

Davis-Bacon Act FAQs from Webinar

1. Where do we send payroll forms?

IHCDA
c/o Engaging Solutions
3965 North Meridian
Suite 1B
Indianapolis, IN 46208

2. What is the website address for the Stimulus Alliance?

www.thestimulusalliance.com

Click on the “Weatherization”

3. Do we need to prepare a weekly payroll report for ARRA wages paid for tasks other than those covered by Davis-Bacon?

No; only those laborers and mechanics working on ARRA projects need to be reported.

4. Do sub-grantees have to submit the original WH-347 form?

Yes, the signature of the contractor/subcontractor is required on the form being submitted.

5. Which Davis-Bacon labor classification installs water heaters?

This is being confirmed but we believe the HVAC wage classification is what should be used.

6. Is it okay to pay the highest prevailing wage rate (including fringe) for each category for all of the counties that have been assigned to each sub-grantee to make it easier for contractors and subcontractors to comply?

Yes, this is up to the contractor and the employee. The wage rate cannot be less than the prevailing wage.

7. Is it okay to pay the highest prevailing wage (including fringe) for all of the counties assigned by IHCDA to make it easier to comply?

Same answer as number 6.

8. Can we get a copy of the powerpoint electronically?

Yes, it is also available on the web site at www.thestimulusalliance.com

9. What documentation is required for “fringe benefits” and where are those documents sent?

No documents need to be sent but the fringe benefit must be a part of an approved plan, fund or program. The following is an excerpt from the Code of Federal Regulations:

29 CFR 5.23:

"... (b) As used in this Act the term "wages", "scale of wages", "wage rates", "minimum wages", and "prevailing wages" shall include--

(1) The basic hourly rate of pay; and

(2) The amount of--

(A) The rate of contribution irrevocably made by a contractor or subcontractor to a trustee or to a third person pursuant to a fund, plan, or program; and

(B) The rate of costs to the contractor or subcontractor which may be reasonably anticipated in providing benefits to laborers and mechanics pursuant to an enforceable commitment to carry out a financially responsible plan or program which was communicated in writing to the laborers and mechanics affected, for medical or hospital care, pensions on retirement or death, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, for unemployment benefits, life insurance, disability and sickness insurance, or accident insurance, for vacation and holiday pay, for defraying costs of apprenticeship or other similar programs, or for 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 of such benefits ."

10. If you have a helper (e.g.- someone to carry a water heater to the basement), must they be paid the prevailing wage?

Yes, any mechanic or laborer working on a ARRA funded project must be paid the prevailing wage.

11. Can you review the blended wage rate example again?

OVERTIME PAY - BLENDED RATE EXAMPLE			
Tim works 50 hours:			
	12 hours are administrative (non-ARRA)		
	38 hours are on ARRA jobs		
The prevailing wage rate is \$20/hour and his regular administrative pay rate is \$12/hour			
Calculation -			
	38 hours X \$20 =	\$760	
	12 hours X \$12 =	\$144	
		<u>\$904</u>	Total Pay Straight time
	Total Pay Straight time	\$904	
	Divided by:		
	Total hours worked	50	
	Blended Hourly Rate	<u>\$18.08</u>	
	1 1/2 times the Blended Hourly Rate = Overtime Rate		
		<u>\$27.12</u>	
	Premium for 10 additional hours =	\$9.04	
	10 hours X \$9.04 =	<u>\$90.40</u>	
		<u>\$994.40</u>	Total Pay (Straight time plus overtime)

12. Can you reduce the prevailing wage rate by the difference between benefit levels if company benefits exceed the level required by Davis-Bacon?
The prevailing wage to be paid is the total of wages plus fringes. If your wages plus valid fringe benefits are higher than the prevailing wage; you may reduce the wage rate accordingly. Under no circumstance can the wage rate plus fringe benefits be lower the prevailing wage.
13. If a contractor does all of the work on a house by himself without help, is he still required to send in a certified payroll?
Yes. If the contractor is the owner he may not be required to list his wage on the certified payroll submitted but must show the hours and sign the form as the owner. The wage classification is coded as "Owner".
14. Can we still report wages paid after 6/10?
Yes

15. As an administrator, are we responsible for submitting payroll information weekly?
Yes
16. What rate do we use for wages paid before 9/1?
You must use the prevailing wage rates issued on August 31, 2009 for work done on an ARRA weatherization project.
17. Are we supposed to include vacation/leave pay accrual as part of the hourly fringe rate?
Yes, vacation and leave may be a part of the bona-fide fringe benefits.
18. Can we pay for house weatherization after 6/10
Yes
19. Is the employer portion of FICA taxes considered part of hourly fringe rate?
No
20. Would it be helpful to submit work schedules to Engaging Solutions for site visits?
We will work this out with you over the next few weeks in preparation for site visits.
21. Do we need to make sure this reporting is done for all homes weatherized after 6/10 to get paid?
Yes
22. So subcontractors send WH-347 forms to sub-grantees or to IHEDA directly?
Sub-grantees need to review prior to submission.
23. What is certified payroll?
It is an attestation of the accuracy of the payroll being submitted. The contractor signature is certifying that it is accurate.
24. Which company, Engaging Solutions or Brilljent, will be doing site visits and sub-grantee office visits? Who should we contact?
The Stimulus Alliance is a teaming of both companies for this project. You may contact anyone of us at any time. Elton Moore will be the field supervisor of the project and the primary contact.
25. Is there an online submission system for weekly payroll reporting instead of sending in original payroll sheets?
No.

26. Can we still report wages paid after 8/31 on the payroll form WH-347 even though they are late?

Yes. Be sure to mark the correct week ending date on the form.

27. How much advance notice needs to be given to Engaging Solutions or Brilljent to coordinate site visits since contractors and subcontractors will be working at numerous sites and only a few days each week?

We will work this out over the next couple of weeks to prepare a schedule of site visits and interviews.