Labor Compliance Officer Duties

DR CDBG Funds subject to Davis-Bacon and Related Acts (DBRA) requirements
Typical LCO duties on DR-CDBG-funded project covered by DBRA

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

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Ten Day Responsibility

• Search [www.wdol.gov](http://www.wdol.gov) website no more than 10 days prior to bid opening to ensure that wage decision in bid package is current.

  • The DR-CDBG Administrative Manual does not have an exhibit to demonstrate compliance in this area. The Compliance section will accept a printout from the DOL website that indicates the date the website was searched.

  • An email from the LCO to the grantee indicating that the wage decision in the bid package is current (or outdated) is also acceptable.
Document Wage Decision

• The Disaster Recovery CDBG Program requires that the wage decision verification be obtained after the bid opening and before the award of the contract.
  • Helps ensure that the wage decision in effect at the date of the contract award is made a part of the grantee’s contract with the low bidder.

• Use Exhibit 7-6 in the DR CDBG Grantee Administrative Manual to document verification of the wage decision choice. Maintain form in grantee’s Labor files.
Notification of Subcontractor Awards

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

• Scheduled to advise prime contractor and all available subcontractors of their responsibilities regarding labor standards.
  • If conference is not held, grantee/LCO must utilize some method of its own choosing to advise contractors of their responsibilities and other items normally covered at pre-construction conference.

• Pre-Construction Conference is ideal time to initiate the additional classification process.
Field Inspections

Verifying Posting Requirements

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

**Employee Interviews**

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

**Interview Requirements**

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

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

• Section 7 (Labor Regulations) of the DR CDBG Grantee Administrative Manual:

• Sample Project Wage Rate Sheet (Exhibit 7-1):
  https://www.doa.la.gov/OCDDRU%20AdminManual/Section_07/Section_7_Exhibits/Exhibit%207-1.doc

• Verification of Project Wage Rate Sheet and Project Sign Posting (Exhibit 7-2):
  http://www.doa.la.gov/OCDDRU%20AdminManual/Section_07/Section_7_Exhibits/Exhibit%207-2.doc

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Resources, continued

- Appointment of LCO form (Exhibit 7-4): http://www.doa.la.gov/OCDDRU%20AdminManual/Section_07/Section_7_Exhibits/Exhibit%207-4.doc
- Verification of Wage Decision (Exhibit 7-6): https://www.doa.la.gov/OCDDRU%20AdminManual/Section_07/Section_7_Exhibits/Exhibit%207-6.doc
- Employee Interview form (Exhibit 7-10): http://www.doa.la.gov/OCDDRU%20AdminManual/Section_07/Section_7_Exhibits/Exhibit%207-10.pdf

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