# Labor Compliance Officer Duties



DR CDBG Funds subject to Davis-Bacon and Related Acts (DBRA) requirements



# Typical LCO duties on DR-CDBG-funded project covered by DBRA

- Ten Day Responsibility
- Document Wage Decision
- Notification of Subcontractor Awards
- Hold Pre-Construction Conference (Optional)
- Field Inspections
- Payroll Review



### Ten Day Responsibility

- Search <u>www.wdol.gov</u> website no more than 10 days prior to bid opening to ensure that wage decision in bid package is current.
  - The DR-CDBG Administrative Manual does not have an exhibit to demonstrate compliance in this area. The Compliance section will accept a printout from the DOL website that indicates the date the website was searched.
  - An email from the LCO to the grantee indicating that the wage decision in the bid package is current (or outdated) is also acceptable.



### Document Wage Decision

- The Disaster Recovery CDBG Program requires that the wage decision verification be obtained after the bid opening and before the award of the contract.
  - Helps ensure that the wage decision in effect at the date of the contract award is made a part of the grantee's contract with the low bidder.
- Use Exhibit 7-6 in the DR CDBG Grantee Administrative Manual to document verification of the wage decision choice. Maintain form in grantee's Labor files.



#### Notification of Subcontractor Awards

- The grantee's LCO should be notified by the prime contractor of contract awards to any subcontractor prior to the subcontractor beginning work on the project.
  - This allows the LCO to be knowledgeable of the time frame in which to expect the submission of subcontractor's payrolls.
  - All labor requirements that apply to the prime contractor also apply to all subcontractors and lower-tier subcontractors executing the project that will be paid from DR-CDBG funds.



#### Hold Pre-Construction Conference

- Scheduled to advise prime contractor and all available subcontractors of their responsibilities regarding labor standards.
  - If conference is not held, grantee/LCO must utilize some method of its own choosing to advise contractors of their responsibilities and other items normally covered at preconstruction conference.
- Pre-Construction Conference is ideal time to initiate the additional classification process.



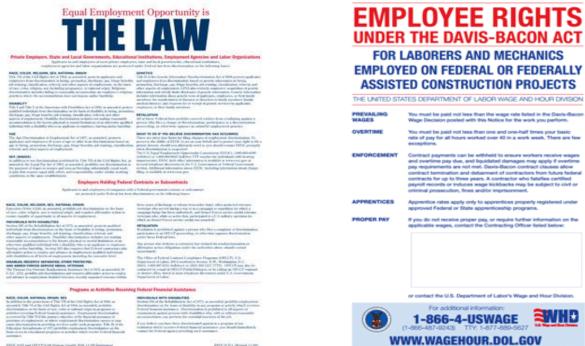
### Field Inspections

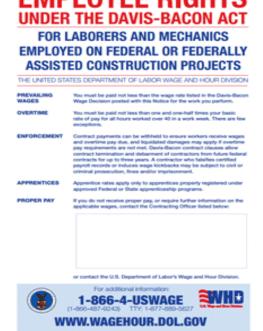
#### Verifying Posting Requirements

- The LCO should conduct field inspections at the job site to establish compliance with labor requirements, including:
  - Ensuring that the wage decision is posted in a prominent place.
  - Ensuring that required construction site posters are prominently displayed.
  - Use Exhibit 7-2 in DR CDBG Grantee Administrative Manual to verify posting requirements. Maintain verification form in grantee's Labor files.



#### Required Construction Site Posters







## Field Inspections, continued Employee Interviews

- Must be conducted to determine payroll accuracy and compliance with DBRA requirements.
- Employees of the following contractors must be interviewed:
  - All prime contractors
  - Subcontractors whose contract award is \$100,000 or more.
  - Any subcontractor where there are a large number of payroll problems.



# Field Inspections, continued <u>Interview Requirements</u>

- Conduct interviews for at least 50 percent of laborers and one worker of each of the remaining classifications present on the jobsite.
- If a worker refuses to be interviewed or provide particular information, do not insist.
- Use Exhibit 7-10 in the DR CDBG Grantee Administrative Manual to record employee interviews (Form HUD-11). Maintain records of all interviews in grantee's Labor files.



### Payroll Review

- Payrolls must be checked against the wage decision and employee interview forms to determine if prevailing wage requirements were met.
- Proper calculation of straight time and overtime rates must be checked as well as mathematical accuracy of calculations pertaining to wages and deductions.
- LCOs must ensure that proper supporting documentation is maintained in Labor files (e.g., payroll reports, records of interviews, Payroll Deduction Authorization forms, New Employee Information forms, fringe benefit verification, etc.).



#### Resources

- Section 7 (Labor Regulations) of the DR CDBG Grantee Administrative Manual:
   <a href="http://www.doa.la.gov/OCDDRU/Administration%20M">http://www.doa.la.gov/OCDDRU/Administration%20M</a>
   anual/Section 7/Section 7 v3.85.pdf
- Sample Project Wage Rate Sheet (Exhibit 7-1):
   <a href="https://www.doa.la.gov/OCDDRU%20AdminManual/S">https://www.doa.la.gov/OCDDRU%20AdminManual/S</a>
   ection 07/Section 7 Exhibits/Exhibit%207-1.doc
- Verification of Project Wage Rate Sheet and Project Sign Posting (Exhibit 7-2): <a href="http://www.doa.la.gov/OCDDRU%20AdminManual/Section\_07/Section\_7\_Exhibits/Exhibit%207-2.doc">http://www.doa.la.gov/OCDDRU%20AdminManual/Section\_07/Section\_7\_Exhibits/Exhibit%207-2.doc</a>



#### Resources, continued

- Appointment of LCO form (Exhibit 7-4):
   <a href="http://www.doa.la.gov/OCDDRU%20AdminManual/Section\_07/Section\_7\_Exhibits/Exhibit%207-4.doc">http://www.doa.la.gov/OCDDRU%20AdminManual/Section\_07/Section\_7\_Exhibits/Exhibit%207-4.doc</a>
- Verification of Wage Decision (Exhibit 7-6):
   <a href="https://www.doa.la.gov/OCDDRU%20AdminManual/Section 07/Section 7 Exhibits/Exhibit%207-6.doc">https://www.doa.la.gov/OCDDRU%20AdminManual/Section 07/Section 7 Exhibits/Exhibit%207-6.doc</a>
- Employee Interview form (Exhibit 7-10): http://www.doa.la.gov/OCDDRU%20AdminManual/Section 07/Section 7 Exhibits/Exhibit%207-10.pdf



# QUESTIONS?



