



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

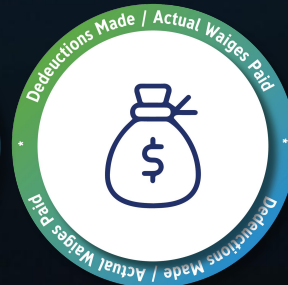
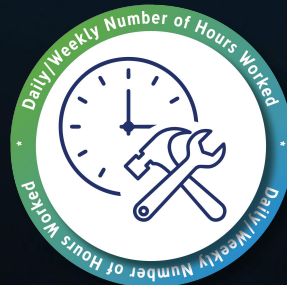
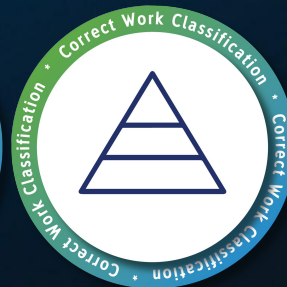


# Certified Payroll Requirements

- 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

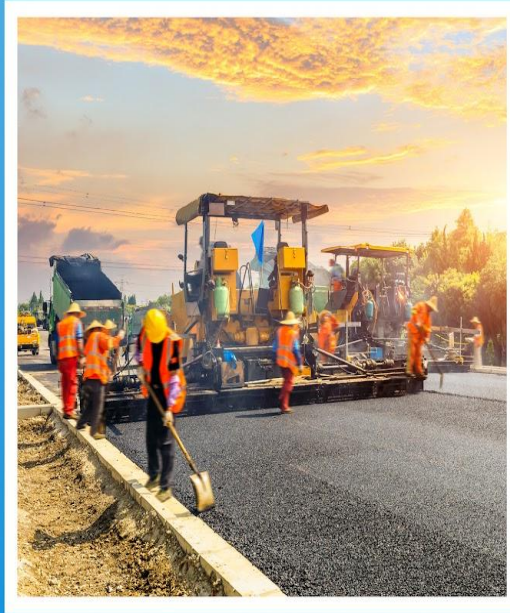
29 CFR 5.5(a)(3)(iii)



# 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  
LAW

## *Overtime Requirements*

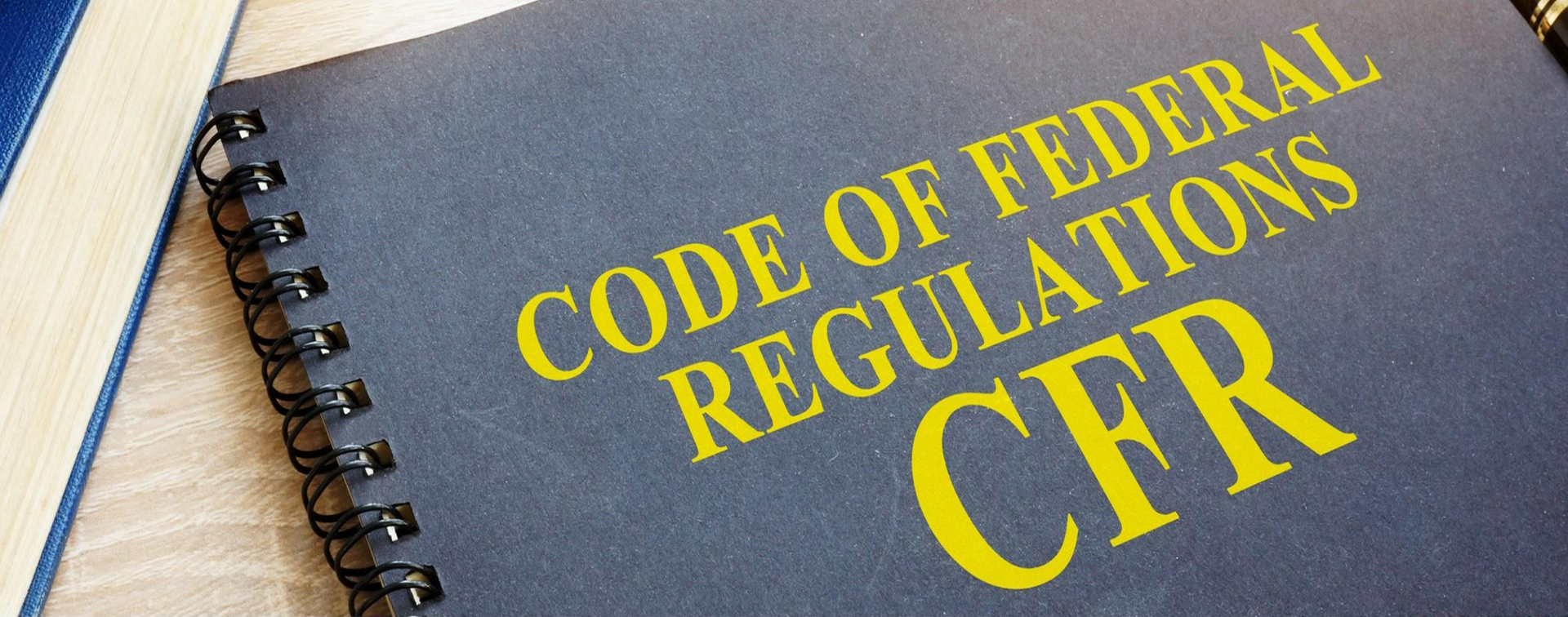


Any Construction  
Contract 100k+



Time and One Half of  
Basic Pay Rate





# 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](mailto: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.

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# 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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[azdot.gov](http://azdot.gov)



[dol.gov](http://dol.gov)

# CONTACT US





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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.