

**SPECIAL FEDERAL REQUIREMENTS APPLICABLE TO LABOR
FOR FEDERAL – AID CONTRACTS**

Your attention is directed to the Required Contract Provisions (Form PR-1273) and the Special Provisions made a part of the contract(s) recently awarded to your firm, for the above noted project(s) relative to laws, rules, and regulations governing the employment of labor.

An outline of Special Federal Requirements applicable to labor for Federal-Aid Contracts, including a typical example of a payroll and a Statement of Compliance (Form WH-347) follows this introduction. This office has a supply of the Statement of Compliance forms (WH-347) available for distribution to contractors and subcontractors, upon request. Blank forms of the Statement of Compliance and payroll forms may also be found on the Department of Labor website and are available for downloading. The website address is <http://www.dol.gov/esa/forms/whd/wh347instr.htm>

The contractor and subcontractor must post the Equal Opportunity Posters, Wage Rate Posters (with attached Wage Rate Schedules) and False Statement Posters as provided in the Required Provisions. See Page No. 5 of 5 of the following Outline of Special Federal Requirements for a brief resume of the posting requirements.

As outlined in the following requirements, progress estimates may be withheld in the event all required payrolls and related pay record reports are not submitted promptly to the Project Manager

Questions concerning labor requirements may be directed to:

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OUTLINE OF SPECIAL FEDERAL REQUIREMENTS APPLICABLE TO LABOR
FOR FEDERAL-AID CONTRACTS

The following outline is suggested in connection with preconstruction conferences relative to labor compliance, but if no such conference is held, the State is required to distribute copies of this outline to the contractor and his subcontractors.

Copeland Anti-Kickback Act (40 U.S.C. 276c; 18 U.S.C. 874):

- a. Full wages earned must be paid.
- b. Deductions from wages must be authorized.
- c. Proper records must be kept.
- d. Weekly statements must be submitted by the contractor and all subcontractors.

Prevailing Wages (23 U.S.C. 113):

- a. Wages paid to laborers and mechanics must not be less than the determined hourly wage rates, including fringe benefits, shown in the minimum wage schedules.
- b. Laborers and mechanics must be properly classified and paid according to the work actually performed.
- c. Laborers and mechanics must be paid not less often than once a week.
- d. The minimum wage schedule and supplements thereto must be posted at the project site.

Work Hours Act of 1962 (Public Law 581, 87th Congress, approved August 13, 1962):

- a. Forty hours standard workweek.
- b. One and one-half basic rate of pay exclusive of fringe benefit payments for all hours over 40 hours per week.
- c. Liable to workers for unpaid wages.
- d. Liable to Federal Government for liquidated damages at \$10 per day per man per violation.
- e. Subject to withholdings for unpaid wages and liquidated damages.
- f. Comptroller General authorized to pay workers directly from withholdings.

- g. Appeals to Federal Highway Administrator, Secretary of Labor, and Court of Claims, within 60 days from withholding or final order; and,
- h. Intentional violations a Federal misdemeanor (\$1,000 fine and/or six months in prison).

Fair Labor Standards Act (29 U.S.C. 201-219):

- a. Time and one-half pay for overtime in excess of 40 hours worked in a workweek;
- b. Limitations on child labor; and,
- c. Contractors' responsibility to request ruling from U.S. Department of Labor relative to applicability of Act.

False Information Act (18 U.S.C. 1001):

- a. The making or use of false statements is a felony.

Sanctions:

- a. Violations of acts may result in withholding, termination of contract, administrative debarment and/or criminal prosecution.

Classification or Reclassification of Employees:

- a. The minimum wage schedule should be examined with the contractor to ascertain the need for classification or reclassification of laborers and mechanics.
- b. Where classification or reclassification of laborers and mechanics is undertaken, a report thereof must be submitted to the Secretary of Labor for approval. (This is to be accomplished on Standard Form 1444, to be obtained from the transmitted through the Project Manager.)

Apprentices:

- a. Apprentices can be employed only under a registered program.
- b. Contractor or subcontractor must submit written evidence of registration (apprenticeship agreement or statement of registration).
- c. Employees classified as apprentices who are not registered must be paid rates shown in minimum wage schedule, on the basis of the classification of work they actually performed.
- d. Proper ratio of apprentices to journeymen must be maintained.

Payrolls and Records:

- a. A certified copy of each weekly payroll must be submitted by the prime contractor and each subcontractor within seven days of the payment date thereof.
- b. Payrolls must be complete.
- c. Delay in submittal of payrolls will result in delay in processing payment estimate.
- d. Prime contractor is responsible for the submittal of payrolls by subcontractors.
- e. All basic records pertaining to the payrolls, including time cards, must be preserved for a period of three years after completion of the contract.

Subcontractors:

- a. Laborers and mechanics employed by the prime contractor and subcontractors are covered by the contract labor provisions, but employees of material suppliers are not. (*)
- b. The prime contractor is responsible for violations of labor provisions by his subcontractors.
- c. The contract clauses stipulated in the Required Provisions must be physically incorporated in all subcontracts.

Convict Labor: Use of convict labor is forbidden.

(*) Certain Materials Suppliers and Nearby Site Operations May Be Subject to Contract Labor Compliance.

It is the responsibility of the prime contractor to ascertain in advance whether or not the work to be performed or materials supplied under the contract is "covered work" relative to compliance with contract labor requirements especially when the sites of such operations are located reasonably nearby and off of the project limits such as used for job headquarters, storage yards, prefabrication or assembly yards, quarries or borrow pits, batch plants, and similar facilities, and when they are set up for and primarily serve only Federal-Aid construction or direct Federal-Aid construction, with only token amounts of sales or services on or from these nearby sites to other than these types of Federal-Aid construction. Normally the contract labor provisions are not applicable to independent material suppliers who are well established in business at a nearby location furnishing similar materials to others.

1. Form WH-348 Weekly Statement of Compliance

- a. As provided in the "Required Contract Provisions", this form shall be prepared and executed by the contractor or subcontractor or by their

authorized agent who supervises payment of wages. It shall be attached to a copy of the applicable weekly payroll and submitted to the Project Engineer not later than the seventh day after the date on which the employees are paid.

3. If fringe benefit payments are required in addition to the basic hourly wage rates paid to each employee, the appropriate block on the Form WH-348 must be marked according to the section to which the benefit payments are being made. (See attached Form WH-348)

2. Payroll Requirements

Contractors and subcontractors shall use their own payroll forms. The payroll may be a legible carbon copy, or reproduced from the original by means of a photographic process, also a true transcript may be made from the original form. The following minimum information is required on all payrolls. (See attached typical payroll.)

- a. The heading of the payroll must contain the following minimum information: (1) The project number, (2) Contractor or subcontractor's name and address, (3) The page number of the total pages, and (4) The ending date of the weekly pay period.
- b. The employee's full name, address, and social security number. The address and social security number of an employee need not be repeated (optional) after the first payroll submitted in which his name appears (unless there is a change of address), however, instead the symbol "Rept'd" shall be entered.
- c. The employee's classification and rated capacity of equipment operated shall be the same as those listed in the wage decision schedule in the special provisions. Recognizable title abbreviations may be used.
- d. The payroll shall contain sufficient separate horizontal lines to record each employee's basic and overtime hourly wage rate. (If by machine method, horizontal lines on the form are not required provided computations are extended uniformly). Both basic and overtime hourly rates shall be shown for convenient review of computations.
- e. If the employee performs work under more than one classification, his name-classification identity must be entered on separate lines for each classification even though the rates per hour remains unchanged. However, the authorized deductions and total amount earned may be combined. Combined total hours worked in all different classifications in a week shall govern payment of overtime computations.
- f. The payroll shall have sufficient vertical columns with descriptive headings. (See the attached typical payrolls.)

3. Additional Classifications and Apprentice Schedule

In the event it is impossible to accomplish the designated work with the employee classifications listed in the contract wage rate decision, an application

(Standard Form 1444) must be obtained from and submitted through the Project Engineer for the additional classification. This application must be submitted at the time or before the employee begins work. The same form and rules apply to an apprentice schedule if the apprentice employees are registered under a bona fide apprenticeship program.

4. Posting Labor Regulations

- a. The Equal Employment Opportunity Posters shall be posted in conspicuous places available to employees and applicants for employment.
- b. The Wage Rate Information Poster with attached Contract Wage Rate Decision shall be posted by the contractor at the site of the work in a prominent place where it can easily be seen by the workers.
- c. The False Statements Poster shall be posted in one or more places where it is readily available to all personnel concerned with the project.

The foregoing posting requirements are in accordance with the Required Contract Provisions in the contract. The posting items will be furnished to the contractor by the Project Engineer for posting prior to any work on the project and shall be maintained throughout the construction.

CST2-D.G

Contractor: Avid Construction Co., Inc.
Address: Cincinnati, Nebraska

Type of Work

Location

Bridges

Big City - Rural

Name and Address of Employee Social Security Number	Classification	Hours Worked							Total Hours	Rate Per Hr	Total Earned	Deductions				Net Pay
		M	T	W	T	F	S	S				F.I.C.A.	W.H.TAX	St.TAX	Other	
(1) D. E. Seavers 278-00-4567 Box 53, Freewater, NE 60000	Supt.									Weekly	500.00	35.14	70.16	13.33		381.37
(2) E. B. Beats 357-00-3568 511 So. 13th, Big City, NE 61003	Front End Loader Over 3½ Cu.Yd.	10				11			11	12.00						
" "	Carpenter		10	10	2				22	8.00	502.31	35.31	71.16	13.52	Group Ins. 27.16	355.16
" "	Cement Finisher				8		4½		4½	11.625						
									8	7.75						
(3) J. E. York 869-00-8765 Rt. 3, Rural, NE 62103	Ironworker, Appr. 3rd Period	9	9	9	9	4	5		10	16.50	605.00	42.35	84.70	16.09		461.86
									40	11.00						
(4) A. B. Seemann 123-00-4567 2701 Pump St., Pool, NE 67001	Carpenter Helper	8	10	10	9	3			11	8.625	324.88	22.74	45.48	8.64		248.02
									40	5.75						
		PAYROLL CORRECTION														
(5) A. B. Seeman	Carpenter Helper					6	8		14	8.625						
Back Pay for		9	10	10	9	2			40	5.75	350.75		(Should have been shown)			
" " Week Ending	" "															
Feb. 22, 19		9	10	10	9	8	8		54	5.75	310.50		(As shown)			
(Amount due for overtime over 40 hours in a workweek)											40.25	2.82	5.64	1.07		30.72
(1) Hours per day and rate per hour need not be shown for supervisory and clerical employees. A working foreman must be shown in the same manner as any other employee under the classification involved.																
(2) If one employee works under more than one classification, each classification must be shown on a separate line. Authorized deductions and pay computations may be combined.																
(3) The applicable progressive interval period of apprenticeship must be shown.																
(4) A typical "over 40 hours in one week" overtime example is shown.												Nature of "Other Deductions" must be identified.				
(5) A typical payroll correction for overtime is shown.																

(The foregoing classifications are not intended to represent a typical crew during any week)

CERTIFIED CORRECT /s/ I. Q. Ames
TIMEKEEPERCOMPUTATIONS VERIFIED /s/ T. S. GreenAPPROVED FOR PAYMENT /s/ John J. Jones
SUPERINTENDENT

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)

_____;
(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
(Contractor or Subcontractor)

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 CFR 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. 276c), 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	SIGNATURE
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 231 OF TITLE 31 OF THE UNITED STATES CODE.	