

Deficient Certified Payroll

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During the review, if the weekly certified payrolls are found to be incomplete, inaccurate, or inconsistent with the other project records, they are considered deficient. The engineer is to notify the prime contractor of the deficiencies in writing by certified mail or other method which establishes the date the notice is received by the contractor with a copy by regular mail to any subcontractor(s) that may be involved and the region coordinator for prevailing wage compliance.

The notice is to inform the contractor(s) that if the deficiencies are not corrected and revised certified payrolls are not received by the engineer in 30 calendar days from receipt of the notice by the prime contractor, payment for the offending contractor's work items will be withheld until corrected and revised payrolls are received by the engineer. In addition, the notice will state the intent to assess non-compliance damages retroactive to the date the prime received the first notice until all issues are resolved. The offending contractor is to submit revised certified payrolls correcting all deficiencies and/or errors through the prime contractor.

If the issues are not resolved within 30 calendar days from the receipt of the first notice, the engineer will implement the action from the first notice. Concurrently, the engineer is to send a second notice to the prime contractor by certified mail or other method which establishes the date the notice was received by the contractor, with a copy by regular mail to any subcontractor(s) that may be involved. The second notice is to state that if corrected and revised certified payrolls are not received within 30 calendar days of the receipt of the second notice by the prime contractor, the engineer will rescind all payments for the offending contractor's work items previously paid. In addition, the notice is to inform the contractor the engineer will complete interim Contractor Performance Evaluations for the offending contractor. The C&T Division's prevailing wage compliance specialist and region coordinator for prevailing wage compliance are also to receive a copy of the second notice.

If the deficient certified payrolls are not corrected and revised certified payrolls received by the engineer within 30 calendar days of the second notice, the engineer is to implement the actions in the second notice and prepare the appropriate Contractor Performance Evaluations to report the continued non-compliance with prevailing wage requirements.

Assessment of non-compliance damages, withholding of payments, and rescinded payments will continue until all corrected and revised certified payrolls are received by the engineer.

The original certified payrolls submitted by the contractor/subcontractor(s) are to remain in the project files. Do not return certified payrolls to the contractor/subcontractor(s), except in the following circumstance. In the event the prime contractor submits certified

payrolls containing full social security numbers, the engineer shall not take possession of the payrolls and shall return them to the prime contractor. This is the only instance where certified payrolls are to be returned to the prime contractor. This action is to protect the security of the employee social security numbers. Certified payrolls should never be altered, revised, corrected, amended or changed by project personnel (except for the date stamp).

The notification sequence previously described would be as follows:

Initiate Notice	Notice Sequence	Notice of Action to Contractor	Allotted Time For Response /Resolution	If no Response /Resolution
Payroll deficiencies	First notice (See Note 1)	Intent to withhold payment for offending contractor's work items. Intent to assess non-compliance damages from the date the first notice was received by the prime contractor. (See Note 3)	30 days from receipt of first notice by the prime contractor	Implement actions from the first notice. Send second notice.
Payroll issue not resolved 30 days after first notice	Second notice (See Note 2)	Intent to rescind payment for all work items of offending contractor(s). Intent to submit interim Contractor Performance Evaluations	30 days from receipt of second notice by the prime contractor	Implement actions from the second notice.

Note 1: Written notice is to be signed by the engineer and delivered by certified mail or other method which establishes the date the notice was received by the prime contractor. The offending subcontractor(s) and the region coordinator for prevailing wage compliance are to be copied by regular mail.

Note 2: Written notice is to be signed by the engineer and delivered by certified mail or other method which establishes the date the notice was received by the prime contractor. In addition, the offending subcontractor(s), the region coordinator for prevailing wage compliance, and the C&T Division's prevailing wage compliance specialist are to be copied by regular mail.

Note 3: See Table 1 Schedule of Non-Compliance Damages

The engineer should work with the project design staff during the development phase of the project to include Notice to Bidders 03NB12, Prevailing Wage Oversight for Short Duration Projects, for projects with a progress schedule duration of 75 days or less to adjust the allotted time for response/resolution from the above table. This will allow the engineer time to ensure resolution will be obtained prior to the contract completion date.