

2011 Community Development Block Grant Manual

Labor Chapter

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GLOSSARY

APPRENTICES

Apprentices may be paid less than the pre-determined rate for the particular job classification that they are employed under if: 1) those apprentices are individually registered in an apprenticeship program that is registered with the U. S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or 2) if a person is employed in his/her first 90 days of probationary employment as an apprentice who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency. The allowable ratio of apprentices to journeymen in any classification shall not be greater than the ratio permitted to the contractor for the entire work force under the registered program.

BID CONTRACT DOCUMENT

ECD will **only** accept the Bid Document contained in our training manual for submission with Plans and Specifications to our office. When other agencies' funds are included, their forms with ours will be accepted. **Wage rates must be included in the document upon submission. Only a complete set of Plans and Specifications will be accepted for review;** this includes the E-3 Land Acquisition form and, where applicable, the E-2 Certification of Compliance with Minimum Standards for Accessibility by the Physically Handicapped form.

CONTRACTOR/SUBCONTRACTOR ACTIVITY REPORT

At the Notice of Contract Award, it is the responsibility of the grant recipient to submit to ECD a contractor/subcontractor activity report. Anytime a contractor or subcontractor is added to the project, this should be updated and resubmitted. Refer to the Equal Opportunity/Fair Housing Chapter. (Exhibit C-14).

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (CWHSSA)

All laborers and mechanics that work over forty hours per week are to be paid one and one-half times their basic rate of pay. Contractors in violation of this act will be liable to the United States for a penalty of \$10.00 per day per employee as well as to any affected employee for unpaid wages.

COPELAND ANTI-KICKBACK ACT

The **Copeland Act (Anti-Kickback Act)** provides that no deduction or rebate on any account will be taken from an employee's pay, **except** deductions permitted by law, **unless** this deduction is authorized in writing by the employee.

DAVIS-BACON ACT

Any contract over \$2,000 that uses CDBG dollars for construction, alteration and/or repair of public buildings or public works must pay those wage rates, fringe benefits and payments without deductions or rebates as determined by the Davis-Bacon Act to all laborers and mechanics working on the project. Davis-Bacon applies and wage rates are required for all subcontracts or lower-tier contracts let under a prime contract that exceeds \$2,000 regardless of the amount of the subcontract or lower-tier contract.

NOTE: This Act does not apply to the construction or rehabilitation of residential projects of fewer than 8 units or to force account work.

DAVIS-BACON WAGE CATEGORY

Davis-Bacon Wage Rates are divided into categories including Building, Heavy Construction and Highway. The U.S. Department of Labor provides guidance on these categories [here](#) and [here](#).

According to the Department of Labor, the Building category applies to the construction of sheltered enclosures, the installation of utilities and the installation of equipment associated with that building. The Highway category applies to the construction or alteration of roads, highways, etc not incidental to building or heavy construction. The Heavy Construction category covers projects that are not properly classified as one of the other categories.

EMPLOYEE INTERVIEWS

Employee interviews are to be conducted with sufficient frequency to establish the degree of accuracy of the records. Conducting employee interviews periodically and particularly each time a contractor for a different trade works on the project site is one way to assist in ensuring compliance. More information on the processes for employee interviews is included in the subsequent chapter.

FORCE ACCOUNT WORK

Construction, rehabilitation, repair or demolition that is performed by municipal employees.

NOTE: In order to do force account work, the grant recipient must own the equipment, use city or county forces, and obtain State approval by submitting the following information:

1. Names and engineering qualifications of personnel performing the work and their capabilities for design, supervision, planning, inspection, testing, etc. as applicable.
2. Details of experience with projects of like or similar nature.
3. Information on workload as it may affect capacity to do the work within time frame or work schedule.
4. Justification for doing the work by force account rather than by contract.

5. A complete breakdown showing: a) the number of work hours and cost per hour for each category of labor, and b) a list of non-salary costs such as materials, supplies, equipment, etc.
6. Certification from the above mentioned personnel's supervisor that they are full time city/county employees and have not been hired just for this project.
7. Certification that the equipment to be used is owned by the county/city and will not be rental equipment.

FRINGE BENEFITS

Fringe benefits are the rate of costs to the contractor or subcontractor for the provision of benefits to laborers and mechanics for:

1. Medical or hospital care;
2. Pensions on retirement or death;
3. Life insurance, disability and sickness insurance, or accident insurance;
4. Vacation and holiday pay;
5. Defraying costs of apprenticeship or other similar programs; and
6. Other bona fide fringe benefits, but only where the contractor or subcontractor is not required by other Federal, State or local law to provide any such benefits.

Fringe benefits can be paid into a bona fide fringe benefits plan or paid as cash to the employees.

HELPERS

This class of workers can no longer be used on any CDBG funded project.

LABORERS AND MECHANICS

Laborers and Mechanics are those employees working on a CDBG funded project.

OVERTIME VIOLATIONS AND LIQUIDATED DAMAGES

The prime contractor shall be liable to all employees for any unpaid wages. The prime contractor shall also be liable to the United States government for liquidated damages at the rate of \$10.00 per day for every employee that did not receive time and one-half as necessary under the Contract Work Hours and Safety Standards Act (CWHSSA). Liquidated damages may also be assessed a contractor whose construction time goes past the stated time limit for construction of the project, as stated in the project specifications from *Information for Bidders, Item 9*.

PAYROLL

Contractors, both prime contractors and subcontractors, are to submit payrolls to the Grant Recipient on a weekly basis. Grant Recipients are to **promptly** review these payrolls against the Wage Rate Determination issued for the project. The grantee should check for proper payment of each classification, overtime payment (if applicable), fringe benefit payment, etc. Any discrepancies or questionable items

should be recorded for follow-up. If there are no discrepancies, write "none" in the space provided for remarks. If payrolls are not certified by the owner or an officer of the firm, a letter authorizing the designated person to supervise payment must be submitted with the first payroll. Checking the first payrolls as soon as they are submitted and catching any mistakes can help the contractor avoid continuing to make mistakes throughout the project and having to pay significant amounts in restitution to employees. This also makes for less work for the administrator and ECD.

PRE-CONSTRUCTION CONFERENCE

Prior to construction, the Grant Recipient must hold a pre-construction conference with the prime contractor, all available subcontractors, and lower-tier contractors. All parties shall then be advised of their responsibilities and obligations regarding labor standards regulations. A report of the minutes is to be kept on file by the grantee. Minutes must contain:

1. Project name, location and description, wage determination number;
2. Name of contractor;
3. Contract amount;
4. Date and place of conference;
5. Conference attendees and title or affiliation; and
6. Summary of items covered.

The Notice of Contract Award and Pre-Construction Conference (E-7) must be sent to ECD 10 days before the Pre-Construction Conference.

PRIME CONTRACTOR

The Prime Contractor is that contractor to whom the project was awarded as a result of bidding and/or other means by the grant recipient. The Prime Contractor is responsible for all acts and omissions of his subcontractors and lower-tier contractors. In addition, the Prime Contractor is responsible for ensuring that the Federal Labor Standards Provisions and the applicable wage decision are included in all subcontracts. Subcontractors are responsible to ensure that Federal Labor Standards Provisions and the applicable wage decision are inserted in all lower tier contracts.

SUBCONTRACTOR

Subcontractors are contractors that are hired by and work directly for the prime contractor. The prime contractor is responsible for all subcontractors adhering to CDBG regulations.

TRAINEES

Trainees may be paid less than the pre-determined rate for the particular job classification that they are employed under if the trainee is individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not exceed the percentage allowed by the Employment and Training Administration.

WAGE RATE DETERMINATION REQUEST

The Wage Rate Determination Request form is used to obtain a Davis-Bacon wage rate decision. The form (E-1) should be completed by the grantee and submitted to ECD 30 days before submission of plans and specifications. The appropriate wage rate decision will be issued and returned to the grantee for insertion in the plans and specifications. The administrators and engineers should get the wage rates from ECD, not from the Davis-Bacon internet site.

WORKING FOREMAN

A working foreman is one who devotes more than 20 percent of his/her time during a work week to mechanic or laborer duties, and who must be paid no less than the applicable rate for the hours so worked. The payroll should contain the normally required information of the person, the trade he/she is performing, the hours worked, hourly rate of pay, etc.

LABOR STANDARDS

Upon receipt of the Notice of Release of Contract Conditions (NORCC), which means that funds have been released, the grant recipient may proceed with those steps necessary for compliance with labor standards regulations.

This chapter is broken down into five sections which outline the activities that must be undertaken in order to comply with these regulations. The sections include preparation of the bid package, bidding procedure, pre-construction activities, construction activities, and close-out activities.

The sections are set up to be utilized as checklists enabling the grant administrator to easily ascertain which activities have been completed and which are left to complete.

In addition to specific activities that must be completed in order to comply with the labor standards regulations, two files must be kept documenting these activities: a labor standards compliance file and a construction contract compliance file. Checklists of items necessary to complete these files are found in front of the exhibit section.

PREPARATION OF A BID PACKAGE

The grantee should closely monitor the preparation of the bid contract documents to insure that all necessary requirements have been met in order to avoid delays in the project.

WAGE RATES

Any contract let under a prime contract that exceeds \$2,000 and uses CDBG dollars for construction, alteration and/or repairs must pay those wage rates, fringe benefits and payments, as determined by the Davis-Bacon Act, without deductions or rebates, to all laborers and mechanics working on the project, regardless of the amount of the subcontract or lower-tier contract.

Without the correct wage decision in the bid contract document, you will not be permitted to advertise for bids. Plan ahead and send the request in early enough for proper processing. Only classifications listed on the wage decision may be used. Classifications not listed must be added by the additional classification process after contract award.

- q **Complete the "Request for Wage Determination" form (Exhibit E-1).** Be sure to include a complete description of the work to be performed and the percentage of building construction versus heavy construction.

- q **Send the request to ECD 30 days before submission of plans and specifications. Because of the nature of the Davis-Bacon law, you cannot advertise for bids until you have the appropriate wage decision bound in your contract documents and approved by ECD.**

PLANS AND SPECIFICATIONS

Use the following list to insure that all appropriate activities are complete and the proper documents are included in the bid contract document to avoid having to re-submit the document for approval. Have the contract documents completed with all blanks filled and all bid items listed exactly as the bidders will receive them.

- q **Technical bid specifications** should be prepared by your Engineer. They must provide a clear and accurate description of the technical requirements for the materials and workmanship required by the project. They are to be submitted to ECD within 90 days of the release of funds.
- q **Determine minority/female goals** from the chart in the FH/EO Section of this Manual. Fill out the appropriate blanks on Page 101 of the ECD Supplemental Conditions.
- q **A qualified professional registrant's stamp and the date and signature of the engineer**, in accordance with state law, must be placed on the first page of the specifications and on each page of the plans.
- q **Certification that Applicable Standards of Accessibility by the Handicapped Will Be Met** (Exhibit E-2) must be executed by the qualified professional registrant, co-signed by a local government official and placed in the contract documents file.
- q **Include all required CDBG documents** (Exhibit E-4). These documents contain federal language which is required of block grant projects and cannot be substituted for or altered. For jointly funded RD-CDBG or EPA-CDBG projects, use RD or EPA forms plus the following CDBG documents:
 - Advertisement For Bids
 - Information for Bidders
 - ECD General Conditions
 - ECD Supplemental General Conditions
 - Certification of Bidder Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion
 - Certification of Bidder Regarding Equal Employment Opportunity
 - Certification of Bidder Regarding Use of Female/Minority Subcontractors
 - Certification of Bidder Regarding Section 3 and Segregated Facilities
 - Certification by Proposed Subcontractor Regarding Equal Employment Opportunity
 - Certification of Proposed Subcontractor Regarding Section 3 and Segregated Facilities
 - Drug-Free Workplace Affidavit
 - Statement of Compliance Certificate Illegal Immigrants
 - Certificate of Owner's Attorney

Include a note stating that in the event of conflicts between the two sets of documents, the more restrictive shall apply.

- q **Include the appropriate cost and pricing format** depending on whether the project is to be bid as a lump sum or unit prices.
- q **Acquisition of all lands, rights of way and easements** necessary to carry out the project must be completed at this time. Acquisition of real property must conform to the procedures outlined by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. **Submit the land acquisition document (Exhibit E-3) with the plans and specifications.** Negotiation with property owners cannot begin until funds have been released.
- q **Obtain all permits and notify all utilities** about the proposed construction. Obtain all information concerning utilities and include it in the working drawings or plans. If city, county, state or utility right-of-ways will be used, ECD will need a letter from the appropriate entity stating that that right-of-way can be used.
- q **A review of the documents by your attorney** should be performed to insure compliance with applicable State and Municipal Law.
- q **A provision to allow rejection of any or all bids** should be included.
- q **Submit the documents to ECD 21 days before advertising.** Review by other agencies can occur before or during the ECD review period and should be completed and the bid document approved before advertising. The bid document should be completed exactly as the bidders will receive it with all bid items and other blanks filled out.
- q **Make all corrections before advertising.** If items are missing from the bid document, complete them and send a fully completed and bound copy to ECD for approval before advertising.
- q **Resubmit the plans and specifications** to our office for approval if there are any changes made.
- q If the plans and specifications differ from the application by more than just a clarification of amounts, distances, etc., submit a letter outlining the change with the plans and specifications document. If the change involves different direct beneficiaries, note that new Target Area Surveys will need to be completed. (See section below on Line Extension projects).
- q **Submit addendum** to our office for approval **BEFORE** it is issued. Addenda must be approved by our office and then communicated to potential bidders 48 hours before bids are due according to state law. It is a best practice to set a firm deadline for contractors to submit questions or to hold a pre-bid conference so that there is enough time to get the addendum approved by ECD and communicated to the potential bidders.

ADVERTISEMENT OF THE PROJECT BEFORE ECD APPROVAL OF PLANS AND SPECIFICATIONS OR ADDENDA MAY RESULT IN REBIDDING.

LINE EXTENSION PROJECTS

In order to ensure that LMI beneficiaries are being properly served on a line extension project, the following list of activities must be undertaken before the plans and specs may be approved and the project is advertised.

- q **All households in the target area not included in the original sample must be surveyed to determine who will receive free service lines and connections.** During the preparation of the application, a target area survey was undertaken to ascertain the number of LMI households. All line extension projects are required to conduct a 100% survey; therefore, all houses in the target area not included in the original sample must be surveyed and the survey forms must be submitted before funds will be released.
- q **The LMI connections and service lines must be included on the bid form.**

DEVELOPING PROCEDURES FOR HIGH BIDS

Because there is the possibility of high bids, it is advisable that one or more deductible alternates be used in the initial bid specifications for any construction contract paid in whole or in part with CDBG funds. The bid document should specify the method and order in which the alternates will be applied to the bids. The drawings should also clearly show these alternates. The alternates should be applied one at a time, in the order shown in the bid document, to each bid, to determine if any of the bids now fall within the funding limits. If, after applying the first alternate, the bids still exceed the budget, apply the remaining alternates, one at a time and adding the subsequent alternates to the total of the previous ones, until the adjusted bids come within your budget.

Additive alternates may also be used in the preparation of the bid package. These are similar to the deductible alternates except that they are added to the base bid instead of subtracted. Like the deductible alternates, additive alternates must be clearly outlined in the bid document and shown on the drawings. The alternates should be applied one at a time, in the order shown in the bid document and each new one will be added to the total of the previous ones.

It is possible that a bidder who initially was not the lowest bidder may be awarded the project after the alternates are applied. Be sure to apply the alternates fairly and to each bid. ECD must review your procedure before you award the project.

If the lowest bid you receive exceeds the amount budgeted for the construction portion of your project, **you cannot negotiate** with the lowest bidder to bring the contract costs within available funding limits. If you have applied the alternates and you are still over the budgeted amount, you may do only one of the following:

1. **In writing to ECD**, grantee will reject all bids and start over. If any changes are made to the plans and specifications, these changes must be approved by ECD prior to advertising.
2. **Provide the additional funds** needed to pay for the contract from local funds or re-allocation of CDBG funds through a budget revision (contact ECD if the budget is to be revised).

3. **In writing to ECD**, grantee will reject all initial bids and request permission to do a mini-rebid. Consult with your engineer and decide which items would be feasible to eliminate from the construction bid specifications. Changes to the bid specifications **must not change the project scope**. A letter detailing all changes must be **submitted to ECD for written approval**. After this approval has been received, **all bidders must be contacted by certified mail** and requested to resubmit sealed bids reflecting the revised bid schedule. The bidders must be given **at least seven (7) days** to submit new bids and must be informed, in writing, that they have **the right to change any of the prices in their original bids**, as long as they conform to the revised bid specifications. The contract is then awarded to the bidder submitting the lowest responsible, responsive bid.

**NEGOTIATION OF THE CONTRACT PRICE SOLELY
WITH THE LOW BIDDER WILL RESULT IN THE
DISALLOWANCE OF CONSTRUCTION COSTS AND
REJECTION OF THE BID PACKAGE BY ECD.**

BIDDING PROCEDURE

Once bid documents have been approved, you may proceed with all activities involved in the bid process. Check to assure that the following items have been appropriately covered:

ADVERTISING FOR BIDS

- q **Solicit bids by public advertising** as required by Federal procurement regulations.
- q **Advertise at least once, 14 days prior to bid opening.** You must conform to local procurement regulations if they are more restrictive. If a project is jointly funded, the more restrictive regulations apply.
- q **Note wage rate, Section 3 and Equal Opportunity provisions** in the advertisement.
- q **Contact minority and female contractors** in your area directly by telephone or mail and document your efforts. Refer to the Equal Opportunity section of this manual and use the Minority Business Directory as a guide.
- q **An addendum must be sent to ECD and all contractors** receiving bid documents when a revision is required **prior to bid opening**. This addendum must be communicated to all prospective bidders not later than 48 hours prior to the date fixed for the opening of bids.
- q **Call or email ECD 10 days before the bid opening.** Ask the ECD Labor Standards Coordinator to verify that the Davis-Bacon wage decision used in your project has not expired or changed. Please document this call with a memo to your file. Failure to include the correct wage rates in the contract could result in payroll violations that may be difficult to correct.

BID OPENING

The bid opening is to be conducted in a business-like manner on the date scheduled.

- q **Requirements of the Tennessee Contractors Licensing Act of 1994** should be followed concerning information on the outside of the contractor's bid submittal envelope.
- q **Bids must remain sealed** until the opening.
- q **Log time and date of receipt**, name of offerer and procurement number on each bid received.
- q **Keep minutes of the meeting.** (Exhibit E-5). Read the bids aloud and determine the apparent low bidder.

THE BID AWARD

After the bid opening, the proper City/County officials and their consultant should review the bids. If, for some reason, a community feels they must award the contract to someone other than the lowest bidder, contact the ECD project representative and advise him/her of the problems or questions. A letter from the engineer or the community with the justification for not accepting the lowest bidder will be required and will have to be approved by ECD.

DO NOT AWARD THE CONTRACT WITHOUT ECD APPROVAL.

- q **Review the bids** for technical and legal responsiveness.
- q **Evaluate the bidder** and his/her capacity to perform the services required.
- q **Send the detailed bid tabulations from all of the bidders along with the "Recommendation for Award" (Exhibit E-6), the Certification of Bidder Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion, the Drug-Free Workplace Affidavit,** the newspaper bid advertisement and the minutes from the bid opening to ECD for review and approval within two weeks of opening bids.
- q **Verification of contractor eligibility** will be mailed or emailed to you upon receipt of the bid tabs. This assures that the contractor is not on the *Lists of Parties Excluded From Federal Procurement or Non Procurement Programs*.
- q **Award the contract, after ECD approval, within 60 days of the bid opening or reject all bids.** There must be enough money in the construction budget to cover the bids in order to award the contract.
- q **Send the Notice of Contract Award and Pre-Construction Conference** (Exhibit E-7) to your ECD representative at least ten days before the conference is held.

If bids exceed the amount budgeted, **you cannot negotiate with the bidders to lower the bid.** (See the section on developing procedures for high bids.)

NOTE: If a community has questions about the definitions of or processes for scope changes and change orders, see the introductory chapter of this manual.

PRE-CONSTRUCTION ACTIVITIES

Once the contract has been awarded, there are several activities to be performed before construction can begin.

CERTIFICATIONS AND ASSURANCES

- q **All EO and Section 3 forms, the Certification of Bidder Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion, and the Drug-Free Workplace Affidavit must be filled out.** These forms should remain bound in the contract document upon completion and kept in the City's/County's file. All subcontractors must fill out the appropriate forms also.
- q **All bonding and insurance provisions must be met** as required in the contract. These documents should be attached to the contract document and submitted to ECD with the bid tabs.

CONDUCTING A PRE-CONSTRUCTION CONFERENCE

A pre-construction conference should be conducted in a business-like manner with the Prime Contractor, all available subcontractors, and lower-tier contractors in attendance. In addition, the individual responsible for preparing the payrolls should be encouraged to attend. Close attention should be given to issues and questions involving labor and payrolls. Keep an accurate record of all items covered at the meeting.

- q **Cover all labor and payroll issues** as shown:
 1. Explain to the contractors their responsibilities with respect to labor standards and equal opportunity requirements, as well as the technical job requirements.
 2. Explain that each contractor and subcontractor must submit weekly payrolls and Statements of Compliance signed by an officer of the company. The prime contractor is responsible for securing payrolls and Statements of Compliance from all subcontractors.
 3. Explain that wages paid must conform to or exceed the wage rate decision included in the contract.

4. Identify classifications that may be needed that are not included on the wage decision. If an additional classification is needed, the grantee shall contact the ECD Labor Standards Coordinator for assistance.
5. Indicate that a copy of the wage rate decision and appropriate labor and equal opportunity posters must be posted on the job site. All must be accessible and visible to the workers.
6. Explain that apprentice or trainee rates cannot be paid unless the apprentice or training program is certified by DOL's Bureau of Apprenticeship and Training. The telephone number for the Bureau's Nashville Office is (615) 781-5318. If apprentices or trainees are to be used, the contractor must provide the grantee with a copy of the DOL certification of his/her program. Helpers are not permitted to be used on any CDBG funded project.
7. Explain that workers must be paid overtime if they work more than 40 hours in one week on any project. Overtime rates are calculated based on the base rate of pay without including fringe benefits. Failure to pay workers at least time and one-half each time they work in excess of 40 hours in one week violates the Contract Work Hours and Safety Standards Law. In addition to restitution to the worker, the contractor is liable for liquidated damages of \$10.00 per day for every day each worker worked more than 40 hours a week without being paid time and one-half.

A waiver of the penalty (liquidated damages) in amounts less than \$500 may be granted by the Regional Labor Relations Officer. Waivers of the penalty in amounts of \$500 or more may be granted by the Headquarters Office of Labor Relations or the U.S. Department of Labor. Waivers can be recommended only if the violations were inadvertent, notwithstanding the exercise of due care. The prime contractor must also demonstrate the exercise of due care in preventing violations by subcontractors.

8. Explain that no payroll deductions can be made that are not specifically provided for by law unless authorization is obtained from the worker. An unidentified payroll deduction is a method used by unethical contractors to get their workers to "kick back" a portion of their pay. This is a particularly common problem in times of high unemployment and in areas of minority concentrations. Unspecified payroll deductions should be treated as a serious discrepancy and should be resolved prior to contractor payments.
9. Explain debarment proceedings relative to violation of Labor Standard and Equal Opportunity requirements.

q **Correct any deficiencies** involving incomplete EO forms, subcontractor certifications, eligibility verification, so that everything is in order before construction begins.

- q **Explain compliance review requirements** such as grantee's weekly review of the payrolls and employee interviews as well as the potential for ECD to audit payrolls, timesheets and check stubs.

NOTICES

There are several documents which must be completed at this stage of the project in order to meet compliance requirements.

- q **Prepare the Pre-Construction Conference Report** (Exhibit E-8). This report is to be signed by the prime contractor as proof that he/she attended the pre-construction conference and that all items documented in the minutes were covered at the meeting. This is to be kept in the monitoring file.
- q **"Notice to Proceed"** (Exhibit E-9) authorizes the contractor to begin work on a designated date. Send a copy to the contractor. Retain a copy for the city/county files signed by the contractor indicating that he/she was properly notified.
- q **"Notice of Start of Construction"** (Exhibit E-10) informs ECD that construction will begin on a designated date and how many working days are allowed. Send a copy to ECD **BEFORE** construction begins.
- q **Contractor/Subcontractor Activity Report** (Exhibit C-14) will be sent to the grantee once ECD receives the Notice of Contract Award and Pre-Construction Conference. This form must be completed for all prime contractors and subcontractors for the project as well as for engineers and private administrators. If additional contractors are added to the project, an additional report must be made and submitted for our records.

CONSTRUCTION ACTIVITIES

After construction has been initiated, several important tasks must be undertaken in order to comply with the labor standards regulations during this phase of the project. These activities include payrolls, employee interviews, and reports.

PAYROLLS

The proper procedures for submitting and checking payrolls must be closely followed. The failure of contractors to pay wages properly will result in adjustments to an employee's salary and may also result in financial penalties. Therefore, it is important that any discrepancies in the payrolls be detected early. The following activities need to be undertaken in regard to the payrolls.

- q **Payrolls and written Statements of Compliance must be submitted weekly** (Exhibits E-11 and E-12) to the Grant Recipient by all of the contractors. The written Statements of Compliance must be signed by the owner, an officer or a designated employee of the firm. If a designated employee is to certify the payrolls, authorization for this individual to supervise payment must be submitted with the first payroll.

- q **Check the payrolls for accuracy** as soon as they are submitted (especially with the first few payrolls) on each job classification against the Davis-Bacon wage rates. The prime contractor shall be liable to all employees for any unpaid wages. The individual reviewing the payrolls shall make sure of the following:
1. The dates and days of the week have been entered on the payroll.
 2. Payrolls are sequentially numbered.
 3. Payroll number one carries the contractor's IRS Employer Identification Number in the upper left corner of the front page.
 4. Each employee's name, complete address, and last four digits of Social Security number are shown on the first payroll on which that employee appears.
 5. Workers' classifications are listed on the prevailing wage determination. No substitutions are allowed. Wage classifications must be shown on every payroll. Since workers may perform more than one classification, the contractor must clarify what wages are being paid for each classification.
 6. Wage rates paid to workers are equal to or exceed those rates listed on the wage decision for the appropriate classification.
 7. For any apprentices or trainees listed, evidence of proper registration must accompany the first payroll upon which they appear.
 8. The disposition of all required fringe benefits has been satisfactorily explained on the reverse of the payroll form.
 9. Deductions taken are those permitted by law or are authorized in writing by the employee. One blanket statement is sufficient for deductions made on a regular basis.

An example payroll is shown in Exhibit E-13.

- q **Check the payrolls to make certain that overtime compensation was paid accordingly.** The prime contractor shall be liable to the United States Government a penalty of \$10.00 per day per employee for each day a worker is required or permitted to work over 40 hours per week and is not paid at the rate of one and one-half times the worker's basic hourly rate. In addition, the prime contractor shall be liable to the worker for any overtime worked.
- q **Electronic Wire Transfer for Liquidated Damages.** There is a new procedure for paying liquidated damages. The following is for informational purposes and you are not required to take any action. Should you discover a contractor violating overtime provisions, please contact your program representative immediately. You then will be advised of any steps you might need to take.

Once a violation of the overtime provisions is discovered, there are two possible scenarios that may develop.

SCENARIO I

1. ECD drafts a letter to the contractor to assess liquidated damages (*Notice of Assessment*). Any appeals will be sent to HUD-Labor Relations through ECD. The contractor has 60 days to file a request for waiver or reduction.
2. A copy of the Notice of Assessment will be sent with a cover letter to HUD-Labor Relations containing this basic information.
 - a. Name and address(es) of involved contractor (*and subcontractor, if applicable*).
 - b. Company representative(s) present at the pre-construction conference.
 - c. Whether Labor Standards, including overtime provisions, were included in the contract/subcontract.
 - d. Whether an attempt was made by contractor/subcontractor to conceal hours worked or otherwise circumvent law, and contractor's promptness and willingness to make restitution.
 - e. State the date the contractor was given appeal rights by ECD.
3. The contractor wire transfers money to the U.S. Treasury. The contractor then sends a copy of the wire transfer notice to ECD.
4. ECD writes HUD-Labor Relations stating that the contractor has paid assessment.

SCENARIO II

1. Refer to 1. in Scenario I above.
2. Refer to 2. in Scenario I above.
3. The contractor appeals and requests a waiver through ECD.
4. ECD transfers the appeal to HUD-Labor Relations. Deposit agreements will no longer be used for liquidated damages unless ECD chooses to close the project prior to resolution of the appeal by HUD-Labor Relations.

EMPLOYEE INTERVIEWS

The person performing the employee interviews must be knowledgeable of construction trade practices and should understand that labor standards enforcement is an important contract requirement. Interviews should be conducted by the grantee or administrator. No one from the employee's company should be present for the interview. A translator can be present if needed; the employee interview forms are also available in Spanish. As has been previously mentioned, the failure of contractors to comply with labor regulations may result in adjustments to an employee's salary and may also result in

financial penalties; therefore, in order to ensure that the employee interviews are conducted properly, it is imperative that the following conditions are met:

- q **Check the construction site** for the appropriate job safety, equal opportunity and wage rate posters (Exhibit E-16).
- q **Conduct employee interviews with sufficient frequency to establish the degree of accuracy of records.** These interviews should be representative of all classifications of employees on the project. ECD generally recommends monthly interviews. However, they should be completed more frequently if there are problems.
- q **The interview should take place on the job site.** In the event that an interview cannot be conducted properly and privately on the job site, the interview can be undertaken at the employee's home, the agency's office, by mail or telephone.
- q **Observe the duties of the worker** before the interview is initiated to make certain that the employee's job duties correspond to his/her job classification.
- q **Begin the interview by identifying yourself,** clearly stating the purpose of the interview (to insure that he/she is being paid fairly), advising the worker that the information given is confidential, and that his/her identity will be disclosed to the employer only with the employee's written permission.
- q **Utilize the "Record of Employee Interview"** (Exhibit E-17) in recording the employee interview. The interviewer should record what the employee says and pay particular attention to:
 - The employee's name, phone number and permanent mailing address
 - Verification of identification - Check the employee's drivers license (Note: It is not required for the employee to produce a driver's license or other identification, but it should be asked for)
 - The last date and the number of hours the individual worked on that particular project.

It should be made clear that these questions relate to work on this project and not other work.

This information will be used to check against the certified weekly payrolls.

In this section, record all wage classifications that the employee worked under on that day.

- The hourly rate of pay and pay stub.

The interviewer should be sure that the worker is quoting his/her gross hourly rate, not the "net" hourly rate. If the employee has a pay stub on hand, ask to verify their pay.

The individual must be paid at least the minimum required by the Davis-Bacon wage decision. If it appears that the worker is underpaid, the interviewer should closely question him/her and ask to see any records of payments. In addition, it should be arranged to re-interview the employee.

Again, record all rates of pay if the employee is working under more than one wage classification.

- Job classification.

It is important that the worker's description of his/her classification(s) be entered on the form.

- Duties and tools used.

These are some of the most important items on the interview form. The worker must be observed before the interview takes place and the actual tools being used and work being performed should be recorded on the interview form. Then, this observed data is compared with the worker's statements and with payroll records to see if discrepancies exist. If there are discrepancies, further investigation and explanation are necessary.

- Employee signature

Have the employee sign the form to confirm their responses.

- Any comments that the interviewer feels necessary should be recorded in the Remarks section.

This is also where the desktop review comments should be added. The person completing the desktop review will look at payrolls from the last day that the employee worked and compare job classifications, hours and pay and then look at the payrolls for the date of the interview to compare the observations to the reported classifications.

If there are no problems or discrepancies with the review of the payrolls, write "review complete" in the Remarks section. If there are problems or discrepancies, note how those have been investigated and resolved and notify ECD.

- The exact date the interview took place should be on the form in order to check the payrolls with the interviewer's observations of the work being done while on site.

CLOSEOUT ACTIVITIES

Inspection and acceptance of the work, close-out of construction and making the final payment involve the completion of the following tasks:

- q **A certification of completion of work and a request for final payment** should be submitted by the contractor to the grant recipient's engineer/architect.
- q **A final inspection should be arranged.**
- q **A final inspection report** should be submitted by the architect/engineer to the grant recipient.
- q **All labor compliance activities must be completed,** including:

Reviewing all weekly payrolls and statements of compliance;
Resolving all interview discrepancies;
Satisfying all equal opportunity requirements;
Receiving all contractor/subcontractor certifications;
Resolving all monitoring findings;
Resolving all claims and disputes involving the contractor;
Completing all files; and
Filing as-built plans.

- q **A Final Wage Compliance Report** (Exhibit E-18) must be filed with the State.
- q **The "Notice of Completion" for the project should be publicly advertised.** The Notice should request anyone having a claim against the project to notify the City or County. If no claims are made during a 10 day period, the release of liens from the contractor may be accepted and submitted to the State with the contractor's final pay estimate, so that the retainage may be released. (See Financial Chapter) A copy of the advertisement of the "Notice of Completion" should accompany the final "Request for Payment."

LABOR STANDARDS COMPLIANCE FILE

The Labor Standards Compliance File should contain the following items at project completion:

- ① q Wage Rate Request Form and Wage Decision. (Exhibit E-1)
- q Certification of Compliance with Minimum Standards for Accessibility by Physically Handicapped. (Applicable to buildings only.) (Exhibit E-2)
- q Memo to file that the 10-day wage call was made.
- q Minutes of the bid opening. (Exhibit E-5)
- ① q Detailed Tabulation of Bids.
- ① q Recommendation for Award (Exhibit E-6)
- q Verification of contractor eligibility.
- ① q Notice of Contract Award and Pre-Construction Conference. (Exhibit E-7)
- q Pre-construction Conference Report. (Exhibit E-8)
- ② q Executed Contract Documents including all Certifications (Exhibit E-4).
- q Notice to Proceed. (Exhibit E-9)
- ① q Notice of Start of Construction. (Exhibit E-10)
- ② q Weekly payrolls and Statements of Compliance signed by an officer of the company, and evidence that payrolls were checked against the wage decision. (Exhibits E-11 and E-12)
- q Project Wage Rate Sheet (Exhibit E-14).
- q "Other Deductions" Authorization (Exhibit E-15), if applicable.
- ② q Monthly employee interviews, including the completed appropriate sections indicating that the interviews were checked against payrolls and the applicable wage rate decision and that the posters were on site. (Exhibit E-17)
- ① q Final Wage Compliance Report. (Exhibit E-18)

If discrepancies occur in the employee interviews or payrolls:

- q Evidence of restitution/resolution of identified discrepancies.
- q Complaints from workers, if any, and actions taken.
- q Liquidated damages assessed, appeals, if any, and outcome.

-
- ① Must be sent to ECD.
 - ② May be kept in a separate file.

CONSTRUCTION CONTRACT COMPLIANCE FILE

The Construction Contract Compliance File should contain the following items at project completion:

- q Preliminary Design and Cost Estimates.
- q Final Design Documents and Cost Estimates.
- q Evidence that all necessary land or easement acquisition has been completed prior to advertising for bids.
- q Approval of Bid Documents by authorities having jurisdiction over the project, as appropriate.
- q Certification of Insurance/Bonding.
- q Construction site visit reports.

<p>CERTIFICATION of Compliance with Minimum Standards for Accessibility by the Physically Handicapped</p>
--

Contract No. _____

Project Name: _____

Address: _____

Pursuant to the requirements of the Architectural Barriers Act of 1968, 42 USC 4151, and the regulations issued subsequent thereto, the undersigned certifies that the design of the above-mentioned project is in conformance with the minimum standards contained in the American Standard Specifications for Making Buildings and Facilities Accessible To and Usable by the Physically Handicapped, Number A-117.1R-1971 (as modified by 41 CFR 101-19.603).

Professional Registrant for the Project: _____

(Legal Name and address) _____

Registration Number: _____

Signature: _____

(Print or Type Name)

Date: _____

Local Government Official: _____

Signature

LAND ACQUISITION

All permanent easements, land purchases, city/county/state right of ways, Department of Transportation, Corps of Engineers and railroad permits and any other land access agreements must be obtained and recorded (if applicable) with the appropriate agencies **prior** to ECD approval of plans and specifications.

Please check the following boxes and sign below:

yes	no	n/a	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	All permanent easements necessary for the construction of this project have been acquired and recorded with the appropriate agency.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	All land acquisition necessary for the construction of this project has been acquired and recorded with the appropriate agency.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	All right-of-ways, permits, and land access agreements necessary for the construction of this project have been acquired and recorded with the appropriate agency(s).

OR

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The construction of this project requires no acquisition of land, permanent easements, right-of-ways, permits or land access agreements.
--------------------------	--------------------------	--------------------------	--

Signature of grantee, engineer/architect,
or project administrator

Date

**This form must be sent to ECD before we
can approve plans and specifications.**

EXHIBIT E-4 IS THE SET OF DOCUMENTS
WHICH ARE TO BE INCLUDED,
ALONG WITH SPECIFICATIONS, *
IN THE BID CONTRACT DOCUMENT. *

Required Insertions for Project Specifications

The following bid information must be completed in the project specifications prior to submittal to ECD for our review:

- | | |
|--|--|
| Information For Bidders | <ul style="list-style-type: none"> - (1) Receipt and Opening of Bids - (5) Method of Bidding - (9) Time of Completion and Liquidated Damages - (11) Addenda and Interpretations |
| Supplemental General Conditions | <ul style="list-style-type: none"> - (9) Builder's Risk Insurance - (10) Special Equal Opportunity Provisions <ul style="list-style-type: none"> B. Executive Order 11246 <ul style="list-style-type: none"> 2. Notice of Requirement for Affirmative Action to ensure Equal Opportunity <ul style="list-style-type: none"> b. Goals for minority participation and Goals for female participation*
(* currently statewide 6.9% for female) d. "covered area" (city/county where work will be done) |

Be sure you have the current Davis-Bacon Wage Decision before you submit your bid document to the State.

* See the Contracts Document Guide section at the end of this chapter and the General Conditions document for a copy of these materials

SAMPLE MINUTES OF BID OPENING

Bid Opening for Fifth Street Improvements.

The first bid opening was opened at 3:05 P.M. on April 1, 2012. Bidders and bid amounts in order of opening:

Walton Construction	\$ 235,723.55
South Ark Construction	\$ 220,650.75
Big Time Construction	\$ 310,375.75

Bid Award is scheduled for April 8, 2012.

(Signed)

Mary Simmons
City Recorder

RECOMMENDATION FOR AWARD

To: ECD

From: _____
(Grantee)

Date: _____

This is to inform you that the bids have been reviewed for technical and legal responsiveness. It

is our recommendation that _____, _____ of _____, _____ be
(Name of Company) (I.D. Number) (City) (State)

awarded the contract in the amount of _____ for the _____
(Amount) (Year) (Grantee Name)

_____ CDBG project.
(Brief Description)

**NOTICE OF CONTRACT AWARD AND
PRE-CONSTRUCTION CONFERENCE**

To: ECD

From: _____
(Name and Title of Labor Standards Coordinator)

Date:

Subject: _____
(Grantee)

(Contract Number, Title of Project and Year)
Award of Contract/Pre-Construction Conference

This is to inform you that _____, _____, at _____,
(Name of Company) (I.D. Number) (Address)

_____, has been awarded a contract _____ to _____
(Phone Number) (Number) (Brief Description of Work)

_____ in the City of _____. The number of the applicable wage decision is
(City Name)

_____. The contract is for _____. The estimated start of construction is
(Number) (Amount)

_____. Contract completion is estimated to be _____. A Pre-Construction
(Date) (Date)

Conference will be held concerning this project at _____ on _____ at
(Time) (Date)

(Address)

PRE-CONSTRUCTION REPORT

Project Name: _____ Project #: _____

Location: _____

Description of Work to be Performed: _____

Wage Decision Number: _____

Contractor: _____ Contract Amount: \$ _____

Conference Date: _____ Place: _____

Participants:

Names

Titles

Items Covered:

- | | |
|---|---|
| <ul style="list-style-type: none"> q Initial Starting Date q Inspection and Supervision q Labor Standards q Housing and Urban Development Act of 1968, Section 3 q Equal Opportunity q Reporting Requirements and Sanctions q Payrolls q Other: _____ | <ul style="list-style-type: none"> q Employee Interviews q Insurance Coverage q Construction Safety q Partial Payments to Contractor q Change Orders q Liquidated Damages q City's Role and Responsibilities q Contractor's Role and Responsibilities |
|---|---|

I, _____, (Name of Prime Contractor) hereby acknowledge that I attended a pre-construction conference on the above-noted date, that all items listed were adequately reviewed at the meeting and that I fully understand all obligations and responsibilities allocated to me as prime contractor.

NOTICE TO PROCEED

_____ (Date)

_____ (Contractor)

_____ (Address)

_____ (City), (State), (Zip)

Re: _____ (Grantee)

_____ (Project #)

_____ (Project)

You are hereby notified to commence WORK on _____, 20____, in accordance with the Agreement dated _____, 20____, and you are to complete the WORK within _____ consecutive calendar days thereafter. The date of completion of all WORK is therefore _____, 20____.

Owner

By: _____

Title: _____

Contractor

By: _____

Title: _____

NOTICE OF START OF CONSTRUCTION

To: ECD

From: _____
(Grantee)

(Project #)

Date: _____
(Date)

_____, located at _____, awarded to
(Project Name) (Address)

_____ on _____, will begin construction on _____.
(Name of Contractor) (Date) (Date)

Construction will be completed by _____. The number of the applicable wage
(Date)

decision is _____. _____ has designated
(Wage Decision Number) (Grantee)

_____ as responsible for compliance with labor standards and equal
(Name)

opportunity provisions.

U.S. Department of Labor
Wage and Hour Division (WHD)
Instructions For Completing Payroll Form, WH-347

- [WH-347 \(PDF\)](#)

OMB Control No. 1215-0149, Expires 12/31/2011.

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

General: Form WH-347 has been made available for the convenience of contractors and subcontractors required by their Federal or Federally-aided construction-type contracts and subcontracts to submit weekly payrolls. Properly filled out, this form will satisfy the requirements of Regulations, Parts 3 and 5 (29 C.F.R., Subtitle A), as to payrolls submitted in connection with contracts subject to the Davis-Bacon and related Acts.

While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) requires contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) Regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Under the Davis-Bacon and related Acts, the contractor is required to pay not less than prevailing wage, including fringe benefits, as predetermined by the Department of Labor. The contractor's obligation to pay fringe benefits may be met either by payment of the fringe benefits to bona fide benefit plans, funds or programs or by making payments to the covered workers (laborers and mechanics) as cash in lieu of fringe benefits.

This payroll provides for the contractor to show on the face of the payroll all monies to each worker, whether as basic rates or as cash in lieu of fringe benefits, and provides for the contractor's representation in the statement of compliance on the payroll (as shown on page 2) that he/she is paying for fringe benefits required by the contract and not paid as cash in lieu of fringe benefits. Detailed instructions concerning the preparation of the payroll follow:

Contractor or Subcontractor: Fill in your firm's name and check appropriate box.

Address: Fill in your firm's address.

Payroll No.: Beginning with the number "1", list the payroll number for the submission.

For Week Ending: List the workweek ending date.

Project and Location: Self-explanatory.

Project or Contract No.: Self-explanatory.

Column 1 - Name and Individual Identifying Number of Worker: Enter each worker's full name and an individual identifying number (e.g., last four digits of worker's social security number) on each weekly payroll submitted.

Column 2 - No. of Withholding Exemptions: This column is merely inserted for the employer's convenience and is not a requirement of Regulations, Part 3 and 5.

Column 3 - Work Classifications: List classification descriptive of work actually performed by each laborer or mechanic. Consult classification and minimum wage schedule set forth in contract specifications. If additional classifications are deemed necessary, see Contracting Officer or Agency representative. An individual may be shown as having worked in more than one classification provided an accurate breakdown or hours worked in each classification is maintained and shown on the submitted payroll by use of separate entries.

Column 4 - Hours worked: List the day and date and straight time and overtime hours worked in the applicable boxes. On all contracts subject to the Contract Work Hours Standard Act, enter hours worked in excess of 40 hours a week as "overtime".

Column 5 - Total: Self-explanatory

Column 6 - Rate of Pay (Including Fringe Benefits): In the "straight time" box for each worker, list the actual hourly rate paid for straight time worked, plus cash paid in lieu of fringe benefits paid. When recording the straight time hourly rate, any cash paid in lieu of fringe benefits may be shown separately from the basic rate. For example, "\$12.25/.40" would reflect a \$12.25 base hourly rate plus \$0.40 for fringe benefits. This is of assistance in correctly computing overtime. See "Fringe Benefits" below. When overtime is worked, show the overtime hourly rate paid plus any cash in lieu of fringe benefits paid in the "overtime" box for each worker; otherwise, you may skip this box. See "Fringe Benefits" below. Payment of not less than time and one-half the basic or regular rate paid is required for overtime under the Contract Work Hours Standard Act of 1962 if the prime contract exceeds \$100,000. In addition to paying no less than the predetermined rate for the classification which an individual works, the contractor must pay amounts predetermined as fringe benefits in the wage decision made part of the contract to approved fringe benefit plans, funds or programs or shall pay as cash in lieu of fringe benefits. See "FRINGE BENEFITS" below.

Column 7 - Gross Amount Earned: Enter gross amount earned on this project. If part of a worker's weekly wage was earned on projects other than the project described on this payroll, enter in column 7 first the amount earned on the Federal or Federally assisted project and then the gross amount earned during the week on all projects, thus "\$163.00/\$420.00" would reflect the earnings of a worker who earned \$163.00 on a Federally assisted construction project during a week in which \$420.00 was earned on all work.

Column 8 - Deductions: Five columns are provided for showing deductions made. If more than five deductions are involved, use the first four columns and show the balance deductions under "Other" column; show actual total under "Total Deductions" column; and in the attachment to the payroll describe the deduction(s) contained in the "Other" column. All deductions must be in accordance with the provisions of the Copeland Act Regulations, 29 C.F.R., Part 3. If an individual worked on other jobs in addition to this project, show actual deductions from his/her weekly gross wage, and indicate that deductions are based on his gross wages.

Column 9 - Net Wages Paid for Week: Self-explanatory.

Totals - Space has been left at the bottom of the columns so that totals may be shown if the contractor so desires.

Statement Required by Regulations, Parts 3 and 5: While the "statement of compliance" need not be notarized, the statement (on page 2 of the payroll form) is subject to the penalties provided by 18 U.S.C. § 1001, namely, a fine, possible imprisonment of not more than 5 years, or both. Accordingly, the party signing this statement should have knowledge of the facts represented as true.

Items 1 and 2: Space has been provided between items (1) and (2) of the statement for describing any deductions made. If all deductions made are adequately described in the "Deductions" column above, state "See Deductions column in this payroll." See "FRINGE BENEFITS" below for instructions concerning filling out paragraph 4 of the statement.

Item 4 FRINGE BENEFITS - Contractors who pay all required fringe benefits: If paying all fringe benefits to approved plans, funds, or programs in amounts not less than were determined in the applicable wage decision of the Secretary of Labor, show the basic cash hourly rate and overtime rate paid to each worker on the face of the payroll and check paragraph 4(a) of the statement on page 2 of the WH-347 payroll form to indicate the payment. Note any exceptions in section 4(c).

Contractors who pay no fringe benefits: If not paying all fringe benefits to approved plans, funds, or programs in amounts of at least those that were determined in the applicable wage decision of the Secretary of Labor, pay any remaining fringe benefit amount to each laborer and mechanic and insert in the "straight time" of the "Rate of Pay" column of the payroll an amount not less than the predetermined rate for each classification plus the amount of fringe benefits determined for each classification in the application wage decision. Inasmuch as it is not necessary to pay time and a half on cash paid in lieu of fringe benefits, the overtime rate shall be not less than the sum of the basic predetermined rate, plus the half time premium on basic or regular rate, plus the required cash in lieu of fringe benefits at the straight time rate. In addition, check paragraph 4(b) of the statement on page 2 the payroll form to indicate the payment of fringe benefits in cash directly to the workers. Note any exceptions in section 4(c).

Use of Section 4(c), Exceptions

Any contractor who is making payment to approved plans, funds, or programs in amounts less than the wage determination requires is obliged to pay the deficiency directly to the covered worker as cash in lieu of fringe benefits. Enter any exceptions to section 4(a) or 4(b) in section 4(c). Enter in the Exception column the craft, and enter in the Explanation column the hourly amount paid each worker as cash in lieu of fringe benefits and the hourly amount paid to plans, funds, or programs as fringe benefits. The contractor must pay an amount not less than the predetermined rate plus cash in lieu of fringe benefits as shown in section 4(c) to each such individual for all hours worked (unless otherwise provided by applicable wage determination) on the Federal or Federally assisted project. Enter the rate paid and amount of cash paid in lieu of fringe benefits per hour in column 6 on the payroll. See paragraph on "Contractors who pay no fringe benefits" for computation of overtime rate.

Public Burden Statement: We estimate that it will take an average of 55 minutes to complete this collection of information, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection of information, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour

Division, ESA, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Note: In order to view, fill out, and print PDF forms, you need Adobe® Acrobat® Reader® version 5 or later, which you may download for free at www.adobe.com/products/acrobat/readstep2.html. To save the completed forms on your workstation, you need to use the "Save As" method to save the file. For example, move your mouse cursor over the PDF link and click on your "RIGHT" mouse button. This will cause a menu to be displayed, from which you will select the proper save option -- depending upon which browser you are using:

- For Microsoft IE users, select "Save Target As"
- For Netscape Navigator users, select "Save Link As"

Once you've selected the proper save option for your browser, and have saved the file to a location you specified, go to your program menu and start the Adobe Acrobat® Reader. Once open, locate the PDF file you saved and open it directly in Acrobat®.

PAYROLL

(For Contractor's Optional Use; See Instructions at www.dol.gov/whd/forms/wh347instr.htm)



Rev. Dec. 2008

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

OMB No.: 1235-0008
Expires: 01/31/2015

NAME OF CONTRACTOR OR SUBCONTRACTOR ADDRESS

PAYROLL NO. FOR WEEK ENDING PROJECT AND LOCATION PROJECT OR CONTRACT NO.

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	OT OR ST	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS					(9) NET WAGES PAID FOR WEEK
				HOURS WORKED EACH DAY										FICA	WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS		
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			S																
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While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W. Washington, D.C. 20210



(For Contractor's Optional Use: See Instructions at www.dol.gov/whd/forms/wh347instr.htm)

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

Rev. Dec. 2008

NAME OF CONTRACTOR OR SUBCONTRACTOR Joe's Contracting Company
 ADDRESS 123 Main Street, Anytown, TN 30000
 OMB No.: 1235-0008
 Expires: 01/31/2015

PAYROLL NO. 1 FOR WEEK ENDING 05/09/2012 PROJECT AND LOCATION 2011 CDBG Water Line Project, Anytown, TN PROJECT OR CONTRACT NO. GG-113004

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) HOURS OF WITHHOLDING EXEMPTIONS	(3) WORK CLASSIFICATION	(4) DAY AND DATE							(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS				(9) NET WAGES PAID FOR WEEK		
			M	T	W	Th	F	S	Su				FICA	WITH-HOLDING TAX	Health Insurance	Dental Insurance		OTHER	TOTAL DEDUCTIONS
			HOURS WORKED EACH DAY																
Sally Smith 321 Oak St., Anytown, TN 30000 Last 4 of SS# 9876		Carpenter							4.00	\$15.00	\$460.00	\$50.00	\$50.00	\$20.00			\$120.00	\$340.00	
John Doe 111 1st St. Anytown, TN 30000 0101		Laborer - Common							4.00	8.00	\$300.00	\$40.00	\$40.00	\$10.00	\$5.00		\$95.00	\$205.00	
Jane Green 333 Garden St., Anytown TN 30000 4567		Power Equipment Operator - Backhoe							8.00	22.00	\$675.00	\$25.00	\$25.00			\$25.00	\$75.00	\$600.00	

While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "turnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(ii) requires contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room 53502, 200 Constitution Avenue, N.W. Washington, D.C. 20210

Date 5/11/2012

Joe Jones Owner

(Name of Signatory Party) (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by

Joe's Contracting Company

(Contractor or Subcontractor)

on the

Anytown Water Line Project that during the payroll period commencing on the

(Building or Work)

3rd day of May 2012, and ending the 9th day of May 2012

all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said

Joe's Contracting Company

from the full

(Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 63 Stat. 108, 72 Stat. 967, 76 Stat. 357, 40 U.S.C. § 3145), and described below.

Health Insurance and Dental Insurance - Employee Contributions

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with the State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS



in addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- Each laborer or mechanic listed in the above referenced payroll has been paid, as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION
Jane Green	Not yet eligible for benefits, is paid \$2 cash-in-lieu of fringe

REMARKS:

Court-ordered child support payments are deducted from Jane Green's check.

NAME AND TITLE Joe Jones, Owner	SIGNATURE 
THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE.	

**INSTRUCTIONS FOR PREPARATION OF
PROJECT WAGE RATE SHEET**

1. List the project name.
2. List the State CDBG contract number.
3. List the applicable Wage Decision Number with the modification number.
4. List the county that the project is located.
5. List each employee that works on the job. You can add people to the form as they are added to the project.
6. List their work classification.
7. List the hourly pay for the classification.
8. If any fringe benefits are being paid, list and show amount. For example, Vacation Pay \$1.20/hr, Sick Leave Pay \$1.50/hr.
9. List total compensation that employee is receiving on the project.
10. Have authorized personnel sign form.
11. Type name of person authorized to sign.
12. Type name of company.

This form is to accompany each payroll.

PROJECT WAGE RATE SHEET

Project Name:			Wage Decision Number/Modification Number						
Project Number:			Project County:						
Employee	Work Classification*	Hourly Rate	Fringe Benefits					TOTAL FRINGE	Total Wage
			Health Insurance	Vacation Pay	Sick Leave Pay	Retirement Benefits	Other - List:		

This form is a breakdown of the hourly rate plus the company-paid fringe benefits for each employee working on this project.

* List each classification for an employee on a different line and indicate category (i.e. building or heavy) for each classification.

 (Company person authorized to sign)
 (Company name)

AUTHORIZATION TO MAKE "OTHER" DEDUCTIONS

I, _____, hereby acknowledge that I have previously authorized my employer, _____, to make the below described deductions which constitute contributions for certain benefits (see Section (d) on the attached list of Permissible Payroll Deductions) on wages earned while employed on the aforementioned projects.

These deductions were either: (1) voluntarily consented to in writing and in advance of my commencement of work on the aforementioned projects or (2) provided for in a bona fide collective bargaining agreement. (Please circle or underline (1) or (2) to indicate which scenario applies.)

I, _____ (please include name and title), hereby state that I pay or supervise the payment of this employee and certify that no profit or other benefit is otherwise obtained by the employer or any affiliated person in the form of a commission, dividend, or otherwise. I further certify that the deductions listed in Section A. of this Form serve the convenience and interest of the employee and consent to said deductions was not a condition either for the obtaining or continuation of his/her employment.

PROJECT NUMBER: _____
PROJECT NAME: _____
PROJECT LOCATION: _____
City County State

These deductions listed below are voluntary and are authorized for the identified purpose(s):

Table with 2 columns: Purpose of Deduction, Amount / Frequency of Deduction. Rows 1-5.

Employee Name (PRINT OR TYPE)

Witness

Employee Signature

Date

Employee Last 4 Digits of SSN.

Date

PERMISSIBLE PAYROLL DEDUCTIONS (29 C.F.R. §3.5)

The following payroll deductions may be made without requesting approval from the U.S.

Department of Labor:

- (a) Any deduction made **in compliance with the requirements of Federal, State, or local law**, such as Federal or State withholding income taxes and Federal Social Security taxes.
- (b) Any deduction of **sums previously paid to the employee as a bona fide prepayment of wages** when such prepayment is made without discount or interest. A “bona fide prepayment of wage” is considered to have been made only when cash or its equivalent has been advanced to the person employed in such manner as to give him complete freedom of disposition of the advanced funds.
- (c) Any deduction of **amounts required by court process** to be paid to another, unless the deduction is in favor of the contractor, subcontractor, or any affiliated person, or when collusion or collaboration exists.
- (d) Any deduction constituting a contribution on behalf of the person employed to funds established by the employer or representatives of employees, or both, for the purpose of providing either from principal or income, or both, **medical or hospital care, pensions or annuities on retirement death benefits, compensation for injuries, illness, accidents, sickness, or disability, or for insurance to provide any of the foregoing, or unemployment benefits, vacation pay, savings accounts, or similar payments** for the benefit of employees, their families and dependents: *Provided, however, that the following standards are met:* (1) the deduction is **not otherwise prohibited by law**; (2) it is either: (i) **voluntarily consented to by the employee in writing and in advance** of the period in which the work is to be done and such consent is **not a condition either for the obtaining of or for the continuation of employment**, or (ii) **provided for in a bona fide collective bargaining agreement** between the contractor or subcontractor and representatives of its employees; (3) no **profit or other benefit is otherwise obtained**, directly or indirectly, by the contractor or subcontractor or any affiliated person in the form of commission, dividend, or otherwise; and (4) the deduction shall serve the **convenience and interest of the employee**.
- (e) Any deduction contributing toward the purchase of United States **Savings Bonds** when voluntarily authorized by the employee
- (f) Any deduction requested by the employee to enable him to **repay loans** to or to purchase shares in credit unions organized and operated in accordance with Federal and State credit union statutes.
- (g) Any deduction voluntarily authorized by the employee for the making of contributions governmental or quasi-governmental agencies, such as the American Red Cross.

- (h) Any deduction voluntarily authorized by the employee for the making of contributions to Community Chests, United Givers Funds, and similar charitable organizations.
- (i) Any deductions to pay **regular union initiation fees** and membership dues, not including fines or special assessments: *Provided, however,* that a collective bargaining agreement between employees provided for such deductions and the deductions are not otherwise prohibited by law.
- (j) Any deduction not more than for the **“reasonable cost” of board, lodging** or other facilities meeting the requirements of section 3(m) of the Fair Labor Standards Act of 1938, as amended, and Part 531 of Title 29, Code of Federal Regulations. When such a deduction is made, the additional records required under Section 516.25(a) of Title 29, Code of Federal Regulations, shall be kept.
- (k) Any deduction for the cost of safety equipment of nominal value purchased by the employee as his own property for his personal protection in his work, such as safety shoes, safety glasses, safety gloves, and hard hats, if such equipment is not required by law to be furnished by the employer, if such deduction is not violative of the Fair Labor Standards Act or prohibited by other law, if the cost on which the deduction is based does not exceed the actual cost to the employer where the equipment is purchased from him and does not include any direct or indirect monetary return to the employer where the equipment is purchased from a third person, and if the deduction is either:
 - (1) Voluntarily consented to by the employee in writing and in advance of the period in which the work is to be done and such consent is not a condition either for the obtaining of employment or its continuance; or
 - (2) Provided for in a bona fide collective bargaining agreement between the contractor or subcontractor and representatives of its employees.

LIST OF REQUIRED POSTERS ON JOB-SITE

- ★ Notice To All Employees Working on Federal or Federally Financed Construction Projects
- ★ Job Safety & Health Protection
- ★ Equal Opportunity Is The Law
- ★ Applicable Davis-Bacon Wage Decision(s)

Record of Employee Interview

U.S. Department of Housing and Urban Development Office of Labor Relations

OMB Approval No. 2501-0009
(exp. 10/31/2010)

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information is collected to ensure compliance with the Federal labor standards by recording interviews with construction workers. The information collected will assist HUD in the conduct of compliance monitoring; the information will be used to test the veracity of certified payroll reports submitted by the employer. **Sensitive Information.** The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentiality. In addition, these records should be protected against any anticipated threats or hazards to their security or integrity that could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom the information is maintained. **The information collected herein is voluntary, and any information provided shall be kept confidential.**

1a. Project Name			2a. Employee Name		
1b. Project Number			2b. Employee Phone Number (including area code)		
1c. Contractor or Subcontractor (Employer)			2c. Employee Home Address & Zip Code		
			2d. Verification of identification? Yes <input type="checkbox"/> No <input type="checkbox"/>		
3a. How long on this job?	3b. Last date on this job before today?	3c. No. of hours last day on this job?	4a. Hourly rate of pay?	4b. Fringe Benefits?	
				Vacation Yes <input type="checkbox"/> No <input type="checkbox"/>	4c. Pay stub? Yes <input type="checkbox"/> No <input type="checkbox"/>
				Medical Yes <input type="checkbox"/> No <input type="checkbox"/>	
				Pension Yes <input type="checkbox"/> No <input type="checkbox"/>	
5. Your job classification(s) (list all) --- continue on a separate sheet if necessary					
6. Your duties					
7. Tools or equipment used					
8. Are you an apprentice or trainee?		Y <input type="checkbox"/> N <input type="checkbox"/>	10. Are you paid at least time and ½ for all hours worked in excess of 40 in a week?		Y <input type="checkbox"/> N <input type="checkbox"/>
9. Are you paid for all hours worked?		Y <input type="checkbox"/> N <input type="checkbox"/>	11. Have you ever been threatened or coerced into giving up any part of your pay?		Y <input type="checkbox"/> N <input type="checkbox"/>
12a. Employee Signature			12b. Date		
13. Duties observed by the Interviewer (Please be specific.)					
14. Remarks					
15a. Interviewer name (please print)		15b. Signature of Interviewer		15c. Date of interview	

Payroll Examination

16. Remarks	
17a. Signature of Payroll Examiner	17b. Date

Previous editions are obsolete

Form HUD-11 (08/2004)

Record of Employee Interview Instructions	U.S. Department of Housing and Urban Development Office of Labor Relations	OMB Approval No. 2501-0009 (exp. 10/31/2010)
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General:

This form is to be used by HUD and local agency staff for recording information gathered during on-site interviews with laborers and mechanics employed on projects subject to Federal prevailing wage requirements. Typically, the staff that will conduct on-site interviews and use this form are HUD staff and fee construction inspectors, HUD Labor Relations staff, and local agency labor standards contract monitors.

Information recorded on the form HUD-11 is evaluated for general compliance and compared to certified payroll reports submitted by the respective employer. The comparison tests the veracity of the payroll reports and may be critical to the successful conclusion of enforcement actions in the event of labor standards violations. The thoroughness and accuracy of the information gathered during interviews is crucial.

Note that the interview itself and the information collected on the form HUD-11 are considered confidential. Interviews should be conducted individually and privately. All laborers and mechanics employed on the job site must be made available for interview at the interviewer's request. The employee's participation, however, is voluntary. Interviews shall be conducted in a manner and place that are conducive to the purposes of the interview and that cause the least inconvenience to the employer(s) and the employee(s).

Completing the form HUD-11

Items 1a - 1c: Self-explanatory

Items 2a – 2d: Enter the employee's full name, a telephone number where the employee can be reached, and the employee's home address. Many construction workers use a temporary address in the locality of the project and have a more permanent address elsewhere from which mail may be forwarded to them. Obtain a more permanent address, if available. Ask the employee for a form of identification (e.g., driver's license) to verify their name.

Items 3a – 4c: Enter the employee's responses. Ask the employee whether they have a pay stub with them; if so, determine whether the pay stub is consistent with the information provided by the employee.

Items 5 – 7: Be certain that the employee's responses are specific. For example, job classification (#5) must identify the trade involved (e.g., Carpenter, Electrician, Plumber) – responses such as "journeyman" or "mechanic" are not helpful for our purposes.

Items 8 – 12b: Self-explanatory

Items 13 – 15c: These items represent some of the most important information that can be gathered while conducting on-site interviews. Please be specific about the duties you observed the employee performing. It may be easiest to make these observations before initiating the interview. Please record any comments or remarks that may be helpful. For example, if the employee interviewed was working with a crew, how many workers were in the crew? Was the employee evasive?

The level of specificity that is warranted is directly related to the extent to which interview(s) or other observations indicate that there may be violations present. If interviews indicate that there may be underpayments involving a particular trade(s), the interviewer is encouraged to interview as many workers in that trade(s) that are available.

Items 16 – 17b: The information on the form HUD-11 may be reviewed for general compliance, initially. For example, are the job classification and wage rate stated by the employee compatible with the classifications and wage rates on the applicable wage decision? Are the duties observed by the interviewer consistent with the job classification?

Once the corresponding certified payroll reports are received, the information on the HUD-11 shall be compared to the payroll reports. Any discrepancies noted between the HUD-11 information and that on the payroll report shall be noted in Item 16, Remarks. If discrepancies are noted, follow-up actions to resolve the discrepancies must be taken.

I. CONTRACT INFORMATION

- 1. Project Name: _____ 2. Project Number: _____
- 3. Project Location: _____
- 4. Description of Project: _____
- 5. Prime Contractor's Name and Address - Street/PO Box, City, State: _____
- 6. Program (source of funding, e.g. CDBG, HOME, etc.): _____
- 7. Bid Opening Date: _____ 8. Prime Contract Award Date: _____
- 9. Construction Start Date: _____ 10. Construction Completion Date: _____
- 11. Prime Contract Award Amount: \$ _____
- 12. Wage Decision # (include modification # & expiration date, if any): _____

II. LABOR STANDARDS VIOLATIONS (respond for project in total - prime and all subcontractors)

YES NO

- 1. Any labor standards violations found?
- 2. Were any violations willful?
- 3. Were CWHSSA liquidated damages computed?
- 4. Are administrative sanctions recommended?
- 5. Total amount of underpayment found _____
- 6. Wage underpayments were discovered through (check all that apply):
 - a. Routine payroll review
 - b. On-site interview
 - c. Investigation of complaint
 - d. Other (explain: _____)

Attach a schedule which shows the names of each affected employee, the contractor involved and the amount of restitution paid to each employee. If restitution is due and unpaid, explain why payment has not been made.

When to submit a more detailed enforcement report:

A detailed enforcement report is required if the agency recorded a "Yes" response to 2, 3 or 4 in Part II above or if underpayment by a single contractor totals \$1,000 or more.

The report must explain why the investigation (if any) began, provide the facts involved regarding the violation(s), all actions taken to obtain compliance by the contractor, the bases of conclusions reached, and computations of wages due (with explanations as necessary). Copies of relevant documents such as the weekly payroll reviews, on-site interviews, employee statements, preconstruction conference minutes, correspondence and related material must be submitted with any detailed enforcement report.

The undersigned authorized representative of the contracting agency certifies that weekly payrolls and other required documentation have been obtained and reviewed and that the information provided in the Labor Standards Enforcement Report for the above-identified project is correct.

Name and Title: _____

Detailed report attached:

Agency: _____

Detailed report N/A:

Signature and Date: _____

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ADVERTISEMENT FOR BIDS

Project No. _____

_____ (Owner)

Separate sealed bids for _____ for

_____ will be received by _____

at the office of _____

until _____ o'clock A.M./P.M., C.S.T./E.S.T. _____, 20____, and then at said office publicly opened and read aloud.

The Information for Bidders, Form of Bid, Form of Contract, Plans, Specifications, and Forms of Bid Bond, Performance and Payment Bond, and other contract documents may be examined at the following:

Copies may be obtained at the office of _____

located at _____ upon payment of \$ _____

for each set. Any unsuccessful bidder, upon returning each set promptly and in good condition, will be refunded his payment, and any non-bidder upon so returning such a set will be refunded \$_____.

The owner reserves the right to waive any informalities or to reject any or all bids.

Each bidder must deposit with his bid, security in the amount, form and subject to the conditions provided in the Information for Bidders.

All bidders must be licensed General Contractors as required by the Contractor's Licensing Act of 1994 of the General Assembly of the State of Tennessee, and qualified for the type of construction being bid upon.

Attention of bidders is particularly called to the requirements as to conditions of employment to be observed and minimum wage rates to be paid under the contract, Section 3, Segregated Facility, Section 109 and E.O. 11246.

No bidder may withdraw his bid within 60 days after the actual date of the opening thereof.

_____ (Date) _____

INFORMATION FOR BIDDERS

1. Receipt and Opening of Bids

The _____ (herein called the "Owner), invites bids on the form attached hereto, all blanks of which must be appropriately filled in. Bids will be received by the Owner at the office of _____ until _____ o'clock A.M./P.M., C.S.T/E.S.T, _____, 20____, and then at said office publicly opened and read aloud. The envelopes containing the bids must be sealed, addressed to _____ at _____ and designated as bid for _____.

The Owner may consider informal any bid not prepared and submitted in accordance with the provisions hereof and may waive any informalities or reject any and all bids. Any bid may be withdrawn prior to the above scheduled time for the opening of bids or authorized postponement thereof. Any bid received after the time and date specified shall not be considered. No bidder may withdraw a bid within 60 days after the actual date of the opening thereof.

2. Preparation of Bid:

Each bid must be submitted on the prescribed form and accompanied by Certification of Bidder Regarding Equal Employment Opportunity, Certification of Bidder Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion, Certification of Bidder Regarding Section 3 and Segregated Facilities, and Drug-Free Workplace Affidavit. All blank spaces for bid prices must be filled in, in ink or typewritten, in both words and figures, and the foregoing Certifications must be fully completed and executed when submitted.

Each bid must be submitted in a sealed envelope bearing on the outside the name of the bidder, his/her address, the name of the project for which the bid is submitted, license number, expiration date thereof, and license classification of the contractors applying to bid for the prime contract, and for the electrical, plumbing, heating, ventilation, and air conditioning contracts, and all other information required by State law..

All bidders must be licensed General Contractors as required by the Contractor's Licensing Act of 1994 of the General Assembly of the State of Tennessee, and qualified for the type of construction being bid upon. Each bidder shall write on the outside of the envelope containing its bid: 1) its Contractor's license number; 2) that part of the classification applying to the bid. If this is not done, the bid will not be opened.

3. Subcontracts:

The bidder is specifically advised that any person, for, or other party to whom it is proposed to award a subcontract under this contract:

- a. Must be acceptable to the owner; and
- b. Must submit Certification by Proposed Subcontractor Regarding Equal Employment Opportunity, and Certification of Proposed Subcontractor Regarding Section 3 and Segregated Facilities. Approval of the proposed subcontract award cannot be given by the owner unless and until the proposed subcontractor has submitted the Certifications and/or other evidence showing that it has fully complied with any reporting requirements to which it is or was subject.

Although the bidder is not required to attach such Certifications by proposed subcontractors to his/her bid, the bidder is here advised of this requirement so that appropriate action can be taken to prevent subsequent delay in subcontract awards.

4. Telegraphic Modification:

Any bidder may modify his/her bid by telegraphic communication at any time prior to the scheduled closing time for receipt of bids provided such telegraphic communication is received by the Owner prior to the closing time, and, provided further, the Owner is satisfied that a written confirmation of the telegraphic modification over the signature of the bidder was mailed prior to the closing time. The telegraphic communication should not reveal the bid price but should provide the addition or subtraction or other modification so that the final prices or terms will not be known by the Owner until the sealed bid is opened. If written confirmation is not received within two days from the closing time, no consideration will be given to the telegraphic modification.

5. Method of Bidding:

The Owner invites the following bid(s):

6. Qualification of Bidder:

The Owner may make such investigations as s/he deems necessary to determine the ability of the bidder to perform the work, and the bidder shall furnish to the Owner all such information and data for this purpose as the Owner may request. The Owner reserves the right to reject any bid if the evidence submitted by, or investigation of, such bidder fails to satisfy the owner that such bidder is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein. Conditional bids will not be accepted.

7. Bid Security:

Each bid must be accompanied by cash, certified check of the bidder, or a bid bond prepared on the form of bid bond attached thereto, duly executed by the bidder as principal and having as surety thereon a surety company approved by the Owner, in the amount of 5% of the bid. Such cash, checks or bid bonds will be returned to all except the three lowest bidders within three days after the opening of bids, and the remaining cash, checks or bid bonds will be returned promptly after the Owner and the accepted bidder have executed the contract, or, if no award has been made within 60 days after the date of the opening of bids, upon demand of the bidder at any time thereafter, so long as he/she has not been notified of the acceptance of his/her bid.

8. Liquidated Damages for Failure to Enter into Contract:

The successful bidder, upon his/her failure to refusal to execute and deliver the contract and bonds required within 10 days after she/he has received notice of the acceptance of his/her bid, shall forfeit to the Owner, as liquidated damages for such failure or refusal, the security deposited with his/her bid.

9. Time of Completion and Liquidated Damages:

Bidder must agree to commence work on or before a date to be specified in a written "Notice to Proceed" of the Owner and to fully complete the project within _____ consecutive calendar days thereafter. Bidder must agree also to pay as liquidated damages, the sum of \$_____ for each consecutive calendar day thereafter as hereinafter provided in the Supplemental General Conditions.

10. Condition of Work:

Each bidder must inform him/herself fully of the conditions relating to the construction of the project and the employment of labor thereof. Failure to do so will not relieve a successful bidder of his/her obligation to furnish all material and labor necessary to carry out the provisions of his/her contract. Insofar as possible, the contractor, in carrying out the work, must employ such methods as will not cause any interruption of or interference with the work of any other contractor.

11. Addenda and Interpretations:

No interpretation of the meaning of the plans, specifications or other pre-bid documents will be made to any bidder orally.

Every request for such interpretation should be in writing addressed to

_____ at _____
 and to be given consideration must be received at least five days prior to the date fixed for the opening of bids. Any and all such interpretations and any supplemental instructions will be in the form of written addenda to the specifications which, if issued, will be mailed by certified mail with return receipt requested or emailed to all prospective bidders (at the respective addresses furnished for such purposes), not later than two days prior to the date fixed for the opening of bids. Failure of any bidder to receive any such addendum or interpretation shall not relieve such bidder from any obligation under his/her bid as submitted. All addenda so issued shall become part of the contract documents.

12. Security for Faithful Performance:

Simultaneously with his/her delivery of the executed contract, the Contractor shall furnish a surety bond or bonds as security for faithful performance of this contract and for the payment of all persons performing labor on the project under this contract and furnishing materials in connection with this contract, as specified in the General Conditions included herein. The surety on such bond or bonds shall be a duly authorized surety company satisfactory to the Owner.

13. Power of Attorney:

Attorneys-in-fact who sign bid bonds or contract bonds must file with each bond a certified and effectively dated copy of their power of attorney.

14. Notice of Special Conditions:

Attention is particularly called to those parts of the contract documents and specifications which deal with the following:

- a. Inspection and testing of materials.
- b. Insurance requirements.
- c. Wage rates.
- d. Stated allowances.

15. Laws and Regulations:

The bidder's attention is directed to the fact that all applicable State laws, municipal ordinances, and the rules and regulations of all authorities having jurisdiction over construction of the project shall apply to the contract throughout, and they will be deemed to be included in the contract the same as though herein written out in full.

16. Method of Award - Lowest Qualified Bidder:

After receiving bids and determining the amount of funds estimated by the OWNER as available to finance the contract, the OWNER will award the contract to the lowest responsible bidder. The lowest responsible bidder will be determined upon the basis of the lowest base bid or lowest base bid combined with alternates (additive or deductive). If the contract is to be awarded based on the lowest base bid with alternates, alternates will be accepted in the numerical order in which they are listed in the Form of Bid.

17. Obligation of Bidder:

At the time of the opening of bids each bidder will be presumed to have inspected the site and to have read and to be thoroughly familiar with the plans and contract documents (including all addenda). The failure or omission of any bidder to examine any form, instrument or document shall in no way relieve any bidder from any obligation in respect of his/her bid.

18. Safety Standards and Accident Prevention: With respect to all work performed under this contract, the Contractor shall:

- a. Comply with the safety standards provisions of applicable laws, building and construction codes and the "Manual of Accident Prevention in Construction" published by the Associated General Contractors of America, the requirements of the Occupational Safety and Health Act of 1970 (Public Law 91-596), and the requirements of Title 29 of the Code of Federal Regulations, Section 1518 as published in the "Federal Register", Volume 36, No. 75, Saturday, April 17, 1971.
- b. Exercise every precaution at all times for the prevention of accidents and the protection of persons (including employees) and property.
- c. Maintain at his/her office or other well known place at the job site, all articles necessary for giving first aid to the injured, and shall make standing arrangements for the immediate removal to a hospital or a doctor's care of persons (including employees), who may be injured on the job site. In no case shall employees be permitted to work at a job site before the employer has made a standing arrangement for removal of injured persons to a hospital or a doctor's care.

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, _____

_____ as Principal, and _____

as Surety, are hereby held and firmly bound unto _____

as owner in the penal sum of _____ for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

Signed, this _____ day of _____, 20_____.

The condition of the above obligation is such that whereas the Principal has submitted to _____ a certain Bid, attached hereto and hereby made a part hereof to enter into a contract in writing for the

NOW, THEREFORE,

- (a) If said Bid shall be rejected, or in the alternate.
- (b) If said Bid shall be accepted and the Principal shall execute and deliver a contract in the Form of Contract attached hereto (properly completed in accordance with said Bid) and shall furnish a bond for his faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said Bid, then this obligation shall be void, otherwise the same shall remain in force and effect, it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The surety for value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no way impaired or affected by an extension of the time within which the Owner may accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hand and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

_____ (L.S.)
Principal

Surety
By: _____

SEAL

BID FOR UNIT PRICE CONTRACTS

Place _____

Date _____

Project No. _____

Proposal of _____ (hereinafter called "Bidder")¹ a corporation, organized and existing under the laws of the State of _____, partnership, or an individual doing business as _____.

To the _____ (hereinafter called "Owner")

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of a

_____,
having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of materials and labor, hereby proposes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein, and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents, of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in written "Notice to Proceed" of the Owner and to fully complete the project within _____ consecutive calendar days thereafter as stipulated in the specifications. Bidder further agrees to pay as liquidated damages the sum of \$_____ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 3.c. of the Supplemental General Conditions.

¹ _____
Insert corporation, partnership or individual as applicable.

Bidder acknowledges receipt of the following addendum:

Bidder agrees to perform all the _____ work described in the specifications and shown on the plans, for the following unit prices:

<u>ITEM NO.</u>	<u>EST. QTY.</u>	<u>DESCRIPTION</u>	<u>UNIT PRICE (Each)</u>	<u>Total</u>
1	_____	_____	_____ Dollars & Cents	_____ Dollars & Cents
			(\$_____)	(\$_____)
2	_____	_____	_____ Dollars & Cents	_____ Dollars & Cents
			(\$_____)	(\$_____)
3	_____	_____	_____ Dollars & Cents	_____ Dollars & Cents
			(\$_____)	(\$_____)
			TOTAL OF BID	\$_____

(Amounts are to be shown in both words and figures. In case of discrepancy, the amount shown in words will govern.)

The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The bidder agrees that this bid shall be good and may not be withdrawn for a period of 60 days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by Article 5 of the General Conditions. The bid security attached in the sum of

(\$_____) is to become the property of the Owner in the event the contract and bond are not executed within the time above set forth, as liquidated damages for the delay and additional expense to the Owner caused thereby.

Respectfully submitted:

By: _____
(Title)

(SEAL - if bid is by a corporation)

BID FOR LUMP SUM CONTRACTS

Place _____

Date _____

Project No. _____

Proposal of _____ (hereinafter called "Bidder") (a

_____ corporation/a partnership/an individual doing
(State) STRIKE OUT INAPPLICABLE TERMS

business as _____)

To the _____
(hereinafter called "Owner")

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of

_____ having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of materials and labor, hereby proposes to furnish all labor, materials, and supplies; and to construct the project in accordance with the Contract Documents, within the time set forth therein, and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the Contract Documents, of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in written "Notice to Proceed" of the Owner and to fully complete the project within _____ consecutive calendar days thereafter as stipulated in the specifications. Bidder further agrees to pay as liquidated damages, the sum of \$_____ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 3.c. of the Supplemental General Conditions.

Bidder acknowledges receipt of the following addendum:

BASE PROPOSAL: Bidder agrees to perform all of the _____

_____ work described in the

specifications and shown on the plans for the sum _____

_____ (\$_____) (Amount shall

be shown in both words and figures. In case of discrepancy, the amount shown in words will govern.)

ALTERNATE PROPOSALS

Alternate No. 1: _____

Deduct the sum of _____ (\$ _____)

Alternate No. 2: _____

Deduct the sum of _____ (\$ _____)

Alternate No. 3: _____

Deduct the sum of _____ (\$ _____)

Alternate No. 4: _____

Deduct the sum of _____ (\$ _____)

UNIT PRICES

For changing quantities of work items from those indicated by the contract drawings upon written instructions from the architect/engineer, the following unit prices shall prevail:

1. _____ \$ _____
2. _____ \$ _____
3. _____ \$ _____

The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for. Changes shall be processed in accordance with Article 11.3.1 of the General Conditions.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The bidder agrees that this bid shall be good and may not be withdrawn for a period of 60 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, the bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by Article 5 of the General Conditions.

The bid security attached in the sum of _____
(\$_____) is to become the property of the Owner in the event the contract
and bond are not executed within the time above set forth, as liquidated damages for the
delay and additional expense to the Owner caused thereby.

Respectfully submitted:

By: _____

(Signature)

(SEAL - if bid is by a corporation)

(Title)

(Business Address & Zip Code)

CERTIFICATION OF BIDDER REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

INSTRUCTIONS

This certification is required pursuant to 24.CFR Section 24.510(b). It shall be completed, signed and submitted as part of the bid proposal.

1. By signing and submitting this proposal, the prospective lower-tier participant certifies that neither it, its principals nor affiliates, is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. Further, the Participant provides the certification set out below:
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that an erroneous certification was rendered, in addition to other remedies available to the Federal Government, the Department or agency with which this transaction originated may pursue available remedies.
3. Further, the Participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the Participant learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. By submitting this proposal, it is agreed that should the proposed covered transaction be entered into, the Participant will not knowingly enter into any lower-tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction unless authorized by the agency with which this transaction originated.
5. It is further agreed that by submitting this proposal, the Participant will include this Certification, without modification, in all lower-tier covered transactions and in all solicitations for lower-tier covered transactions.

Contractor Name and Title _____ Date _____

Signature _____ Address _____

City _____ State _____ Zip ____

NON-CERTIFICATION:

As the prospective lower-tier participant, I am unable to certify to statements in this Certification as explained in the attachment to this proposal.

Contractor Name and Title _____ Date _____

Signature _____ Address _____

City _____ State _____ Zip ____

The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

This form must be submitted to the State with the bid tabulations.

CERTIFICATION OF BIDDER REGARDING EQUAL EMPLOYMENT OPPORTUNITY

INSTRUCTIONS

This certification is required pursuant to Executive Order 11246 (30 F. R. 12319-25). The implementing rules and regulations provide that any bidder or prospective contractor, or any of their proposed subcontractors, shall state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract or subcontract subject to the equal opportunity clause; and, if so, whether it has filed all compliance reports due under applicable instructions.

Where the certification indicates that the bidder has not filed a compliance report due under applicable instructions, such bidder shall be required to submit a compliance report within seven calendar days after bid opening. No contract shall be awarded unless such report is submitted.

CERTIFICATION BY BIDDER

Name and Address of Bidder (*include Zip Code*):

1. Bidder has participated in a previous contract or subcontract subject to the Equal Opportunity Clause.

Yes No

2. Compliance reports were required to be filed in connection with such contract or subcontract.

Yes No

3. Bidder has filed all compliance reports due under applicable instructions, including SF-100.

Yes No None Required

4. Have you ever been or are you being considered for sanction due to violation of Executive Order 11246, as amended?

Yes No

NAME AND TITLE OF SIGNER (*Please type*)

SIGNATURE

DATE

CERTIFICATION OF BIDDER REGARDING USE OF FEMALE/MINORITY SUBCONTRACTORS

INSTRUCTIONS

This certification is required for the contractor to demonstrate that when subcontractors are to be used on this project, an attempt will be made to utilize female/minority owned firms.

Documentation must be on file to show who has been contacted.

CERTIFICATION BY BIDDER

Name and Address of Bidder (include Zip Code):

I, _____, certify that every attempt was made to utilize female/minority contractors on this project.

Name and Title of Signer

Signature

Date

CERTIFICATION OF BIDDER REGARDING SECTION 3 AND SEGREGATED FACILITIES

Name of Prime Contractor

Project Name & Number

The undersigned hereby certifies that

- (a) Section 3 provisions are included in the Contract.
- (b) If contract equals or exceeds \$100,000, HUD form 60002 will be submitted with the final pay estimate.
- (c) No segregated facilities will be maintained.

Name & Title of Signer (Print or Type)

Signature

Date

DRUG-FREE WORKPLACE AFFIDAVIT

STATE OF _____
 COUNTY OF _____

The undersigned, principal officer of _____,
 an employer of five (5) or more employees contracting with _____
 government to provide construction services, hereby states under oath as follows:

1. The undersigned is a principal officer of _____
 (hereinafter referred to as the "Company"), and is duly authorized to execute
 this Affidavit on behalf of the Company.
2. The Company submits this Affidavit pursuant to T.C.A. § 50-9-113, which
 requires each employer with no less than five (5) employees receiving pay
 who contracts with the state or any local government to provide construction
 services to submit an affidavit stating that such employer has a drug-free
 workplace program that complies with Title 50, Chapter 9, of the *Tennessee
 Code Annotated*.
3. The Company is in compliance with T.C.A. § 50-9-113.

Further affiant saith not.

 Principal Officer

STATE OF _____
 COUNTY OF _____

Before me personally appeared _____, with whom I am
 personally acquainted (or proved to me on the basis of satisfactory evidence), and who
 acknowledged that such person executed the foregoing affidavit for the purposes therein
 contained.

Witness my hand and seal at office this _____ day of _____, 20__.

 Notary Public

My commission expires: _____

CERTIFICATION BY PROPOSED SUBCONTRACTOR REGARDING EQUAL EMPLOYMENT OPPORTUNITY

NAME OF PRIME CONTRACTOR

PROJECT NUMBER

INSTRUCTIONS

This certification is required pursuant to Executive Order 11246 (30 F. R. 12319-25). The implementing rules and regulations provide that any bidder or prospective contractor, or any of their proposed subcontractors, shall state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract or subcontract subject to the equal opportunity clause; and, if so, whether it has filed all compliance reports due under applicable instructions.

Where the certification indicates that the subcontractor has not filed a compliance report due under applicable instructions, such subcontractor shall be required to submit a compliance report before the owner approves the subcontract or permits work to begin under the subcontract.

SUBCONTRACTOR'S CERTIFICATION

NAME AND ADDRESS OF SUBCONTRACTOR *(include ZIP Code)*:

1. Bidder has participated in a previous contract or subcontract subject to the Equal Opportunity Clause.

 Yes No

2. Compliance reports were required to be filed in connection with such contract or subcontract.

 Yes No

3. Bidder has filed all compliance reports due under applicable instructions, including SF-100.

 Yes No None Required

4. Have you ever been or are you being considered for sanction due to violation of Executive Order 11246, as amended?

 Yes No
NAME AND TITLE OF SIGNER *(Please type)*

SIGNATURE

DATE

**CERTIFICATION OF PROPOSED SUBCONTRACTOR
REGARDING SECTION 3 AND SEGREGATED FACILITIES**

Name of Subcontractor

Project Name & Number

The undersigned hereby certifies that

- (a) Section 3 provisions are included in the Contract;
- (b) If contract equals or exceeds \$100,000, HUD form 60002 will be submitted with the final pay estimate.
- (c) No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

Name & Title of Signer (Print or Type)

Signature

Date

WAGE RATE DETERMINATION

Appropriate Wage Rates shall be inserted here.

AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 20____, by and between _____, herein called "Owner", acting herein through its _____, and _____,

STRIKE OUT (a corporation) (a partnership)
INAPPLICABLE (an individual doing business as _____)
TERMS
of _____, County of _____, and State of _____, hereinafter called "Contractor".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR hereby agrees with the OWNER to commence and complete the construction described as follows:

hereinafter called "the project", for the sum of _____ Dollars (\$_____)

and all extra work in connection therewith, under the terms as stated in the General and Special Conditions of the Contract; and at this (its or their) own property cost and expense to furnish all the materials , supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the Proposal, the General Conditions, Supplemental General Conditions and Special Conditions of the Contract, the plans, which include all maps, plats, blue prints, and other drawings and printed or written explanatory matter thereof, the specifications and contract documents therefore as prepared by _____, herein entitled "the Architect/Engineer", and as enumerated in Paragraph 1 of the Supplemental General Conditions, all of which are made a part hereof and collectively evidence and constitute the contract.

The Contractor hereby agrees to commence work under this contract on or before a date to be specified in a written "Notice to Proceed" of the Owner and to fully complete the project within _____ consecutive calendar days thereafter. The Contractor further agrees to pay, as liquidated damages, the sum of \$_____ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 3 of the Supplemental General Conditions.

The OWNER agrees to pay the CONTRACTOR in current funds for the performance of the contract, subject to additions and deductions, as provided in the General Conditions of the Contract, and to make payments on account thereof as provided in Paragraph 3, "Payments to Contractor", of the Supplemental General Conditions.

IN WITNESS WHEREOF, the parties to these presents have executed this contract in six (6) counterparts, each of which shall be deemed an original, in the year and day first above mentioned.

(Seal)

ATTEST:

(Owner)

(Secretary)

By: _____

(Witness)

(Title)

(Seal)

(Contractor)

(Secretary)

By: _____

(Witness)

(Title)

(Address and Zip Code)

NOTE: Secretary of the Owner should attest. If Contractor is a corporation, Secretary should attest.

BONDING AND INSURANCE

1. This Attachment sets forth bonding and insurance requirements for grants. No other bonding and insurance requirements shall be imposed other than those normally required by the grantee.
2. Except as otherwise required by law, a grant that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the grantee to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$100,000. For those contracts or subcontracts exceeding \$100,000, the Federal agency may accept the bonding policy and requirements of the grantee provided the Federal agency has made a determination that the Government's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:
 - (a) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
 - (b) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
 - (c) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.
3. Where the Federal Government guarantees or insures the repayment of money borrowed by the grantee, the Federal agency, at its discretion, may require adequate bonding and insurance if the bonding and insurance requirements of the grantee are not deemed adequate to protect the interest of the Federal Government.
4. Where bonds are required in the situations described above, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties (31 CFR 223).

NOTE: AIA Document A311 is acceptable for use as Performance and Payment Bonds.

CERTIFICATE OF OWNER'S ATTORNEY

I, the undersigned, _____, the duly authorized and acting legal representative of _____ do hereby certify as follows:

I have examined the attached contract(s) and surety bonds and the manner of execution thereof, and I am of the opinion that each of the aforesaid agreements has been duly executed by the proper parties thereto acting through their duly authorized representatives; that said representatives have full power and authority to execute said agreements on behalf of the respective parties named thereon; and that the foregoing agreements constitute valid and legally binding obligations upon the parties executing the same in accordance with terms, conditions and provisions thereof.

Date: _____