Learning Objectives

- Determine Prevailing Wage Responsibilities
  - Client vs. Prime
  - Prime vs. Subcontractor

- Prevailing Wage Case Studies

- Tools & Best Practices
  - Electronic Labor Compliance System
  - Client Partnering
  - Field Wage Interviews
  - Dedicated Compliance Program
About Kiewit

- Founded in 1884
- Based in Omaha, NE
- Built more interstate highway than any other company
- 100% employee owned
- 10,000 core staff and 21,000 skilled craft workers
- Self-perform ~50% of our work
- Subcontract ~50% of our work
- ~40% of contracts have PW requirements
About LCPtracker

- Formed in 2001
- Based in Orange, CA
- Began as a tool for CA schools
- Expanded nationally in 2006
- Established customers in 40 states
- Roughly $145 billion of projects in system
- 85,000 contractors utilize program
- Average of 22,000 CPRs submitted per week
Determine Prevailing Wage Responsibilities
Prevailing Wage Responsibilities

Who is responsible for what? How does a Contractor figure this out?

- 29 CFR Part 5 [Prevailing Wage Act]
- Field Operations Handbook [USDOL]
- Prevailing Wage Resource Book [USDOL]
- City/County/State program material

PREVAILING WAGE RESOURCE BOOK

U.S. Department of Labor
Wage and Hour Division

May 2015
Prevailing Wage Responsibilities - Agency

- Include Correct Wage Determination(s) in Contract
  - Include Regulation Flow-downs in Contract
    - Submit Conformances to USDOL (or applicable agency)
    - Guidance for Multiple Wage Determination Use
    - Field Wage Interviews
      - Review/Approve CPRs for Compliance (timely)

Note: Remember that this is potentially different if your Client is a State, City or County
Prevailing Wage Responsibilities - Prime Contractor

- Include Flow-down Provisions & Wage Determinations in Subcontracts
- Subcontractor Certified Payroll Report Collection
- Subcontractor CPR Review
- Subcontractor Prevailing Wage Compliance
  - Apprentices
  - Other Deductions
  - Crew Make-up
- Identify ALL vendors performing covered work
Prevailing Wage Responsibilities - Subcontractor

- Flow-down Prevailing Wage Provisions to all Sub-tiers Performing Covered Work
- Inform Prime Contractor of all Sub-tiers Who Will Be On Project
- Monitor all Sub-Tiers for their compliance
Are you monitoring compliance of Prevailing Wages for your lower tier contractors?
Prevailing Wage Case Studies

“How We Learned the Hard Way”
1. Project P

What happens when you fail to manage prevailing wage?
1. Project P- Specifics

• DBA Regulations Applied
  • Repeat Client
    • Both Civil and Vertical Components
      • Secured Site
        • Open-shop
          • No Business/Office Manager Onsite
1. Project P - Lessons Learned

- Subcontractor Flowdown provisions
- CPR Collection
- CPR Review
- Lower-tier Subcontractor Tracking
- Field Wage Interviews
- Signed authorization form for Other Deductions
- Subcontractor Crew Make-Up
2. Project V

What happens when the client is prevailing wage ignorant?
2. Project V-Specific

- DBA Regulations Applied
- New(ish) Client
- Civil, Highway, and Vertical Components
- Large Unsecured Site
- Union Project in Right-to-Work State
Tools & Best Practices
Tools & Best Practices

Client Partnering
• Set-up Project for Success
• Establish Processes
• Work together on Conformances
• Field Wage Interviews
Tools & Best Practices

Dedicated Compliance Program

- Shows your willingness to take enforcement seriously
- Creates a culture of regulation compliance
- Creates readily available internal resources
- Sets expectations
Tools & Best Practices

Electronic Labor Compliance System Use

- Validation settings
- eDocuments
- Workforce reports
- Prime ability to manage
- Daily reports
- Field wage interviews

Note: Make sure your electronic labor compliance program has these capabilities to help ensure the most compliant program you can have!
Tools & Best Practices

Field Wage Interviews

- Helps identify misclassification
- Great way to prevent ghosts
- Shows employees that you care
Learning Objectives Recap

• Determine Responsibilities
  • Client vs. Prime
  • Prime vs. Subcontractor

• Case Studies

• Tools & Best Practices
  • Electronic Labor Compliance System
  • Client Partnering
  • Field Wage Interviews
  • Dedicated Compliance Program
Thank You

Any questions?