

Labor Standards



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Law and Regulations

Davis Bacon and Related Acts

- Davis–Bacon Act of 1931 (DBA), 40 U.S.C. § 3141 et seq
 - Direct federal contracts
 - Construction, alteration or repair >\$2K
 - Locally prevailing wage & fringe benefits
 - Weekly wage payments
- Davis–Bacon Related Acts (DBRA)
 - Additional provisions for federally funded construction projects
 - Includes Fair Labor Standards Act, Contract Work Hours and Safety Standards Act, Copeland (Anti-kickback Act)

- Fair Labor Standards Act (FLSA)
 - Sets federal minimum wage – currently \$7.25/hour
 - Defines overtime as more than 40 hours per week
 - Defines overtime pay as time + ½ base wage (BW) + standard fringe benefits
- Contract Work Hours and Safety Standards Act (CWHSSA)
 - Requires overtime pay for workers on construction contracts > \$100,000 that work more than 40 hours/week
 - Overtime pay = time and ½ base wage (BW) + ST fringe benefits
 - Penalties will be assessed on a per-day, per-violation basis and reported on the HUD 4710 Semi-annual enforcement report
- Copeland (Anti-kickback) Act
 - Only applies under Davis-Bacon Act / Davis-Bacon Related Acts
 - Prohibits kickbacks
 - Regulates deductions
 - Requires payroll certification

→ Laws

- DOL sets forth the principal set of regulations for labor rules in 29 C.F.R. Parts 1–7:
 - 29 C.F.R. Part 1 – Regulates wage rate determination
 - 29 C.F.R. Part 3 – Copeland “Anti-kickback” Act of 1934, 18 U.S.C. § 874 and 40 U.S.C. § 3145, defines anti-kickback regulations; obligation of weekly payrolls and governs payroll deductions
 - 29 C.F.R. Part 5 – Defines Labor Standards Regulations
 - 29 C.F.R. Part 6 – Regulates administrative proceedings to enforce Labor standards
 - 29 C.F.R. Part 7 – Regulates non-compliance

→ Regulations CFR Title 29 Labor Parts 1–7

Applicability

CDBG-DR

- The Davis–Bacon Act (DBA) requires the payment of prevailing wage rates (which are determined by the U.S. Department of Labor) to all laborers and mechanics on Federal government construction projects more than \$2,000. Specifically, for Buyout Programs, Davis–Bacon Related Acts will apply when:
 - CDBG–DR pays in whole or in part for any direct costs of construction; AND the project meets one of the following thresholds:
 - Residential (housing): Property has 8 or more units
 - Non-residential: Any construction work valued at more than \$2,000
- Construction includes alteration and/or repair, including painting and decorating, of public buildings or public works. Davis Bacon does not apply to single-family scattered site rehabilitation and reconstruction programs. Work done by a local government's employees (force account) is not subject to DBA.

→ DBRA Applicability

- Davis-Bacon does not apply to “demolition-only” projects
- If demolition is considered part of greater construction project, Davis-Bacon does apply:
 - If subsequent construction on the site is planned as part of same contract
 - If subsequent construction is contemplated as part of a future construction project under another Federally funded activity

**Note: It is important to know the “end-use” before demolishing any property to determine if Davis-Bacon will apply to the entire project.*

→ Demolition

Responsibilities

Of the Grantee

- Designate appropriate staff to oversee DBRA projects
- Create a construction contract management system that meets the standards of 2 CFR Part 200.
 - Federal Labor Standards Compliance Checklist https://www.hud.gov/sites/dfiles/Labor/documents/DBRA_list.docx
- Maintain documentation of all work completed
- Ensure Labor Standards compliance reporting requirements

➔ Responsibilities

Disclaimer: This checklist is not a requirement. Other entities find it useful. HUD DBLS is making it available as a best practice.

Federal Labor Standards Compliance – Davis-Bacon and Related Acts (DBRA) Checklist
 PUBLIC HOUSING, TRIBALLY DESIGNATED HOUSING ENTITY, TRIBAL HOUSING PROGRAM ADMINISTERING
 NAHASDA, NHHL and COMMUNITY DEVELOPMENT PROGRAMS
Davis-Bacon and Related Acts applicable for contracts over \$2,000

Project Name/Number: _____ Contract Dollar Amount: _____

☐ Prepare bid/contract documents

☐ Obtain Davis-Bacon Wage Rate <https://beta.sam.gov/> - Date: _____

☐ Federal Labor Standard Provisions (check one that applies)
https://www.hud.gov/program_offices/administration/hudclips/forms
 PIH-HUD-5370 EZ _____ (Contracts \$2,000 - \$100,000) HUD-5370 _____ (Contracts over \$100,000)
 CPD-HUD-4010 _____ (Contracts over \$2,000)

☐ 10 days prior to bid opening check wage determinations for any modifications

☐ If there is a modification notify all bidders of change or document reason for non-notification
 Notification date: _____

☐ Sign contract within 90 days of bid opening. If not, obtain new wage decision
 Contract signature date: _____

☐ For additional wage rates email HUD-4230A to DOL at
whd-cbaconformance_incoming@dol.gov
https://www.hud.gov/program_offices/administration/hudclips/forms/hud4

Date emailed: _____ Date DOL response received: _____

☐ Verify contractor eligibility at www.sam.gov (prior to contract execution & print result for project file)

☐ Debarred ☐ Not Debarred Date: _____

☐ Provide contractor training - Date: _____

Handouts: ☐ Wage Decision
☐ Applicable Federal Labor Standards Provisions
☐ Contractor Guide Book
☐ Explain additional classification process for trades missing from wage decision
☐ Other items local contracting agency wants to add to contractor packet

☐ Employees Rights under the Davis-Bacon Act poster (take picture of postings on site to include in project file)
 English: <http://www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf>
 Spanish: <http://www.dol.gov/whd/regs/compliance/posters/davispan.pdf>
 Date posted on job site: _____

☐ Conduct weekly or monthly (determined on the duration of project) on-site interviews using HUD-11
 Date: _____ Date: _____ Date: _____ Date: _____ Date: _____

☐ Receive weekly payrolls; identify conduct payroll reviews; identify deficiencies; compare payrolls to Employee Interviews (HUD-11);
 When required, obtain supporting documentation to verify apprenticeship status, J/A ratio, apprentice percentage of pay, and employee signed deduction authorization forms for other deductions identified on the certified payrolls.
 Follow-up required: _____

☐ Resolve all discrepancies, including overtime payments. If required, send questionnaires, using HUD Form 4730, to workers to verify pay data. Follow-up required: _____
 DBLS Forms: https://www.hud.gov/program_offices/administration/hudclips/forms

Date: 07/2019

Section 3 Requirements

For the Grantee

- **Applicability**

- Defining a Section 3 Project – site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing.
- Section 3 applies to the following:
 - An entire Section 3 project, that is provided housing and community development financial assistance regardless of whether the project is fully or partially assisted under HUD programs
 - Projects that include state, local, private matching or leveraged funds that are combined with HUD funds are covered by Section 3 if the amount of HUD funding for the project exceeds \$200,000
 - All public housing financial assistance funds, regardless of the amount of assistance from HUD
 - The amount of Office of Lead Hazard Control and Healthy Homes assistance exceeds \$100,000
- Does NOT apply to:
 - Material Supply Contracts
 - Indian and Tribal Preferences

➔ **Section 3 Requirements**

• Applicability Matrix – Example of Buyout Activities

Buyouts			
Site or sites together with any building(s) and improvements that are under common ownership, management, and financing	Acquisition of Buyout Property	Voluntary acquisition of property(ies) located in high risk flood areas or other disaster risk reduction areas purchased at post-disaster value.	Purchasing the residential property will likely exceed the Section 3 threshold. According to local records, the median sale price of a single-family property was in excess of the threshold. Therefore, Section 3 requirements will more than likely be triggered prior to demolition activities.
	Smart Housing Incentives	Incentives provided to owners to induce a move outside of the affected floodplain or disaster risk reduction area to a lower-risk area or structure.	Even though incentive is not construction activity, the funds for the incentive still applies to total project costs and counted towards the \$200,000 threshold as it is tied to the project site.
	Demolition of Buyout Property	Removal of building and/or structures. Converting of the property to open space	When bidding & awarding the construction contract will need to make all contractors and subcontractors aware of Section 3 requirements
	Resilience Infrastructure Improvements on Buyout Property	Infrastructure improvements for recreational, land management or other disaster risk reduction practices.	This activity is still connected to the original project site; therefore, any resilient construction activities would be included with the Section 3 threshold. Will need to make all contractors and subcontractors aware of Section 3 requirements.

→ Section 3 Requirements

- Final Rule Updates ([24 CFR Part 75](#))
 - Documents hours worked by Section 3 workers instead of monitoring employees hired and construction contracts awarded
 - The Final Rule created the Section 3 Business Concern which means all employees are considered targeted Section 3 workers and count toward benchmarks (goals)
 - Legacy Projects: Contracts executed or projects for which assistance or funds were committed prior to November 30, 2020
 - Adhere to the old rule (24 CFR Part 135)
 - Expected to maintain records but will no longer be required to report Section 3 compliance to HUD in SPEARS.

→ Section 3 Requirements

- **Section 3 Workers**

- Section 3 Worker is defined as any worker who currently fits or when hired within the past 5 years fit at least one of the following:
 - A low or very low-income worker
 - Employed by a Section 3 business concern
 - YouthBuild participant
- A Targeted Section 3 Worker is defined as any worker who currently fits or when hired within the past 5 years fits at least one of the following:
 - Employed by a Section 3 business concern, OR
 - Living within the service area or the neighborhood of the project, as defined in 24 CFR 75.5
 - A YouthBuild participant
- All Section 3 Workers must complete a self-certification form. The certification is good for up to 5 years, if they remain with the same employer.

→ Section 3 Requirements

- **Section 3 Business Concern**

- A Section 3 business concern is a business that meets at least one of the following criteria, that has been documented within the last six-month period:
 - At least 51 percent owned and controlled by low- or very low-income persons;
 - Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
 - At least 51 percent is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.
- All Section 3 Business Concerns must complete a certification that will be valid for the duration of the project.

→ Section 3 Requirements

- **Qualitative Efforts**

- If an activity does not meet the benchmarks (goals), but the grantee can provide evidence that it has made qualitative efforts to provide low- and very low-income persons with employment and training opportunities, then HUD will consider the grantee compliant with Section 3.
- [24 CFR 75.25](#) a list of qualitative efforts
- Examples include:
 1. Provided training or apprenticeship opportunities.
 2. Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
 3. Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.

→ Section 3 Requirements

- **Tracking Section 3**

- Develop procedures and implement a process for tracking subrecipient, contractor, and subcontractor compliance
- Notify all contractors of Section 3 requirements during the bid process
- Establish a timeline for reporting
- Keep track of any worker complaints
- Determine the contractors need for assistance
- Utilize certified payrolls for Davis Bacon to track Section 3 Compliance OR
- Track all certifications and hours in a spreadsheet

→ **Section 3 Requirements**

- **Reporting and Compliance**

- Section 3 hours or Qualitative Efforts:

- Hours: Grantees must report the following labor hours (including total hours worked by all contractors and subcontractors) for Section 3 projects:

1. The total number of labor hours worked by all workers,
2. The total number of labor hours worked by Section 3 workers, and
3. The total number of labor hours worked by Targeted Section 3 workers

- Qualitative Efforts:

- Training events
 - Job Fairs
 - Other measures

- Grantees will report project or activity data for each applicable program in IDIS or DRGR annually

→ Section 3 Requirements

Bidding and Contracting Process

Pulling Wage Decision

- Pulling Wage Decision
 - [SAM.gov / Wage Determinations](https://sam.gov/wage-determinations)
 - Public Building or Works
 - Filter by State, County, and Construction type
 - Determine which four categories the project falls into

The screenshot shows the SAM.gov Wage Determinations page. At the top is the SAM.GOV logo and a navigation bar with links for Home, Search, Data Bank, Data Services, and Help. Below the navigation bar is the title "Wage Determinations" and a brief definition of a wage determination (WD). The main content area is titled "Help me find a wage determination" and is divided into two sections: "I know the WD number" and "I do not know the number". The "I know the WD number" section has a search bar with the placeholder text "e.g. DBA or SCA Identifier" and a search button. Below the search bar is a checkbox labeled "Show active only". The "I do not know the number" section has a search bar with the placeholder text "Start your search by selecting a category". Below the search bar are two buttons: "Public Building or Works" and "Service Contracts". The "Public Building or Works" button has a building icon and text: "Wage rates for laborers and mechanics" and "Davis-Bacon Act (DBA)". The "Service Contracts" button has a group of people icon and text: "Wage rates for service employees" and "Service Contract Act (SCA)".

→ Bidding and Contracting Process

- Determine which four categories the project falls into
 - Residential–Buildings that are 4 stories and less. This typically includes all incidental items such as site preparation work, utilities, and sidewalks.
 - Building–5 stories and above, all nonresidential buildings. Building examples include high-rise apartment buildings, nursing homes and convalescent facilities, community centers, fire stations, commercial buildings, parking garages, and dormitories.
 - Highway–Includes the construction, alteration, or repair of roads, streets, highways, alleys, parking areas, and other similar projects not incidental to the main category of construction, which is either residential or building for housing development projects.
 - Heavy– any work that does not fall into the other categories including demolition, infrastructure (storm sewers and storage tanks), landscaping, and drainage and irrigation projects.

→ Bidding and Contracting Process

- Pulling Wage Decision
 - Pull a sample wage decision
 - Wage Decision lock-in dates
- 10-day verification
 - Check for modifications up until the date of bid opening if there are any revised wage decisions published at SAM.gov. If there are, notify all contractors of the change. Document it for the files.
- Contracts must be awarded within 90 days of the bid opening date
 - If a contract is not awarded, then an updated wage decision must be pulled

The screenshot displays a web application for searching Davis-Bacon Act Wage Determinations. On the left, a sidebar titled 'Select Domain Wage Determinations' contains a list of categories: 'By Wage Determination ID', 'Construction (DBA)', 'Service Contracts (SCA)', and 'Collective Bargaining Agreement (CBA)'. Below this is a 'Filter By' section with fields for 'Location' (containing 'Texas'), 'State' (a dropdown menu), 'County/ Independent City' (a dropdown menu), 'DBA Construction Type' (a dropdown menu set to 'Heavy'), 'Keywords' (a text input field), and 'Status' (a dropdown menu). The main content area on the right shows a list of results, starting with 'Showing 1 - 25 of 57 results'. Each result entry includes the 'Davis-Bacon Act WD #' (e.g., TX20210017, TX20210020, TX20210016, TX20210018), the 'State' (Texas), 'Counties' (Dallas, Collin, Ellis, Kaufman, Rockwall, Denton), and a 'DBA Wage Determination' button. To the right of each entry, details are listed: 'Modification Number' (4, 4, 3, 1), 'Construction Types' (Heavy, Heavy, Heavy, Heavy), and 'Published Date' (Sep 3, 2021, Sep 3, 2021, Jul 2, 2021). A 'Sort by' dropdown menu is located at the top right of the results area.

→ Bidding and Contracting Process

Bidding and Contracting Process

Opening Bids

- Opening bids

- Must be published or posted for at least 10 days to give bidders time to respond

- Direct solicitation of minority and/or female owned businesses

- Each bid package must include

- Federal Construction Contract Inserts

- Best practices, incorporate the HUD-4010 Federal Labor Standards Provisions

- Wage Decision tracker

- List of Minority and/or Female Owned contractors and suppliers that responded to the advertisements

- Section 3 requirements

➔ Bidding and Contracting Process

Project Wage Rate Sheet						U.S. Department of Housing and Urban Development Office of Labor Relations
Project Name: VanKleeven Square			Wage Decision Number/Modification Number: NYSD 0218/2012- REMISSONS 1/1/14/12			
Project Number: 20116226			Project Cover: Onestage			
Work Classifications	Basic Hourly Rate (BHR)	Fixed Benefits	Total Hourly Wage Rate	Location Fixed Benefits: Group #	BHR	\$ \$2 TOTAL WAGE
Bricklayers	26.00		\$26.00			
Carpenters	18.18	2.72	\$18.90		9.48	\$18.90
Cement Masons	16.87	16.94	\$33.81			\$
Crew/Hangmen			\$			\$
Electricians	10.83	1.86	\$12.73			\$
Iron Workers			\$			\$
Painters	12.00		\$12.00	Operations Fixed Benefits: Group #	BHR	\$
Plumbers	13.00		\$13.00			
Roofers			\$	BLOCK	13.86	\$13.86
Sheet Metal Workers	13.00		\$13.00	CRANE	13.75	\$13.75
Soft Floor Layers	16.00		\$16.00			\$
Tapers			\$			\$
Tile Setters	16.00		\$16.00	Truck Drivers Fixed Benefits: Group #	BHR	\$
Other Classifications						
Red Insulation	18.18	2.72	\$18.90			\$
			\$			\$
			\$			\$
Approval Classifications (HUD Form 4230-6)						
Work Classifications	Basic Hourly Rate	Fixed Benefits	Total Hourly Wage Rate	DATE OF HUD Submission to DOL	DATE OF DOL Approval	
Pipefitter	13.00		\$13.00	10/30/12	1/14/13	
Landscaper	12.00		\$12.00	10/30/12	1/14/13	
Steel Reinforcing	16.00		\$16.00	10/30/12	1/14/13	
			\$			

- Opening bids
 - A contract must be awarded within 90 days, after which an updated WD must be issued
 - Small purchase and simplified acquisitions procurement does not require a bid process

→ Bidding and Contracting Process

Bidding and Contracting Process

Awarding the Contract

- **Debarment Verification**

- Verify all contractors are eligible to receive a federally funded contract
- Use link for System of Award Management (SAM) <https://www.sam.gov>
- Verify that all prime contractors (and subcontractors) have active SAM registrations and are not listed as debarred in SAM
- Print records of verifications from SAM and retain copies in the local files.
- Record the date the SAM check was conducted

→ **Bidding and Contracting Process**

- After Contract Award

- Discuss wage determination and DBRA compliance requirements in pre-construction conference
- Contractor license–verify current license status with State reporting agency
- Obtain copies of the Payment and performance bonds
- Best practice– 5–10% retainage until all DB compliance is met
- Review certified payrolls for classes not listed on the wage decision
- Conduct on-site inspections and employee interviews to identify any additional classes
 - Including Prime and all sub-contractors

➔ Bidding and Contracting Process

- After contract award
 - If there is an additional job classification needed after contract award
 - Contractor and subcontractors must request additional classes and rates on letterhead with employee signatures
 - Complete SF-1444 SF1444-13f.pdf
 - Submit request and SF-1444 by email to WHD-BACONFORMANCE_INCOMING@dol.gov
 - DOL has 30 days to respond
 - For assistance with completing the SF-144 and any questions contact the WHD Branch of Construction Wage Determinations (BCWD) wage analyst with responsibility for the state where your project is located. A list of analysts and their states can be found at the following website: <http://www.dol.gov/whd/govcontracts/stateassignments.htm>
- *Note: Make sure to tell contractors about the possible need to request additional classes and rates after the award

➔ Bidding and Contracting Process

- Pre-Construction Conference

- Pre-Con is required
- Retain minutes, including list of attendees and an outline of labor standards
- Contract work hours and safety standards act to not force people to work OT and they will pay fair wages

→ Bidding and Contracting Process

Payroll Forms and Review

- DOL certified payroll form (Payroll Form) [PAYROLL \(dol.gov\)](https://www.dol.gov)
 - The grantee must review the payroll submissions in a timely manner to ensure that:
 - Workers are properly listed on the payroll for the days, work classification, and rate of pay (compare to interview forms)
 - Owner/Operators are likely to be subcontractors working for the prime contractor. Prevailing wages apply and must be reported. When completing a payroll record, the owner/operator cannot certify their own payrolls, only the prime contractor can sign their payroll.
 - Payrolls are complete and signed
 - Employees are paid no less than the wage rate for the work classification shown
 - Apprentice and trainee certifications are submitted*
 - Employee authorizations for other deductions are submitted (if applicable) such as 401K loans, child support, lodging expenses, etc.

The image shows the U.S. Department of Labor Wage and Hour Division PAYROLL form (WH-347). The form is titled "PAYROLL" and includes the U.S. Department of Labor logo. It is a form for contractors to report payroll information for workers on federal projects. The form includes sections for contractor information, project information, and a detailed table for recording payroll data for each worker. The table has columns for worker name, work classification, hours worked, rate of pay, gross earnings, and various deductions. The form also includes a section for the contractor's signature and a public burden statement at the bottom.

*Note: If anyone other than the owner of the business signs the payrolls, then a delegation of signature authority letter—must be signed to identify another individual who is authorized to sign the certified payroll reports on behalf of the company.

→ Payroll Forms and Review

- **Statement of compliance**

- The 2nd page of the payroll provides a location for the contractor to specify if they paid the worker cash fringe benefits or if the benefits were paid to approved plans, funds, or programs.
 - Fringe is paid to approved plan
 - Fringe Benefit Plan must be approved by the City
 - Fringe benefits are paid in cash—Base Rate + Fringe Rate on wage decision

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 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:	(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 <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">EXCEPTION (CRAFT)</th> <th style="width: 50%;">EXPLANATION</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table> REMARKS: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">NAME AND TITLE</td> <td style="width: 50%;">SIGNATURE</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>	EXCEPTION (CRAFT)	EXPLANATION																			NAME AND TITLE	SIGNATURE		
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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 3729 OF TITLE 31 OF THE UNITED STATES CODE.

→ Payroll Forms and Review

- Overtime provision—workers must be paid 1.5 times the basic rate of pay for work in excess of 40 hours per week, on the covered job site
- Certified payroll reviewer designation form
 - Payrolls must be signed by the owner of the business or
 - A designated signatory that has been certified by the owner
- Payrolls should be submitted weekly and a review taking place—if no work is performed contractor must submit a Certified Payroll indicating—no work was performed for that week. However, no work payrolls are not required if:
 - The contractor submits a statement indicating the weeks where work will not be performed.

→ Payroll Forms and Review

- Authorized Deduction forms must be signed by employees
 - Additional deductions that are not regular benefits
 - Examples for notes—child support, rent, utilities, 401K loan payments
- Restitution (more detail in following slides)
 - If payroll discrepancies have been identified and restitution is required, then you must:
 - Review all payrolls, employee interviews, and wage decision
 - Calculate the additional wage owed to the employee and multiply by all hours worked on project site
 - No payments to the contractor should be paid or project closed until proof of restitution paid is received
 - Paystub with employee name
 - Account records from contractor

→ Payroll Forms and Review

- Restitution Notices

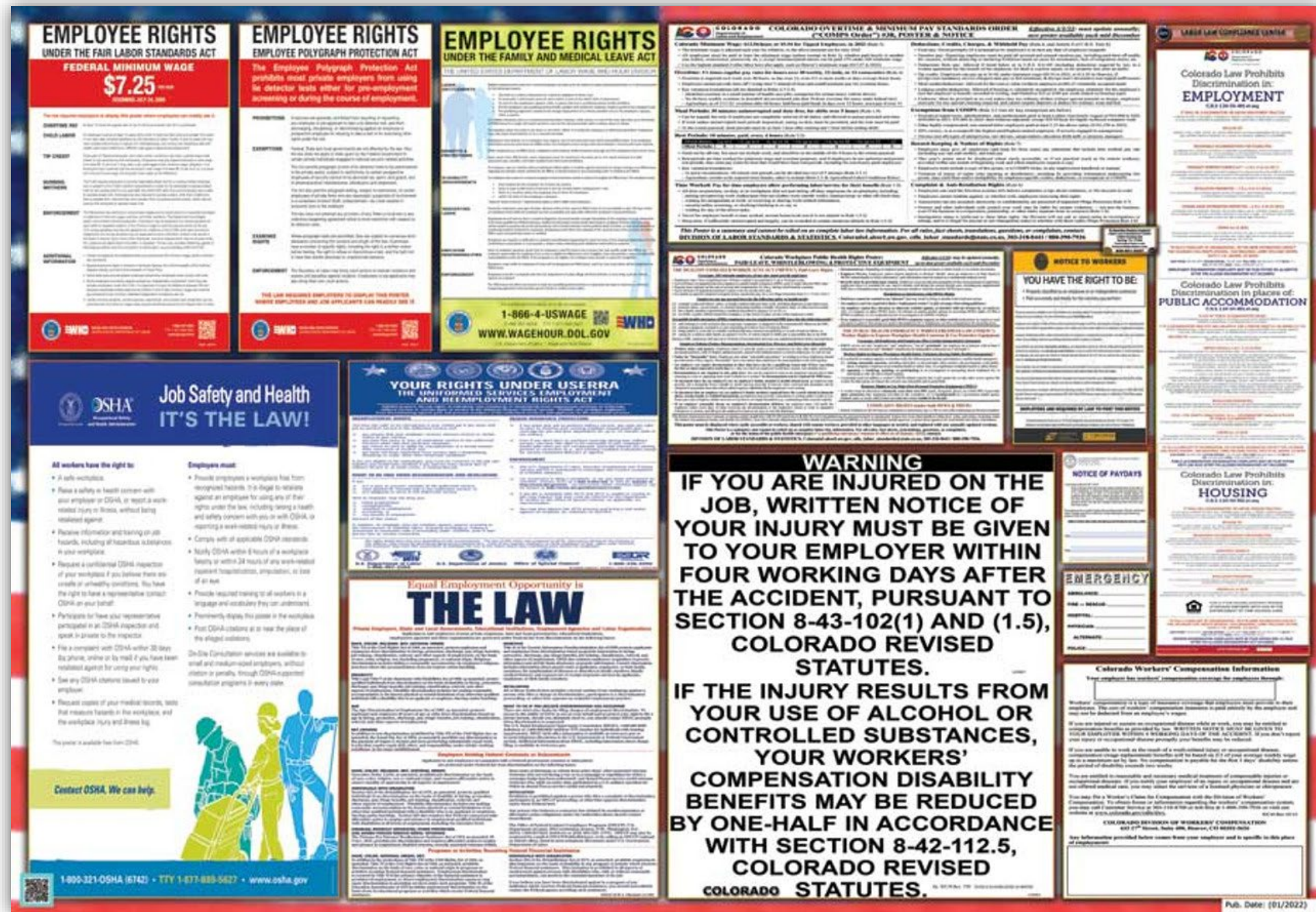
- If restitution is required, send formal letters to the general contractor
 - List the total amount of workers affected and the total dollar amount
 - Allow the general contractor 30 days to respond
- Request that the general contractor verifies restitution payment
 - Copies of cancelled checks, proof of payment
- Withholding of grant funds
 - Should be utilized if general contractor refuses to pay restitution after 30 days

→ Restitution

Visiting the Site

- Employee Interviews
 - An important tool to ensure that employees are properly classified and are being paid the correct wage and fringe
 - [HUD-11 Record of Employee Interview](#)
 - [HUD-11 Record of Employee Interview_Spanish](#)
 - Posters and Wage Decision must be posted on the job site
 - Contractor and subcontractor contact information must be provided
- Compare the information gathered on-site with the information provided on the certified payroll. Follow up with any discrepancies.

→ Visiting the Site



➔ Visiting the Site

End of Construction



1. Payrolls

Make sure all payrolls are received from all on-site contractors.

2. QA/QC and Approval

Conduct a final review to ensure there are no outstanding labor issues

3. Construction Completion

Obtain a copy of the certification of completion and maintain in grantee files.

4. Payment to Contractor

Submit final payment and closeout project file.

→ End-of-Construction

Reports

• Reports

- Semi-annual reports required to be submitted to HUD every 6 months
- HUD 4710-List contracts that are all subject to Davis Bacon
- [4710 Instructions](#)
- [4710 form](#)

Semi-Annual Labor Standards Enforcement Report - Local Contracting Agencies (HUD Programs)

U.S. Department of Housing and Urban Development
Office of Davis-Bacon and Labor Standards

HUD FORM 4710
OMB Approval Number 2501-001
(Exp. 09/30/2024)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining data needed, and completing and reviewing the collection of information. The information is considered non-sensitive and does not require special protection. This information is required to obtain benefits. 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.

All Federal agencies administering programs subject to Davis-Bacon wage provisions are required by Department of Labor (DOL) regulations (29 CFR 5.7(b)) to submit a report of all new covered contracts and all enforcement activities each six months. In order for HUD to comply with this requirement, it must collect contract and enforcement information from local agencies that administer HUD-assisted programs subject to Davis-Bacon requirements. HUD requests that local agencies complete and submit a Semi-Annual Enforcement Report each six months.

Local agencies and HUD must retain a copy of the Semi-Annual Enforcement Report in its files.

Please follow these instructions while compiling the *Semi-Annual Labor Standards Enforcement Report for Local Contracting Agencies (HUD Programs)* (form HUD-4710).

Introduction

Department of Labor (DOL) Regulations 29 CFR §5.7(b) require Federal agencies administering programs subject to Davis-Bacon and Related Act (DBRA) and Contract Work Hours and Safety Standards Act (CWHSSA) labor standards to furnish a Semi-Annual Labor Standards Enforcement Report to the Administrator of the Wage and Hour Division. Some HUD programs are administered by state and local agencies for labor standards compliance. HUD must collect information from such agencies in order to capture enforcement activities for all HUD programs in its reports to DOL.

Reporting Periods: Period 1 October 1 through March 31
Period 2 April 1 through September 30

Report Format: Each agency report consists of two parts:
Part I concerns contracting activity for work awarded during the reporting period;
Part II concerns enforcement activity for all contracts, regardless of the award date.

The HUD Davis-Bacon and Labor Standards (DBLS) staff for your area will send a courtesy reminder shortly before the due date about preparing the report and will remind you of the date your report is due. However, you should maintain accurate records throughout the year of relevant contract information so that you can submit the report timely.

Definitions and Guidance

Part I - Contracting Activity - This part concerns only **contracts** that were **awarded** during this period. **Do not** include contracts that were awarded prior to this period even though the contracts may still be underway. **Do** include work subject to purchase order or other form of agreement, even if there is no formal contract award.

Item 1. Enter the total number of prime contracts subject to DBRA/CWHSSA **awarded during this period**. Track contracts by award or start of construction - **do not** track by bid opening date. Public Housing Authorities (PHAs), Tribally-designated Housing Entities (TDHEs)/Indian Housing Authorities (IHAs): Include force account work that is subject to DBRA/CWHSSA.

Item 2. Enter the total dollar amount of the contracts and/or PHA/TDHE/IHA force account work reported in Item 1.

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Form HUD-4710 (09/2024)

- Federal Labor Standards Compliance Checklist
 - https://www.hud.gov/sites/dfiles/Labor/documents/DBRA_list.docx
- Making Davis Bacon Work—A Contractor's Guide to Prevailing Wage Requirements
 - [Davis-Bacon and Labor Standards: Agency/Contractor Guide \(hudexchange.info\)](#)
 - [Davis-Bacon and Labor Standards: Contractor Guide Addendum \(hudexchange.info\)](#)
- Davis-Bacon And Labor Standards And Related Forms
 - [Labor Standards Forms](#)

EMPLOYEE RIGHTS UNDER THE DAVIS-BACON ACT

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

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

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

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

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

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

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

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

For additional information:

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

WWW.WAGEHOUR.DOL.GOV

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

➔ Other Available Resources

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