Prevailing Wage Compliance 2022

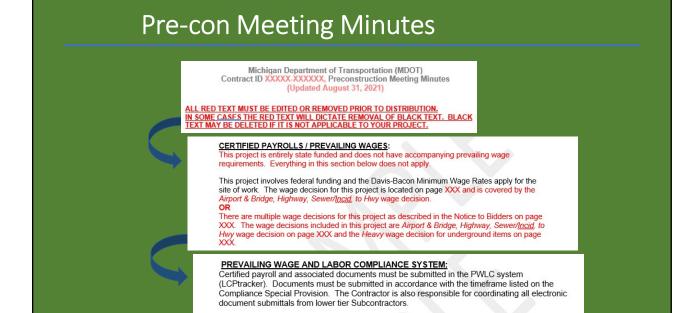
Prevailing Wage Components
Contract Documents
Wage Decisions
Wage Rate Interviews
Overtime

Certified Payrolls

Truck Drivers

CMDOT Michigan Department of Transportation

Prevailing Wage Compliance Specialist (517) 719-7344 stronga1@michigan.gov



prime approver is XXXXXXX

The MDOT project office will set up the contract and assign the Contractor. The Contractor's

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Adam Strong

*complete document in

construction manual

Certified Payroll

- Certified weekly payrolls must be submitted to the Construction Engineer on all Federal-aid contracts in excess of \$2,000.00.
- Contractors are required to use LCPtracker for the submission of all prevailing wage documentation. (SP-104D)
- Payroll submitted via LCPtracker must be entered into the system, certified, and approved by the prime to be considered received by the Department. (SP-107D)

Certified payrolls will not be submitted on contracts funded entirely by the State of Michigan.

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Prevailing Wage & Subcontracts

- Persons performing the duties of laborers and mechanics must be paid the PW rate regardless of any <u>written</u> contractual arrangement.
 - · e.g., Pavement sweeping, flagging & concrete pumping
- Certified payrolls are required anytime employees are paid PW.
- It is the responsibility of the prime contractor to ensure that certified payrolls are submitted by any company with which they have a contractual arrangement.

Project Delivery

Guidance in Construction Manual: Division 1 > Section 107 > Prevailing Wage > 6.2 LCPtracker

LCPtracker

The Labor Compliance Program Tracker (LCPtracker) herein referred to as LCPtracker is a third-party web-based solution used by MDOT to receive, review, and approve payroll and associated prevailing wage documents. Documents submitted into LCPtracker will be maintained in LCPtracker throughout the life of the contract and will comply with department retention period requirements thereafter to preserve project records.

Prevailing Wage Procedures

Contract Setup and Assignment – Setting up and assigning a contract in LCPtracker includes entering project specific information into the user interface, assigning the prime contractor, and assigning the project wage decision(s) to the contract. Projects delivered at the Transportation Service Center (TSC) level including consultant delivered contracts must be setup and assigned by the TSC. Once a project has been setup the project office must request an LCPtracker administrator assign a prime approver to the contract. This can be accomplished by sending a request to the LCPtracker resource email at: MDOT-LCPtracker@Michigan.gov@.

Wage Determination Entry – Entry and maintenance of wage decisions is the responsibility of the MDOT CFS LCPtracker administrator. If at any time a project office becomes aware that a wage determination required for their project is not available, the MDOT LCPtracker administrator must be notified at MDOT-LCPtracker@Michigan.gov@. Wage entry requests must allow at least two business days for the information to be input into LCPtracker.

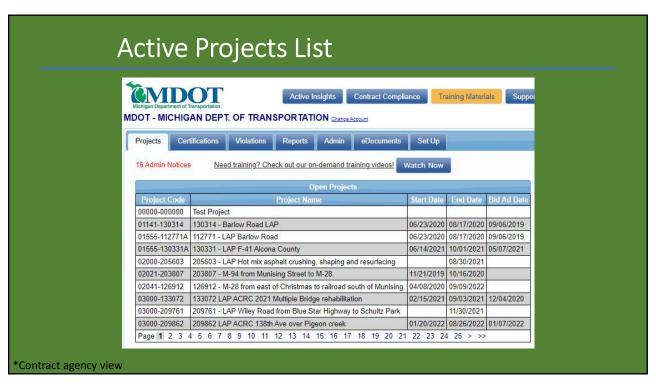
Contract Administration — The day-to-day administration of the contract is the responsibility of the Engineer or their designee. This will include approving fringe benefit statements, receiving, reviewing, and accepting certified payroll submissions, approving apprenticeship documents, establishing project specific apprenticeship/On-the-Job Training (OJT) classification(s), and closing completed contracts.

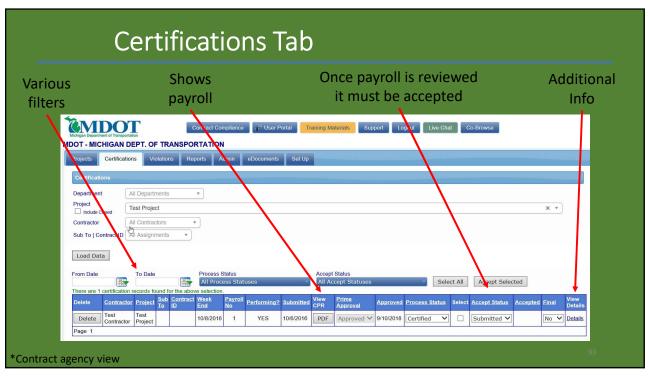
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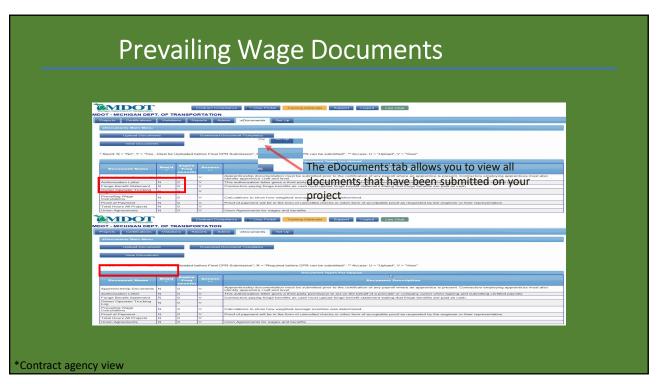
LCPtracker Contract Setup

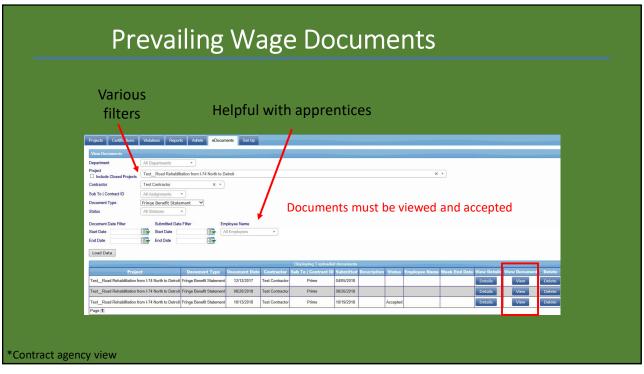
- Basic information about the contract is required for setup
 - TSCs are responsible to setup their own projects including full CE
 - LAP projects must send contract ID, prime approver, and office tech's information to resource email for setup
- Active projects will be visible on contractor and agency side immediately after login to LCPtracker
- Once project is setup, contractor and prevailing wage schedule(s) are assigned payroll can be completed
- The resource email should be used to address any comments, questions, or concerns (including new accounts)





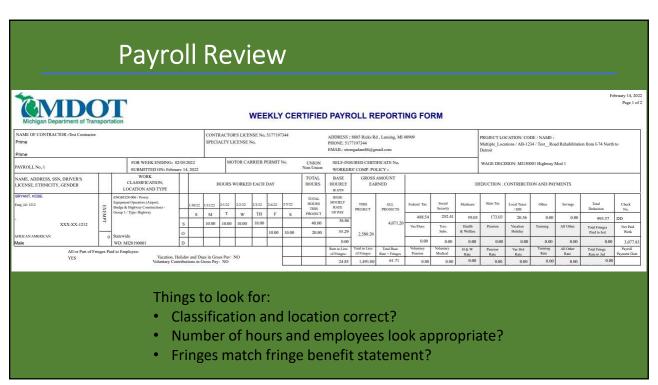






Prevailing Wage Docum	ents
Record Review — All data on this form is for this project only Project Test_Road Rehabilitation from I-74 North to Detroit Contractor Test Contractor Document Type Fringe Benefit Statement Uploaded Document Date 8/11/2015 8/8/2015 Employee Name Accept / Reject Case Number Description (50 characters max) Contractor Notes Add Admin Notice Confidential Admin Note Cancel Save	Week End Date Contractor Id 5177197344
*Contract agency view	

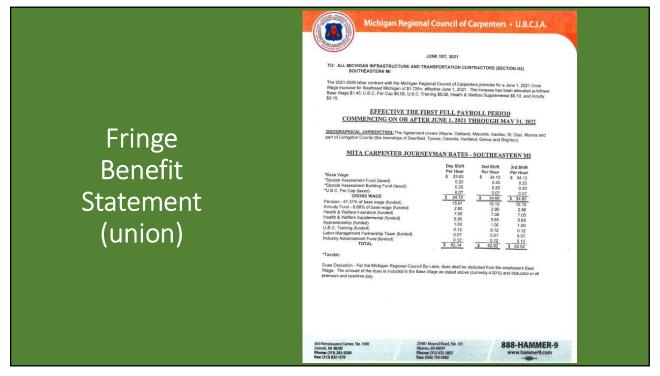
MDOT CP-347 (04/10) Date
Date
(Name of Signatory Party) (Title) (Name of Signatory Party) (Title) (A harme of Signatory Party) (A harme of Signatory
(Name of Signatory Party) (Title) as indicated on the payout, an amount not least than the sum of the applicable basic notice of the representation of the required fringe benefits as isolad in the payor are plus than amount of the required fringe benefits as isolad in the contract, except as noted in section 4(p) below. (Contractor or Subcontractor) (Building or Work) (Contractor or Subcontractor) (Contractor or Subcontra
(Contractor of Subcontractor) ; that during the payoil period commencing on the (Building or Work)
(Building or Work) day of and ending the day of all persons employed on said protect have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to rom behalf of said (Contractor or Subcontractor) weekly wages earned by any person and that no deductions have been made either directly or indirectly weekly wages earned by any person and that no deductions have been made either directly or indirectly 3 (20 C P.R. Subtite A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 03 Start 100, 72 Stat. 987, 76 Stat. 397, 40 U.S.C. § 3145), and described below:
all persons employed on said project have been paid the full weetly wages earned, that no rebates have been or will be made either directly or indirectly to rom behalf of said persons and the full (Contractor or Subcontractor) from the full weetly wages earned by any person and that no deductions have been made either directly or indirectly weetly wages earned by any person and that no deductions have been made either directly or indirectly or in
(Contractor or Subcontractor) weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages seamed by any person. One than permissible deductions as defined in Regulations, Far (1997), 1997. Start. 109, 72 Stat. 597, 76 Stat. 397, 40 U.S.C. § 3145), and described below.
weekly wages earned by any person and that no deductions have been made either directly from the full wages earned by any enco. other than permissible deductions and stender in Regulations, Part 3 (29 C.F. R. Subtille A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948, 65 Stat. 106, 72 Stat. 997, 78 Stat. 307, 40 U.S.C. § 3145), and described below.
(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 appreciation analyzed in the above period are day negations in a bora fide apprenticionally program registered with a State apprenticionally group registered with a State apprenticionally and Training, United States Department of Labor, or in on such recognized supment, exists in a State, are registered with the Devices of Apprenticionally and Training, United States Department of Labor.
(4) That: (a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS IMME AND TITLE SCHATLRE
In addition to the basic hostly sage rates gald to each laborer or mechanic lated in the above referenced payed, payments of fringe benefits as lated in the contract have been or will be made to appropriate programs for the benefit of such employees, occupied a noted in section (4.6) below. The WALFIEL PARFEATION OF ANY OF The ABOVE STATEMENTS MAY SEARCH THE CONTRACTOR OF STATEMENTS MAY SEARCH THE ABOVE STATEMENT MAY SEARCH T



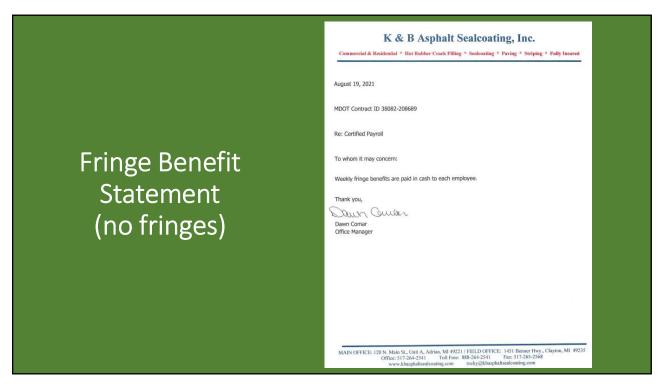
Certified Payrolls

- If fringe benefits are paid into approved programs and plans, a
 detailed breakdown of the type of benefits and hourly dollar value
 must accompany the first payroll.
- Contractors paying fringe benefits on the check must submit a document under the designation "fringe benefit statement" stating fringes are paid on check.
- Contact information for the fringe benefit plan administrator must also be provided.
 - This document must be maintained during the construction phase of the contract.
- Fringe benefit statements must be reviewed and approved by the office tech.

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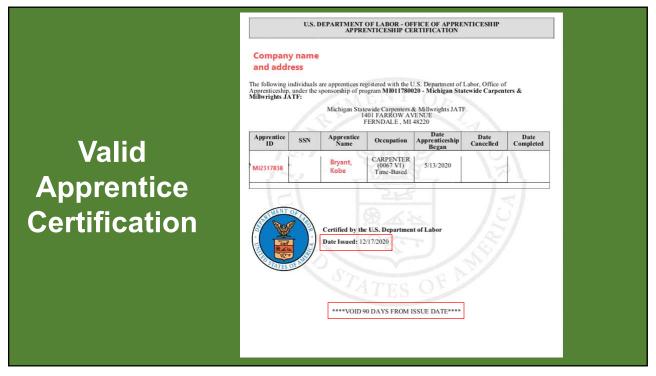
Fringe	Derici	10 000	4 CC										
					• •								
Fringe-2018													
					Неа	lth	Lif						
Employee	Classification	Hire Date	Vacation pay			rance		urance	Total		Fringe	Paid	nto 401K
Leonard Hofstadter	Operator	04/11/2011	\$	0.38	\$	4.0375	\$	0.0144	s	4.43		s	(4.43
Sheldon Cooper	Truck Driver	05/14/2001	\$	0.81	S	4.0709	\$	0.0092	s	4.89		S	(4.89
Howard Wolowitz	Labor	04/15/1996	\$	0.80	\$	5.8468	\$	0.0098	\$	6.66		S	(6.66
Raj Koothrappali	Labor	05/14/2008	\$	0.73	S	1.8726	\$	0.0126	s	2.62		S	(2.62
Bernadette Rostenkowski	Operator	08/20/2014	\$	0.53	S	8.8354	\$	0.0126	s	9.38		S	(9.38
Amy Farrah Fowler	Pipe Layer	04/30/2008	\$	0.82	\$	1.7078	\$	0.0126	\$	2.54		\$	(2.54
Stuart Bloom	Labor	05/18/2016	\$	0.35	S	-	\$	0.0126	s	0.36		S	(0.36
Debbie Wolowitz	Labor	08/06/2014	\$	0.35	\$	-	\$	0.0126	\$	0.36		\$	(0.36
Will Wheaton	Pipe Layer	08/06/2014	S	0.35	\$	-	\$	0.0126	\$	0.36		S	(0.36
***The balance of fringe ra	tes are paid into an ap	proved 401K a	ccount.										
Health Ins.		Life Ins											
Good Health Network		Live Long Ins	surance										
PO Box 411		PO Box 8500											
Detroit, MI 48232			PA 19178-3690)									
,		1											
Dental Ins		401K/Profit	Sharing										
Brite Smile Dental		Retire Rich F	unds										
Po Box 230		PO Box 1167	7										
Kansas City, MO 64121		South Bend,	IN 61130										
		1-620-793-84	473										

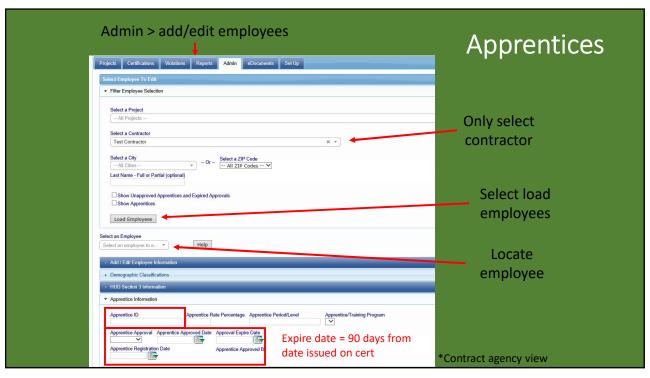


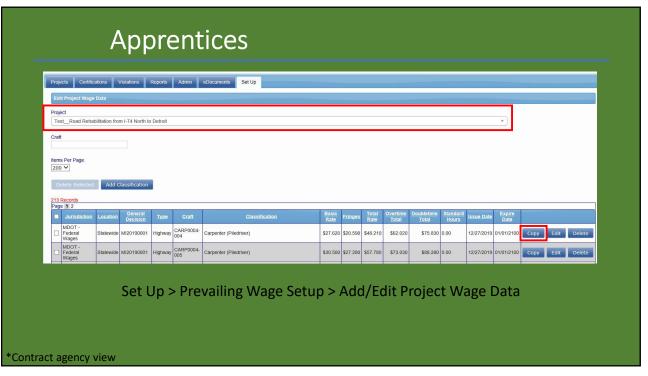
Apprentices

- Only document allowed to be submitted to "all contracts"
- Once one office technician has approved the document all other copies will show as approved
- Apprentices certs are valid for 90 days from issue date
- Enhanced eDocument search function by employee name
- Three step process including approving the document, approving the apprentice and providing a classification

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	Add Classification Wage Decision Jurisdiction *	Location *	Constru	ction Type *		^			
Must say apprentice	MDOT - Federal Wa Statewide Highway Modification *								
Reduce basic rate & carry	Craft / Classification De Craft CARP0004-005 Classification Carpenter (Piledriver) Ap				^				
math through	Standard Hours Day 0.00								
Contractor's program may			ourly Rate	Training					
reduce fringe contributions also	Total Overtime Rate 54,730 Total Doubletime Rate	45.58	J	0.000		- 🗸			
Contract agency view				Cancel	Reset Sa	ve			

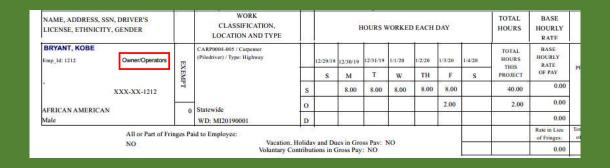
		Payrolls										
Certified		yrolls are rec pprentices, a	•				•		ine	es a	nd	
PAYROLL No. 1		FOR WEEK ENDING SUBMITTED ON: Ja				МО	TOR CA	RRIER P	ERMIT	No.	UNION Non-Union	SELF-INS
NAME, ADDRESS, SSN, DRIVER'S LICENSE, ETHNICITY, GENDER		WORK CLASSIFICATION, LOCATION AND TYPE			11	HOURS V	VORKE		TOTAL HOURS	BASE HOURLY RATE		
BRYANT, KOBE Emp_ld: 1212	EX	CARP0004-005 / Carpenter (Piledriver) Apprentice 60% / Type: Highway		12/29/19	12/30/19	12/31/19	1/1/20	1/2/20	1/3/20	1/4/20	TOTAL HOURS THIS	BASE HOURLY RATE
	EXEMPT		64	S	М	Т	W	TH	F	S	PROJECT	OF PAY 18.30
XXX-XX-1212			0	k	8.00	8.00	8.00	8.00	2.00	63	40.00	27.45
AFRICAN AMERICAN Male	0	0 Statewide WD: M120190001			-	1	it .	+ -	2.00		2.00	0.00
1,380,76	ringes Pa	iid to Employee;	D	1 889	AFSAS	S DECEMBER	8		8	62	8	Rate in Lieu of Fringes:
YES		Vacatio Voluntary	n. Holida Contribu				NO				8.	27.28

Certified Payrolls

Owners:

The salary reporting requirements do not apply to bona fide owners if:

- They are at least 20% EQUITY owner, AND
- They are actively engaged in the management of the enterprise



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Certified Payroll Review Examples

The following slides are <u>examples</u> of situations that project staff may encounter. They are intended as <u>examples</u> to create a better understanding of labor compliance situations that may be encountered during project delivery. Project staff is expected to rely on their own engineering judgement when delivering project and be able to defend the decisions that they have made. Required actions are contained in the Prevailing Wage Oversight Procedures located in the MDOT Wiki Construction Manual.

MDOT Wiki Construction Manual

https://mdotwiki.state.mi.us/construction/index.php/Main_Page

Certified Payroll Review Examples

<u>IDR:</u> Restoration contractor was on-site from 7:00am to 6:00pm. Topsoil was placed at multiple locations throughout the project. Personnel listed foreman (1) laborer (5) operator (4). Equipment listed skid steer, excavator, backhoe, two loaders. No hours listed in equipment.

<u>Wage Rate Interview:</u> Worker responded they make \$23.17 hourly and observed raking topsoil. Worker responded he was a union employee, and the restoration contractor pays them.

<u>Payroll:</u> Shows worker listed on WRI as group 1 laborer. Worker paid \$26.92/hr. and fringes are paid to union funds. Payroll contains laborers (5) and operators (4) in total for that day all group 1.

<u>Notes</u>: IDR states contractor on-site 11 hours and 10 employees. Hourly rate is different. Are these problems?



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Certified Payroll Review Examples

<u>IDR:</u> Restoration contractor was on-site from 7:00am to 6:00pm. Topsoil was placed at multiple locations throughout the project. Personnel listed foreman (1) laborer (5) operator (4). Equipment listed skid steer, excavator, backhoe, two loaders. No hours listed in equipment.

<u>Wage Rate Interview:</u> Worker responded they make \$18.00 hourly and observed raking topsoil. Worker responded he was not a union employee and doesn't receive fringes.

<u>Payroll:</u> Shows worker listed on WRI as group 1 laborer. Worker paid \$26.92/hr. and fringes are paid to union funds. Payroll contains laborers (5) operators (4) in total for that day all group 1.

<u>Notes</u>: \$18/hr. is quite different from the \$26.92 required by the contract and the \$40+ total package. Is this an issue?



Certified Payroll Review Examples

<u>IDR:</u> Restoration contractor was on-site from 7:00am to 6:00pm. Topsoil was placed at multiple locations throughout the project. Personnel listed foreman (1) laborer (5) operator (4). Equipment listed skid steer, excavator, backhoe, two loaders. No hours listed in equipment.

Wage Rate Interview: None available for this day.

Payroll: Payroll shows all employees listed as group 1 laborers.

<u>Notes:</u> Could they complete their work without equipment? If we haven't had any WRI's completed now is the time!



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Certified Payroll Review Examples

<u>IDR:</u> Restoration contractor was on-site from 7:00am to 6:00pm. Topsoil was placed at multiple locations throughout the project. Personnel listed foreman (1) laborer (5) operator (4). Equipment listed skid steer, excavator, backhoe, two loaders. No hours listed in equipment.

<u>Wage Rate Interview:</u> Worker responded they didn't know their hourly and was observed operating a skid steer. Worker responded he was not a union employee, and the restoration contractor pays them.

<u>Payroll:</u> Shows worker listed on WRI as group 1 laborer. Worker paid \$26.92/hr. and fringes are paid to union funds. Payroll contains laborers (7) operators (2) in total for that day all group 1.

<u>Notes</u>: If worker was observed operating a skid steer why were they not paid for that task? Were they moving equipment? That's a lot of equipment for two operators...



Additional Information

- If you've got <u>new</u> subcontractors send them to the resource email to obtain an account.
- Contractors should only have <u>ONE</u> account setup per company. Access may then be shared via set up > add/edit additional users.
- Contractors using weighted average overtime will need special exceptions but method is allowable.
 - Remarks on payroll should state weighted average is being used.
- Please include project number and other relevant information when contacting the resource email.

MDOT-LCPtracker@Michigan.gov

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Additional Information

Prevailing Wage Forms

1952 — Certified Payroll Review Checklist: This form is not required when utilizing LCPtracker. The engineer will review the certified payrolls from the prime contractor and subcontractor(s) to ensure consistency with work performed. The background validation settings in the software are configured to:

- Disallow certification and submission of incomplete or inaccurate payroll information.
- Require submission of fringe benefit information prior to certifying a payroll
- Require submission of Apprentice/On the Job Training (OJT) documentation prior to certifying payrolls on which Apprentices/OJTs are included.
- Verify that wages paid meet or exceed required wages based on classification selected.

1954 🗎 – Certified Payroll Status Log: This form is required and will be stored in the project specific construction folder of ProjectWise under 400 – Internal Use Only

1955 — Contractor's Certified Payroll: This form is not required when utilizing LCPtracker. The intent of MDOT form 1955 is to accompany the prime contractor's submittals of subcontractors certified payrolls to the engineer verifying that certified payrolls are complete as required by the prevailing wage oversight procedures located in the MDOT Construction Manual (Division 1 Section 107). The background validation settings in the software are configured to disallow certification of incomplete certified payroll. The prime approver functionality within LCPtracker will take the place of this form.

1967 🗎 – Jobsite Poster Inspection Checklist: This form is required and will be stored in the project specific construction folder of ProjectWise under 400 – Internal Use Only.

1156-T1 🗎 – Wage Rate Interview Sheet Tier 1: This form is required and will be stored in the project specific folder of ProjectWise under 400 – Internal Use Only

CP-347 — Certified Payroll: Weekly certified payrolls covering the contractor's and subcontractor's workforce must be submitted via LCPtracker. The submitted payrolls must set out accurately all information required by MDOT form CP-347 with the exception of total hours worked on all projects. Total hours for all projects will not be required as LCPtracker will identify if/when a worker has been shown on a payroll in excess of 40 hours in a week, and certification will not occur without paying a premium rate of pay.

Documents submitted in LCP will be maintained in the system until they've met their retention.

