid the full rate listed on the wage decision for the classification of work that they perform.
6. Hours worked
 7. Rate of pay
 - Overtime hours are defined as all hours worked 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.
 - If the employee listed is an owner of the company, financial information does not have to be provided. All other areas must be completed. The first time an owner appears on a payroll, the contractor must provide documentation or ownership certification papers showing the person listed is an owner.
 8. Gross wages earned
 9. Deductions
 - Show the amount of deductions from the gross earnings.
 - "Other" deductions in pay should be identified (for example, savings account or loan repayment).
 - Any voluntary deduction (not required by law or by an order of a proper authority such as a court) must be authorized in writing by the employee. A short note is all that is needed and should accompany the first payroll on which the deduction appears.
 10. Net pay
 11. Statement of compliance
 - It is located on the reverse side of a standard payroll form (WH-347).
 - Check either 4(a) or 4(b) if the wage decision contains a fringe benefit.
 - Checking 4(a) indicates that fringe benefits are being paid to an approved plan or program.
 - Checking 4(b) indicates that fringe benefits are being paid directly to the employee by adding the benefit to the basic hourly rate.
 - If the contractor is paying a portion to an approved plan and a portion to the employee, explain those differences in 4(c).
 12. Signature:
 - Make sure the payroll is signed with an original signature (owner or officer of the company, treasurer or payroll administrator)

FRINGE BENEFITS

- Fringe benefits can include health insurance premiums, retirement contributions, life insurance, vacation, and other paid leave.
- Fringe benefits do not include employer payments or contributions required by other federal, state or local laws such as SSI (Supplemental Security Income).
- Although a company's fringe benefits and basic hourly rates may differ from the wage determination, the company's fringe benefits plus the basic hourly rate must equal the total amount shown in the WD (basic plus fringe).
 - Example: WD shows basic rate as \$25 + \$10 fringes. Company pays \$20 basic + \$15 fringe and is still in compliance since the total is \$35.

SITE OF WORK

- The *site of work* is where the Davis-Bacon wage rates apply, usually the boundaries of the project.
- *Site of work* can also include adjacent or virtually adjacent property used by the contractor in the construction of the project, like a fabrication site that is dedicated exclusively, or nearly so, to the project.

SUPPLY AND INSTALLATION HOURS

- Non-construction site manufacturing and incidental installation hours, such as setting an appliance in place and plugging it in should not be included in Davis-Bacon payrolls. Also do not include delivery hours.

FIELD INTERVIEWS

- Field interviews will be conducted to verify wage rates.