

Prevailing Wage Compliance 2022

Prevailing Wage Components

Contract Documents

Wage Decisions

Wage Rate Interviews

Overtime

Certified Payrolls

Truck Drivers

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19

Prevailing Wage Guidance

MDOT Construction Manual

- Division 1 Section. 107 – Prevailing Wage Oversight Procedures

The oversight procedures provide guidance on the following:

- FHWA – 1273
- Notice to Bidders
- Wage Decisions
- PW Notifications

The screenshot shows the MDOT website's 'Prevailing Wage' page. On the left is a navigation menu with links like 'Main page', 'Table of Contents', 'Recent changes', 'All Changes', 'Help', 'Content Revision Procedures', 'Frequently Searched Items', 'Documentation Guide', 'Division 1', 'Division 1 Supplemental Information', 'Division 2 - Earthwork' (with sub-links for 201-209), 'Division 2 Supplemental Information', 'Division 3 - Base Courses' (with sub-links for 301-302), and 'Miscellaneous'. On the right, under the heading 'Prevailing Wage', there is a 'Contents [hide]' section with a numbered list of 15 items, including '1 Prevailing Wage', '2 Contractor Responsibilities', '3 Prevailing Wage Discussion at the Preconstruction Meeting', '4 Definition of Site of Work', '5 Jobsite Postings', '6 Certified Payrolls' (with sub-items 6.1-6.6), '7 Wage Decisions' (with sub-item 7.1), '8 Wage Rate Interviews', '9 Prevailing Wage Classifications' (with sub-items 9.1-9.3), '10 Truck Drivers' (with sub-item 10.1), '11 In-Depth Examination', '12 Restitution', '13 Post-Construction', '14 Contractor Performance Evaluation (CPE)', and '15 Prevailing Wage Oversight Quality Assurance' (with sub-items 15.1-15.3).

20

21

22

eProposal

<ul style="list-style-type: none"> Cover Page Schedule of Items Subcontract Provisions Table of Contents Advertising Notice Progress Clause > Permits > Maintaining Traffic incl. Details > Unique Special Provisions > Special Provisions for this Project > Notice to Bidders for this Project Utility Coordination > Supplemental Specifications Notice of Bidders - Contact Person <li style="border: 1px solid red;">Labor Rates 	<p>"General Decision Number: MI20210001 11/26/2021</p> <p>Superseded General Decision Number: MI20200001</p> <p>State: Michigan</p> <p style="border: 1px solid red; padding: 2px;">Construction Types: Highway (Highway, Airport & Bridge xxxxx and Sewer/Incid. to Hwy.)</p> <p style="border: 1px solid red; padding: 2px;">Counties: Michigan Statewide.</p> <p>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</p>
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23

eProposal

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24

Form FHWA – 1273

Contains several of the most common contract provisions mandated by various federal agencies when federal dollars are involved:

- Included in all MDOT let Federal-aid construction contracts
- Required subcontract attachment (see form 1302-Fed)
 - Form was revised 10/21
 - Required attachments moved from page six to page two
- Contains DBRA (IV) and CWHSSA (V) provisions.

FHWA-1273 -- Revised May 1, 2012

**REQUIRED CONTRACT PROVISIONS
FEDERAL-AID CONSTRUCTION CONTRACTS**

<p>I. General</p> <p>II. Nondiscrimination</p> <p>III. Nonsegregated Facilities</p> <p>IV. Davis-Bacon and Related Act Provisions</p> <p>V. Contract Work Hours and Safety Standards Act Provisions</p> <p>VI. Subletting or Assigning the Contract</p> <p>VII. Safety: Accident Prevention</p> <p>VIII. False Statements Concerning Highway Projects</p> <p>IX. Implementation of Clean Air Act and Federal Water Pollution Control Act</p> <p>X. Compliance with Governmentwide Suspension and Debarment Requirements</p> <p>XI. Certification Regarding Use of Contract Funds for Lobbying</p> <p>ATTACHMENTS</p> <p>A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (included in Appalachian contracts only)</p> <p>I. GENERAL</p> <p>1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The</p>	<p>3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.</p> <p>4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.</p> <p>II. NONDISCRIMINATION</p> <p>The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.</p> <p>In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI</p>
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25

PW Oversight Procedures

- Certified Payrolls must be received by the Engineer with in three weeks from the week ending in which work is performed.
- If they are not received in three weeks they are considered:
 - **Delinquent**
- Certified payrolls that are found to be incomplete, inaccurate, or inconsistent with other project records are considered:
 - **Deficient**

26

PW Oversight Procedures

Delinquent Certified Payrolls

When weekly certified payrolls are delinquent as defined in the special provision for Labor Compliance, the Engineer will provide the prime contractor a first written notice of delinquent certified payrolls. The notice will be sent by email or other method which establishes the date the first notice was received by the prime contractor with a copy to any subcontractor(s) that may be involved. The region coordinator for prevailing wage compliance should be copied on the notice. The notice informs the contractor that payment for work is suspended as of the date the certified payrolls became delinquent for the work items of the offending contractor(s). When the pay estimate is generated, the statement "Items Withheld-Delinquent Payrolls" should be entered in the comments area. In addition, the notice is to state that if certified payrolls remain delinquent after 30 calendar days from receipt of the first notice, non-compliance damages will be assessed retroactive to the date the contractor received the first notice. The damages will be assessed on a calendar day basis until complete and accurate certified payrolls are submitted. The amount of non-compliance damages to be assessed is proportional to the value of the contractor's work on the project, and a schedule of values is included in the special provision for Labor Compliance.

If the certified payrolls continue to be delinquent after 30 calendar days from receipt of the first notice to the prime contractor, the Engineer will implement the actions from the first notice. Concurrently, the Engineer will send the prime contractor a second written notice of delinquent certified payrolls by email or other method which establishes the date the second notice was received by the prime contractor, with a copy to any subcontractor(s) that may be involved. The region coordinator for prevailing wage compliance and the Construction Field Services Prevailing Wage Compliance Specialist should be provided a copy of the notice. The notice will state if the certified payrolls remain delinquent for 30 days from the receipt of the second notice, the Engineer will rescind all previous payments for work completed by the offending contractor(s). In addition, the Engineer will complete Interim Contractor Performance Evaluations for the offending contractor. If certified payrolls have not been received from the contractor after 30 calendar days from receipt of the second notification, the Engineer will implement the actions from the second notice. In all circumstances, the withholding of payments, assessment of non-compliance damages, and rescinded payments will continue until all delinquent certified payrolls are current, complete, and correct.

The notification sequence previously described is as follows:

Initiate Notice	Notice Sequence	Contractor Notice of Action	Allotted Time for Response/Resolution	If No Response/Resolution
First payroll has not been received within three weeks.	First Notice. (See Note 1)	Payment is being withheld for offending contractor's work items. Non-payment will continue until complete and accurate payrolls are received. Intent to assess non-compliance damages until all payrolls are complete, accurate and current. (See Note 2)	30 days from receipt of first notice by the prime contractor.	Implement actions from the first notice. Send second notice.
Payroll remains delinquent 30 days after first notice received by prime contractor.	Second Notice. (See Note 1)	Intent to rescind all prior payment for the offending contractor's work items. Intent to submit Interim Contractor Performance Evaluation(s) for the offending contractor(s). (See Note 2)	30 days from receipt of second notice by the prime contractor.	Implement actions from the second notice.

Note 1: Notice will be signed by the Engineer and delivered by email or other method which establishes the date received by the prime contractor. The region coordinator for prevailing wage should be copied on the first notice to the prime contractor. The region coordinator for prevailing wage and the CFS Prevailing Wage Compliance Specialist will be copied on the second notice to the prime contractor.

Note 2: Prior to generating an estimate on which payment is being withheld or deducted, the following statement is to be entered in the comment box: "Items withheld – Delinquent payroll."

[top of page]

27

Delinquent Notification Example

Date

(Company President's Name)
(Prime Contractor Name)
(Address)

Re: (Contract ID), Certified Payrolls, Delinquent Notice 1

Dear _____:

Your (company/subcontractor) performed work on (Contract ID) during the week(s) ending (____). As of (3 weeks from the date work was started) certified weekly payrolls have not been received for the work performed by your (company/subcontractor name) and are classified as delinquent. Payment has been suspended for the work items performed by your (company/subcontractor, name). If certified weekly payrolls remain delinquent after 30 calendar days from the receipt of this notice, non-compliance damages will be assessed retroactive to the date this notice was received. Payment for work items performed by your (company/subcontractor, name) will continue to be suspended until complete and accurate certified payrolls are current and received by this office.

Sincerely,

Name
Construction Engineer
(Name of company, agency or TSC)

Sent by certified mail receipt requested or other method which establishes the date received by the prime contractor

cc: Subcontractor (by regular mail if needed)
cc: Region coordinator for prevailing wage

28

Agency Payroll Review



February 14, 2022
Page 1 of 2

WEEKLY CERTIFIED PAYROLL REPORTING FORM

NAME OF CONTRACTOR / Test Contractor Prime		CONTRACTOR'S LICENSE No. 5177197344 SPECIALTY LICENSE No.		ADDRESS : 885 Ricks Rd , Lansing, MI 48909 PHONE: 5177197344 EMAIL: strongadam8@gmail.com		PROJECT LOCATION / CODE / NAME : Multiple Locations / AB-1234 / Test_Road Rehabilitation from I-74 North to Detroit	
DAYROLL No. 1		FOR WEEK ENDING: 02/05/2022 SUBMITTED ON: February 14, 2022		MOTOR CARRIER PERMIT No.		UNION Non-Union	
NAME, ADDRESS, SSN, DRIVER'S LICENSE, ETHNICITY, GENDER BRYANT, KOBIE Pop. M: 1212 XXX-XX-1212 AFRICAN AMERICAN Male		WORK CLASSIFICATION, LOCATION AND TYPE EM0024.000 / Power Equipment Operator (Airport, Bridge & Highway Construction) - Group 1 / Type: Highway Statewide WD: M20190001		HOURS WORKED EACH DAY 02/02 02/03 02/04 02/05 02/06 02/07 02/08 S M T W TH F S 10.00 10.00 10.00 10.00 10.00 10.00 10.00		TOTAL HOURS 80.00 BASE HOURLY RATE OF PAY 36.88 GROSS AMOUNT EARNED 2,950.40	
All or Part of Fringes Paid to Employee: YES		Vacation, Holiday and Does in Gross Pay: NO Voluntary Contributions in Gross Pay: NO		Rate in Lieu of Fringes 24.85		Total in Lieu of Fringes 1,991.00	
				Total Base Rate - Fringes 61.71		Voluntary Pension 0.00	
				Voluntary Medical 0.00		H & W Rate 0.00	
				Pension Rate 0.00		Vac. Hol. Rate 0.00	
				Training Rate 0.00		All Other Rate 0.00	
				Total Fringe Rate to Tot. 0.00		Total Fringe Rate to Tot. 0.00	
				Payroll Payment Date		3/07/21	
				Federal Tax 488.54		Social Security 252.41	
				Medicare 59.03		State Tax 173.03	
				Local Taxes / SDI 20.36		Other 0.00	
				Savings 0.00		Total Deduction 993.37	
				Total Fringes Paid to Tot. 0.00		Net Paid Week 3,077.83	

Things to look for:

- Classification and location correct?
- Number of hours and employees look appropriate?
- Fringes match fringe benefit statement?

29

PW Oversight Procedures

Deficient Certified Payroll

During the review, if the weekly certified payrolls are found to be incomplete, inaccurate, or inconsistent with the other project records, they are considered deficient. The Engineer will notify the prime contractor of the deficiencies by email or other method which establishes the date the notice is received by the contractor with a copy to any subcontractor(s) that may be involved and the region coordinator for prevailing wage compliance.

The notice will inform the contractor(s) that if the deficiencies are not corrected and revised certified payrolls are not received by the Engineer in 30 calendar days from receipt of the notice by the prime contractor, payment for the offending contractor's work items will be withheld until corrected and revised payrolls are received by the Engineer. In addition, the notice will state the intent to assess non-compliance damages retroactive to the date the prime contractor received the first notice until all issues are resolved. The offending contractor must submit revised certified payrolls correcting all deficiencies and/or errors through the prime contractor. The amount of non-compliance damages to be assessed is proportional to the value of the contractor's work on the project, and a schedule of values is included in the special provision for Labor Compliance.

If the issues are not resolved within 30 calendar days from the receipt of the first notice, the Engineer will implement the action from the first notice. Concurrently, they will send a second notice to the prime contractor by email or other method which establishes the date the notice was received by the contractor, with a copy to any subcontractor(s) that may be involved. The second notice will state that if corrected and revised certified payrolls are not received within 30 calendar days of the receipt of the second notice by the prime contractor, the Engineer will rescind all payments for the offending contractor's work items previously paid. In addition, the Engineer will complete interim Contractor Performance Evaluations for the offending contractor. The CFS Prevailing Wage Compliance Specialist and region coordinator for prevailing wage compliance are also to receive a copy of the second notice.

If the deficient certified payrolls are not corrected and revised certified payrolls received by the Engineer within 30 calendar days of the second notice, the Engineer will implement the actions in the second notice and prepare the appropriate Contractor Performance Evaluations to report the continued non-compliance with prevailing wage requirements. Assessment of non-compliance damages, withholding of payments, and rescinded payments will continue until all corrected and revised certified payrolls are received by the Engineer.

The notification sequence previously described would be as follows:

Initiate Notice	Notice Sequence	Contractor Notice of Action	Allotted Time for Response/Resolution	If No Response/Resolution
Payroll deficiencies	First Notice. (See Note 1)	Intent to withhold payment for offending contractor's work items. Intent to assess non-compliance damages from the date the first notice was received by the prime contractor.	30 days from receipt of first notice by the prime contractor.	Implement actions from the first notice. Send second notice.
Payroll issue not resolved 30 days after first notice.	Second Notice. (See Note 2)	Intent to rescind payment for all work items of offending contractor(s). Intent to submit interim Contractor Performance Evaluations.	30 days from receipt of second notice by the prime contractor.	Implement actions from the second notice.

Note 1: Written notice will be signed by the Engineer and delivered by email or other method which establishes the date the notice was received by the prime contractor. The offending subcontractor(s) and the region coordinator for prevailing wage compliance will be copied on the email.

Note 2: Written notice will be signed by the Engineer and delivered by email or other method which establishes the date the notice was received by the prime contractor. In addition, the offending subcontractor(s), the region coordinator for prevailing wage compliance, and the CFS Prevailing Wage Compliance Specialist will be copied on the email.

30

Deficient Notification Example

Date

(Company President's Name)
(Prime Contractor Name)
(Address)

Re: (Contract ID), Certified Payrolls, Deficient Notice 1

Dear _____:

The certified payroll(s) for week(s) ending (enter date) submitted by your (company/subcontractor, name) are deficient as noted below. The above dated certified payrolls must be corrected and resubmitted with original signature. Corrected certified payrolls of subcontractors must be resubmitted through your company. The following items must be addressed. (Delete all items that do not apply).

- Name and address with the prime or subcontractor(s) identified
- State contract ID numbers (contract identification)
- Payroll No., week ending, project location
- Employee full name and last four digits of social security number
- Identification of minority and female employees
- Employee's full work classification, including group or class
- Identification of OJT's, apprentices and program levels (%) on payrolls
- Daily and weekly employee hours worked in each job classification
- Daily and weekly employee overtime (or premium) hours worked in each job classification
- Total weekly hours worked on all jobs (prevailing and non-prevailing wage)
- Base rate shown for each employee, overtime (or premium) rate shown when worked
- Fringe benefit package information in file and updated as needed
- Project gross weekly wages
- Week's gross wages for all jobs
- Week's itemized deductions
- Week's Net wages paid for all jobs
- Compliance statement attached
- Explanation of itemized deductions if needed
- Method of fringe benefit payment described by checking either box (4)(a) or (4)(b)
- Exceptions explanation for fringe benefit (4)(c)
- Original signature
- Other (give detailed explanation)

Mr./Ms. XX.XXXX
Page 2
Date

You are hereby notified that if corrected and complete certified payrolls are not received by this office within 30 calendar days from the receipt of this notice, payment for work items performed by your (company/subcontractor, name) will be suspended until corrected and complete certified payrolls have been received by this office. In addition, if corrected and complete certified payrolls are not received by this office within 30 calendar days from the receipt of this notice, non-compliance damages will be assessed retroactive to the date this notice was received.

Sincerely,

Name
Construction Engineer
(Name of company, agency or TSC)

Sent by certified mail receipt requested or other method which establishes the date received by the prime contractor

cc: Subcontractor (by regular mail if needed)
cc: Region coordinator for prevailing wage

31

MDOT Form 1954

Michigan Department of Transportation
1954 (07/09)
CERTIFIED PAYROLL STATUS RECORD
File 111
Page 1 of 3

Contract ID: _____ Project Engineer: _____ Subcontractor: _____

Location: _____ Prime Contractor: _____ Contact Information: _____

	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	
Week Ending																															
Week Ending																															
Week Ending																															
Week Ending																															

Wage Rate Interview? Date: _____

NOTICE OF DELINQUENT CERTIFIED PAYROLL

Date of Notice	Date CPR Due	Date CPR Received	Follow Up Action Taken / Comments

NOTICE OF DEFICIENT CERTIFIED PAYROLL

Date of Notice	Date Revised CPR Due	Date Revised CPR Received	Follow Up Action Taken / Comments

KEY: W = Contractor Worked R = Certified Payroll Received A = Certified Payroll Accepted CPR = Certified Payroll
Note: A date fillable excel spreadsheet version is available on the MDOT website under [Maps and Publications - Manual & Guides](#).

32

PW Oversight Procedures

Restitution Notice:

- If restitution is required as a result of a PW violation, the Construction Field Services Division, PW Compliance Specialist must be notified.
- The Prime Contractor will be notified along with any involved subcontractor of the violation and restitution amount:
 - Let them know what the noncompliance is for.
 - What needs to occur to correct the noncompliance.
 - What will happen if they do not comply within the time frames issued in the notification.

33

PW Oversight Procedures

Restitution Notice:

Intent of the first notice of violation and restitution:

- Immediately withholding the amount of the violation, if known, or an estimated amount.
- 60 days to resolve the violation or the intent will be to withhold payment for the offending contractor's items.
- This may be extended if Engineer and Contractor agree in writing.

34

PW Oversight Procedures

Restitution Notice:

Intent of the second notice of violation and restitution:

- Begin withholding all payments for the offending contractor's work items.
- Assessment of non-compliance damages retroactively to the date the first notice was received by the prime contractor.
- If the violation is not fully resolved within 30 calendar days of receipt of second notice the Engineer will implement the actions of the second notice. Damages will continue until the violation is resolved.

35

PW Oversight Procedures

Contractor Performance Evaluation (CPE):

- When a contractor fails to take necessary actions to become compliant the Engineer will document the non-compliance through the CPE process.
- Interim CPE can aid in achieving prevailing wage compliance but should not be done if no additional prevailing wage work will occur.
- Contractor performance considered when prequalification is reviewed.

36

Contract Provisions for PW

Notice to Bidders

- Fraud and Abuse Hotline (12NB17 or 20NB03)
- Multiple Wage Decisions(NB13 or 20NB01)
 - Clarifies the proper use of wage decisions (Highway vs. Heavy)

Special Provisions

- Labor Compliance
- ~~Jobsite Poster Deficiencies (2020 Spec Book)~~
- PW and Labor Compliance System

37

Notice to Bidders

Multiple Wage Decisions

20NB01

MICHIGAN
DEPARTMENT OF TRANSPORTATION
NOTICE TO BIDDERS
FOR
MULTIPLE DAVIS-BACON WAGE DECISIONS

CSD:LS 1 of 1 APPR:MAS:02-09-21

This proposal may contain multiple Davis-Bacon Wage Decisions. In order to clarify the work covered by each decision, the following explanations are offered:

General Decision Mxxxx0001 covers all airport construction, bridge construction, highway construction, and sewer and watermain work that are incidental to highway projects. The construction type indicated on this decision is "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)". This wage decision is the most commonly used wage decision in MDOT's federally funded projects.

In accordance with the U.S. Department of Labor's All Agency Memorandums No. 130 and No. 131, multiple wage decisions will be included in those projects in which a second category of work is substantial in relation to project cost – more than approximately 20% or \$1,000,000. Sewer and watermain work is considered to fall under the Heavy Construction work classification by the DOL, therefore when that work type is more than 20% of the engineer's estimate or \$1,000,000, the wage decision with the construction type "HEAVY CONSTRUCTION PROJECTS" will also be included in the proposal and is to be used for the sewer and watermain work in the proposal. All other work performed on the project will be covered by the "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)" wage decision.

Also, when the landscape work is more than 20% of the project cost or \$1,000,000, the "HEAVY CONSTRUCTION PROJECTS" wage decision will be included in the proposal to cover all landscape work. All other work performed on the project will be covered by the "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)" wage decision. If the project is a total landscape project, only the "HEAVY CONSTRUCTION PROJECTS" wage decision will be in the proposal.

Rest area building projects will include the construction type "BUILDING" wage decision when the building portion of the work is more than 20% of the project cost or \$1,000,000. The other work performed on the project will be covered by the "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)" wage decision and/or the "HEAVY CONSTRUCTION PROJECTS" wage decision (landscape and/or sewer and watermain work) if either or both are greater than 20% or \$1,000,000.

Although there is only one wage decision for "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)" work (Mxxxx0001), the "HEAVY CONSTRUCTION PROJECTS" and "BUILDING" wage decisions vary from county to county.

38

Special Provision

Labor Compliance

pg. 1

20SP-107D-01

MICHIGAN
DEPARTMENT OF TRANSPORTATION

SPECIAL PROVISION
FOR
LABOR COMPLIANCE

COS:AS 1 of 3 APPR:JJG:RJC:03-24-20
FHWA:APPR:03-30-20

a. Description. Ensure all levels of contracting (prime, sub, sub-sub, etc.) comply with all labor compliance requirements in this contract. The Contractor is responsible for subcontractors and lower tier subcontractor labor compliance. Job site poster requirements apply to state and federally funded projects. All Contractors must insert this special provision in each subcontract and further require its inclusion in lower tier subcontracts for federal prevailing wage projects.

b. Requirements.

1. Jobsite Posters. All jobsite posters and employment notices required by State and Federal regulations and the contract are to be posted on the jobsite in a conspicuous area prior to the commencement of work. **Ensure jobsite postings are accessible at all times.**
2. Federal Prevailing Wage Projects. The Davis-Bacon Related Acts apply to all Contractors, and subcontractors (all tiers) performing work on federally funded or assisted construction contracts where the total construction contract price is in excess of \$2,000. Contractors and subcontractors are required to comply with 29 Code of Federal Regulations Parts 1, 3, and 5.
 The Contractor must advise subcontractors of the requirement to pay the prevailing wage rates prior to commencement of work and that all employees must cooperate during wage rate interviews.

A. Certified Payroll Submittal Requirements. Contractors (all tiers) must submit their certified payrolls to the prime Contractor. The submitted payrolls must accurately and completely include all information required on MDOT Form CP-347, Certified Payroll. The required weekly payroll information may be submitted on a contractor generated form but must contain all information required on Form CP-347. The first certified payroll is to be received by the Engineer within 3 weeks from the week ending in which work is performed. The 3 week period is to allow for the processing and review of the certified payrolls by the prime Contractor. The review must ensure the certified payroll is complete and contains all information required on Form CP-347. Form CP-347 is available on the MDOT forms webpage. Certified payroll information must meet the requirements of this special provision unless the contract requires payroll to be submitted through the prevailing wage and labor compliance (PWLC) system. Payroll submitted via the PWLC system must be entered into the system, certified, and approved by the prime Contractor to be considered received by the Department.

Labor compliance issues must be resolved within 60 calendar days of receiving the Departments first documented notice. The 60-day requirement may be extended based on documented mutual agreement between the Department and the Contractor.

39

Special Provision

Labor Compliance

pg. 2

20SP-107D-01
03-24-20

COS:AS 2 of 3

(1) Fringe Benefit Statements. Contractors making payments or incurring cost to provide bona fide benefits must submit an hourly breakdown of fringe benefits paid each worker, or work classification where applicable, that must accompany the first certified payroll where fringe benefits are credited towards the prevailing wage. The Contractor must update these documents as necessary to ensure they are current throughout the working life of the contract. Failure to submit or maintain the required fringe benefit statement will constitute a payroll deficiency.

(2) Delinquent Payroll. Certified payrolls not submitted per subsection b.2.A of this special provision will be considered delinquent.

(3) Deficient Payroll. Certified payrolls that are found to be incomplete, inaccurate, or inconsistent with other project records are considered deficient.

(4) Non-compliance Damages. A Contractor found to be in non-compliance with the requirements of this special provision will be assessed non-compliance damages listed in Table 1, proportional to the value of their work on the contract (including subcontract, purchase order (P.O.) or invoice amount).

Table 1: Schedule of Non-Compliance Damages

Contract/Subcontract/P.O./Invoice Amount (a)	Non-compliance damages per calendar day
\$0 to 49,999	\$200
50,000 to 99,999	400
100,000 to 499,999	600
500,000 to 999,999	800
1,000,000 to 1,999,999	1,300
2,000,000 to 4,999,999	1,550
5,000,000 to 9,999,999	2,650
10,000,000 and above	3,000
Trucker	\$200

a. "Contract" amount if offending contractor is the prime contractor, "Subcontract/P.O./Invoice" amount if offending contractor is a subcontractor/vendor.

B. Record Keeping. Maintain payrolls and basic records relating thereto (i.e. employee names, occupation, hours worked, W2, cancelled checks, bank statements, etc.) by all levels of contractors during the course of work and retain for a 3-year period from the date of final estimate for all employees working on the site of work. Make these records available for inspection, copying, or transcription by the Department or its representative.

C. Short Duration Projects. The following modifications apply if the project is less than 75 calendar days in duration.

(1) Submittal Requirements. On short duration projects the first certified payroll is to be received by the Engineer within 2 weeks from the week ending in which work is

40

Special Provision

Labor Compliance pg. 3

20SP-107D-01
03-24-20

COS:AS 3 of 3

performed. The 2-week period is to allow for the processing and review of the certified payrolls by the Contractor. The 2-week period allows the first estimate to be paid assuming the Contractor will submit certified payrolls in a timely manner. Ensure subsequent certified payroll submissions are made weekly. Payroll submissions failing to meet the above requirements will be considered delinquent.

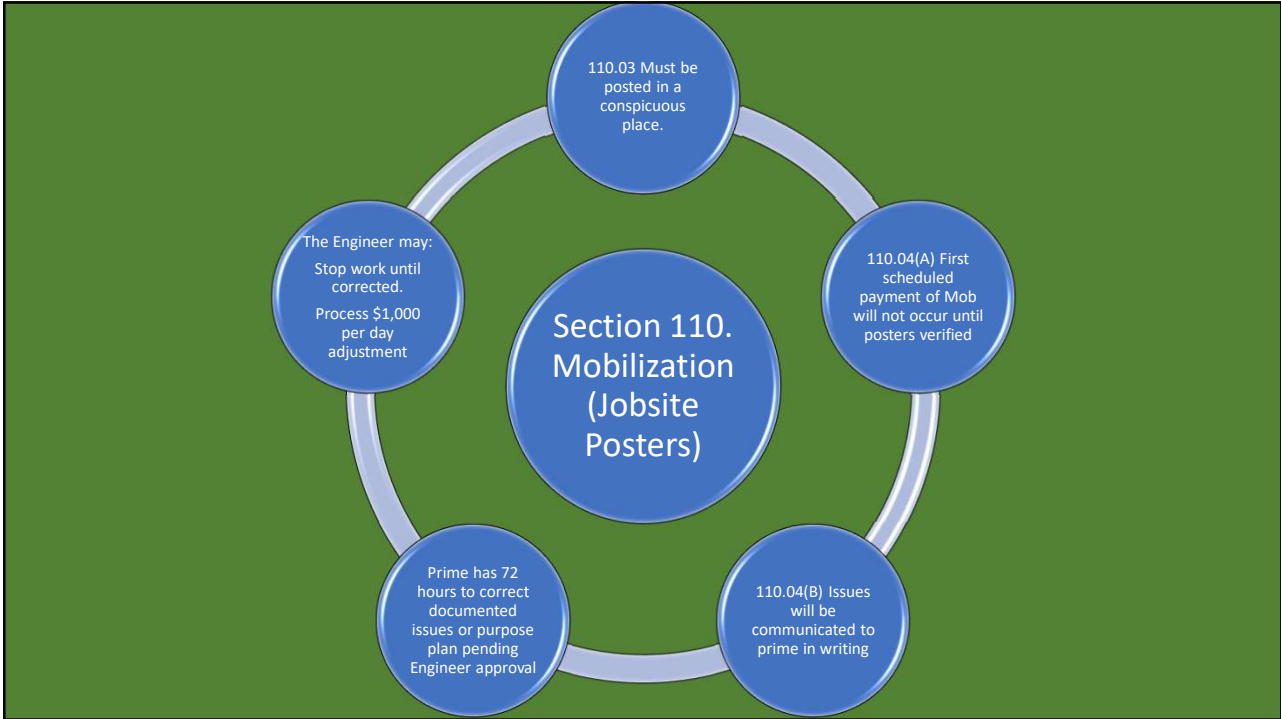
Labor compliance issues are to be resolved within 30 days after receiving the Department's first documented notice. The 30-day requirement may be extended based on documented mutual agreement between the Department and the Contractor.

c. Materials. None specified.

d. Construction. None specified.

e. Measurement and Payment. Payment for compliance with this special provision will not be made separately. Payment will be considered as part of all other pay items in the contract.

41



42

Jobsite Posters

- Information must be displayed by the Contractor on the site of work in a prominent area that is easily seen and accessible.
- Must be always accessible to employees and the public.
- Project staff responsible to inspect/verify postings each year for multi-year projects.
- Verified by the agency via MDOT Form 1967.
- Poster guidance provided on the MDOT Construction Wiki:
 - Division 1, Section 107, Subsection 1.20 "Jobsite Posting"

43

**MDOT
Form 1967
Updated
01/22**

Michigan Department of Transportation 1967 (01/2022) [Clear Form](#) File: 401

JOBSITE POSTER INSPECTION CHECKLIST

ENGINEER/INSPECTOR	COMPLETED BY
CONTROL SECTION/JOB NUMBER	DATE/TIME
PROJECT DESCRIPTION	LOCATION OF JOBSITE POSTERS

A) FEDERAL JOBSITE POSTERS

Yes N/A

1. MIOSHA- Michigan Safety and Health Protection on the Job, MIOSHA/CET 2010 (06/2021)
2. OFCCP 1420 – Equal Employment Opportunity is the Law (Rev 11/2009)
3. WH 1420 – Employee Rights Under the Family Medical Leave Act (04/2016)
4. WH 1321 – Employee Rights Under the Davis-Bacon Act (10/2017) **
Including required text field
5. WH 1321 – Employee Rights Under the Davis-Bacon Act (10/2017) - Spanish Optional **
6. FHWA 1022 – Notice: Federal Aid Projects (05/2015) **
Including both required text fields
7. WH 1462 – Notice: Employee Polygraph Protection Act (07/2016)
8. WH 1088 – Employee Rights Under the Fair Labor Standards Act (07/2016)
9. WH 1284 – Employee Rights for Workers with Disabilities Paid at Sub minimum Wages (01/2018)
10. USERRA – Your Rights Under USERRA (04/2017)

B) STATE JOBSITE POSTERS

Yes N/A

11. State of Michigan Civil Rights Poster (02/2017)
12. State of Michigan Title VI Poster
13. State of Michigan Fraud and Abuse Hotline Poster

C) ADDITIONAL REQUIRED POSTERS/DOCUMENTS

Yes N/A

14. Prevailing Wage Rates from the Contract **
15. Equal Employment Opportunity (EEO) Policy Statement
16. Letter Appointing an EEO Officer for the Contract
17. Emergency telephone numbers
18. Permits (MI Department of Natural Resources & Environmental and/or US Army Corps of Engineers)

COMMENTS ** Not Applicable to State Only Funded Contracts.

44

01. MICHSHA/CET2010 	02. OFCCP-1420 	03. WH-1420 	<h1>Jobsite Poster Example (wiki)</h1>
04. WH-1321 	<p>WH-1321 Required Information:</p> <p>Michigan DOT Contracting Officer (517) 636-0627</p>	05. WH-1321 	
06. FHWA-1022 	<p>FHWA-1022 Required Information:</p> <p>State Transportation Agency Michigan DOT 425 W. Ottawa St. Lansing, MI 48922 Federal Highway Administrator Russell Jorgenson 315 W. Allegan St. Lansing, MI 48933</p>	07. WH-1462 	
08. WH-1088 	09. WH-1284 	10. USERRA 	

11. Michigan Civil Rights

12. Michigan Title VI

13. Fraud & Abuse Hotline

45

Jobsite Posters

GOOD BOARD





BAD BOARD

46

Special Provision

Prevailing Wage Compliance System

20SP-104D-01

MICHIGAN
DEPARTMENT OF TRANSPORTATION
SPECIAL PROVISION
FOR
PREVAILING WAGE AND LABOR COMPLIANCE SYSTEM

COS:AS 1 of 2 APPR:RJC:MRB:03-24-20
FHWA:APPR:03-30-20

a. Description. This work consists of the required use of a prevailing wage and labor compliance (PWLC) system for all prevailing wage documentation as directed by the Engineer. Input all required certified payroll documentation into the PWLC system (LCPracker) and update this documentation throughout the execution of the contract. Certified payroll information is to be submitted in the PWLC system per the time requirements in the 20SP-107D - Labor Compliance.

b. Contractor Responsibility. Coordinate all electronic document submittals including documentation supplied by other companies (e.g. subcontractors, suppliers, fabricators, etc.) as detailed in this special provision. All companies will directly submit their certified payroll information into the PWLC system.

c. General Requirements. Submit all certified payroll information as required in this special provision and the 20SP-107D - Labor Compliance. Provide employee zip codes as part of the certified payroll submission. This information will be redacted from any certified payroll reports to protect worker anonymity. Zip code information will be anonymized and used for federal, state, and legislative prevailing wage and labor reporting.

All data entry will be submitted through the following program and website:

Program: LCPracker
Login Website: <http://www.lcpracker.net>
General Information website: www.lcpracker.com

A tutorial for this system can be found through the website provided.

d. Condition of Payment. Post all documents electronically into the PWLC system. Electronic posting and submittal of documents is a condition of payment for this contract. Documents submitted in any other manner, unless required otherwise in this special provision or directed by the Engineer, will not be accepted and will delay payment.

e. Digitally Encrypted Electronic Signatures. Ensure all documents that require signature authorizations are signed using a digitally encrypted electronic signature. Further information regarding how to obtain a digital signature can be found at the following website:
www.michigan.gov/mdot-esign

f. Contractor Preparation for Tracking Software:

1. Information about LCPracker is available to the Contractor and other project companies (e.g. subcontractors, suppliers, etc.) at the following website:

47

Special Provision

Prevailing Wage Compliance System

20SP-104D-01
03-24-20

COS:AS 2 of 2

www.lcpracker.com

2. Access to the PWLC system is provided at no cost to the Contractor. The project office will setup the project in LCPracker and assign the Contractor. The Contractor will setup other project companies to submit certified payrolls and prevailing wage/labor compliance documents. Once setup in the system the Contractor and other project companies may access the software at the following website:
www.lcpracker.net

3. Use Internet Explorer to access the PWLC system. The Department has tested and will support Internet Explorer versions 8, 9, 10 and 11.

g. Document Format. The Engineer reserves the right to electronically reject documents that are deemed to be unsuitable. This may include documents submitted that are illegible or unreadable or contain inappropriate information. The submitting company must re-submit the corrected documents into the PWLC system. Failure to do so will be considered noncompliance and may delay progress payments.

h. Training. LCPracker offers biweekly contractor training sessions, user support manuals, quick start guides, e-Training videos, and a software support staff available Monday thru Friday 8 a.m. to 8 p.m. EST accessible through the online interface.

i. File/Document Retention. The electronic files submitted in the PWLC system are the official contract documents and must follow all Department document retention schedules.

j. Technical Issue Resolution. Upon discovery of an LCPracker issue immediately notify the Engineer with a copy sent to the following e-mail resource:
MDOT-LCPracker@Michigan.gov

k. Measurement and Payment. The work included in this special provision will not be paid for separately and is considered to be included in other items of work in the contract.

48