



## An Overview of Federal Labor Standards for CDBG Grant Recipients

Virginia Department of Housing and Community Development (DHCD)  
Program Administration and Assistance Office  
Richmond, Virginia

December 4, 2012  
12 Noon – 1 PM

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1

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4

## Speakers

- ▶ **Moderator: Kyle Meyer**  
Community Development Specialist, DHCD  
Richmond, VA
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2

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5

## Webinar Format

- ▶ Presentation will last approximately 40 minutes  
followed by 20 minutes of Q&A
- ▶ Audience members are muted due to the high  
number of participants (Press \*6 to mute)
- ▶ Recording of the webinar will be posted on DHCD's  
website on the CDBG Training Archive page:  
<http://www.dhcd.virginia.gov/index.php/cdbg-training-archive.html>

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3

## FLS Brown Bag Webinar Series

Presented over the lunch hour, 12 to 1 p.m.

- ▶ January 8 — Project Start-up: What happens  
before the construction begins
- ▶ February 12 — It's All in the Details: Reviewing  
payroll reports
- ▶ March 12 — Tools of the Trade: Logs, registers,  
and authorizations

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6

## Learning Objectives

- ▶ Receive an overview of federal labor standards
- ▶ Become aware of common challenges and troubleshooting tips
- ▶ Know where to go for resources and questions

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7

### Key Laws

## What are the Federal Labor Standards?

### Davis-Bacon and Related Acts

- ▶ Applies to all construction contracts valued at \$2,000 or more
- ▶ Construction includes alterations and/or repairs, including painting and decorating
- ▶ Requires the payment of prevailing wage rates, including fringe benefits, to all laborers and mechanics, including apprentices, trainees and working foremen

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10

## Brief Survey

- ▶ Using the survey feature on your Webex webinar screen, please answer the simple survey:

What is your level of knowledge with federal labor standards (FLS)?

- a) I have no knowledge of FLS
- b) I have reviewed FLS for a few projects
- c) I am very experienced with FLS

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8

### Key Laws

## Who were Davis and Bacon?



Sen. James J. Davis (R-PA)



Rep. Robert L. Bacon (R-NY)

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11

## Agenda

- ▶ FLS laws and definitions
- ▶ The 9 key steps of the FLS process
- ▶ Common challenges
- ▶ Tips & helpful hints
- ▶ Q & A

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9

### Key Laws

## Key Labor-related Statutory Provisions

### Contract Work Hours and Safety Standards Act of 1962

- ▶ Requires "overtime" at a rate of 1 ½ times of a worker's basic rate of pay for all hours worked in excess of 40 hours in a work week
- ▶ Time off in lieu of overtime is not allowed

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12

## Key Laws

# Key Labor-related Statutory Provisions

## Copeland "Anti-Kickback" Act

- Makes it a federal crime for anyone to use force, intimidation, or threats to force any laborer or worker working on a federally-financed project to give back any part of their wages to which they are entitled
- Requires a signed "Statement of Compliance" certifying workers have received all of their wages

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13

## Key Phrases

# Definitions

- **Certified Payroll Reports (CPR)**
  - Payroll
  - Statement of Compliance
- **Register of Assigned Employees (RAE)**
  - Documents the workers assigned to the project
  - Submitted along with the first CPR
  - Updated only to show changes in worker's job classification and/or wages OR new workers assigned to project
- **Monthly Register of Contractor, Subcontractors, and Suppliers**
  - Documents procurements of ≥ \$10,000
  - Submitted *monthly* along with the first payroll following the end of the month being reported

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16

## Key Laws

# Wait, There Are Two More

- **Fair Labor Standards Act of 1938**
  - Expands on the definition of overtime
- **Portal-to-Portal Act of 1947**
  - Establishes how long someone can file a claim in court that they did not receive prevailing wages or overtime.

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14

*Pop Quiz: Overtime is defined as working over 8 hours in a day*

TRUE or FALSE?

11/30/2012 17

## Key Phrases

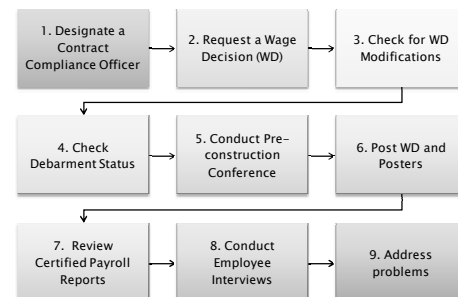
# Definitions

- **Contract Compliance Officer (CCO)**
  - The person who is responsible for ensuring compliance with the federal labor standards
- **Wage Decision (WD)**
  - A listing of various construction work classifications and the *minimum* wages and fringe benefits that must be paid to anyone performing work in those classifications
  - Established by US Department of Labor for defined geographic areas e.g. county or group of counties, and by various types of construction i.e.; highway, building, residential and heavy

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15

# 9 Key Steps of the Federal Labor Standards Process



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18

## Step 1 Designate a Contract Compliance Officer

- Identified at the facilitated management session
- Introduced to the general contractor, subcontractors and payroll clerks at the pre-construction conference

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19

## Step 2 And Put It in the Bid Documents

- DHCD will issue the wage decision packet, which includes the:
  - Wage decision(s)
  - Federal construction contract inserts
  - FLS-related posers
  - Employee interview forms
- Incorporate the WD and the federal construction contract inserts, which includes the federal labor standards provisions, in bid documents

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22

## Step 2 Request Wage Decision (WD)

- When?
  - Approximately 14 days prior to publishing the Invitation to Bid
- How?
  - Submit the Wage Rate Request form to your CD Specialist

CIG WAGE RATE REQUEST					
TO:	San Diego Community Dev.	DATE:	08/03/09		
FROM:	John Hancock, Chief Administrator	CD #:	0010		
PROJECT NAME:	San Diego Community Development Proj.	ESTIMATED:			
PROJECT LOCATION:	San Diego Community Development Proj.	AWARDING DATE:	08/03/09		
CD SPECIALIST NAME:	Joseph Smith	CD SPECIALIST:	001000		
Provide specific description of all construction activities to be included in the specific construction contract.					
Activity Type	Quantity	Estimated CDM Cost	Estimated Non-CDM Cost	CD Specialist	CD Specialist
labor	1,000.00 of 1st shift	\$100.00	\$100.00	001001	
labor	1,000.00 of 2nd shift	\$100.00	\$100.00	001002	
labor	1,000.00 of 3rd shift	\$100.00	\$100.00	001003	
labor	1,000.00 of 4th shift	\$100.00	\$100.00	001004	
labor	1,000.00 of 5th shift	\$100.00	\$100.00	001005	
labor	1,000.00 of 6th shift	\$100.00	\$100.00	001006	
labor	1,000.00 of 7th shift	\$100.00	\$100.00	001007	
labor	1,000.00 of 8th shift	\$100.00	\$100.00	001008	
labor	1,000.00 of 9th shift	\$100.00	\$100.00	001009	
labor	1,000.00 of 10th shift	\$100.00	\$100.00	001010	
labor	1,000.00 of 11th shift	\$100.00	\$100.00	001011	
labor	1,000.00 of 12th shift	\$100.00	\$100.00	001012	
labor	1,000.00 of 13th shift	\$100.00	\$100.00	001013	
labor	1,000.00 of 14th shift	\$100.00	\$100.00	001014	
labor	1,000.00 of 15th shift	\$100.00	\$100.00	001015	
labor	1,000.00 of 16th shift	\$100.00	\$100.00	001016	
labor	1,000.00 of 17th shift	\$100.00	\$100.00	001017	
labor	1,000.00 of 18th shift	\$100.00	\$100.00	001018	
labor	1,000.00 of 19th shift	\$100.00	\$100.00	001019	
labor	1,000.00 of 20th shift	\$100.00	\$100.00	001020	
labor	1,000.00 of 21st shift	\$100.00	\$100.00	001021	
labor	1,000.00 of 22nd shift	\$100.00	\$100.00	001022	
labor	1,000.00 of 23rd shift	\$100.00	\$100.00	001023	
labor	1,000.00 of 24th shift	\$100.00	\$100.00	001024	
labor	1,000.00 of 25th shift	\$100.00	\$100.00	001025	
labor	1,000.00 of 26th shift	\$100.00	\$100.00	001026	
labor	1,000.00 of 27th shift	\$100.00	\$100.00	001027	
labor	1,000.00 of 28th shift	\$100.00	\$100.00	001028	
labor	1,000.00 of 29th shift	\$100.00	\$100.00	001029	
labor	1,000.00 of 30th shift	\$100.00	\$100.00	001030	
labor	1,000.00 of 31st shift	\$100.00	\$100.00	001031	
labor	1,000.00 of 32nd shift	\$100.00	\$100.00	001032	
labor	1,000.00 of 33rd shift	\$100.00	\$100.00	001033	
labor	1,000.00 of 34th shift	\$100.00	\$100.00	001034	
labor	1,000.00 of 35th shift	\$100.00	\$100.00	001035	
labor	1,000.00 of 36th shift	\$100.00	\$100.00	001036	
labor	1,000.00 of 37th shift	\$100.00	\$100.00	001037	
labor	1,000.00 of 38th shift	\$100.00	\$100.00	001038	
labor	1,000.00 of 39th shift	\$100.00	\$100.00	001039	
labor	1,000.00 of 40th shift	\$100.00	\$100.00	001040	
labor	1,000.00 of 41st shift	\$100.00	\$100.00	001041	
labor	1,000.00 of 42nd shift	\$100.00	\$100.00	001042	
labor	1,000.00 of 43rd shift	\$100.00	\$100.00	001043	
labor	1,000.00 of 44th shift	\$100.00	\$100.00	001044	
labor	1,000.00 of 45th shift	\$100.00	\$100.00	001045	
labor	1,000.00 of 46th shift	\$100.00	\$100.00	001046	
labor	1,000.00 of 47th shift	\$100.00	\$100.00	001047	
labor	1,000.00 of 48th shift	\$100.00	\$100.00	001048	
labor	1,000.00 of 49th shift	\$100.00	\$100.00	001049	
labor	1,000.00 of 50th shift	\$100.00	\$100.00	001050	
labor	1,000.00 of 51st shift	\$100.00	\$100.00	001051	
labor	1,000.00 of 52nd shift	\$100.00	\$100.00	001052	
labor	1,000.00 of 53rd shift	\$100.00	\$100.00	001053	
labor	1,000.00 of 54th shift	\$100.00	\$100.00	001054	
labor	1,000.00 of 55th shift	\$100.00	\$100.00	001055	
labor	1,000.00 of 56th shift	\$100.00	\$100.00	001056	
labor	1,000.00 of 57th shift	\$100.00	\$100.00	001057	
labor	1,000.00 of 58th shift	\$100.00	\$100.00	001058	
labor	1,000.00 of 59th shift	\$100.00	\$100.00	001059	
labor	1,000.00 of 60th shift	\$100.00	\$100.00	001060	
labor	1,000.00 of 61st shift	\$100.00	\$100.00	001061	
labor	1,000.00 of 62nd shift	\$100.00	\$100.00	001062	
labor	1,000.00 of 63rd shift	\$100.00	\$100.00	001063	
labor	1,000.00 of 64th shift	\$100.00	\$100.00	001064	
labor	1,000.00 of 65th shift	\$100.00	\$100.00	001065	
labor	1,000.00 of 66th shift	\$100.00	\$100.00	001066	
labor	1,000.00 of 67th shift	\$100.00	\$100.00	001067	
labor	1,000.00 of 68th shift	\$100.00	\$100.00	001068	
labor	1,000.00 of 69th shift	\$100.00	\$100.00	001069	
labor	1,000.00 of 70th shift	\$100.00	\$100.00	001070	
labor	1,000.00 of 71st shift	\$100.00	\$100.00	001071	
labor	1,000.00 of 72nd shift	\$100.00	\$100.00	001072	
labor	1,000.00 of 73rd shift	\$100.00	\$100.00	001073	
labor	1,000.00 of 74th shift	\$100.00	\$100.00	001074	
labor	1,000.00 of 75th shift	\$100.00	\$100.00	001075	
labor	1,000.00 of 76th shift	\$100.00	\$100.00	001076	
labor	1,000.00 of 77th shift	\$100.00	\$100.00	001077	
labor	1,000.00 of 78th shift	\$100.00	\$100.00	001078	
labor	1,000.00 of 79th shift	\$100.00	\$100.00	001079	
labor	1,000.00 of 80th shift	\$100.00	\$100.00	001080	
labor	1,000.00 of 81st shift	\$100.00	\$100.00	001081	
labor	1,000.00 of 82nd shift	\$100.00	\$100.00	001082	
labor	1,000.00 of 83rd shift	\$100.00	\$100.00	001083	
labor	1,000.00 of 84th shift	\$100.00	\$100.00	001084	
labor	1,000.00 of 85th shift	\$100.00	\$100.00	001085	
labor	1,000.00 of 86th shift	\$100.00	\$100.00	001086	
labor	1,000.00 of 87th shift	\$100.00	\$100.00	001087	
labor	1,000.00 of 88th shift	\$100.00	\$100.00	001088	
labor	1,000.00 of 89th shift	\$100.00	\$100.00	001089	
labor	1,000.00 of 90th shift	\$100.00	\$100.00	001090	
labor	1,000.00 of 91st shift	\$100.00	\$100.00	001091	
labor	1,000.00 of 92nd shift	\$100.00	\$100.00	001092	
labor	1,000.00 of 93rd shift	\$100.00	\$100.00	001093	
labor	1,000.00 of 94th shift	\$100.00	\$100.00	001094	
labor	1,000.00 of 95th shift	\$100.00	\$100.00	001095	
labor	1,000.00 of 96th shift	\$100.00	\$100.00	001096	
labor	1,000.00 of 97th shift	\$100.00	\$100.00	001097	
labor	1,000.00 of 98th shift	\$100.00	\$100.00	001098	
labor	1,000.00 of 99th shift	\$100.00	\$100.00	001099	
labor	1,000.00 of 100th shift	\$100.00	\$100.00	001100	
labor	1,000.00 of 101st shift	\$100.00	\$100.00	001101	
labor	1,000.00 of 102nd shift	\$100.00	\$100.00	001102	
labor	1,000.00 of 103rd shift	\$100.00	\$100.00	001103	
labor	1,000.00 of 104th shift	\$100.00	\$100.00	001104	
labor	1,000.00 of 105th shift	\$100.00	\$100.00	001105	
labor	1,000.00 of 106th shift	\$100.00	\$100.00	001106	
labor	1,000.00 of 107th shift	\$100.00	\$100.00	001107	
labor	1,000.00 of 108th shift	\$100.00	\$100.00	001108	
labor	1,000.00 of 109th shift	\$100.00	\$100.00	001109	
labor	1,000.00 of 110th shift	\$100.00	\$100.00	001110	
labor	1,000.00 of 111th shift	\$100.00	\$100.00	001111	
labor	1,000.00 of 112th shift	\$100.00	\$100.00	001112	
labor	1,000.00 of 113th shift	\$100.00	\$100.00	001113	
labor	1,000.00 of 114th shift	\$100.00	\$100.00	001114	
labor	1,000.00 of 115th shift	\$100.00	\$100.00	001115	
labor	1,000.00 of 116th shift	\$100.00	\$100.00	001116	
labor	1,000.00 of 117th shift	\$100.00	\$100.00	001117	
labor	1,000.00 of 118th shift	\$100.00	\$100.00	001118	
labor	1,000.00 of 119th shift	\$100.00	\$100.00	001119	
labor	1,000.00 of 120th shift	\$100.00	\$100.00	001120	
labor	1,000.00 of 121st shift	\$100.00	\$100.00	001121	
labor	1,000.00 of 122nd shift	\$100.00	\$100.00	001122	
labor	1,000.00 of 123rd shift	\$100.00	\$100.00	001123	
labor	1,000.00 of 124th shift	\$100.00	\$100.00	001124	
labor	1,000.00 of 125th shift	\$100.00	\$100.00	001125	
labor	1,000.00 of 126th shift	\$100.00	\$100.00	001126	
labor	1,000.00 of 127th shift	\$100.00	\$100.00	001127	
labor	1,000.00 of 128th shift	\$100.00	\$100.00	001128	
labor	1,000.00 of 129th shift	\$100.00	\$100.00	001129	
labor	1,000.00 of 130th shift	\$100.00	\$100.00	001130	
labor	1,000.00 of 131st shift	\$100.00	\$100.00	001131	
labor	1,000.00 of 132nd shift	\$100.00	\$100.00	001132	
labor	1,000.00 of 133rd shift	\$100.00	\$100.00	001133	
labor	1,000.00 of 134th shift	\$100.00	\$100.00	001134	
labor	1,000.00 of 135th shift	\$100.00	\$100.00	001135	
labor	1,000.00 of 136th shift	\$100.00	\$100.00	001136	
labor	1,000.00 of 137th shift	\$100.00	\$100.00	001137	
labor	1,000.00 of 138th shift	\$100.00	\$100.00	001138	
labor	1,000.00 of 139th shift	\$100.00	\$100.00	001139	
labor	1,000.00 of 140th shift	\$100.00	\$100.00	001140	
labor	1,000.00 of 141st shift	\$100.00	\$100.00	001141	
labor	1,000.00 of 142nd shift	\$100.00	\$100.00	001142	
labor	1,000.00 of 143rd shift	\$100.00	\$100.00	001143	
labor	1,000.00 of 144th shift	\$100.00	\$100.00	001144	
labor	1,000.00 of 145th shift	\$100.00	\$100.00	001145	
labor	1,000.00 of 146th shift	\$100.00	\$100.00	001146	
labor	1,000.00 of 147th shift	\$100.00	\$100.00	001147	
labor	1,000.00 of 148th shift	\$100.00	\$100.00	001148	
labor	1,000.00 of 149th shift	\$100.00	\$100.00	001149	
labor	1,000.00 of 150th shift	\$100.00	\$100.00	001150	
labor	1,0				

### Step 3 Check for WD Modifications

Call 10 days before bid opening

Issue addendum if modified

Failure can lead to rebidding

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25

### Step 5 Conduct the Pre-construction Conference

- ▶ Must be attended by the general contractor, all known subcontractors, their payroll clerks, project engineer, contract compliance officer and grant manager
- ▶ Invite the CD Specialist, who will attend schedule permitting

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28

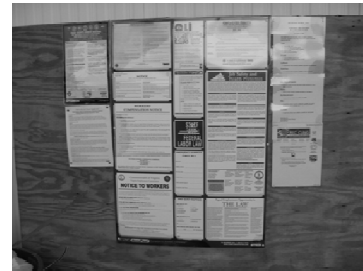
### Step 3 Another Modification Check

- ▶ If the contract is not awarded within 90 days of the bid opening, you must verify again if the wage decision has been modified
- ▶ If it has been, the modified wage decision must be incorporated into the contract documents

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26

### Step 6 Post WD and Posters



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29

### Step 4 Check Debarment Status

- ▶ Call CD Specialist to receive verbal clearance of the apparent successful low bidder's eligibility to be awarded a contract
- ▶ CD Specialist will conduct check and send written confirmation for the files

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27

*Pop Quiz: As long as they are posted, it does not matter where the WD and posters are placed*

**TRUE or FALSE?**

11/30/2012 30

## Step 7 Review Certified Payroll Reports

- Review weekly
- Initial and date to document review
- Set tone with the first review

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31

## Step 9 Address Problems

E-mail payroll clerk identifying the problem, resolution and deadline

Issue follow-up letters to contractor

Hold payment to the contractor, especially in cases of wage restitution

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34

## Step 7 And Request Any Needed Additional Job Classifications

- Required when a required job classification is not listed on the wage decision
- First identified at the pre-construction conference
- Submit additional ones as needed

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32

## Bottom Line

Regardless of any consultant hired, the Grantee is **responsible** for ensuring someone is **actively** overseeing any and all construction contracts and that contractors are complying with FLS requirements!

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35

## Step 8 Conduct Employee Interviews

- Done Monthly
- At least one worker per trade
- At least 25% of the total number of workers
- Working foremen only

The form is a 'Certified Payroll Report' from the Department of Labor, Bureau of Labor Statistics. It includes sections for:
 

- Contractor Information:** Name, Address, City, State, Zip, and Phone.
- Project Information:** Name, Address, City, State, Zip, and Phone.
- Worker Information:** Name, Title, Rate, and Hours.
- Classification Information:** Classification, Rate, and Hours.
- Signature and Date:** A line for the contractor's signature and the date.

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33

## Shameless Marketing Plug

Steps 7 through 9 will be discussed in greater detail during the upcoming February webinar "It's All in the Details"

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36

## Common Challenges

- First payroll of general contractor and any subcontractors on site
  - Certified Payroll Report (CPR)
  - Register of Assigned Employees (RAE)
  - Authorization of payroll deductions
  - Additional job classification requests
- Weekly from general contractor and any subcontractors on site
  - CPR submitted
  - Review of CPR and cross-reference against that listed on wage decision, RAE and authorizations

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37

## Tips and Helpful Hints

- Use the Construction and Labor Standards Checklist
- Register for the three upcoming brown bag FLS webinars
- When in doubt – contact your Community Development Specialist

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40

## Common Challenges

- Monthly
  - Register of Monthly Contractors, Subcontractors and Suppliers submitted
  - Employee interviews conducted
  - Cross reference information from interviews against that from CPR, RAE and wage decision,
- As needed
  - RAE updates
  - Authorization of payroll deductions
  - Additional job classification requests

11/30/2012

38

## Resources

- Chapter 8 of the *Grant Management Manual*
- DOL Forms
  - [www.dol.gov/whd/programs/dbra/forms.htm](http://www.dol.gov/whd/programs/dbra/forms.htm)
- HUDClips (HUD forms)
  - [www.hud.gov/offices/adm/hudclips/index.cfm](http://www.hud.gov/offices/adm/hudclips/index.cfm)

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41

## Tips and Helpful Hints

- Distribute *Davis-Bacon Labor Standards* to all payroll clerks
- And, keep a copy for your own reference
- Sign up for the mailing list of HUD's Office of Labor Standards at [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/labor\\_relations](http://portal.hud.gov/hudportal/HUD?src=/program_offices/labor_relations)

11/30/2012

39

## Questions and Comments?

Use the chat feature to ask questions and communicate with everyone!



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42

## Thank You for Participating

- ▶ For more information:
  - CDBG Training Archives page at [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov)
  - Call your Community Development Specialist,  
(804) 371-7000 or (276) 676-5471
- ▶ Please complete the evaluation after the webinar
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43