

# PREVAILING WAGE SEMINARS



**WAGE AND HOUR DIVISION**  
UNITED STATES DEPARTMENT OF LABOR



# DBA/DBRA Certified Payrolls

# Certified Payrolls

- Two separate contract clause requirements apply to “certified payrolls” for a project:
  - The contractor shall submit weekly for any week in which any contract work is performed a copy of all payrolls. 29 C.F.R. § 5.5(a)(3)(ii)(A)
  - Each weekly payroll submitted must be accompanied by a “Statement of Compliance.” 29 C.F.R. § 5.5(a)(3)(ii)(B)

# Certified Payrolls

- Weekly payrolls must include specific information as required by 29 C.F.R. § 5.5(a)(3)
- Weekly payroll information may be submitted in any form desired
  - Optional Form WH-347 is available for this purpose
  - The WH-347 form, with instructions, is at:  
*<http://www.dol.gov/whd/forms/wh347instr.htm>*

# Certified Payrolls

- Weekly, the contractor must submit “a copy of all payrolls” to:
  - The federal agency; or
  - If the federal agency is not a party to the contract, to the applicant, sponsor, or owner for transmission to the federal agency). 29 C.F.R. § 5.5(a)(3)(ii)(A)

# “Statement of Compliance”

- The certification “Statement of Compliance” attached to each weekly payroll must be:
  - On page 2 of the WH-347 Form “Payroll (For Contractors Optional Use)”; or
  - On any form with identical wording

# “Statement of Compliance” Certification for weekly payrolls

- The properly signed “Statement of Compliance” submitted or transmitted to the appropriate federal agency certifies that:
  - The payroll for the payroll period contains the information required to be provided
  - The appropriate information is being maintained
  - Such information is correct and complete
  - Each laborer or mechanic has been paid the full weekly wages earned; and
  - Each laborer or mechanic has been paid not less than the applicable wages, as specified in the applicable wage determination incorporated into the contract

# “Statement of Compliance”

- Must be executed by the contractor or subcontractor or by an authorized officer or employee of the contractor or subcontractor who supervises the payment of wages. 29 C.F.R. § 3.3(b)
- Each weekly statement must be delivered or mailed by the contractor or subcontractor, within seven days after the regular payment date of the payroll period, to a representative of a Federal or State agency contracting for or financing the building or work. 29 C.F.R. § 3.4(a)



# Availability of Certified Payroll

- The contractor or subcontractor shall make the records required available for inspection, copying, or transcription by authorized representatives of the contracting agency or the Department of Labor
- If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to suspend any further payment, advance, or guarantee of funds
- Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12

# Certified Payrolls & Signatures

- The signature on each weekly “Statement of Compliance” may be either an original handwritten or an electronic signature
- A contracting agency or prime contractor may permit or require contractors to submit the weekly payrolls, each with the accompanying “Statement of Compliance” through an electronic system

# Certified Payrolls & Signatures

- Photocopies or “pdf” copies of the “Statement of Compliance,” faxed “Statements of Compliance,” or an electronically scanned “Statement of Compliance” e-mailed to an agency do not satisfy the requirement that each “Statement of Compliance” be:
  - “signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract”

# Certified Payrolls & Electronic Signatures

- Under pertinent provisions of the Copeland Act and the Government Paperwork Elimination Act (Pub. L. 105-277, Stat 2681, codified at 44 U.S.C. § 3504, note):
  - WHD affirms that the use of electronic signatures is sufficient for compliance purposes under the Copeland Act

# Certified Payrolls & Electronic Signatures

- WHD encourages all government agencies to:
  - submit certified payrolls electronically or allow access to appropriate agency approved limited access Web-based portals providing the required information and certification
- Some agencies and contractors have set up systems to comply electronically
- Contracting agencies determine electronic submission options

# Certified Payrolls & Electronic Signatures

- Web-based systems for the electronic submission of certified payrolls;
  - Often include compliance monitoring tools; and
  - Can improve efficiency in the review of data reported, as well as reducing recordkeeping burdens and storage expenses

# Certified Payrolls & Signatures

- The importance of the “Statement of Compliance” requirement is clear in that;
  - “The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.” 29 C.F.R. § 5.5(a)(3)(ii)(D) and reiterated at FAR 48 C.F.R. § 52.222-8(b)(4)

# Certified Payroll Exercise

- The following slide contains a sample certified payroll to review and discuss. This sample certified payroll contains several omissions and indications of potential violations.
- The following information from the WD may be helpful in reviewing the sample certified payroll:
  - Bricklayers: Base Hourly Wage Rate (BHR) - \$12.00, Fringe - \$5.46
  - Carpenters: BHR - \$13.35, Fringe - \$4.63
  - Laborers, Unskilled: BHR - \$10.65, Fringe - \$3.65
  - Sheet Metal Workers: BHR - \$15.24, Fringe - \$2.87



# Certified Payroll Exercise

Certified\_Payroll\_Exercise\_ver\_Sept2011.pdf - Adobe Acrobat Pro DC

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20		October 12, 2009		Project #: ACE352 / 1250 5th Avenue				ACE-GC-4561										
(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER OF WORKER)	(2) NO. OF EMPLOYING BUSINESS	(3) WORK CLASSIFICATION	(4) DAY AND DATE								(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS				(9) NET WAGES PAID FOR WEEK
			S	M	T	W	T	F	S	FICA				WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS		
			6	7	8	9	10	11	12									
Anderson, Joseph		Carpenter	0	1	1	1	1	1		5	35.98	889.00	67.43	179.80	17.98		265.21	633.79
			S	8	8	8	8	8		40	17.98	889.00						
Bedwell, Thomas		Carpenter	0	1	1	1	1	1		5	20.03	810.35	61.45	163.87	16.39		341.71	477.64
			S	8	8	8	8	8		40	17.98	810.35						
Larson, Todd		Carpenter	0	1	1	1	1	1		5	20.03	634.15	47.56	126.83	12.69		187.08	447.07
			S	8	8	8	8	8		40	13.35	634.15						
O'Brian, Tom		Apprentice Carpenter	0									535.00	37.92	101.12	10.11		149.15	356.45
			S	8	8	8	8	8		40	12.64	535.00						
Roberts, Gordon		Apprentice Carpenter	0									535.00	37.92	101.12	10.11		149.15	356.45
			S	8	8	8	8	8		40	12.64	535.00						
Snyder, Hammond		Trainee Carpenter	0									535.00	37.92	101.12	10.11		149.15	356.45
			S	8	8	8	8	8		40	12.64	535.00						
Clements, Paul E.		Bricklayer	0									541.50	40.61	108.30	10.83	Repay Loan	259.24	282.29
			S	6	6	6	6	7		31	17.46	541.50						
Cunningham, Christopher		Bricklayer	0									588.10	42.60	113.60	11.36		210.16	357.54
			S	6	6 1/2	7	7	6		32 1/2	17.46	588.10						



Date **October 12, 2009**I, **Hale N. Hardee**

(Name of Signatory Party)

(Title)

do hereby state:

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

**Hale N. Hardee Construction Co., Inc.**

(Contractor or Subcontractor)

on the

**6-Story Office Building**

; that during the payroll period commencing on the

(Building or Work)

**6** day of **October 2009**, and ending the **12** day of **October 2009**  
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**Hale N. Hardee Construction Co., Inc.**

(Contractor or Subcontractor)

from the full

weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Stat. 108, 72 Stat. 867, 76 Stat. 397; 40 U.S.C. § 3145), and described below.

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth 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

REMARKS

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NAME AND TITLE <b>Hale N. Hardee, President</b>	SIGNATURE 
THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1031 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.	

# Disclaimer

- ❖ **This presentation is intended as general information only and does not carry the force of legal opinion**
- ❖ **The Department of Labor is providing this information as a public service. This information and related materials are presented to give the public access to information on Department of Labor programs. You should be aware that, while we try to keep the information timely and accurate, there will often be a delay between official publications of the materials and the modification of these pages. Therefore, we make no express or implied guarantees. The *Federal Register* and the *Code of Federal Regulations* remain the official source for regulatory information published by the Department of Labor. We will make every effort to keep this information current and to correct errors brought to our attention**