



**NORTHERN MARIANAS HOUSING
CORPORATION
P.O. BOX 500514, Saipan, MP 96950-0514**

INVITATION FOR BID (IFB)

NMHC IFB 2021-011

BID SUBMISSION DATE & TIME: July 20, 2021, 10:00 a.m.

**Purchase and Installation of Windows and Typhoon Shutters for Mihaville Estates Housing Units &
Purchase and Installation of Typhoon Shutters for the Koblerville Estates Housing Units**

Project package will be available on **June 18, 2021**, on the NMHC website at www.nmhcgov.net by clicking on the "Procurement" menu tab.

The provisions of the NMHC Procurement regulations, NMIAC 100-60-725 AND 100-60-730 Prohibiting Gratuities, Kickbacks and Contingent Fees shall apply.

A Mandatory Pre-Bid conference will be held via video teleconferencing on July 01, 2021 at 10:00 a.m. through Zoom Video Communications. Bidders will be provided the video teleconferencing link on the NMHC website at www.nmhcgov.net by clicking on the "Procurement" menu tab. Bidders are encouraged to email the Procurement Officer of their intent to participate in the pre-bid conference via email at officemanager@nmhcgov.net at least one day before the conference. Failure to attend the Mandatory pre-bid conference will be considered a non-responsive bidder.

For more information, contact Mr. Jacob Muna, Office Manager/Procurement Officer, at (670)234-6866/9447 or email at officemanager@nmhcgov.net during regular business hours, 7:30 a.m. – 4:30 p.m. Monday through Friday, except CNMI holidays.

/s/
Jesse S. Palacios
Corporate Director

/s/
Marcie M. Tomokane
Chairwoman
NMHC Board of Directors



NORTHERN MARIANAS HOUSING CORPORATION

P.O. BOX 500514, Saipan, MP 96950-0514

Email: nmhc@nmhc.gov.mp

Website: <http://www.nmhc.gov.net>

INVITATION FOR BIDS

NMHC IFB 2021-011

Purchase and Installation of Windows and Typhoon Shutters for Mihaville Estates Housing Units & Purchase and Installation of Typhoon Shutters for the Koblerville Estates Housing Units

The Northern Marianas Housing Corporation (NMHC) is hereby giving notice that NMHC is soliciting sealed bids for the Purchase and Installation of Windows and Typhoon Shutters for the Mihaville Estates Housing Units & Purchase and Installation of Typhoon Shutters for the Koblerville Estates Housing Units in Saipan.

Interested individuals or firms may access the project package beginning June 18, 2021, on the NMHC website at www.nmhc.gov.net by clicking on the "Procurement" menu tab.

A Mandatory Pre-Bid Conference will be held via video teleconferencing on July 01, 2021, 10:00 a.m. through Zoom Video Communications. Bidders will be provided the video teleconferencing link on the NMHC website at www.nmhc.gov.net by clicking on the "Procurement" menu tab. Bidders are requested to submit their intent to participate in the pre-bid conference via email at officemanager@nmhc.gov.net at least one (1) day before the conference. Site visit may be conducted after the conference at the project site located in Garapan, Saipan and Koblerville, Saipan. Failure to attend the Mandatory Pre-bid conference will be considered a non-responsive bidder. Inquiries regarding this solicitation must be addressed in writing to Mr. Jacob Muna, Office Manager/Procurement Officer at P.O. Box 500514, Saipan, MP 96950; email to officemanager@nmhc.gov.net or fax to (670)234-9021, no later than 9:00 a.m. July 01, 2021.

Sealed bids must be marked **NMHC-IFB 2021-011**. For bidders within the CNMI, an original and three (3) copies of sealed bids must be submitted to the NMHC Central Office, Garapan, Saipan, MP 96950, **no later than 10:00 a.m., local time July 20, 2021**. Bids received after the date and time will not be accepted. Bidders located outside of the CNMI may obtain an additional seven (7) working days for receipt of their bids by submitting a Notice of Intent to Bid. Notice of Intent to Bid must be received by the Procurement Officer no later than 10:00 a.m., local time, **July 20, 2021**, and must be transmitted via facsimile to (670)234-9021, or via email to officemanager@nmhc.gov.net. For bidders located outside the CNMI, an original and three (3) copies of sealed bids must be postmarked by the U.S. Postal Service or the official government postal service of a foreign country no later than **July 20, 2021** and must be received at NMHC no later than **July 30, 2021**. Note that failure to submit the required number of copies may be cause for rejection of a bid.

Bids will be publicly opened and read at the NMHC Central Office, Garapan, Saipan at 10:00 a.m., local time, **August 02, 2021**. However, if no notice of intent to bid received from bidders outside the CNMI, bids will be opened at 10:30 a.m., local time on **July 20, 2021**.

All labor on this project shall be paid no less than the minimum wage rate of \$7.25 per hour which took effect on September 30, 2018 as established by Federal law including subsequent increases as announced by the U.S. Department of Labor and/or CNMI Department of Labor, whichever is higher.

Bidding Procedures shall be in compliance with the NMHC Procurement Regulations (NMIAC §100-60)

"NMHC is an equal employment and fair housing public agency"

Breach of Ethical Standard

Gratuities. It shall be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract or to any solicitation or proposal therefore. *NMIAC Section 100-60-725(a)*

Kickbacks. It shall be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith as an inducement for the award of a subcontractor or order. *NMIAC 100-60-725(b)*

Contingent Fees. It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure government contracts upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business. *NMIAC 100-60-730*

NMHC hereby notifies all bidders that it will affirmatively ensure that, in any contracts entered into pursuant to this advertisement, small, minority businesses and women’s business enterprises will be afforded equal opportunity to submit bids and will not be discriminated against on grounds of race, color, religion, sex, disabilities or national origin.

The bidder submitting the lowest responsible bid will be subject to a responsibility determination in conformance with the NMHC Procurement Regulations Section 100-60-245. The responsible bidder submitting the lowest responsible bid will be awarded a contract with NMHC.

NMHC reserves the right to reject any and all bids for any reason and to waive any defects in the bids if determined to be in its best interest. All bids received shall become the property of the Commonwealth Government.

Jesse S. Palacios
Corporate Director
Northern Marianas Housing Corporation (NMHC)

Marcie M. Tomokane
Chairwoman
NMHC Board of Directors

NORTHERN MARIANAS HOUSING CORPORATION (NMHC)

INSTRUCTIONS TO BIDDERS

1. RECEIPT AND OPENING OF BIDS:

- A. Sealed bids for NMHC will be submitted on July 20, 2021, 10:00 a.m. local time. Bids will be publicly opened at the NMHC Central Office, Garapan, Saipan, at 10:30 a.m. local time. However, if there are notices of intent to bid from bidders outside the CNMI, bids will be publicly open on August 02, 2021, at 10:00 a.m. local time.
- B. One original and three (3) copies of bids shall be submitted on the forms furnished by the NMHC, and shall be sealed and addressed to the Procurement Officer, Garapan, P. O. Box 500514, Saipan, MP 96950, and endorsed with the name of the bidder, IFB number and project title, as follows:

NMHC IFB 2021-011

Purchase and Installation of Windows and Typhoon Shutters for Mihaville Estates Housing Units & Purchase and Installation of Typhoon Shutters for the Kobleville Estates Housing Units

- C. Attention is called to the fact that bidders not only offer to assume the obligations and liabilities imposed upon the Contractor in the form of the contract, but expressly make certain of the representations and warranties made therein. No effort is made to emphasize any particular provision of the project documents, but bidders must familiarize themselves with every provision and its effect.
- ### 2. TIME OF COMPLETION:
- A. The Contractor shall complete the work no later than One Hundred Sixty (160) calendar days after the established Notice to Proceed date.
 - B. Failure to complete the work within the time specified, liquidated damages will be assessed in the amount of One Hundred Dollar (\$100.00) for each and every day the work is delayed beyond the established completion date.

3. SCOPE OF WORK:

Please see bid packet for the scope of work.

4. PREPARATION OF BIDS:

- A. The bidder must submit his bid proposal on the forms furnished by NMHC. All blank spaces on the bid proposal forms must be correctly filled in where indicated for each and every item for which a quantity is given, and the bidder must state the prices (both written in ink or typewritten) in words and numerals for which he proposes to do each item of the work contemplated or furnish each item of the materials required. In case of conflict between words and numerals, the words, unless obviously incorrect, will govern.

- B. The bidder shall sign his bid in the blank space provided therefore. If this bid is made by a partnership or corporation, the name and address of the partnership or corporation shall be shown, together with the names and addresses of the partners or officers. If the bid is made by a partnership, it shall be signed by one of the partners; if made by a corporation, it shall be signed by one of the officers thereof.

- C. Bid Proposals shall include the following documents:
 - 1. Bid Proposal
 - 2. Bid Form
 - 3. Bid Bond
 - 4. Non-Collusion Affidavit
 - 5. Contractor's Statement
 - 6. Equal Employment Opportunity
 - 7. Certification of Non-Segregated Facilities
 - 8. Certification of Drug-Free Workplace
 - 9. CNMI Business License
 - 10. Contractor shall provide with their bid documents itemized bid schedule with progress chart.
 - 11. List of Employees (copy of ID and work authorization to be included)
 - 12. List of Sub-Contractors (if applicable)
 - 13. List of Material Suppliers
 - 14. List of On-going and Completed projects

5. BID GUARANTEE:

- A. All bids exceeding \$25,000.00 shall be accompanied by a bid guarantee of not less than fifteen percent (15%) of the amount of the bid, which may be a bid bond (form enclosed), certified check, or cashier's check, made payable to the Northern Marianas Housing Corporation. Such bid bond or check shall serve to guarantee that:
 - (1) the bidder shall not withdraw his bid for a period of ninety (90) days after the scheduled closing time for the receipt of bids;
 - (2) if bid is accepted, the bidder will enter into a formal contract with the NMHC in accordance with the contract for construction included as part of the contract documents; and
 - (3) the required Performance Bond and labor/materials Payment Bond will be submitted upon execution of the contract.

- B. In the event of the withdrawal of said bid by within said period, the bidder shall be liable to the NMHC for the full amount of the bid guarantee as representing the damage to the NMHC on account of the default of the bidder in any particular case hereof. The bid guarantee shall be returned to bidders after NMHC and the accepted bidder have executed the contract and the NMHC has approved the executed Performance and Payment Bonds.

- C. A surety company shall hold a Certificate of Authority from the United States Secretary of the Treasury as an acceptable surety or other surety acceptable to the Attorney General. Checks or

money orders submitted as a bid guarantee shall be made payable to the Northern Marianas Housing Corporation, P. O. Box 500514, Saipan, MP 96950.

6. NON-COLLUSION AFFIDAVIT:

- A. Each person submitting a bid for any portion of the work covered by the bid documents shall execute an affidavit, on the form provided with the bid package, to the effect that he has not colluded with any other person, firm or corporation in regard to any bid submitted. Such affidavit shall be attached to the bid.

7. RIGHT TO ACCEPT AND REJECT BIDS:

- A. The NMHC reserves the unqualified right, in its sole and absolute discretion, to reject any and all bids, or to accept that bid or combination of bids, if any, which in its sole and absolute judgment will under all circumstances best serve the Government's interests. In the event that the successful bidder fails to execute the contract upon his part or furnish satisfactory surety upon the bond, the NMHC, after declaring forfeited the security deposit of such bidder, reserves the option to accept the bid of any other bidder within ten (10) days from such effect as to such bidder as though he were originally successful bidder.

8. CONTRACT SECURITY:

- A. The successful bidder shall be required to furnish 100% each of the contract price for Performance Bond and labor/materials Payment Bond. The Payment and Performance bonding company offered by the Contractor must be able to demonstrate that it possesses unencumbered assets in an amount equal to or greater than the amount required to be bonded. The bonding company and must hold a Certificate of Authority from the CNMI Insurance Commissioner to do business in the CNMI.

9. STATUTORY REQUIREMENTS:

- A. The Contractor and subcontractors employed in the completion of the project shall comply with all applicable Federal, State, and Local Laws and in particular the following Federal Law, Executive Orders, and regulations issued thereunder:
- (1) The Contract Work Hours Standards Act, as amended (40 USC 327-332);
 - (2) The Copeland "Anti-Kickback" Act, as amended (40 USC 276 (c); (18 USC 874);
 - (3) Title VI and the Civil Act of 1964, as amended (42 USC 200 d-4) and Executive Orders 11246 and 11375, as amended, and specifically to the following:
 - (a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, sex, or national origin. The Contractor will take affirmative action to ensure the applicants are employed, and the employees are treated during employment, without regard to their race, color, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

- (b) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this non-discrimination clause.
 - (c) The Contractor will, in all solicitations or advertisements for employees place by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, sex, religion, or national origin.
 - (d) The Contractor will send to each labor union or representative or workers with which he has a collective bargaining agreement another contract or understanding, a notice to be provided by the Agency Contracting Officer, advising the labor union or workers representative of the Contractor's commitment under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in the conspicuous places available to employees and applicants for employment.
 - (e) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, or relevant orders of the Secretary of Labor.
 - (f) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and the rules, regulations, and orders of the Secretary of Labor, and will permit access to his books, records and accounts by the Contracting Agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders, each contractor and subcontractor of Federally financed construction work is required to file an Equal Employment Opportunity Employer Information Report (EEO - 1 on standard Form 100) annually on March 31.
- (4) In the event of the Contractor's non-compliance with the non-discrimination clauses of this contract or with such rules, regulations or orders, this contract may be canceled, be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (5) The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Contracting Agency may direct as a means of enforcing such provisions, including sanctions for non-compliance: Provided, however, that in the event that the Contractor becomes involved in, or is threatened with litigation with subcontractor or vendor as a result of such direction by the Contracting Agency, the Contractor may request the Government to enter into such litigation to protect the interest of the Government.

10. NON-DISCRIMINATION IN EMPLOYMENT:

- A. Contracts for work under this proposal will obligate the Contractors and subcontractors not to discriminate in employment practices.
- B. Bidders must submit with their initial bid a signed statement as to whether they have previously performed work subject to the President's Executive Order No. 11246 (September 24, 1965).
- C. Bidders must, if requested, submit a compliance report concerning their employment practices and policies in order to maintain their eligibility to receive the award of the contract.
- D. Successful bidders must, if requested, submit a list of all subcontractors who will perform work on the project and written signed statements from authorized agents of the labor pools with which they will or may deal from employees on the work together with supporting information to the effect that said labor pool's practices and policies are in compliance are in conformity with Executive Order No. 11246 (September 24, 1965) and that said labor pools will affirmatively cooperate in or offer no hindrance to the recruitment, employment and equal treatment of employees seeking employment and performing work under the contract, or a certification as to what efforts have been made to secure such statements when such agents or labor pools have failed or refused to furnish same prior to the award of the contract.

11. ACCESS TO WORK:

- A. The Contractor shall provide access to the work at all times to the Contracting Officer whenever the work is in preparation or process, and shall provide proper facilities for such access and inspection.

12. CONTRACTOR'S LICENSE:

- A. The Contractor is required to submit with his bid proposal proof of compliance with the licensing laws of the State, Territory, or County where incorporated or doing business and a copy of their CNMI business license.

13. CONTRACT:

- A. An award of the contract will not be made until after necessary investigations to the responsibility of the low bidder in accordance with the NMHC Procurement Regulations. Award of the contract will be made by NMHC to the lowest and best responsible bidder meeting the requirements of NMHC. The lowest bidder will be required to furnish NMHC additional documents relative to the company's financial statement, availability of manpower with valid entry permits and work authorization. If using contract workers including a Certification from the CNMI Department of Labor, Workers' Compensation Insurance, clearance of tax liabilities from the Division of Revenue and Taxation, list of on-going or completed projects, a list of machinery, plant, and other equipment and confirmation of the bonding (Performance and Payment Bonds) which will be obtained, within ten (10) calendar days after the issuance of an "Intent to Award or Request for Additional Documents" by NMHC.
- B. Pursuant to Executive Order No. 11246 as amended, on Equal Employment Opportunity a prime contractor and subcontractor who sign a contract on a federally assisted construction project are required under certain conditions to present written Affirmative Action Programs. At pre-construction conferences, the successful bidder and his known principal subcontractors shall be

required to present and discuss the approach to be taken by the successful bidder and subcontractors to implement the requirements of affirmative action for equal employment and training in accordance with Executive Order No. 11246, as amended, as well as other Labor Standards, payroll, and record keeping requirements.

- C. After the bids have been opened and declared, no bid shall be withdrawn except with the consent of NMHC, but the same shall be subject to acceptance of NMHC for a period of ninety (90) calendar days.

14. DISQUALIFICATION OF BIDDERS:

- A. The Government reserves the right to disqualify bidders for any of the following reasons:

- (1) Lack of competency upon investigation and determination by the Contracting Officer;
- (2) Uncompleted work which, in the judgment of the Government, might hinder or prevent the prompt completion of additional work if awarded;
- (3) Failure to pay or satisfactorily settle all bills due for labor and material on former contracts in force at the time of advertisement for bids;
- (4) Default under previous contracts;
- (5) More than one bid from a bidder under the same or different name;
- (6) Evidence of collusion among bidders. Participants in such collusion will receive no recognition as bidder for any future work of the Government until such participant shall have been reinstated as a qualified bidder;
- (7) Otherwise not responsible bidder.

15. METHOD OF AWARD:

- A. Bidding procedure involving only a **base bid** - If the base is within the amount of funds available to finance the construction contract, then contract award will be made to that responsible bidder submitting the low base bid;
- B. Bidding procedure involving a **base bid and alternate additive bids** - If the base bid is within the amount of funds available to finance the construction contract and the owner wishes to accept alternate additive bids, then contract award will be made to that responsible bidder submitting the low combined bid, consisting of the base bid plus alternate additive bids (applied in any numerical order in which they are listed on the bid form). Under this procedure, if the owner wishes to make award on only the base bid, then contract award will be made to that responsible bidder submitting the low base bid.
- C. Bidding procedures involving a **base bid and alternate deductive bids** - If the base bid is within the amount of funds available to finance the construction contract, then contract will be made to that responsible bidder submitting the low base bid. If the base bid exceeds that amount of funds available or the construction contract, then the owner may award the contract to that responsible bidder submitting the low combined bid, consisting of the base bid with such alternate deductive bids (applied in any numerical order in which they are listed on the bid form) as are required to produce a new bid amount within the availability of funds.

16. ADDITIONAL REQUIREMENT:

- A. Attention is also called to the Labor Standard Provisions for Wage Rate Determination as noted in the Department of Labor General Decision. Bidders are advised that all wage rates for employees performing work, labor and services on this project shall be paid no less than the minimum wage rate of \$7.25 per hour which took effect on September 30, 2018, as established by Federal law, or the U. S. Department of Labor General Decision No. CM20200002, whichever is greater.

- B. Davis-Bacon and maintenance prevailing wage rate determinations which apply to **ALL MANPOWER** employed by Contractor and Subcontractor working on NMHC projects. These labor standards provisions provide payroll, record keeping and prevailing wage rate requirements which are monitored throughout the duration of the project.

BID PROPOSAL

Date: _____

To: Procurement Officer
Northern Marianas Housing Corporation (NMHC)
Mariana Islands, Saipan, MP 96950

VENDORS:

The undersigned (hereinafter called the Bidder), a _____ (Corporation, Partnership or Sole Proprietor) organized and/or doing business under the laws of the Commonwealth of the Northern Mariana Islands, hereby proposes and agrees to furnish all the necessary labor, materials, equipment, tools, and services necessary for the: **Purchase and Installation of Windows and Typhoon Shutters for Mihaville Estates Housing Units & Purchase and Installation of Typhoon Shutters for the Kobleville Estates Housing Units**, all in accordance with the Scope of Work, Specifications by the Northern Marianas Housing Corporation (NMHC) and other Contract Documents prepared by the NMHC, for the prices stated in the Bid Form attached hereto, plus any and all sums to be added and/or deducted resulting from all extra and/or omitted work in accordance with the unit and/or lump sum prices stated in the attached itemized proposal form.

The bid guarantee attached, in the sum of not less than fifteen percent (15%) of the amount of the bid, is furnished to the NMHC as a guarantee that the agreement will be executed. In the event that this bid is accepted, and the undersigned bidder shall fail to execute the contract under the conditions and within the time specified in this bid, the bid guarantee shall be forfeited as liquidated damages for the delay and additional work and costs caused thereby in obtaining another bidder, said amount being beforehand determined as being reasonable and containing no penalties.

If written notice of the acceptance of this bid is mailed, telegraphed, or delivered to the undersigned within **ninety (90) calendar days** after the opening, the undersigned agrees to execute the forms of agreement included as one of the Contract Documents, and to furnish a Performance and Payment Bond, each in an amount equal to one hundred percent (100%) of the contract amount.

The undersigned hereby acknowledges receipt of the following Addenda:

Addendum No.:

Dated:

If awarded the contract, the undersigned agrees to complete the work within **One Hundred Sixty (160) calendar days** of the commencement of the Contract Time as defined in the General Conditions of the Contract and Agreement.

The undersigned understands that the NMHC reserves the right to reject any or all bids or to waive any formality or technicality in any bid in the interest of the NMHC.

Attached hereto is an affidavit in proof that the undersigned has not entered into any collusion with any person in respect to this proposal or any other proposal or submitting of proposals for the Contract for which proposal is submitted:

SUBMITTED BY:

Representative: _____
(Print Name) (Signature)

Title: _____

Company Name: _____

Company Address _____

Telephone: _____ Fax: _____

BID FORM

TO: Procurement Officer
Northern Marianas Housing Corporation
Commonwealth of the Northern Mariana Islands
Saipan, MP 96950

PROJECT:

The undersigned bidder, having examined all pertinent documents relating to the Invitation for Bid, proposes to provide all labor, materials, equipment, tools, appliances, transportation, storage, and items incidental to completing all work for the following total lump price and including all applicable taxes required by the CNMI government such as: "Excise Tax".

1. BASE BID:

- a) Purchase and Installation of Windows and Typhoon Shutters for Mihaville Estates Housing Units :
(\$ _____)

- b) Purchase and Installation of Typhoon Shutters for the Koblerville Estates Housing Units:
(\$ _____)

- 2.** The bidder hereby further agrees to commence work under this contract on the date in the written "Notice to Proceed" as established by the Northern Marianas Housing Corporation (NMHC) and to fully complete the project within **One Hundred Sixty Days (160)** calendar days thereafter, as stipulated in the Contract Documents.

The bidder further agrees to pay as liquidated damages the sum of **One Hundred Dollars (\$100.00)** for each and every calendar day that the project is delayed beyond the established time.

- 3.** By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, and to the best of his knowledge and belief that:
- 1. The prices in this bid have been arrived at independently without collusion, consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor.
 - 2. Unless otherwise required by law, the prices that have been quoted in this bid have not been knowingly disclosed by the bidder or with any competitor.
 - 3. No attempt has been made or will be made by the bidder to induce any other person, partnership, or corporation to submit or not to submit a bid for the purpose of restricting competition.
- 4.** This bid may be withdrawn at any time prior to the scheduled time for the opening of the bids or any authorized postponement thereof.

Representative: _____
(Print Name) (Signature)

Title: _____

Company: _____

Mailing Address: _____

Email Address: _____

Phone: _____ Fax: _____

NORTHERN MARIANAS HOUSING CORPORATION
MIHAVILLE ESTATE SLIDING WINDOWS, TYPHOON SHUTTERS AND
KOBLEVILLE ESTATE TYPHOON SHUTTERS REPLACEMENT

SCOPE OF WORK

MIHAVILLE ESTATE:

WINDOW PROJECT

- Remove the existing windows (louver glass and aluminum frames);
 - Plaster and paint any damage occurred during the removal of existing windows,
 - All modifications such as chipping, plastering, steel work should be included to ensure that the window system will conform and operate with the new aluminum accordion typhoon shutters.
- Supply and install new sliding tempered glass window using series XO Type Clear Anodized finish, glaze with ¼ thickness clear float glass with insect screen;
 - Number of Units 48
 - M-01 to M-48.
 - Sliding Window Sizes and Number of Sets:

▪ Window Size #1	6' X 4'	368 sets
▪ Window Size #2	2' X 2'	10 sets
▪ Window Size #3	105" X 48"	5 sets
▪ Window Size #4	3' X 3'	5 sets
▪ Window Size #5	4' X 3'	40 sets
▪ Window Size #6	3' X 2'	54 sets
▪ Window Size #7	12-5" X 2'	5 sets
 - Specification of Materials:
 - Windows: Sliding; Series XO Type Clear Anodized Frame, Glaze With ¼" & 3/16" Thk Clear Float Glass with Insect Screen.
 - Sealant: Glazing (wet) fixed, CRL Worksite 100% Pure Silicon #33S framing, CRL Worksite Polyurethane Construction Sealant, M66 white paint table.
 - Anchoring Fasteners & Rubber: Stainless flat head steel framing screws #12 X 2 ½" with CRL shoulder plastic anchors, not exceed spacing of 12" on center, including 3/16" glazing rubber.
 - Wind load: +100 PSF or +200 MPH wind load capacity. Comply with 2018 IBC.
 - Completion Period: 160 days from the date of notice to proceed.
 - Warranty Period:
 - One (1) year warranty on materials and workmanships from the date of the project completion.

TYPHOON SHUTTER PROJECT

- Remove the existing wood typhoon shutters and frames;
 - Plaster and paint any damage occurred during the removal of existing wood shutters,
 - All modifications such as stand out frames, chipping, plastering, steel work should be included to ensure that the shutter system will conform and operate with the new sliding windows.
- Supply and install aluminum accordion typhoon shutters using clear anodized frame with five points locking system, cylinder lock in hook bolt dead lock, side-in barrel bolt top and bottom.
 - Number of Units 48.
 - M-01 to M-48
 - Typhoon Shutters Sizes and Number of Sets:

▪ Typhoon Shutter Size #1	6' X 4'	368 sets,
▪ Typhoon Shutter Size #2	2' X 2'	10 sets,
▪ Typhoon Shutter Size #3	105" X 48"	5 sets,
▪ Typhoon Shutter Size #4	3' X 3'	5 sets,
▪ Typhoon Shutter Size #5	4' X 3'	40 sets,
▪ Typhoon Shutter Size #6	3' X 2'	54 sets,
▪ Typhoon Shutter Size #7	12-5" X 2'	5 sets.
 - Specification of Materials:
 - Shutter: Aluminum Alloy on Shutter, Strength thickness of all sections are T-6 Strength of Aluminum, 15 Microns Anti Corrosion Finish Clear Anodize.
 - Shutter Hardware:
 - Locks: 5 Point Locking in System – 1 ea. Hook Bolt Type Insert Lock with Keyed Cylinder in lead stile; 4 ea. Round Stock Sliding into a tamper proof concealed head and sill tube, rod are secured by a ¼" – 20 Stainless Steel Wing Nut.
 - Rollers / Bushing: Nylon hanging roller with stainless steel carriage, Nylon bushing with stainless steel washer – 1 set of rollers per pair of shutter blades, bushing and machine screw, dipped in stick wax.
 - Anchoring and Installation: Concrete opening are ¼" x 3 ¼" Tapcon screws with plastic anchors installed in concealed starter, jambs, head, sill part tube. All fasteners are concealed.
 - Wind load capacity: +200 MPH. Comply with 2018 IBC.
 - Completion Period: 160 days from the date of notice to proceed.
 - Warranty Period:
 - Five (5) years warranty on materials and workmanship from the date project completion.

KOBLERVILLE ESTATE:

TYPHOON SHUTTER PROJECT

- Remove the existing wood typhoon shutters and frames;
 - Plaster and paint any damage occurred during the removal of existing wood shutters,
 - All modifications such as stand out frames, chipping, plastering, steel work should be included to ensure that the shutter system will conform and operate with the existing sliding windows.
- Supply and install aluminum accordion typhoon shutters using clear anodized frame with five points locking system, cylinder lock in hook bolt dead lock, side-in barrel bolt top and bottom.
 - Number of Units 34.
 - K-01 to K-28 (Six units are duplex).
 - Typhoon Shutters Sizes and Number of Sets:

▪ Typhoon Shutter Size #1	5' X 4'	313 sets,
▪ Typhoon Shutter Size #2	32" X 22"	51 sets,
▪ Typhoon Shutter Size #3	32" X 3'	32 sets,
 - Specification of Materials:
 - Shutter: Aluminum Alloy on Shutter, Strength thickness of all sections are T-6 Strength of Aluminum, 15 Microns Anti Corrosion Finish Clear Anodize.
 - Shutter Hardware:
 - Locks: 5 Point Locking in System – 1 ea. Hook Bolt Type Insert Lock with Keyed Cylinder in lead stile; 4 ea. Round Stock Sliding into a tamper proof concealed head and sill tube, rod are secured by a ½" – 20 Stainless Steel Wing Nut.
 - Rollers / Bushing: Nylon hanging roller with stainless steel carriage, Nylon bushing with stainless steel washer – 1 set of rollers per pair of shutter blades, bushing and machine screw, dipped in stick wax.
 - Anchoring and Installation: Concrete opening are ¼" x 3 ¼" Tapcon screws with plastic anchors installed in concealed starter, jambs, head, sill part tube. All fasteners are concealed.
 - Wind load capacity: +200 MPH. Comply with 2018 IBC.
 - Completion Period: 160 days from the date of Notice to proceed.
 - Warranty Period:
 - Five (5) years warranty on materials and workmanships from the date of the project completion.

NON-COLLUSION AFFIDAVIT

Project: _____
Commonwealth of the Northern Mariana Islands

NORTHERN MARIANAS HOUSING CORPORATION)
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS)
SAIPAN, MARIANA ISLANDS) **ss**

_____ being first duly sworn, deposes and says:
(Name)

That he/she is _____ (A partner or officer in the firm of, etc.) of the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham, that said bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiance or of any other bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other bidder, or to secure advantage against the Northern Marianas Housing Corporation (NMHC) or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

Signature of

Subscribed and sworn to before me this _____ day of _____, 20____.

Seal of Notary Public

My commission expires _____ 20_____.

CONTRACTOR'S STATEMENT

Project: _____
Commonwealth of the Northern Mariana Islands

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS)
) ss
SAIPAN, MARIANA ISLANDS)

_____ being first duly sworn, deposes and says:
(NAME)

That he/she is _____
(A partner or officer in the firm of, etc.)

Of the party making the foregoing proposal or bid, that such proposal or bid is genuine and represents that he has not retained any person, or been retained, to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

Signature of
Bidder, if the bidder is an individual;
Partner, if the bidder is a partnership
Officer, if the bidder is a corporation;

Subscribed and sworn to before me this _____ day of _____, 20_____.

Seal of Notary Public

My commission expires _____, 20_____.

EQUAL EMPLOYMENT OPPORTUNITY

Date: _____

PROJECT: _____

The bidder represents that he [] has, [] has not, participated in a previous contract or subcontract subject to the equal opportunity clause prescribed by Executive Orders 10925, 11114, or the Secretary of Labor; that he [] has, [] has not, filed all required compliance reports, and that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained prior to subcontractor awards.

Representative: _____
(Print Name) (Signature)

Title: _____

Company: _____

(The above representation need not be submitted in connection with contracts or subcontracts that are exempt from the clause).

CERTIFICATION OF NONSEGREGATED FACILITIES

PROJECT: _____

(Applicable to federally assisted construction contracts and related subcontracts exceeding \$10,000 which are not exempt from the Equal Opportunity Clause).

The Federally assisted construction contractor certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The federally assisted construction contractor certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The federally assisted construction contractor agrees that a breach of this certification is a violation of the Equal Opportunity clause in this contract. As used in this certification, the term segregated facilities means "any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker room and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise. The federally assisted construction contractor agrees that (except where he has obtained identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause, and that he will retain such certifications in his files.

Representative: _____
(Print Name) (Signature)

Title: _____

Company: _____

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

*

PROJECT:

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988.

In addition, this certification is a material representation of fact upon which reliance is placed when the Government determines to award the contract. If it is later determined that the contractor knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the Government, in addition to any other remedies available, may take action authorized under the Drug-Free Workplace Act.

- A. The contractor certifies that it will provide a drug-free workplace by:
 - (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited at the contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing a drug-free awareness programs to inform employees about:
 - (1) The dangers of drug abuse in the workplace; and the contractor's policy of maintaining a drug-free workplace;
 - (2) Any available drug counseling, rehabilitation and employee assistance programs; and the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - (c) Making it a requirement that such employee to be engaged in the performance of the work be given a copy of the statement required by paragraph (a);
 - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the contract, the employee will:
 - (1) Abide by the terms of the statement and notify the employer of any criminal drug statue conviction for a violation occurring in the workplace no later than five days after such conviction;
 - (e) Notifying the Government within ten days after receiving notice under subparagraph

- (d) (1), with respect to any employee or otherwise receiving actual notice of such conviction;
- (f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(1), with respect to any employee who is so convicted:
 - (1) Taking appropriate personnel action against such an employee, up to and including termination; or requiring such employee to participate satisfactorily, complete a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or Local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

B. Insert in the space provided below, or include as a separate attachment, a list of the site(s) for the performance of work done in connection with the specific contract:

Place of Performance (Street, Road, Village, Island)
Contractor must specify all sites associated with the project ie., offices/project area(s) and surrounding sites.

Representative:

(Print Name) (Signature)

Title: _____

Company: _____

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we _____ as PRINCIPAL, and _____ AS SURETY are held and firmly bound unto the Commonwealth of the Northern Mariana Islands, hereinafter called the "Government", in the penal sum of _____ Dollars (US\$ _____) for the payment of which sum will and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATIONS ARE SUCH, that whereas the PRINCIPAL has submitted the accompanying bid dated _____, 20____, for _____.

NOW, THEREFORE, if the principal shall not withdraw said bid within the period specified therein after the opening of the same, or if no period be specified therefore, within ten (10) days after the prescribed forms are presented to him for signature, enter into a written contract with the Government, in accordance with the bid as accepted, and give bond with good and sufficient surety or sureties, as may be required, for the faithful performance and proper fulfillment of such contract, or in the event of the withdrawal of said bid within the period specified, or the failure to enter into such contract and give bond within the time specified, if the Principal shall pay the Government the differences between the amount specified in said bid and the amount for which the Government may procure the required work and/or supplies, if the latter amount be in excess of the former, then the above obligation shall be void and of no effect, otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounded parties have executed this instrument under their several seals, this _____ day of _____, 20____, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

The rate of premium on this bond is _____ per thousand.

The amount of premium charged, \$ _____.

(The above must be filled in by Corporate Surety).

IN PRESENCE OF:

(Individual Principal) SEAL

(Business Address)

(Individual Principal) SEAL

(Business Address)

Attest: _____ SEAL
(Corporate Principal)

(Business Address)

AFFIX CORPORATE SEAL

BY:

Attest: _____ SEAL
(Corporate Surety)

(Business Address)

(Business Address)

Certificate as to Corporate Principal

I, _____, certify the I am the Secretary of the Corporation named as Principal in the within bond; that _____, who signed the said bond on behalf of the Principal was then _____ of said corporation; that I know his/her signature, and his/her signature is genuine; and that said bond was duly signed, sealed and attested for and on behalf of said Corporation by authority of its governing body.

(Corporate Seal)

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENT, that we,
_____ as PRINCIPAL,
and _____, as SURETY,
are held and firmly bound unto the Commonwealth of the Northern Mariana Islands, hereinafter
call "the Government", in the penal sum of _____ Dollars
(US\$ _____) for the payment of which sum will and truly to be
made, we bind ourselves, our heirs, executors, administrators and successors, jointly and
severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that whereas the
Principal entered into a certain contract, hereto attached, with the Government dated
_____, 20_____, for the _____.

NOW, THEREFORE, if the Principal shall promptly make payment to all persons,
suppliers, laborers, and materials in the prosecution of the work provided for in said contract, and
any and all duly authorized modifications of said contract that may hereafter be made, notice of
which modifications to the Surety being hereby waived, then, this obligation to be void;
otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument
under their several seals, this _____ day of _____, 20_____,
the name and corporate seal of each corporate party being hereto affixed and these presents duly
signed by its undersigned representative, pursuant to authority of its governing body.

The rate of premium on this bond is _____ per thousand.

The amount of premium charges is _____.

(The above must be filled in by Corporate Surety).

IN PRESENCE OF:

SEAL
(Individual Principal)

(Business Address)

SEAL
(Individual Principal)

(Business Address)

Attest:

SEAL
(Corporate Principal)

(Business Address)

AFFIX CORPORATE SEAL

BY:

Attest:

SEAL
(Corporate Surety)

(Business Address)

Certificate as to Corporate Principal

I, _____, certify that I am the Secretary of the Corporation named as Principal in the within bond; that _____, who signed the said bond on behalf of the Principal was then _____ of said Corporation; that I know his/her signature, and his/her signature is genuine; and that said bond was duly signed, sealed and attested for and on behalf of said Corporation by authority of its governing body.

(Corporate Seal)

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENT, that we,
_____ as PRINCIPAL,
and _____, as SURETY,
are held and firmly bound unto the Commonwealth of the Northern Mariana Islands, hereinafter
call "the Government", in the penal sum of _____ Dollars
(US\$ _____) for the payment of which sum will and truly to be
made, we bind ourselves, our heirs, executors, administrators and successors, jointly and
severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that whereas the
Principal entered into a certain contract, hereto attached, with the Government dated
_____, 20_____, for the _____.

NOW, THEREFORE, if the Principal shall well and truly perform and fulfill all the
undertakings, covenants, terms, conditions, and agreement of said contract during the original
term of said contract and any extensions thereof that may be granted by the Government, with or
without notice to the Surety, and during the life of any guaranty required under the contract, and
shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions and
agreements of any and all duly authorized modifications of said contract that may hereafter be
made, notice of which modifications to the Surety being hereby waived, then, this obligation to
be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument
under their several seals, this _____ day of _____, 20_____,
the name and corporate seal of each corporate party being hereto affixed and these presents duly
signed by its undersigned representative, pursuant to authority of its governing body.

The rate of premium on this bond is _____ per thousand.

The amount of premium charges is _____.

(The above must be filled in by Corporate Surety).

IN PRESENCE OF:

SEAL
(Individual Principal)

(Business Address)

SEAL
(Individual Principal)

(Business Address)

Attest:

SEAL
(Corporate Principal)

(Business Address)

AFFIX CORPORATE SEAL

BY:

Attest:

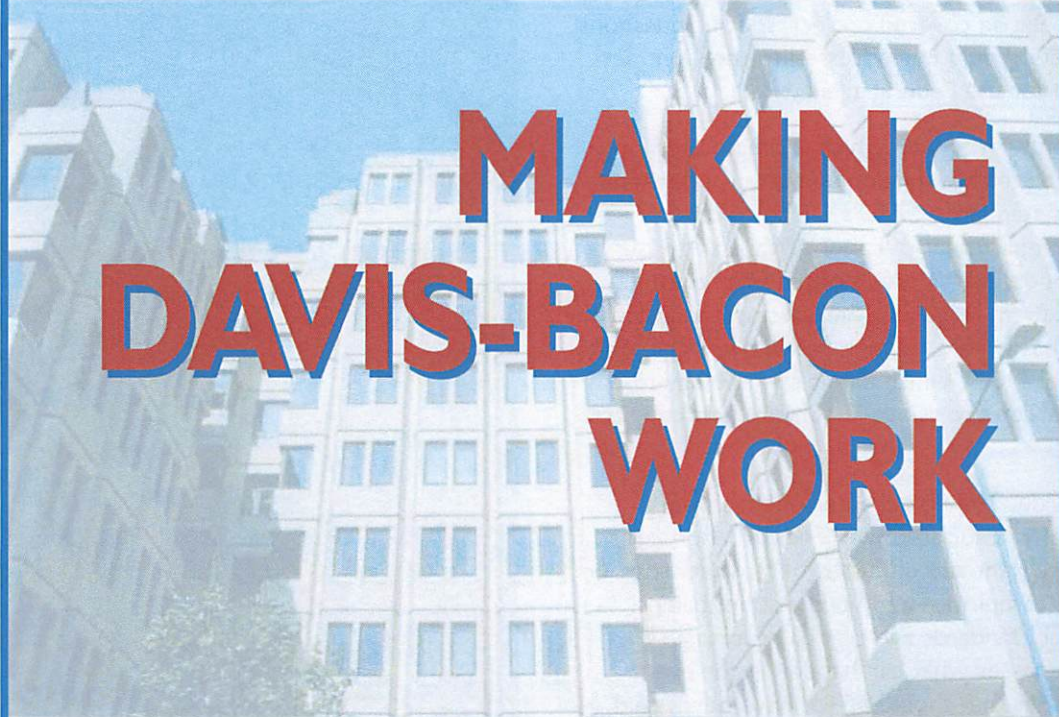
SEAL
(Corporate Surety)

(Business Address)

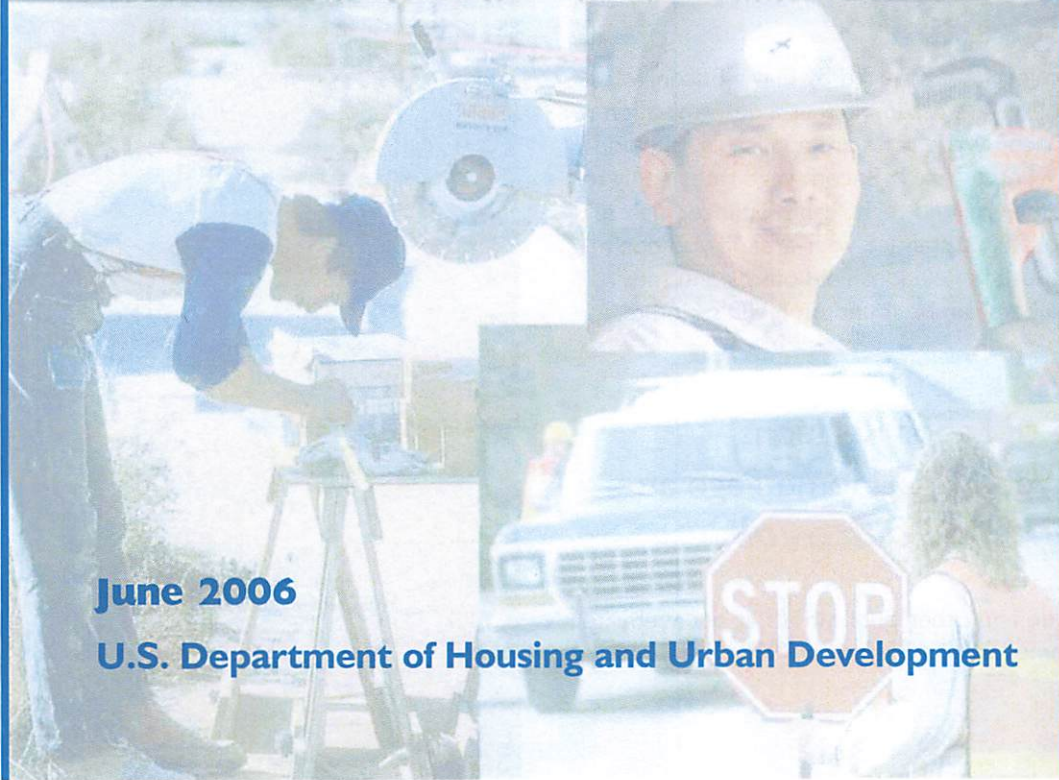
Certificate as to Corporate Principal

I, _____, certify that I am the Secretary of the Corporation named as Principal in the within bond; that _____, who signed the said bond on behalf of the Principal was then _____ of said Corporation; that I know his/her signature, and his/her signature is genuine; and that said bond was duly signed, sealed and attested for and on behalf of said Corporation by authority of its governing body.

(Corporate Seal)



MAKING DAVIS-BACON WORK



*A Contractor's
Guide to
Prevailing
Wage
Requirements
for
Federally-Assisted
Construction
Projects*

June 2006
U.S. Department of Housing and Urban Development



Introduction

This Guide has been prepared for you as a contractor performing work on construction projects that are **assisted** by the Department of Housing and Urban Development and subject to Davis-Bacon prevailing wage requirements. This Guide **does not** address contractor requirements involved in **direct** Federal contracting where HUD or another Federal agency enters into a procurement contract. In this latter case, the Federal Acquisition Regulations (FAR) are applicable. While the guidance contained in this Guide is generally applicable to **any** Davis-Bacon covered project, specific questions pertaining to direct Federal contracts should be addressed to the Contracting Officer who signed the contract for the Federal agency.

Our objective here is to provide you with a guide which is simple and non-bureaucratic yet comprehensive and which will help you better understand and comply with Davis-Bacon labor standards. HUD's Office of Labor Relations worked closely with the Department of Labor's Wage and Hour Division to make sure that the labor standards provisions in your contract and the specifics of complying with them represent the latest information. It is the Department of Labor which has general administrative oversight of all Federal contracting agencies, such as HUD, which administer the day-to-day responsibilities of enforcing Davis-Bacon provisions in construction contracts they either fund or assist in funding.

There are three chapters in this Guide. The first chapter offers a brief description of the laws and regulations associated with Federal labor standards administration and enforcement and discusses both what's in your contract that requires Davis-Bacon compliance and your responsibilities. The second chapter deals with labor standards and payroll reporting requirements. The third chapter discusses what can happen in the event there is a dispute about the wage rates that should be (or have been) paid and any back wages that may be due.

Finally, not all HUD construction projects are covered by Davis-Bacon wage rates. For the purpose of this Guide, we are assuming that a determination has already been made that Davis-Bacon wage rates are applicable. Should you wish assistance in determining whether Davis-Bacon wage rates apply to a particular project or if you need other related technical assistance, please consult with the HUD Labor Relations Field staff for your area. If you don't know which staff to contact, a list of Labor Relations field offices and their geographic areas and telephone numbers can be found on HUD's Home Page at the address below.

Visit the Office of Labor Relations
on the World Wide Web HUD Home Page at:
<http://www.hud.gov/offices/olr>

Obtain additional copies of this Guide and other publications at our web site or by telephone from HUD's Customer Service Center at (800) 767-7468.

MAKING DAVIS-BACON WORK

*A Contractor's Guide
to Prevailing
Wage Requirements
for Federally-Assisted
Construction Projects*



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CHAPTER I.

Laws, Regulations, Contracts and Responsibilities

The following paragraphs describe what the labor standards laws and regulations actually say and what they mean to you on HUD projects:

I-1 Davis-Bacon and Other Labor Laws

a. The Davis-Bacon Act (DBA)

The Davis-Bacon Act 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 and District of Columbia construction projects in excess of \$2,000. Construction includes alteration and/or repair, including painting and decorating, of public buildings or public works.

Most HUD construction work **is not** covered by the DBA itself since HUD seldom contracts directly for construction services. Most often, if Davis-Bacon wage rates apply to a HUD project it is because of a labor provision contained in one of HUD's "Related Acts" such as the U.S. Housing Act of 1937, the National Housing Act, the Housing and Community Development Act of 1974, the National Affordable Housing Act of 1990, and the Native American Housing Assistance and Self-Determination Act of 1996. The Related Acts are often referred to as the **Davis-Bacon and Related Acts or DBRA**.

b. The Contract Work Hours and Safety Standards Act (CWHSSA)

CWHSSA requires time and one-half pay for overtime (O/T) hours (over 40 in any workweek) worked on the covered project. The CWHSSA applies to both direct Federal contracts and to indirect Federally-assisted contracts **except** where the assistance is solely in the nature of a loan guarantee or insurance. CWHSSA violations carry a liquidated damages penalty (\$10/day per violation). Intentional violations of CWHSSA standards can be considered for Federal criminal prosecution.

CWHSSA does not apply to *prime contracts* of \$100,000 or less. In addition, some HUD projects are not covered by CWHSSA because some HUD programs only provide loan guarantees or insurance. CWHSSA also does not apply to construction or rehabilitation contracts that are not subject to Federal prevailing wage rates (e.g., Davis-Bacon wage rates, or HUD-determined rates for operation of public housing and Indian block grant-assisted housing). However, even though CWHSSA overtime pay is not required, Fair Labor Standards Act (FLSA) overtime pay is probably still applicable. (See also Labor Relations Letter *SL-95-01*, *CWHSSA Coverage threshold for overtime and health and safety provisions*, available on-line at the HUD Labor Relations Library at: www.hud.gov/offices/olr/library.cfm)

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DOL Regulations are available on-line on the World Wide Web:
http://www.dol.gov/dol/allcfr/Title_29/toc.htm

HUD program labor standards forms are available on-line at:
www.hudclips.org/cgi/index.cgi



c. The Copeland Act (Anti-Kickback Act)

The Copeland Act makes it a Federal crime for anyone to require any laborer or mechanic (employed on a Federal or Federally-assisted project) to **kickback** (i.e., give up or pay back) any part of their wages. The Copeland Act requires every employer (contractors and subcontractors) to submit weekly certified payroll reports (CPRs) and regulates permissible payroll deductions.

d. The Fair Labor Standards Act (FLSA)

The FLSA contains Federal minimum wage rates, overtime (O/T), and child labor requirements. These requirements generally apply to any labor performed. The DOL has the authority to administer and enforce FLSA. HUD will refer to the DOL any possible FLSA violations that are found on HUD projects.

I-2 Davis-Bacon Regulations

The Department of Labor (DOL) has published rules and instructions concerning Davis-Bacon and other labor laws in the Code of Federal Regulations (CFR). These regulations can be found in **Title 29 CFR Parts 1, 3, 5, 6 and 7**. *Part 1* explains how the DOL establishes and publishes DBA wage determinations (*aka wage decisions*) and provides instructions on how to use the determinations. *Part 3* describes Copeland Act requirements for payroll deductions and the submission of weekly certified payroll reports. *Part 5* covers the labor standards provisions that are in your contract relating to Davis-Bacon Act wage rates and the responsibilities of contractors and contracting agencies to administer and enforce the provisions. *Part 6* provides for administrative proceedings enforcing Federal labor standards on construction and service contracts. Last, *Part 7* sets parameters for practice before the Administrative Review Board. These regulations are used as the basis for administering and enforcing the laws.

I-3 Construction Contract Provisions

Each contract subject to Davis-Bacon labor standards requirements must contain labor standards clauses and a Davis-Bacon wage decision. These documents are often bound into the contract specifications.

a. The Labor Standards Clauses

The labor standards clauses describe the responsibilities of the contractor concerning Davis-Bacon wages and obligate the contractor to comply with the labor requirements. The labor standards clauses also provide for remedies in the event of violations, including withholding from payments due to the contractor to ensure the payment of wages or liquidated damages which may be found due. These contract clauses enable the contract administrator to enforce the Federal labor standards applicable to the project. HUD has standard forms that contain contract clauses. For example, the HUD-2554, Supplementary Conditions to the Contract for Construction, which is issued primarily for FHA multifamily housing and other construction projects administered by HUD; the HUD-4010, Federal Labor Standards Provisions, which is used for CDBG and HOME projects, and the HUD-5370, General Conditions of the Contract for Construction – Public and Indian Housing Program.

b. Davis-Bacon Wage Decisions

The Davis-Bacon wage decision (or wage determination) is a listing of various construction work classifications, such as Carpenter, Electrician, Plumber and Laborer, and the minimum wage rates (and fringe benefits, where prevailing) that people performing work in those classifications must be paid.

Davis-Bacon wage decisions are established by the DOL for various types of construction (e.g., residential, heavy, highway) and apply to specific geographic areas, usually a county or group of counties. Wage decisions are modified from time to time to keep them current. In most cases, when the contract is awarded or when construction begins, the wage decision is "locked-in" and no future modifications are applicable to the contract or project involved.

All current Davis-Bacon wage decisions can be accessed on-line at no cost at:

www.wdol.gov

I-4 Responsibility of the Principal Contractor

The principal contractor (also referred to as the **prime or general contractor**) is responsible for the full compliance of all employers (the contractor, subcontractors and any lower-tier subcontractors) with the labor standards provisions applicable to the project. Because of the contractual relationship between a prime contractor and his/her subcontractors, subcontractors generally should communicate with the contract administrator only through the prime contractor. (See *Contract Administrator, below.*)

To make this Guide easier to understand, the term "**prime contractor**" will mean the principal contractor; "**subcontractor**" will mean all subcontractors including lower-tier subcontractors; and the term "**employer**" will mean all contractors as a group, including the prime contractor and any subcontractors and lower-tier subcontractors.

I-5 Responsibility of the Contract Administrator

The **contract administrator** is responsible for the proper administration and enforcement of the Federal labor standards provisions on contracts covered by Davis-Bacon requirements. We use this term to represent the person (or persons) who will provide labor standards advice and support to you and other project principals (e.g., the owner, sponsor, architect), including providing the proper Davis-Bacon wage decision (see ¶12-1, **The Wage Decision**) and ensuring that the wage decision and contract clauses are incorporated into the contract for construction. The contract administrator also monitors labor standards compliance (see ¶12-6, **Compliance Reviews**) by conducting interviews with construction workers at the job site and reviewing payroll reports, and oversees any enforcement actions that may be required.

The contract administrator could be an employee or agent of HUD, or of a city or county or public housing agency. *For HUD projects administered directly by HUD staff, usually FHA-insured multifamily projects, the contract administrator will be the HUD Labor Relations field staff.* But many HUD-assisted projects are administered by local contracting agencies such as Public Housing Agencies (PHAs),

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Indian tribes and tribally-designated housing entities (TDHEs), and States, cities and counties under HUD's Community Development Block Grant (CDBG) and HOME programs. In these cases, the *contract administrator* will likely be local agency staff. In either case, the guidance for you remains essentially the same.

The DOL also has a role in monitoring Davis-Bacon administration and enforcement. In addition, DOL has independent authority to conduct investigations. A DOL investigator or other DOL representative may visit Davis-Bacon construction sites to interview construction workers or review payroll information.



CHAPTER 2. How to Comply with Labor Standards and Payroll Reporting Requirements

Where to start?

Now that you know you're on a Davis-Bacon project and you know some of the legal and practical implications, what's next?

SECTION I — THE BASICS

2-1 The Wage Decision

Davis-Bacon labor standards stipulate the wage payment requirements for *Carpenters, Electricians, Plumbers, Roofers, Laborers, and other construction work classifications* that may be needed for the project. The **Davis-Bacon wage decision** that applies to the project contains a schedule of work classifications and wage rates that must be followed. If you don't have it already (and by now you should), you'll want to get a copy of the applicable **Davis-Bacon wage decision**.

Remember, the wage decision is contained in the contract specifications along with the labor standards clauses. See ¶11-3, *Construction Contract Provisions*.

a. The Work Classifications and Wage Rates

A Davis-Bacon wage decision is simply a listing of different work classifications and the minimum wage rates that must be paid to anyone performing work in those classifications. You'll want to make sure that the work classification(s) you need are contained in the wage decision and make certain you know exactly what wage rate(s) you will need to pay. Some wage decisions cover several counties and/or types of construction work (for example, residential and commercial work) and can be lengthy and difficult to read. Contact the *contract administrator* (HUD Labor Relations field staff or local agency staff) if you have any trouble reading the wage decision or finding the work classification(s) you need.

To make reading lengthy wage decisions easier for you, the contract administrator may prepare a Project Wage Rate Sheet (HUD-4720). This Sheet is a one-page transcript that will show only the classifications and wage rates for a particular project. A blank copy of a Project Wage Rate Sheet is provided for you in the appendix. Also, a fillable version of this form is available on-line at HUDClips (see web address in the Appendix). Contact the contract administrator monitoring your project for assistance with a Project Wage Rate Sheet.

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b. Posting the Wage Decision

If you are the prime contractor, you will be responsible for posting a copy of the wage decision (or the Project Wage Rate Sheet) and a copy of a DOL poster called *Notice to All Employees* (Form WH-1321) at the job site in a place that is easily accessible to all of the construction workers employed at the project and where the wage decision and poster won't be destroyed by wind or rain, etc. The *Notice to All Employees* poster is available on-line at HUDClips (see address in the Appendix).

2-2 Additional "Trade" Classifications and Wage Rates

What if the work classification you need isn't on the wage decision? If the work classification(s) that you need doesn't appear on the wage decision, you will need to request an **additional classification and wage rate**. This process is usually very simple and you'll want to start the request right away. Basically, you identify the classification you need and recommend a wage rate for DOL to approve for the project. There are a few rules about additional classifications; you'll find these rules in the DOL regulations, Part 5, and in the labor clauses in your contract. The rules are summarized for you here:

a. Additional Classification Rules

Additional classifications and wage rates can be approved if:

- 1) The requested classification is used by construction contractors in the area of the project. (The area is usually defined as the *county* where the project is located).
- 2) The work that will be performed by the requested classification is not already performed by another classification that is already on the wage decision. (In other words, if there already is an Electrician classification and wage rate on the wage decision you can't request another Electrician classification and rate.)
- 3) The proposed wage rate for the requested classification "fits" with the other wage rates already on the wage decision. (For example, the wage rate proposed for a trade classification such as Electrician must be at least as much as the lowest wage rate for other trade classifications already contained in the wage decision.) And,
- 4) The workers that will be employed in the added classification (if it is known who the workers are/will be), or the workers' representatives, must agree with the proposed wage rate.

b. Making the Request

A request for additional classification and wage rate must be made in writing through the contract administrator. (If the contract administrator is a local agency, the agency will send the request to the HUD Labor Relations staff.) If you are a subcontractor, your request should also go through the prime contractor. All you need to do is identify the work classification that is missing and recommend a wage rate (usually the rate that employer is already paying to the employees performing the work) for that classification. You may also need to describe the work that the new classification will perform.



c. HUD Review

The HUD Labor Relations field staff will review the requested classification and wage rate to determine whether the request meets the DOL rules outlined in paragraph 2-2(a), above. If additional information or clarification is needed, the staff will contact the prime contractor (or contract administrator for local agency projects) for more information, etc. If the Labor Relations review finds that the request meets the rules, the staff will give preliminary approval on the request and refer it to the DOL for final approval. The staff will send to you a copy of the preliminary approval/referral letter to the DOL.

If the HUD Labor Relations staff doesn't think the request meets the rules and if agreement can't be reached on the proper classification or wage rate for the work described, the HUD Labor Relations staff will *not* approve the request. In this case, the staff will send your request to the DOL with an explanation why HUD believes that the request shouldn't be approved. The DOL still has final decision authority. You will receive a copy of the disapproval/referral letter to the DOL.

d. DOL Decision

The DOL will respond to HUD Labor Relations in writing about the additional classification and wage rate request. HUD Labor Relations will notify you of the DOL decision in writing. If the DOL approves the request, the prime contractor must post the approval notice on the job site with the wage decision.

If the DOL *does not* approve the request, you will be notified about what classification and wage rate should be used for the work in question. You will also receive instructions about how to ask for DOL reconsideration if you still want to try to get your recommendation approved.

It's always a good idea to talk to the contract administrator before submitting an additional classification and wage rate request. The contract administrator can offer suggestions and advice that may save you time and increase the likelihood that DOL will approve your request. Usually, the contract administrator can give you an idea about what the DOL will finally decide.

2-3 Certified Payroll Reports

You'll need to submit a weekly certified payroll report (CPR) beginning with the first week that your company works on the project and for every week afterward until your firm has completed its work. It's always a good idea to number the payroll reports beginning with #1 and to clearly mark your last payroll for the project "Final."

a. Payroll Formats

The easiest form to use is DOL's WH-347, **Payroll**. A sample copy of the WH-347 is included in the back of this Guide. You may access a fillable version of the WH-347 on-line at HUDClips (see web address in the Appendix). Also, the contract administrator can provide a few copies of the WH-347 that you can reproduce.

You are *not required* to use Payroll Form WH-347. You are welcome to use any other type of payroll, such as computerized formats, as long as it contains all of the information that is required on the WH-347.

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If you number your payroll reports consecutively, you *do not* need to submit “no work” payrolls!

b. Payroll Certifications

The weekly payrolls are called *certified* because each payroll is signed and contains language certifying that the information is true and correct. The payroll **certification** language is on the reverse side of the WH-347. If you are using another type of payroll format you may attach the certification from the back of the WH-347, or any other format which contains the same certification language on the WH-347 (reverse).

DOL's website has Payroll Instructions, and the Payroll Form WH-347, in a “fillable” PDF format at this address:

www.dol.gov/esa/programs/dbra/forms.htm and at HUDClips.

c. “No Work” Payrolls

“No work” payrolls may be submitted whenever there is a temporary break in your work on the project, for example, if your firm is not needed on the project right now but you will be returning to the job in a couple of weeks. (See *Tip Box*, below, for “no work” payroll exemption!) However, if you know that your firm will not be working on the project for an extended period of time, you may wish to send a short note to the contract administrator to let them know about the break in work and to give an approximate date when your firm will return to the project. If you send a note, you do not need to send “no work” payrolls.

d. Payroll Review and Submission

The prime contractor should **review** each subcontractor's payroll reports for compliance **prior** to submitting the reports to the contract administrator. Remember, the prime contractor is responsible for the full compliance of all subcontractors on the contract and will be held accountable for any wage restitution that may be found due to any laborer or mechanic that is underpaid *and* for any liquidated damages that may be assessed for overtime violations. All of the payroll reports for any project must be submitted to the contract administrator *through* the prime contractor.

An alert prime contractor that reviews subcontractor payroll submissions can detect any misunderstandings early, prevent costly underpayments and protect itself from financial loss should underpayments occur.

e. Payroll Retention

Every contractor (including every subcontractor) must keep a complete set of their own payrolls and other basic records such as time cards, tax records, evidence of fringe benefit payments,



for a Davis-Bacon project for at least 3 years after the project is completed. The prime contractor must keep a complete set of all of the payrolls for every contractor (including subcontractors) for at least 3 years after completion of the project.

f. Payroll Inspection

In addition to submitting payrolls to the contract administrator, every contractor (including subcontractors) must make their own copy of the payrolls and other basic records available for review or copying to any authorized representative from HUD or from DOL.

2-4 Davis-Bacon Definitions

Before we discuss how to complete the weekly payroll forms, we need to review a couple of definitions. These definitions can help you understand what will be required of you:

a. Laborer or Mechanic

“Laborers” and “mechanics” mean anyone who is performing construction work on the project, including trade journeymen (carpenters, plumbers, sheet metal workers, etc.), apprentices, trainees and, for CWHSSA purposes, watchmen and guards. “Laborers” and “mechanics” are the two groups of workers that must be paid not less than Davis-Bacon wage rates.

- 1) **Working foremen.** Foremen or supervisors that regularly spend **more** than 20% of their time performing construction work and do not meet the exclusions in paragraph 2 below are covered “laborers” and “mechanics” for labor standards purposes for the time spent performing construction work.
- 2) **Exclusions.** People whose duties are primarily administrative, executive or clerical are not laborers or mechanics. Examples include superintendents, office staff, timekeepers, messengers, etc. (Contact the contract administrator if you have any questions about whether a particular employee is excluded.)

b. Employee

Every person who performs the work of a laborer or mechanic is “employed” regardless of any contractual relationship which may be alleged to exist between a contractor or subcontractor and such person. This means that even if there is a contract between a contractor and a worker, the contractor must make sure that the worker is paid at least as much as the wage rate on the wage decision for the classification of work they perform. Note that there are no exceptions to the prevailing wage requirements for relatives or for self-employed laborers and mechanics.

For more information about working sub-contractors, ask the contract administrator or your HUD Labor Relations Field Staff for a copy of Labor Relations Letter LR-96-01, *Labor standards compliance requirements for self-employed laborers and mechanics*. Labor Relations Letters and other helpful Labor Relations publications are available at HUD's Labor Relations web site (see the list of web site addresses in the *Appendix*).

c. Apprentices and Trainees

The only workers who can be paid less than the wage rate on the wage decision for their work classification are “apprentices” and “trainees” registered in approved apprenticeship or training

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programs, including *Step-Up* apprenticeship programs designed for Davis-Bacon construction work. Approved programs are those which have been registered with the DOL or a DOL-recognized State Apprenticeship Council (SAC). Apprentices and trainees are paid wage rates in accordance with the wage schedule in the approved program.

Most often, the apprentice/trainee wage rate is expressed as a series of percentages tied to the amount of time spent in the program. For example, 0-6 months: 65%; 6 months – 1 year: 70%; etc. The percentage is applied to the journeyman's wage rate. On Davis-Bacon projects, the percentage must be applied to the journeyman's wage rate *on the applicable wage decision* for that craft.

- 1) **Probationary apprentice.** A "probationary apprentice" can be paid as an apprentice (less than the rate on the wage decision) if the DOL or SAC has certified that the person is eligible for probationary employment as an apprentice.
- 2) **Pre-apprentice.** A "pre-apprentice", that is, someone who is not registered in a program and who hasn't been DOL- or SAC-certified for probationary apprenticeship is **not** considered to be an "apprentice" and must be paid the full journeyman's rate on the wage decision for the classification of work they perform.
- 3) **Ratio of apprentices and trainees to journeymen.** The maximum number of apprentices or trainees that you can use *on the job site* can not exceed the ratio of apprentices or trainees to journeymen allowed in the approved program.

d. **Prevailing Wages or Wage Rates**

Prevailing wage rates are the wage rates listed on the wage decision for the project. The wage decision will list a minimum basic hourly rate of pay for each work classification. Some wage decisions include fringe benefits which are usually listed as an hourly fringe rate. If the wage decision includes a fringe benefit rate for a classification, you will need to add the fringe benefit rate to the basic hourly rate *unless* you provide bona fide fringe benefits for your employees.

- 1) **Piece-work.** Some employees are hired on a piece-work basis, that is, the employee's earnings are determined by a factor of work produced. For example, a Drywall Hanger's earnings may be calculated based upon the square feet of sheetrock actually hung, a Painter's earnings may be based upon the number of units painted. Employers may calculate weekly earnings based upon piece rates **provided** the weekly earnings are sufficient to satisfy the wage rate requirement based upon actual hours, including any overtime, worked. *Accurate time records must be maintained for any piece-work employees.* If the weekly piece rate earnings are not sufficient, the employer must recompute weekly earnings based upon the actual hours worked and the rate on the wage decision for the work classification(s) involved.



e. Fringe Benefits

Fringe benefits can include health insurance premiums, retirement contributions, life insurance, vacation and other paid leave as well as some contributions to training funds. Fringe benefits **do not** include employer payments or contributions required by other Federal, State or local laws, such as the employer's contribution to Social Security or some disability insurance payments.

Note that the *total* hourly wage rate paid to any laborer or mechanic (basic wage or basic wage plus fringe benefits) may be no less than the total wage rate (basic wage or basic wage plus fringe benefits) on the wage decision for their craft. If the value of the fringe benefit(s) you provide is less than the fringe benefit rate on the wage decision, you will need to add the balance of the wage decision fringe benefit rate to the basic rate paid to the employee. For example, if the wage decision requires \$10/hour basic rate plus \$5/hour fringe benefits, you must pay no less than that total (\$15/hour) in the basic rate or basic rate plus whatever fringe benefit you may provide. You can meet this obligation in several ways: you could pay the base wage and fringe benefits as stated in the wage decision, or you could pay \$15 in base wage with no fringe benefits, or you could pay \$12 basic plus \$3 fringe benefits. You can also *off-set* the amount of the base wage if you pay more in fringe benefits such as by paying or \$9 basic plus \$6 fringe benefits; as long as you meet the total amount. The amount of the base wage that you may off-set with fringe benefits is limited by certain IRS and FLSA requirements.

f. Overtime

Overtime hours are defined as all hours worked on the contract in excess of 40 hours in any work week. Overtime hours must be paid at no less than one and one-half times the regular rate of basic pay plus the straight-time rate of any required fringe benefits.

Referring to our example above where the wage decision requiring a \$15 total wage obligation (\$10 basic wage plus \$5 fringe benefits) was met by paying \$9 base wage plus \$6 fringe benefits: Note that overtime rates must be based on one and one-half times the basic rate *as stated on the wage decision*. In the above example, the employer must pay for overtime: \$15/hr (\$9 basic + \$6 fringe) plus \$5 (one-half of \$10, the wage decision basic rate) for a total of \$20 per hour.

g. Deductions

You may make payroll deductions as permitted by DOL Regulations 29 CFR Part 3. These regulations prohibit the employer from requiring employees to "kick-back" (i.e., give up) any of their earnings. Allowable deductions which do not require prior DOL permission include employee obligations for income taxes, Social Security payments, insurance premiums, retirement, savings accounts, and any other legally-permissible deduction authorized by the employee. Deductions may also be made for payments on judgements and other financial obligations legally imposed against the employee.

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For many contractors, the Weekly Certified Payroll is the only Davis-Bacon paperwork you need to submit!

h. Proper Designation of Trade

You must select a work classification on the wage decision for each worker based on the actual type of work he/she performed and you must pay each worker no less than the wage rate on the wage decision for that classification regardless of their level of skill. In other words, if someone is performing carpentry work on the project, they must be paid no less than the wage rate on the wage decision for Carpenters *even if they aren't considered by you to be fully trained as a Carpenter*. **Remember**, the only people who can be paid less than the rate for their craft are apprentices and trainees registered in approved programs.

1) **Split-classification.** If you have employees that perform work in more than one trade during a work week, you can pay the wage rates specified for each work classification in which work was performed **only** if you maintain accurate time records showing the amount of time spent in each classification. If you do not maintain accurate time records, you must pay these employees the highest wage rate of all of the classifications of work performed.

i. Site of Work

The "site of work" is where the Davis-Bacon wage rates apply. Usually, this means the boundaries of the project. "Site of work" can also include other adjacent or virtually adjacent property used by a contractor or subcontractor in the construction of the project, like a fabrication site that is dedicated exclusively, or nearly so, to the project.

SECTION II REPORTING REQUIREMENTS

2-5 Completing a Payroll Report

What information has to be reported on the payroll form?

The weekly payroll form doesn't ask for any information that you don't already need to keep for wage payment and tax purposes. For example, you need to know each employee's **name, address** and **social security number**; his or her **work classification** (who is working for you and what do they do?), the hours worked during the week, his or her **rate of pay**, the **gross amount earned** (how much did they earn?), the amounts of any **deductions** for taxes, etc., and the **net amount paid** (how much should the paycheck be made out for?). No more information than you need to know in order to manage your work crew and make certain they are paid properly. And, certainly, no more information than you need to keep for IRS, Social Security and other tax and employment purposes.

You are required to submit certified payrolls to illustrate and document that you have complied with the prevailing wage requirements. The purpose of the contract administrator's review of your payrolls is to verify your compliance. Clearer and complete payroll reports will permit the contract administrator to complete reviews of your payroll reports quickly.



a. Project and Contractor/Subcontractor Information

Each payroll must identify the contractor or subcontractor's name and address, the project name and number, and the week ending date. Indicate the *week dates* in the spaces provided. Numbering payrolls is optional but strongly recommended.

b. Employee Information

The first payroll on which each employee appears must contain the employee's name, address and Social Security Number. Afterward, the address and Social Security Number only need to be reported if there is a change in this information.

c. Work Classification

Each employee must be classified in accordance with the wage decision based on the type of work they actually perform.

1) Apprentices or Trainees. The first payroll on which any apprentice or trainee appears must be accompanied by a copy of that apprentice's or trainee's registration in a registered or approved program. A copy of the portions of the registered or approved program pertaining to the wage rates and ratios shall also accompany the first payroll on which the first apprentice or trainee appears.

2) Split classifications. For an employee that worked in a split classification, make a separate entry for each classification of work performed distributing the hours of work to each classification, accordingly, and reflecting the rate of pay and gross earnings for each classification. Deductions and net pay may be based upon the total gross amount earned for all classifications.

d. Hours Worked

The payroll should show **ONLY** the regular and overtime hours worked on this project. Show both the daily and total weekly hours for each employee. If an employee performs work at job sites other than the project for which the payroll is prepared, those "other job" hours *should not* be reported on the payroll. In these cases, you should list the employee's name, classification, hours for this project only, the rate of pay and gross earnings for this project, and the gross earned for *all projects*. Deductions and net pay may be based upon the employee's total earnings (for all projects) for the week.

e. Rate of Pay

Show the basic hourly rate of pay for each employee for this project. If the wage decision includes a fringe benefit and you **do not** participate in approved fringe benefit programs, **add** the fringe benefit rate to the basic hourly rate of pay. Also list the overtime rate if overtime hours were worked.

1) Piece-work. For any piece-work employees, the employer **must** compute an *effective hourly rate* for each employee each week based upon the employee's piece-work earnings for that week. To compute the effective hourly rate, divide the piece-work earnings by the total number of hours worked, including consideration for any overtime hours.

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The effective hourly rate must be reflected on the certified payroll and the hourly rate may be no less than the wage rate (including fringe benefits, if any) on the wage decision for the classification of work performed. It does not matter that the effective hourly rate changes from week-to-week, only that the rate is no less than the rate on the wage decision for the classification of work performed.

Remember, the overtime rate is computed at one and one-half times the *basic* rate of pay plus any fringe benefits. For example, if the wage decision requires \$10/hour basic plus \$5/hour fringe benefits, the overtime rate would be: $(\$10 \times 1\frac{1}{2}) + \$5 = \$20/\text{hour}$.

Only one employee authorization is needed for recurring (e.g., weekly) other deductions. Written employee authorization is not required for income tax and Social Security deductions.

f. Gross Wages Earned

Show the gross amount of wages earned for work performed on this project. *Note:* For employees with work hours and earnings on other projects, you may show gross wages for this project over gross earnings all projects (for example, \$425.40/\$764.85) and base deductions and net pay on the “all projects” earnings.

g. Deductions

Show the amounts of any deductions from the gross earnings. “Other” deductions should be identified (for example, Savings Account or Loan Repayment). Any voluntary deduction (that is, not required by law or by an order of a proper authority) must be authorized in writing by the employee or provided for in a collective bargaining (union) agreement. A short note signed by the employee is all that is needed and should accompany the first payroll on which the other deduction appears.

h. Net Pay

Show the net amount of wages paid.

i. Statement of Compliance

The Statement of Compliance is the certification. It is located on the reverse side of a standard payroll form (WH-347). Be sure to complete the identifying information at the top, particularly if you are attaching the Statement of Compliance to an alternate payroll form such as a computer payroll. Also, you must check either 4(a) or 4(b) if the wage decision contains a fringe benefit. Checking 4(a) indicates that you are paying required fringe benefits to approved plans or programs; and 4(b) indicates that you are paying any required fringe benefit amounts directly to the employee by adding the fringe benefit rate to the basic hourly rate of pay. If you are paying a portion of the required fringe benefit to programs and the balance directly to the employee, explain those differences in box 4(c).

Only one Statement of Compliance is required for each employer’s weekly payroll no matter how many pages are needed to report the employee data.



j. Signature

Make sure the payroll is **signed** with an original signature. The payroll must be signed by a principal of the firm (owner or officer such as the president, treasurer or payroll administrator) or by an authorized agent (a person authorized by a principal in writing to sign the payroll reports). Signature authorization (for persons other than a principal) should be submitted with the first payroll signed by such an agent.

SECTION III PAYROLL REVIEWS AND CORRECTIONS

2-6 Compliance Reviews

The contract administrator or other inspector may visit the project site and interview some of the workers concerning their employment on the project. The DOL may also independently conduct its own reviews (see ¶11-5). In addition, the contract administrator will periodically review payrolls and related submissions, comparing the interview information to the payrolls, to ensure that the labor standards requirements have been met. You will be notified by the contract administrator if these reviews find any discrepancies or errors. You will be given instructions about what steps must be taken to correct any problems.

a. On-Site Interviews

Every employer (contractor, subcontractor, etc.) must make their employees available for interview at the job site with the contract administrator or other agency representative, or HUD or DOL representative. The interviews are confidential and the employee will be asked about the kind of work they perform and their rate of pay. Every effort will be made to ensure that these interviews cause as little disruption as possible to the on-going work. The interviewer will record the interview information, usually on a form HUD-11, *Record of Employee Interview*, and forward the interviews to the contract administrator.

b. Project Payroll Reviews

The contract administrator will compare the information on the interview forms to the corresponding payrolls to ensure that the workers are properly listed on the payrolls for the days, work classification and rate of pay. The contract administrator will also review the payroll submissions to make certain that the payrolls are complete and signed; that employees are paid no less than the wage rate for the work classification shown; apprentice and trainee certifications are submitted (where needed); employee or other authorizations for other deductions are submitted (where needed); etc.

2-7 Typical Payroll Errors and Required Corrections

The following paragraphs describe common payroll errors and the corrective steps you must take.

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a. **Inadequate Payroll Information**

If an alternate payroll format used by an employer (such as some computer payrolls) is inadequate, e.g., does not contain all of the necessary information that would be on the optional form WH-347, the employer will be asked to resubmit the payrolls on an acceptable form.

b. **Missing Addresses and Social Security Numbers**

If the first payroll on which an employee appears does not contain the employee's address and Social Security Number, the employer will be asked to supply the missing information. A short note providing the information is all that is needed.

c. **Incomplete Payrolls**

If the information on the payroll is not complete, for example, if work classifications or rates of pay are missing, the employer will be asked to send a corrected payroll.

d. **Classifications**

If the payrolls show work classifications that do not appear on the wage decision, the employer will be asked to reclassify the employees in accordance with the wage decision **or** the employer may request an **additional classification and wage rate** (See ¶12-2). If reclassification results in underpayment (i.e., the wage rate paid on the payroll is less than the rate required for the new classification), the employer will be asked to pay **wage restitution** to all affected reclassified employees. (See ¶12-8 for instructions about wage restitution.)

e. **Wage Rates**

If the wage rates on the payroll are less than the wage rates on the wage decision for the work classifications reported, the employer will be asked to pay wage restitution to all affected employees.

f. **Apprentices and Trainees**

If a copy of the employee's registration or the approved program ratio and wage schedule are not submitted with the first payroll on which an apprentice or trainee appears, the employer will be asked to submit a copy of each apprentice's or trainee's registration and/or the approved program ratio and wage schedule. If the ratio of apprentices or trainees to journeymen on the payroll is greater than the ratio in the approved program, the employer will be asked to pay wage restitution to any excess apprentices or trainees. Also, any apprentice or trainee that is *not* registered in an approved program must receive the journeyman's wage rate for the classification of work they performed.

g. **Overtime**

If the employees did not receive at least time and one-half for any overtime hours worked on the project, the following will occur:

- 1) If the project is subject to *CWHSSA overtime* requirements, the employer will be asked to pay wage restitution for all overtime hours worked on the project. The employer may also be liable to the United States for liquidated damages computed at \$10 per day per violation. Or,



- 2) If the project is **not** subject to CWHSSA, the employer will be notified of the possible *FLSA overtime* violations. Also, the contract administrator may refer the violations to the DOL for further review.

h. Computations

If the payroll computations (hours worked times rate of pay) or extensions (deductions, net pay) show frequent errors, the employer will be asked to take greater care. Wage restitution may be required if underpayments resulted from the errors.

i. Deductions

If there are any "Other" deductions that are not identified, or if employee authorization isn't provided, or if there is any unusual (very high, or large number) deduction activity, the employer will be asked to identify the deductions, provide employee authorization or explain unusual deductions, as necessary.

HUD does not enforce or attempt to provide advice on employer obligations to make deductions from employee earnings for taxes or Social Security. However, HUD may refer to the IRS or other responsible agency copies of certified payroll reports that show wages paid in gross amounts (i.e., without tax deduction) for its review and appropriate action.

j. Fringe Benefits

If the wage decision contains fringe benefits but the payroll does not indicate how fringe benefits were paid [neither 4(a) nor 4(b) is marked on the Statement of Compliance], the employer may be asked to submit corrected payrolls **and** will be required to pay wage restitution if underpayments occurred. *However*, if the basic hourly rates for the employees are at least as much as the total wage rate on the wage decision (basic hourly rate *plus* the fringe benefit rate), no correction is necessary.

k. Signature

If the payroll *Statement of Compliance* is not signed or is missing, the employer will be asked to submit a signed Statement of Compliance for each payroll affected. If the Statement of Compliance is signed by a person who is not a principal of the firm and that person has not been authorized by principal to sign, the employer will be asked to provide an authorization or to resubmit the Statement(s) of Compliance bearing the signature(s) of a principal or other signatory.

l. On-Site Interview Comparisons

If the comparison of on-site interviews to the payrolls indicates any discrepancies (for example, the employee does not appear on the payroll for the date of the interview), the employer will be asked to submit a corrected payroll report.

2-8 Restitution for Underpayment of Wages

Where underpayments of wages have occurred, the employer will be required to pay wage restitution to the affected employees. Wage restitution must be paid promptly in the full amounts due, less permissible and authorized deductions.

a. Notification to the Employer/Prime Contractor

The contract administrator will notify the employer and/or prime contractor in writing of any underpayments that are found during

MAKING DAVIS-BACON WORK

The contract administrator may communicate directly with a subcontractor when the underpayments are plainly evident and the subcontractor is cooperative. It is best to work through the prime contractor when the issues are complex, when there are significant underpayments and/or the subcontractor is not cooperative. In all cases, the subcontractor must ensure that the prime contractor receives a copy of the required corrective documentation.

In most cases, HUD no longer requires employers to submit checks or copies of checks (certified, cashiers, canceled or other) to correct underpayments. Restitution payments are reported and certified by the employer on a correction payroll.

payroll or other reviews. The contract administrator will describe the underpayments and provide instructions for computing and documenting the restitution to be paid. The employer/prime contractor is allowed 30 days to correct the underpayments. Note that the prime contractor is responsible to the contract administrator for ensuring that restitution is paid. If the employer is a subcontractor, the subcontractor will usually make the computations and restitution payments and furnish the required documentation through the prime contractor.

b. Computing Wage Restitution

Wage restitution is simply the difference between the wage rate paid to each affected employee and the wage rate required on the wage decision for all hours worked where underpayments occurred. The difference in the wage rates is called the *adjustment rate*. The adjustment rate times the number of hours involved equals the gross amount of restitution due. You may also compute wage restitution by calculating the total amount of Davis-Bacon wages earned and subtracting the total amount of wages paid. The difference is the amount of back wages due.

c. Correction Payrolls

The employer will be required to report the restitution paid on a correction certified payroll. The correction payroll will reflect the period of time for which restitution is due (for example, Payrolls #1 through #6; or a beginning date and ending date). The correction payroll will list each employee to whom restitution was paid and their work classification; the total number of work hours involved (daily hours are usually not applicable for restitution); the adjustment wage rate (the difference between the required wage rate and the wage rate paid); the gross amount of restitution due; deductions and the net amount actually paid. A signed Statement of Compliance must be attached to the correction payroll.

d. Review of Correction CPR

The contract administrator will review the correction certified payroll to ensure that full restitution was paid. The prime contractor shall be notified in writing of any discrepancies and will be required to make additional payments, if needed, documented on a supplemental correction payroll within 30 days.

e. Unfound Workers

Sometimes, wage restitution cannot be paid to an affected employee because, for example, the employee has moved and can't be located. After wage restitution has been paid to all of the workers who could be located, the employer must submit a list of any workers who could not be found and paid (i.e., unfound workers) providing their names, Social Security Numbers, last known addresses and the gross amount due. In such cases, at the end of the project the prime contractor will be required to place in a deposit or escrow account an amount equal to the total amount of restitution that could not be paid because the employee(s) could not be located. The contract administrator will continue attempts to locate the unfound workers for 3 years after the completion of the project. After 3 years, any amount remaining in the account for unfound workers will be credited and/or forwarded by the contract administrator to HUD.



CHAPTER 3.

Labor Standards Disputes, Administrative Reviews, Withholding, Deposits and Escrow Accounts, and Sanctions

What happens when things go wrong?

3-1 Introduction

Even in the best of circumstances, things can go wrong. In a Davis-Bacon context, “things going wrong” usually means there’s a difference of opinion or a dispute about whether and to what extent underpayments have occurred. These disputes are usually between the contract administrator and one or more employers (the prime contractor and/or a subcontractor). The dispute may involve something simple such as an additional classification request that is pending before the DOL; or something as significant as investigative findings following a complaint of underpayment. This chapter discusses some of what you may expect and what you can do to make your views known and to lessen any delays in resolving the problem or issue.

3-2 Administrative Review on Labor Standards Disputes

As mentioned in the Introduction above, a dispute about labor standards and compliance can arise for a number of reasons. The labor standards clauses in your contract and DOL regulations provide for administrative review of issues where there is a difference of views between the contract administrator and any employer. The most common circumstances include:

a. Additional Classifications and Wage Rates

Additional classification and wage rate requests are sometimes denied by the DOL. An employer that is dissatisfied with the denial can request reconsideration by the DOL Wage and Hour Administrator. The employer may continue to pay the wage rate, as requested, until a final decision is rendered on the matter. When the final decision is known, the employer will be required to pay any additional wages that may be necessary to satisfy the wage rate that is established.

- 1) Reconsideration.** The DOL normally identifies the reasons for denial in its response to the request. Any interested person (*for example*, the contract administrator, employer, representatives of the employees) may request reconsideration of the decision on the additional classification request. The request for reconsideration must be made in writing and must thoroughly

MAKING DAVIS-BACON WORK

address the denial reasons identified by the DOL. Employer requests for reconsideration should be made through the contract administrator but may be made directly to the DOL. (See 12-2(d), and also DOL Regulations 29 CFR 1.8.) All requests initiated by or made through the contract administrator or HUD must be submitted through the HUD Headquarters Office of Labor Relations.

- 2) **Administrative Review Board.** Any interested party may request a review of the Administrator's decision on reconsideration by **DOL's Administrative Review Board**. DOL regulations 29 CFR Part 7 explain the procedures for such reviews. (See also 29 CFR 1.9.)

b. Findings of Underpayment

Compliance reviews and other follow-up enforcement actions may result in findings of underpayment. The primary goal in every case and at every step in this process is to reach agreements about who may have been underpaid and how much wage restitution may be due and, of course, to promptly deliver restitution to any underpaid workers. The contract administrator will usually work informally with you to reach such agreements. You will have an opportunity to provide additional information to the contract administrator that may explain apparent inconsistencies and/or resolve the discrepancies.

If informal exchanges do not result in agreement, the final determination and schedule of back wages due will be presented to you in writing and you will be permitted 30 days in which to correct the underpayment(s) or to request a hearing on the matter before the DOL. The request for hearing must be made in writing through the contract administrator and must explain what findings are in dispute and the reasons. In such cases, HUD is required to submit a report to DOL for review and further consideration. All requests for DOL hearing must be submitted through the HUD Headquarters Office of Labor Relations.

- 1) **DOL review.** The DOL will review the contract administrator's report and the arguments against the findings presented in the hearing request. The DOL may affirm or modify the findings based upon the materials presented. You will be notified in writing by the DOL of the results of its review; you will be given an opportunity to correct any underpayments or to request a hearing before a DOL Administrative Law Judge (ALJ). (See DOL Regulations 29 CFR 5.11 (b) and 29 CFR Part 6, Rules of Practice for Administrative Proceedings.)
- 2) **Administrative Review Board.** Contractors and/or subcontractors may request a review by the Administrative Review Board of the decision(s) rendered by the DOL ALJ in the administrative hearing process. See DOL regulations 29 CFR Part 7 for more information about this proceeding.

3-3 Withholding

The contract administrator shall cause withholding from payments due to the prime contractor to ensure the payment of wages which are



believed to be due and unpaid, for example, if wage underpayments or other violations are not corrected within 30 days after notification to the prime contractor. DOL may also direct the withholding of contract payments for alleged wage underpayments. Withholding is considered to be serious and is not taken unless warranted. If withholding is deemed necessary, you will be notified in writing. Only the amounts needed to meet the contractor's (and/or subcontractors') liability shall be withheld.

Remember, the prime contractor is responsible and will be held liable for any wage restitution that is due to any worker employed in the construction of the project, including workers employed by subcontractors and any lower-tier subcontractors. See ¶11-4, *Responsibility of the Principal Contractor*, and ¶12-8, *Restitution for Underpayment of Wages*.

3-4 Deposits and Escrows

In every case, we attempt to complete compliance actions and resolve any disputes before the project is completed and final payments are made. Sometimes, corrective actions or disputes continue after completion and provisions must be made to ensure that funds are available to pay any wage restitution that is ultimately found due. In these cases, we allow projects to proceed to final closing and payments **provided** the prime contractor deposits an amount equal to the potential liability for wage restitution and liquidated damages, if necessary, in a special account. The deposit or *escrow account* is controlled by the contract administrator. When a final decision is rendered, the contract administrator makes disbursements from the account in accordance with the decision. Deposit/escrow accounts are established for one or more of the following reasons:

- a. **Where the parties have agreed to amounts of wage restitution that are due** but the employer hasn't furnished evidence yet that all of the underpaid workers have received their back wages, e.g., some of the workers have moved and could not be located. The amount of the deposit is equal to the total amount of restitution due to workers lacking payment evidence. As these workers are paid and proper documentation is provided to the contract administrator, amounts corresponding to the documented payments are returned to the depositor. Amounts for any workers who can not be located are held in the deposit/escrow account for three years and disbursed as described in ¶12-8(e) of this Guide.
- b. **Where underpayments are suspected or alleged and an investigation has not yet been completed.** The deposit is equal to the amount of wage restitution and any liquidated damages, if applicable, that are estimated to be due. If the final determination of wages due is less than the amount estimated and placed in the escrow account, the escrow will be reduced to the final amount and the difference will be returned to the depositor. If the parties agree to the investigative findings, the amounts due to the workers will be disbursed from the escrow account in accordance with the schedule of wages due. Amounts for unfound workers will be retained as described above (See ¶12-8(e) and 3-4(a)).

If the parties *do not* agree and an administrative hearing is requested, the escrow will be maintained as explained in ¶13-4(c), below.

MAKING DAVIS-BACON WORK

Remember, if you have any questions or need assistance concerning labor standards requirements help is always available. Contact the contract administrator for the project you're working on or the HUD Field Labor Relations staff in your area.

- c. **Where the parties are waiting for the outcome of an administrative hearing** that has been or will be requested contesting a final determination of wages due. The deposit shall be equal to the amount of wage restitution and liquidated damages, if applicable, that have been determined due. Once a final decision is rendered, disbursements from the escrow account are made in accordance with the decision.

3-5 Administrative Sanctions

Contractors and/or subcontractors that violate the labor standards provisions may face administrative sanctions imposed by HUD and/or DOL.

a. DOL Debarment

Contractors and/or subcontractors that are found by the Secretary of Labor to be in aggravated or willful violation of the labor standards provisions of the Davis-Bacon and Related Acts (DBRA) will be ineligible (**debarred**) to participate in any DBRA or Davis-Bacon Act contracts for up to 3 years. Debarment includes the contractor or subcontractor and any firm, corporation, partnership or association in which the contractor or subcontractor has a substantial interest. Debarment proceedings can be recommended by the contract administrator or can be initiated by the DOL. Debarment proceedings are described in DOL regulations 29 CFR 5.12.

b. HUD Sanctions

HUD sanctions may include Limited Denials of Participation (LDPs), debarments and suspensions.

- 1) **LDPs.** HUD may issue to the employer a limited denial of participation (LDP) which prohibits the employer from further participation in HUD programs for a period up to one year. The LDP is usually effective for the HUD program in which the violation occurred and for the geographic jurisdiction of the issuing HUD Office. HUD regulations concerning LDP's are found at 24 CFR 24.700-24.714.
- 2) **Debarment and suspensions.** In certain circumstances, HUD may initiate its own debarment or suspension proceedings against a contractor and/or subcontractor in connection with improper actions regarding Davis-Bacon obligations. For example, HUD may initiate debarment where a contractor has been convicted for making false statements (such as false statements on certified payrolls or other prevailing wage certifications) or may initiate suspension where a contractor has been indicted for making false statements. HUD regulations concerning debarment and suspension are found at 24 CFR Part 24.

3-6 Falsification of Certified Payroll Reports

Contractors and/or subcontractors that are found to have willfully falsified payroll reports (Statements of Compliance), including correction certified payroll reports, may be subject to civil or criminal prosecution. Penalties may be imposed of \$1,000 and/or one year in prison for each false statement (see Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code).



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Acronyms and Symbols

CDBG	– Community Development Block Grant
CFR	– Code of Federal Regulations
CPR	– Certified Payroll Report
CWHSSA	– Contract Work Hours and Safety Standards Act
DBA	– Davis-Bacon Act
DBRA	– Davis-Bacon and Related Acts
DOL	– Department of Labor
FHA	– Federal Housing Administration
FLSA	– Fair Labor Standards Act
HUD	– Housing and Urban Development (Department of)
IHA	– Indian Housing Authority
LCA	– Local Contracting Agency
LDP	– Limited Denial of Participation
O/T	– Overtime
PHA	– Public Housing Agency
S/T	– Straight-time
SAC	– State Apprenticeship Council/Agency
TDHE	– Tribally-Designated Housing Entity
§	– Section
¶	– Paragraph

Davis-Bacon – Related Web Sites*

HUD Office of Labor Relations:

www.hud.gov/offices/olr

HUD Regulations:

www.access.gpo.gov/nara/cfr/cfr-table-search.html

HUDClips (Forms and Publications):

www.hudclips.org/cgi/index.cgi

DOL Davis-Bacon and Related Acts Homepage:

www.dol.gov/esa/programs/dbra/index.htm

DOL Regulations:

www.dol.gov/dol/allcrf/Title_29/toc.htm

Davis-Bacon Wage Decisions:

www.wdol.gov

DOL Forms:

www.dol.gov/esa/programs/dbra/forms.htm

*Web addresses active as of June 2006



Project Wage Rate Sheet

U.S. Department of Housing and Urban Development
Office of Labor Relations

PROJECT NAME:			WAGE DECISION NUMBER/MODIFICATION NUMBER:			
PROJECT NUMBER:			PROJECT COUNTY:			
WORK CLASSIFICATION	BASIC HOURLY RATE (BHR)	FRINGE BENEFITS	TOTAL HOURLY WAGE RATE	LABORERS FRINGE BENEFITS:		\$ TOTAL WAGE
				GROUP #	BHR	
Bricklayers			\$			\$
Carpenters			\$			\$
Cement Masons			\$			\$
Drywall Hangers			\$			\$
Electricians			\$			\$
Iron Workers			\$			\$
Painters			\$	OPERATORS FRINGE BENEFITS:		\$ TOTAL WAGE
				GROUP #	BHR	
Plumbers			\$			\$
Roofers			\$			\$
Sheet Metal Workers			\$			\$
Soft Floor Layers			\$			\$
Tapers			\$			\$
Tile Setters			\$	TRUCK DRIVERS FRINGE BENEFITS:		\$ TOTAL WAGE
				GROUP #	BHR	
OTHER CLASSIFICATIONS						
			\$			\$
			\$			\$
			\$			\$
ADDITIONAL CLASSIFICATIONS (HUD Form 4230-A)						
WORK CLASSIFICATION	BASIC HOURLY RATE	FRINGE BENEFITS	TOTAL HOURLY WAGE RATE	DATE OF HUD SUBMISSION TO DOL	DATE OF DOL APPROVAL	
			\$			
			\$			
			\$			
			\$			

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

PAYROLL
 (For Contractor's Optional Use; See Instructions, Form WH-347 Inst.)



Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

NAME OF CONTRACTOR OR SUBCONTRACTOR

ADDRESS

OMB No.: 1215-0149
 Expires: 03/31/2006

PAYROLL NO.

FOR WEEK ENDING

PROJECT AND LOCATION

PROJECT OR CONTRACT NO.

(1) NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OF EMPLOYEE	(2) NO. OF WITHHOLDING EXEMPTIONS	(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	
			OT CRS. ST.	HOURS WORKED EACH DAY									FICA	WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS			
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We estimate that it will take an average of 58 minutes to complete this collection of information, including time for reviewing instructions searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection of information, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, ESA, U. S. Department of Labor, Room S3502, 200 Constitution Avenue, N. W., Washington, D. C. 20210.

FORM WH-347, Revised Nov. 1998 - FORMERLY SOL 184 - PURCHASE THIS FORM DIRECTLY FROM THE SUPT. OF DOCUMENTS

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 _____ (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:

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.

U.S. Department of Housing and Urban Development
Office of Labor Relations
Washington, DC 20410

Official Business
Penalty for Private Use \$300

Return Service Requested

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HUD
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Labor Relations Desk Guide
LR01.DG



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EMPLOYEE RIGHTS

UNDER THE DAVIS-BACON ACT

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

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:

Mr. Jesse S. Palacios, Corporate Director
Northern Marianas Housing Corporation (NMHC)
or his representative: Mr. Jacob Muna, Office Manager/Procurement Officer
Tel: (670)234-6866/9447
Email: officemanager@nmhcgov.net

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



WAGE AND HOUR DIVISION
UNITED STATES DEPARTMENT OF LABOR

1-866-487-9243
TTY: 1-877-889-5627
www.dol.gov/whd



WH1321 REV 10/17

EMPLOYEE RIGHTS

UNDER THE FAIR LABOR STANDARDS ACT

FEDERAL MINIMUM WAGE
IN THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

\$7.25 PER HOUR

BEGINNING SEPTEMBER 30, 2018

The law requires employers to display this poster where employees can readily see it.

OVERTIME PAY

At least 1½ times the regular rate of pay for all hours worked over 40 in a workweek.

CHILD LABOR

An employee must be at least 16 years old to work in most non-farm jobs and at least 18 to work in non-farm jobs declared hazardous by the Secretary of Labor. Youths 14 and 15 years old may work outside school hours in various non-manufacturing, non-mining, non-hazardous jobs with certain work hours restrictions. Different rules apply in agricultural employment.

TIP CREDIT

Employers of “tipped employees” who meet certain conditions may claim a partial wage credit based on tips received by their employees. Employers must pay tipped employees a cash wage of at least \$2.13 per hour if they claim a tip credit against their minimum wage obligation. If an employee’s tips combined with the employer’s cash wage of at least \$2.13 per hour do not equal the minimum hourly wage, the employer must make up the difference.

NURSING MOTHERS

The FLSA requires employers to provide reasonable break time for a nursing mother employee who is subject to the FLSA’s overtime requirements in order for the employee to express breast milk for her nursing child for one year after the child’s birth each time such employee has a need to express breast milk. Employers are also required to provide a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public, which may be used by the employee to express breast milk.

ENFORCEMENT

The Department has authority to recover back wages and an equal amount in liquidated damages in instances of minimum wage, overtime, and other violations. The Department may litigate and/or recommend criminal prosecution. Employers may be assessed civil money penalties for each willful or repeated violation of the minimum wage or overtime pay provisions of the law. Civil money penalties may also be assessed for violations of the FLSA’s child labor provisions. Heightened civil money penalties may be assessed for each child labor violation that results in the death or serious injury of any minor employee, and such assessments may be doubled when the violations are determined to be willful or repeated. The law also prohibits retaliating against or discharging workers who file a complaint or participate in any proceeding under the FLSA.

ADDITIONAL INFORMATION

- Certain occupations and establishments are exempt from the minimum wage, and/or overtime pay provisions.
- Some employers incorrectly classify workers as “independent contractors” when they are actually employees under the FLSA. It is important to know the difference between the two because employees (unless exempt) are entitled to the FLSA’s minimum wage and overtime pay protections and correctly classified independent contractors are not.
- Certain full-time students, student learners, apprentices, and workers with disabilities may be paid less than the minimum wage under special certificates issued by the Department of Labor.

The Fair Minimum Wage Act of 2007 (Public Law 110-28), as amended, applies the minimum wage rate shown above to the Commonwealth of the Northern Mariana Islands. This law also provides for additional increases in the minimum wage of \$0.50 an hour each year on September 30 (except in 2011, 2013 and 2015, when no increase occurs), until reaching the minimum wage generally applicable in the U.S.



WAGE AND HOUR DIVISION
UNITED STATES DEPARTMENT OF LABOR

1-808-541-1361
TTY: 1-877-889-5627
www.dol.gov/whd



"General Decision Number: CM20210002 01/01/2021

Superseded General Decision Number: CM20200002

State: Mariana Islands

Construction Types: Building, Heavy, Highway and Residential

County: Mariana Islands Statewide.

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.95 for calendar year 2021 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.95 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2021. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a)(1)(ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number Publication Date
0 01/01/2021

SUCM2019-001 02/13/2019

	Rates	Fringes
CARPENTER.....	\$ 7.25	
ELECTRICIAN.....	\$ 7.25	
Equipment Operator.....	\$ 7.25	
Heavy Equipment Mechanic.....	\$ 7.25	
Laborers:		
Laborer I & II (Level 1 & 3).....	\$ 7.25	
Laborer III (Level 5).....	\$ 7.25	
Linemen.....	\$ 7.25	
MASON.....	\$ 7.25	
Mechanic		
Automotive Mechanic.....	\$ 7.25	

PAINTER.....\$ 7.25
 PLUMBER.....\$ 7.25
 Power Plant Mechanic.....\$ 7.25
 Power Plant Operator.....\$ 7.25
 REFRIGERATION MECHANIC.....\$ 7.25
 ROOFER.....\$ 7.25
 Sheet metal workers.....\$ 7.25
 TRUCK DRIVER.....\$ 7.25

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198

indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial

contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

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