

PREVAILING WAGE GLOSSARY

ACTUAL WAGES – This refers to the gross wages earned on the federally assisted project and all other wages earned during that weekly pay period. These amounts are posted in the “Gross Amount Earned” column on weekly payroll or the “Gross Pay All Projects” field in the Payroll Record screen for ePAYROLL.

APPRENTICE – Any person employed under a bona fide apprenticeship program registered with a State apprenticeship agency which is recognized by the Office of Apprenticeship (OA), Employment and Training Administration, DOL, or registered with the OA. Apprentices may receive less than the D-B prevailing wage, but they must appear on the certified payroll.

APPRENTICESHIP CERTIFICATE – An Apprentice/Trainee certificate must be submitted with the first payroll on which the apprentice(s) appear. In Arizona the certificate is issued by the Apprenticeship Services Office, Department of Commerce. When changes in the apprentice’s status occur an updated certificate must be provided. Apprentices not registered in bona fide programs or used in excess of the approved ratio shall be paid the D-B prevailing wage for the type work performed.

<http://www.azcommerce.com/Workforce/Apprenticeships/Home.htm>

ARRA – See RECOVERY ACT

BACK WAGES/CHECKS – Back Wages are those underpayments that were not corrected while the employee still worked for the contractor or after the project has been completed. The contractor is to issue a check made payable as follows: “Employee’s First and Last Name Or Unclaimed Property.” The Field Reports Section will forward the check to the Department of Revenue to deposit the funds and hold for the employee until disbursement can be accomplished.

BASIC HOURLY RATE – That portion of the Davis-Bacon minimum prevailing wage identified in the wage determination as being paid in cash.

CBA – A Collective Bargaining Agreement is a labor agreement between one or more contractors or contractor associations and a labor union representing the workers of a particular craft or trade or group of related trades.

CERTIFIED PAYROLL RECORD (CONTENT) –

- Name
- Employee Identification Number
- Correct classification
- Rate of pay
- Daily and weekly number of hours worked
- Deductions made, and
- Actual wages paid

http://www.azdot.gov/Highways/ConstGrp/Value_Quality/PDF/wh347.pdf

CFR – Code of Federal Regulations. Title 29 CFR Sections 3, 5, and 6 detail the requirements of the Davis-Bacon and Related Acts, Copeland “Anti-kickback” Act and the Contract Work Hours and Safety Standards Act as they pertain to contracts funded in whole or part with Federal Assistance.

http://www.access.gpo.gov/nara/cfr/waisidx_09/29cfr3_09.html

http://www.access.gpo.gov/nara/cfr/waisidx_09/29cfr5_09.html

http://www.access.gpo.gov/nara/cfr/waisidx_09/29cfr6_09.html

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CLASSIFICATION – The title given to a worker performing a specific type or work or related duties associated with a trade or craft. Classification titles are found in the General Wage Decisions as well as Group numbers and descriptions.

COMPLETION DATE – The date when work on a project is finished. The last payroll submitted should have a Payroll Number and be annotated as “Final.” Under normal circumstance no subsequent payrolls would be submitted.

CONFORMANCE REQUEST – A formal request of DOL to approve an additional classification not present in a General Wage Decision applicable to a project. Such request must be for a classification and work not already present in the Wage Decision and must request a wage reasonably related to the other rates prevailing in that location for similar work. Conformance requests are project specific.

<http://www.azdot.gov/Highways/ConstGrp/contractors/PDF/Forms/ConformanceRequest.pdf>

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (CWHSSA) – Enacted in 1968 this law requires that laborers and mechanics on federally assisted contracts be paid not less than one and one-half times their basic rate of pay for all hours worked in excess of forty in any work week. Failure to pay this overtime rate of pay may result in liquidated damages in an amount equal to \$10 per employee per calendar day whether required or permitted to perform such work. There is no site of work restriction.

<http://www.dol.gov/whd/contracts/cwhssa.htm>

CONTRACTOR – For the purposes of prevailing wages this term refers to the employer of workers subject to the federal-aid labor standards. When used in this manner it may refer to individuals or firms that are not licensed to perform contracting as defined by the Arizona Registrar of Contractors.

COPELAND “ANTI-KICKBACK” ACT – This law which was enacted in 1934 prohibits an employer or any other party from reducing workers pay or causing them to give up any of their pay. Compliance is required per Section V, paragraph 1 on page 6 of the FHWA 1273. It is also included there by reference.

<http://www.dol.gov/whd/contracts/copeland.htm>

CORRECTED PAYROLL – A certified payroll that amends one already submitted. It may be due to errors, omissions, or changes necessary to fulfill the requirements for an accurate and complete accounting for all workers, the hours they worked, type of work they performed, the rate of pay that they should have been paid and any information required by law. Both an updated payroll and statement of compliance are required. The documents should be numbered as the original with an additional notation that clearly shows that it is a correction, revision or supplemental payroll. 1-R would indicate that it is the first revision to Payroll #1, whereas 1-3R would indicate the third revision to Payroll #1.

CPR - Abbreviation for CERTIFIED PAYROLL RECORD.

DAVIS-BACON ACT – Enacted in 1931 this law requires that all laborers and mechanics on construction contracts valued at more than \$2,000 be paid not less than the minimum wage prevailing in the locality of the project for the type of work performed. It applies to federal contracts and those funded in whole or part with federal assistance. Abbreviated as D-B.

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DAVIS-BACON AND RELATED ACTS – For the purposes of highway construction the “Federal-Aid Highways Acts” are the Related Acts to D-B. These laws include the requirements under Davis-Bacon and Copeland for the payment of prevailing wages. Abbreviated as DBRA.

<http://www.dol.gov/whd/contracts/dbra.htm>

DOL – Abbreviation for United States Department of Labor. <http://www.dol.gov/>

DOT – Abbreviation for United States Department of Transportation. <http://www.dot.gov/new/index.htm>

ePAYROLL – Paperless payroll web-based record and system for weekly submission of a contractor’s Certified Payroll as required on Federal-aid construction projects. Electronic documents and signature satisfy ADOT and FHWA payroll record keeping requirements. ePAYROLL records are input by manual-web data entry, direct upload (accounting interface), or direct payroll system interface.

FALSE STATEMENTS – A willful falsification, distortion, or misrepresentation with respect to any facts related to a federal-aid project is a violation of federal law. Applies to the WSC and is thoroughly described in Section IX of the FHWA 1273 on pages 7 and 8.

FEDERAL AID – Refers to project funding that comes from the federal government as opposed to state, local or private money used to fund the construction of highway projects.

FHWA – The Federal Highway Administration which is under US DOT. FHWA has oversight and authority over ADOT with regard to federal-aid highway construction projects and funding.

<http://www.fhwa.dot.gov/>

FHWA 1273 – The form number and abbreviated reference for the “Required Contract Provisions Federal-Aid Construction Contracts.” When federal funding is being used these provisions must be physically included in every such contract with the prime or any tier subcontractor. ADOT refers to them as the “Pink Sheets” as they are reproduced on that color paper in original prime contracts.

<http://www.fhwa.dot.gov/programadmin/contracts/1273.cfm>

FIELD OFFICE – The unit within ADOT responsible for initial collection and review of certified payrolls and for communicating to contractors any discrepancies in prevailing wage compliance. Upon review and approval of contractor payrolls, the Field Office submits copies to Field Reports.

FIELD REPORTS – The Section within ADOT that performs final review of certified payrolls and interviews. Discrepancies are brought to the attention of the Field Offices that communicate discrepancies with contractors. Once a formal prevailing wage investigation is begun, Field Reports will communicate directly with the prime or subcontractor involved.

http://www.azdot.gov/Highways/ConstGrp/Field_Reports/Index.asp

FOREMAN, NON-WORKING – The contractor’s employee providing on-site supervision of the workers performing the work of the contract. This individual is considered “non-working” provided that he or she does not perform more than 20% of their time in a workweek doing duties that are considered manual, physical or those of a recognized trade. If a foreman exceeds that 20% threshold, their name should appear on the certified payroll and all time spent performing such work must be paid at least the prevailing wage for the classification of the work performed.

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FRINGE BENEFITS – A contribution irrevocably made by a contractor to a trustee or third party for the purpose of providing an employee any of the following:

- Medical or hospital care insurance
- Pensions or retirement annuities
- Death benefits
- Compensation or insurance to provide for injury, illness, accident, sickness or disability
- Unemployment benefits
- Vacation and holiday pay, or
- Defraying the costs of apprenticeship programs

But only where the contractor is not required by Federal, State or other law to make such payments. Payments to the plan must be made at least quarterly. Employees must be notified in writing of any fringe benefits the employer is providing.

http://www.azdot.gov/Highways/ConstGrp/contractors/Docs/Fringe_Benefit.XLS

GOLD CARD – The laminated golden rod copy of Section 1210-3, Payroll Procedures, of ADOT's Construction Manual. It is intended as a checklist to assist in reviewing certified payrolls.

GROUP/GROUP NUMBER – Group Numbers appear in Wage Determinations identifying specific work classifications that are grouped together because they were paid the same wage rate as determined by the wage survey. The specific classifications will be separated by Group and listed individually.

INSPECTOR – The ADOT employee charged with responsibility for monitoring adherence to contract plans and specifications. Inspectors are generally the individuals conducting Employee Interviews.

INTERVIEW, EMPLOYEE – ADOT personnel interview employees as part of the overall effort to assure compliance with the Federal Labor Standards. Subsection 2.g. of Section V Statements and Payrolls of the FHWA 1273 obligates contractors to permit such interviews.

LABOR STANDARDS – The Davis-Bacon, Copeland "Anti-Kickback," and Contract Work Hours and Safety Standards Acts collectively as they apply to federal or federal-aid construction projects.

MECHANICS & LABORERS – Includes those workers whose duties are manual or physical in nature including those using tools or performing the work of a trade. They are distinguished from those with mental or managerial duties. Mechanics and laborers are required to be paid the prevailing wage. See Section IV, paragraph 1 on page 3 of the FHWA 1273.

"NO WORK"/NEGATIVE PAYROLL – A workweek during which none of the contractor's employees perform any work on the project; the week is accounted for, but there are no employees, hours, work or wages to be reported.

ORG – Term used to identify an organizational unit within ADOT. As regards payrolls, it is generally a reference to a Field Office.

OVERTIME – Time in excess of forty (40) hours of work in any single workweek. The rate of pay for overtime must be at least one and one-half the Basic Hourly Rate. Fringe Benefits are paid for hours worked on overtime, but are not paid at time and one-half. There is no site of work restriction for OT.

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OWNER-OPERATORS – SEE TRUCK OWNER-OPERATORS –For the purposes of prevailing wage requirements, the “Owner-Operator” exemption applies only to owner-drivers of trucks. **This exemption does not apply to owner-operators of other equipment such as bulldozers, backhoes, cranes, welding machines, etc.**

PAYROLL LOG – An electronic spreadsheet that lists one year of dates for the beginning of a seven day work week and the week ending date. By changing the date of the first work week to correspond to the contractor’s first week working on the project site, the Payroll Log will automatically calculate and display the week dates corresponding to the Payroll Number used to identify the payroll and WSC.
http://www.azdot.gov/Highways/ConstGrp/contractors/Docs/Payroll_Log.XLS

PAYROLL NUMBERS – A consecutive number assigned to each weekly payroll based upon the first week in which a contractor’s employees perform any work on the project site. The same number appears on the Payrolls and the corresponding Statements of Compliance. If a Payroll is revised, corrected or supplemented, the Number of the original Payroll is used and annotated to indicate it has been revised.

PINK SHEETS – The name given to the FHWA 1273 that is found in the original contract Special Provisions. The name comes from the color of the paper on which it is printed. See Also FHWA 1273.

PREVAILING WAGE – The hourly rate including cash and fringe benefits that is paid to a majority of workers in a specific trade in a location (usually a county) based on a survey of actual wages paid. The majority rate is determined as either the single rate paid to more than 50% of the workers in the trade in the county or by the average rate paid, if no single rate is in the majority. This majority rate is considered to be “prevailing” and is the basis for the rates published by DOL in the Wage Determinations.

PROJECT NUMBER – The alpha-numeric project identifier that includes the highway number, if applicable, location, etc. and denotes a federally funded project if parentheses are present.

PROJECT SUPERVISOR – The Lead Inspector for the project responsible for overseeing the Department’s inspection operations at the project site.

RE – See RESIDENT ENGINEER

RECOVERY ACT – The American Recovery and Reinvestment Act of 2009 provides State Transportation Departments with federal funding for highway infrastructure development. This Act requires the payment of prevailing wages and the reporting non-prevailing wage personnel monthly.
<http://www.fhwa.dot.gov/economicrecovery/index.htm>

RESIDENT ENGINEER – A registered engineer that oversees the operation of a specific Construction ORG/Field Office. Commonly referred to by its abbreviation: RE.

REVISED PAYROLL – Any Payroll that must be changed and resubmitted due to omission, error, or other reason that determines that the original is not complete and accurate as required law.

SHA – This is a term that is used by FHWA when referring to any State’s department of transportation. It stands for State Highway Agency. It initially appears in Section II, page 1 of the FHWA 1273 as well as the sections about prevailing wages and statements and payrolls

PREVAILING WAGE GLOSSARY

SRF - Abbreviation for SUBCONTRACTOR REQUEST FORM

SITE OF WORK – The physical boundary of the construction project. If applicable, it may include adjacent or virtually adjacent property used to provide material or supplies exclusively or nearly so to the project. Infrequently it may include a location where a significant portion of the project construction is completed and ultimately moved to the permanent project site.

START DATE – The date on which work on the project actually begins.

STATEMENT OF COMPLIANCE – See WEEKLY STATEMENT OF COMPLIANCE

STIMULUS – See RECOVERY ACT

SUBCONTRACTOR REQUEST FORM –A streamlined form used to request approval for subcontractors. The subcontract agreement must accompany this form as well as the Certification, Contracts or Subcontracts subject to EEO, March 31, 1989. The SRF is a legal document.

http://www.azdot.gov/Highways/ConstGrp/Construction_Manual/Forms/PDF/12/Subcontractor_Request_Form.pdf

SUPPLEMENTAL PAYROLL – A payroll that amends an original payroll to provide either additional or corrected information regarding a worker, classification, hours, wages, etc. It will have the same payroll number as the one which it amends except that it will indicate that it is a revision or amendment by identification such as “R-3” for a supplement to Payroll Number 3.

TRACS NUMBER – TRACS is an acronym for Transportation Accounting System. ADOT has a software program named Advantage that uses the TRACS number for project identification.

TRAINEE –An individual working under a skill training program as promoting EEO in connection with the Federal-aid highway construction program. A Trainee enrollment form and agreement must be submitted with the first payroll on which the apprentice(s) appear. ADOT’s Civil Rights Office manages the Trainee program and approves the use of any workers as Trainees under this program.

TRUCK OWNER-OPERATORS – Bona fide truck Owner-Operators need not be paid prevailing wages for driving their own truck. Proof of Truck Owner-Operator status includes a current vehicle registration and a commercial driver’s license (CDL). It must be kept by the truck owner-operator and submitted if requested. The Subcontractor Request Form (SRF) contains a self certification that must be signed and dated. Once the SRF is approved Truck Driver/Owner-Operators need not appear on the payroll. However, any work other than driving on the “Site of Work” requires the payment of prevailing wages as for all mechanics and laborers on federal-aid construction projects.

USC – Abbreviation for United States Code.

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WAGE DECISION – The basic hourly wage rate and fringe benefits published by DOL. The Wage Decision included in the contract remains in force throughout the duration of the project. The Wage Decision must be posted on the project site in a prominent location accessible to all workers. It is also referred to as the Wage Determination. Wage Decisions are published for four types of construction: building, heavy, highway and residential. There are different Wage Decisions for metro and rural counties. *If a project has more than one applicable Wage Decision the contractor is to write the Wage Decision number being used on each payroll.*

<http://www.wdol.gov/dba.aspx#0>

WEEK ENDING DATE – The last date of the seven day work week. It is required on the payroll form. The Payroll Log shows both a beginning date and Week Ending Date that when updated will calculate both dates for a whole year.

WEEKLY STATEMENT OF COMPLIANCE — signed by the contractor or subcontractor or his/her agent who pays or supervises the payment of persons employed under the contract, and certifies that:

- The payroll for the pay period contains the required information
- The information is correct and complete
- That each employee has been paid the full weekly wages earned without rebate, and
- That each worker has been paid not less than the applicable wage rate and fringe benefits or cash equivalent for the classification of the work performed as specified in the wage determination

Abbreviated as WSC. The WSC is considered a legal document in accordance with provisions of the Copeland “Anti-Kickback” Act and the False Statements Act.

http://www.azdot.gov/Highways/ConstGrp/Construction_Manual/Forms/PDF/12/Weekly_Statement_of_Compliance.pdf

WILLFUL FALSIFICATION – A willful falsification, distortion, or misrepresentation with respect to any facts related to a federal-aid project is a violation of federal law. A specific “Willful Falsification” statement is included as part of the Weekly Statement of Compliance. While that specific form (WD 348) need not be used, the statement must be included verbatim without any modification.

WORK WEEK – The recurring seven day period for which contractor employees receive weekly payment. The work week can only be changed once and then only if it is not for the purpose of avoiding overtime payment or other federal labor standards.

WORKING FOREMAN – See FOREMAN, NON-WORKING

WSC – Abbreviation for WEEKLY STATEMENT OF COMPLIANCE

ZONE PAY – Additional pay some classifications receive when working on projects at some distance from the center of specified cities. The Zones and associated wage rates are printed in the General Wage Decisions. Zone pay is added to the Basic Hourly Rate before computing overtime pay.

PREVAILING WAGE GLOSSARY

CONTACT INFORMATION FOR

PREVAILING WAGE ASSISTANCE ON ADOT CONTRACTS

FIELD OFFICES – The contact information for the Field Office reviewing your payroll documents can be found in the Special Provisions of the construction contract for the project.

US DOL WAGE & HOUR

Phoenix District Office
U S Department of Labor
ESA Wage and Hour Division
230 N. 1st Avenue, Suite 402
Phoenix, AZ 85003-1725
(602) 514-7100
1-866-487-9243

DOL INTERNET SITE

<http://www.dol.gov/index.htm>

CURRENT WAGE DECISIONS

<http://www.wdol.gov/dba.aspx#0>

ARCHIVED WAGE DECISIONS

<http://www.wdol.gov/archdba.aspx>

APPRENTICES

Apprenticeship Service
Arizona Department of Commerce
(602) 771-1182
<http://www.azcommerce.com/Workforce/Apprenticeships/Home.htm>

TRAINEES

ADOT Civil Rights Office
(602) 712-7761
http://www.azdot.gov/Inside_ADOT/CRO/

POSTERS

Employee Rights under Davis-Bacon
<http://www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf>

Recovery Act Whistleblower Rights
http://www.oig.dot.gov/recovery/whistleblower_protections.jsp

ADOT CONTRACTORS' INFORMATION WEB ADDRESS

<http://www.azdot.gov/Highways/ConstGrp/contractors/index.asp>