



PAYROLL

Certified Payroll Reporting

DAVIS-BACON ACT REQUIREMENTS



Applies to “laborers” and “mechanics” of contractors and subcontractors



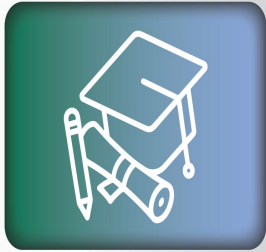
While they perform work on the “site of work”



Must be paid not less than the prevailing wage; and not less often than weekly

LABORERS AND MECHANICS

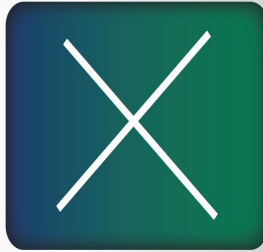
Workers whose duties are manual or physical in nature (including those workers who use tools or who are performing work of a trade)



Includes apprentices, trainees and helpers



For CWHSSA, includes guards and watchmen



Does not include time keepers, engineers, architects, inspectors and professional employees as defined under FLSA



Key Requirements

- Weekly Pay, Weekly Payrolls
- Prevailing Wages
- Overtime (40+ hours/week)
- Correct Classification of Workers
- Reporting Deadlines

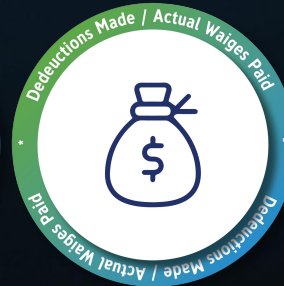
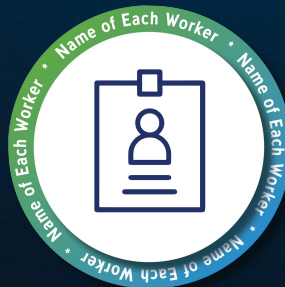


Certified Payroll Requirements

- Two separate contract clause requirements apply to “certified payrolls” for a project:
 - The contractor shall submit weekly for any week in which any contract work is performed a copy of all payrolls. 29 C.F.R. § 5.5(a)(3)(ii)(A).
 - All laborers and mechanics working upon the project site of work must be paid weekly as required by the Required Contract Provisions Federal-Aid Construction Contracts (FHWA 1273), Section IV.1.a.

ANATOMY OF A CERTIFIED PAYROLL REPORT

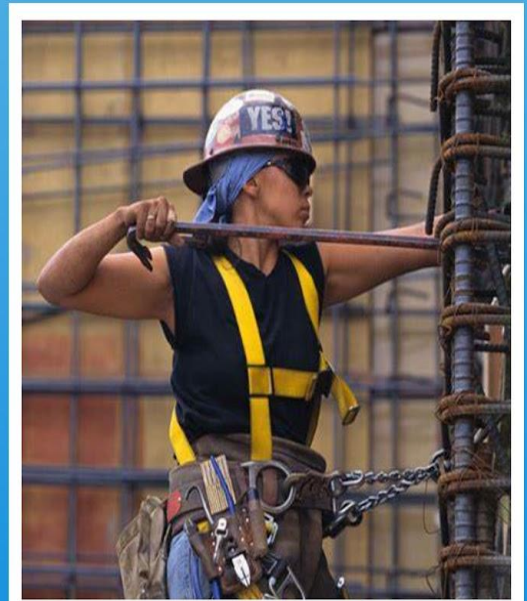
29 CFR 5.5(a)(3)(iii)



Certified Payrolls Must Include

- Workers names, job classifications, hours worked
- Total wages paid, deductions, and net pay
- Compliance statement confirming adherence to prevailing wage requirements

WORK CLASSIFICATIONS



Classification of Workers

- Review wage classifications and rates before starting work on the job
- Clarify conflicting or unclear classification issues before starting work
- Request conformances as soon as possible
- The worker's classification(s) reported on the certified payroll must be the classification of work that was actually performed

General Laborer

General Laborer: Is unskilled labor that doesn't include the use of tools of a trade or operating equipment or trucks



OWNER-OPERATORS

A bona fide owner-operator must own and drive their own truck.

The term "Owner-Operator" applies to truck drivers only.



Owner of Business

If an owner is working on the project performing the work of the trade and not involved in managerial duties such as supervising 2 or more employees then he/she is a laborer or mechanic and treated as such.

WORKING FOREMAN

Working foremen who devote more than 20 percent of their time during a workweek to mechanic or laborer duties are reported on the certified payrolls as laborers and mechanics for the time so spent.

29 CFR 5.2(m)





DEDUCTIONS

Legal (payroll deductions such as taxes and social security)

Voluntary deductions (must have the employee's consent in writing prior to

FRINGE BENEFITS

(cash or contributions to bonafide plans)

Benefit
must be to
the
employee

Benefit
must be
definite
and
certain

Benefits
must be
non
forfeitable

Benefits
must be
irrevocable

Benefits must
be paid on a
regular basis,
but not less
than quarterly

EMPLOYEE BENEFITS



SUBMITTING PAYROLLS



It is required that the payrolls are sequential.

1

The first week a contractor performs work on the project is Week 1 - Payroll 1.

2

Submit a non-performing payroll on weeks when no work is performed.

3

Deadlines

Certified payrolls are due by the 15th of the month, for all work performed during the preceding month

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

Overtime Requirements

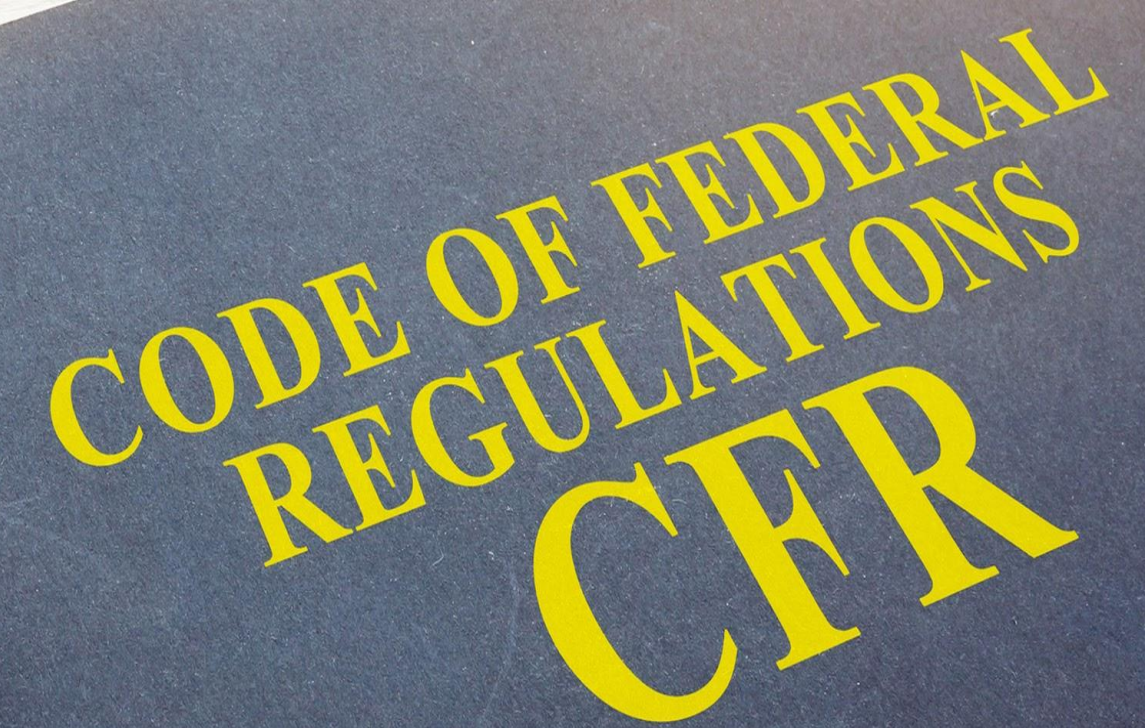


Any Construction
Contract 100k+



Time and One Half of
Basic Pay Rate





CODE OF FEDERAL REGULATIONS CFR

Compliance Principles

Code of Federal Regulations Title 29 Part 5.2(m)

Best Practices for Maintaining Compliance

Recordkeeping Requirements

Keep Payroll records, time sheets, and wage rate records for at least 3 years after the work on the prime contract is completed.

Prevailing Wage

- Ensure employees are paid according to assigned wage determination
- The rates on the wage determination are the minimum wage allowed

Employee Classifications

- Assign the correct job classifications to avoid underpayment issues.
- Review job duties regularly to ensure alignment with classifications.

Typical Reasons To Reject A Payroll

- Voluntary deductions exceed amount approved by the employee
- Reported fringe contributions are not approved by ADOT Labor Compliance Section
- Misclassification of workers
- Incorrect work dates entered
- Incorrect payroll week ending dates
- Final payroll not marked as “final”
- Employee missing from payroll

- ADOT uses LCPtracker cloud based software for the electronic submission of certified payrolls.
- ADOT subcontractors are set up in LCPtracker and given access during the subcontractor approval process
- LCPtracker includes compliance monitoring tools

LCPtracker Access

- Your access is provided by ADOT during the Subcontract Approval process
- Contact ADOT Field Reports@602.701.7310 for assistance with Usernames, password resets



LCPtracker TRAINING CLASSES

Anyone with a LCPtracker access can watch on-demand training videos located in the site's Training Section

WATCH NOW



LCPtracker Issues

LCPtracker

Technical Difficulties

If you are experiencing technical issues with LCPtracker, please email Estella Robinson at erobinson2@azdot.gov

This helps Field Reports be aware of all issues and there is one point of contact communicating back and forth with LCPtracker.

RESOURCES



- Title 29, Code of Federal Regulations - Labor
- Part 1, Procedures for Predetermining Wage Rates Under DBA
- Part 3, Payment and Reporting Wages on Federal Construction Contracts
- Part 5, Labor Standards Provisions Applicable for Federal Construction Contracts
- DOL Field Operations Handbook- Chapter 15
- DOL.gov (Library)
- DOL Occupational Outlook Handbook
- <https://azdot.gov/business/engineering-and-construction>
- Certified Payroll Reporting Workshop<https://azdot.gov/business/engineering-and-construction/construction/field-reports/certified-payroll-reporting>

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dol.gov

CONTACT US





DISCLAIMER

This presentation is intended as general information only and does not carry the force of legal action. ADOT provides this information as a public service to Sub-recipients.

As regulations and/or labor standards information are updated, ADOT will make every effort to keep the information current and to correct errors brought to our attention.