

# Labor Compliance Officer Duties



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



March 2019

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

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



March 2019

# Ten Day Responsibility

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  - An email from the LCO to the grantee indicating that the wage decision in the bid package is current (or outdated) is also acceptable.



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# Document Wage Decision

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



# Notification of Subcontractor Awards

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



# Hold Pre-Construction Conference

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



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# Field Inspections

## Verifying Posting Requirements

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



# Required Construction Site Posters

## Equal Employment Opportunity is **THE LAW**

**Private Employers, State and Local Governments, Educational Institutions, Employment Agencies and Labor Organizations**  
Applicability to and exceptions of laws govern employers, state and local governments, educational institutions, employment agencies and labor organizations are prohibited under Federal law discrimination on the following bases:

### RAACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN

Title VII of the Civil Rights Act of 1964, as amended, prohibits employers with 15 or more employees from discriminating on the basis of race, color, religion, sex, or national origin in hiring, promotion, discharge, pay, fringe benefits, job training, classification, recruiting, and other aspects of employment. Title VII also prohibits employers from discriminating on the basis of race, color, religion, sex, or national origin in advertising, recruitment, or other aspects of employment. Title VII also prohibits employers from discriminating on the basis of race, color, religion, sex, or national origin in the terms, conditions, or privileges of employment. Title VII also prohibits employers from discriminating on the basis of race, color, religion, sex, or national origin in the terms, conditions, or privileges of employment.

**AGE**  
The Age Discrimination in Employment Act of 1967, as amended, prohibits employers with 15 or more employees from discriminating on the basis of age in hiring, promotion, discharge, pay, fringe benefits, job training, classification, recruiting, and other aspects of employment.

**SEE CHANGES**  
An Affirmative Action Plan is required by Title VII of the Civil Rights Act, as amended, for Federal contractors with contracts that require the performance of substantial work under the contract and which are subject to the contract's Affirmative Action Plan. Affirmative Action Plans are required for Federal contractors with contracts that require the performance of substantial work under the contract and which are subject to the contract's Affirmative Action Plan.

### Employers Having Federal Contracts or Subcontracts

Applicability to and exceptions of laws govern employers with a Federal government contract or subcontract, are prohibited under Federal law from discrimination on the following bases:

### RAACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN

Executive Order 11246, as amended, prohibits all contractors on the basis of race, color, religion, sex, or national origin, and equal opportunity in the awarding of contracts to all persons of all races, colors, religions, and national origins.

### INDIVIDUALS WITH DISABILITIES

Section 504 of the Rehabilitation Act of 1973, as amended, prohibits qualified individuals from discrimination on the basis of disability in hiring, promotion, discharge, pay, fringe benefits, job training, classification, recruiting, and other aspects of employment. Section 504 also prohibits employers from discriminating on the basis of disability in advertising, recruitment, or other aspects of employment. Section 504 also prohibits employers from discriminating on the basis of disability in the terms, conditions, or privileges of employment. Section 504 also prohibits employers from discriminating on the basis of disability in the terms, conditions, or privileges of employment.

### UNLAWFUL PRACTICES REGARDING OTHER PROTECTED

**WHY ADMINISTER FEDERAL SERVICE CONTRACTS, REVENUES**  
The Davis-Bacon Act, Executive Order 13422, as amended, 29 U.S.C. 2601, prohibits all contractors and subcontractors from discriminating on the basis of race, color, religion, sex, or national origin in the awarding of contracts to all persons of all races, colors, religions, and national origins.

### Programs or Activities Receiving Federal Financial Assistance

### RAACE, COLOR, NATIONAL ORIGIN, SEX

Section 601 of the Rehabilitation Act of 1973, as amended, prohibits qualified individuals from discrimination on the basis of disability in hiring, promotion, discharge, pay, fringe benefits, job training, classification, recruiting, and other aspects of employment. Section 601 also prohibits employers from discriminating on the basis of disability in advertising, recruitment, or other aspects of employment. Section 601 also prohibits employers from discriminating on the basis of disability in the terms, conditions, or privileges of employment. Section 601 also prohibits employers from discriminating on the basis of disability in the terms, conditions, or privileges of employment.

### GENETICS

Title II of the Genetic Information Nondiscrimination Act of 2008 prohibits employers with 15 or more employees from discriminating on the basis of genetic information in hiring, promotion, discharge, pay, fringe benefits, job training, classification, recruiting, and other aspects of employment. Title II also prohibits employers from discriminating on the basis of genetic information in advertising, recruitment, or other aspects of employment. Title II also prohibits employers from discriminating on the basis of genetic information in the terms, conditions, or privileges of employment. Title II also prohibits employers from discriminating on the basis of genetic information in the terms, conditions, or privileges of employment.

### RETALIATION

All of these Federal laws prohibit persons from retaliating against a person who files a charge or discrimination, participates in a discrimination proceeding, or otherwise reports an unlawful employment practice.

### WHAT TO DO IF YOU BELIEVE DISCRIMINATION HAS OCCURRED

There are strict time limits for filing charges or complaints under these laws. To preserve the ability of EEOC to act on your behalf and to protect your right to file a charge lawsuit, should you ultimately need to file a lawsuit against EEOC, promptly file a charge with EEOC. EEOC will attempt to resolve the complaint through mediation and conciliation. If EEOC finds that there is no violation, you may file a lawsuit in Federal court. If EEOC finds that there is a violation, you may file a lawsuit in Federal court. If EEOC finds that there is a violation, you may file a lawsuit in Federal court.

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## **EMPLOYEE RIGHTS UNDER THE DAVIS-BACON ACT**

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

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

- 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** Apprentices 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:

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

For additional information:

**1-866-4-USWAGE**  
(1-866-487-6243) TTY: 1-877-889-9627

**WWW.WAGEHOUR.DOL.GOV**

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



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# Field Inspections, continued

## Employee Interviews

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



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# Field Inspections, continued

## Interview Requirements

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



# Payroll Review

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



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# Resources

- Section 7 (Labor Regulations) of the DR CDBG Grantee Administrative Manual:  
[http://www.doa.la.gov/OCDDRU/Administration%20Manual/Section 7/Section 7 v3.85.pdf](http://www.doa.la.gov/OCDDRU/Administration%20Manual/Section%207/Section%207%20v3.85.pdf)
- Sample Project Wage Rate Sheet (Exhibit 7-1):  
[https://www.doa.la.gov/OCDDRU%20AdminManual/Section 07/Section 7 Exhibits/Exhibit%207-1.doc](https://www.doa.la.gov/OCDDRU%20AdminManual/Section%2007/Section%207%20Exhibits/Exhibit%207-1.doc)
- Verification of Project Wage Rate Sheet and Project Sign Posting (Exhibit 7-2):  
[http://www.doa.la.gov/OCDDRU%20AdminManual/Section 07/Section 7 Exhibits/Exhibit%207-2.doc](http://www.doa.la.gov/OCDDRU%20AdminManual/Section%2007/Section%207%20Exhibits/Exhibit%207-2.doc)



# Resources, continued

- Appointment of LCO form (Exhibit 7-4):  
[http://www.doa.la.gov/OCDDRU%20AdminManual/Section 07/Section 7 Exhibits/Exhibit%207-4.doc](http://www.doa.la.gov/OCDDRU%20AdminManual/Section%2007/Section%207%20Exhibits/Exhibit%207-4.doc)
- Verification of Wage Decision (Exhibit 7-6):  
[https://www.doa.la.gov/OCDDRU%20AdminManual/Section 07/Section 7 Exhibits/Exhibit%207-6.doc](https://www.doa.la.gov/OCDDRU%20AdminManual/Section%2007/Section%207%20Exhibits/Exhibit%207-6.doc)
- Employee Interview form (Exhibit 7-10):  
[http://www.doa.la.gov/OCDDRU%20AdminManual/Section 07/Section 7 Exhibits/Exhibit%207-10.pdf](http://www.doa.la.gov/OCDDRU%20AdminManual/Section%2007/Section%207%20Exhibits/Exhibit%207-10.pdf)



# QUESTIONS?



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