

# Certified Payroll Basics

Learn what it is, why it's important and how to stay compliant with certified payroll and prevailing wage reporting.

**Presented 2021**

**Hosted by: Nate Curran, Director of Marketing**



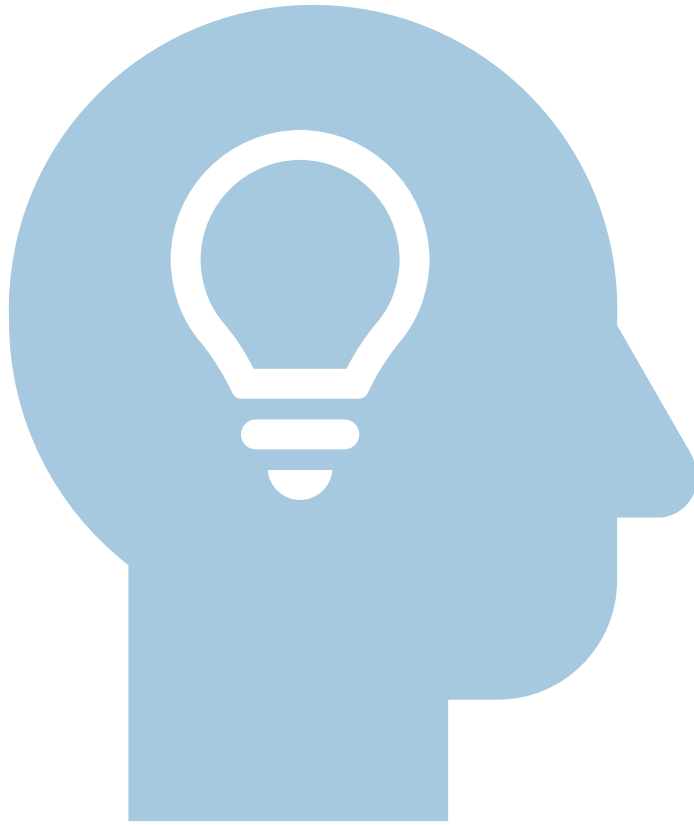
# Agenda

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Topics include:

- Explanation of Davis Bacon and related Acts
- Location specific rules and regulations
- Work Classification vs Wage Determination
- How to fill out a CPR (WH347, CA DIR A131, others)
- Your responsibilities
- Q&A





# Explanation of Davis Bacon & Related Acts



## **Davis-Bacon and Related Acts (DBRA)**

- Originally Davis-Bacon legislation (1931) forced companies to pay local wages to prevent outside companies from undercutting wages & taking local work
- Prevailing wage provisions in the Davis-Bacon Act applies to the “Related Acts,” under which federal agencies assist construction projects through grants, loans, loan guarantees, and insurance.
- The Department of Labor (DOL) determines locally prevailing wage rates.
- DBRA is a federal law that governs prevailing wage work on eligible federal contracts. There are local prevailing wage laws separate from DBRA.

## **Who has to follow DBRA?**

- DBRA applies to contractors and subcontractors performing work on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works.

## **Basic DBRA responsibilities include:**

- Pay laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.
- Follow reporting requirements to certify that you're complying with DBRA



# Location specific rules & regulations

## Additional Prevailing Wage

- Currently only 24 states do not have prevailing wage laws:

Alabama	Iowa	North Dakota
Arizona	Kansas	Oklahoma
Arkansas	Kentucky	South Carolina
Colorado	Louisiana	South Dakota
Florida	Michigan	Utah
Georgia	Mississippi	Virginia
Idaho	New Hampshire	West Virginia
Indiana	North Carolina	Wisconsin

- Trends are toward more, not less prevailing wage, labor and compliance-based laws.
- Additionally, cities may have their own prevailing wage laws.
- A contract might fall under multiple prevailing wage laws depending on the awarding agency.

## California Prevailing Wage

- California leads the way in labor law, including prevailing wage
- The Department of Industrial Relations (DIR) oversees labor issues, including prevailing wage.
- State law includes apprentice prevailing wage rates and additional reporting requirements .
- DIR determines prevailing rate of per diem wages for a particular craft, classification, or type of worker and issues general determinations twice a year on February 22 and August 22.
- In CA, PW must be paid on public works projects more than \$1,000. If awarding body is part of a labor compliance program, PW not required for any public works of \$25K or less for construction, \$15K or less for alternation/demo/repair/maintenance. related public works.





# Work Classification vs Wage Determination

## Work Classifications

- The DOL established work classifications for various types of construction (e.g., residential, heavy, highway) and specific geographic areas (county or group of counties. )
- An example of work classifications may be Laborer I, Electrician II, Bricker Layer etc. These each have their own wage determination and is paid differently hourly and fringe rate.

Remember, states with prevailing wage laws may have additional work classifications that differ from those under DBRA.

## Wage Determinations

- Wage determinations have the **minimum prevailing wage and fringe benefit rates** that must be paid for each work classification. Add up these two rates to find the hourly rate.
- The DOL conducts wage surveys and publishes wage determinations once a year usually.
- Each work classification has a wage determination. (i.e. their own prevailing wage rate and fringe rates.)
- ALL of this information must be detailed on the certified payroll report.



# **How to fill out a Certified Payroll Report (WH347, CA DIR A131)**



# Gather your info

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Every form will have different, but often similar requirements.

- Complete name & personal identifier for all workers ( i.e.Last 4 of social)
- Each worker's work classifications
- Hourly rates of pay, including rates of contributions or costs anticipated for fringe benefits or their cash equivalents (Wage Determination)
- Daily and weekly numbers of hours worked
- Wages and fringes paid along with deductions made
- Where applicable, info on training & apprenticeship info

# WH-347

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- This form is only for DBRA compliance. States have different/additional reporting requirements.
- You can fill this out online, just be sure to save it for your records.
- When correctly filled out, it will satisfy reporting requirements under DBRA.
- Workers must be paid weekly, and each pay period must have a corresponding form WH-347 filled out and submitted.
- For weeks where no work was done, you must submit a Statement of Non-Performance.

Available through [www.DOL.GOV](http://www.DOL.GOV)

# Finding the Federal Determination

You find work classifications AND determinations at [www.Beta.sam.gov](http://www.Beta.sam.gov)

## Classification

SUOH2012-010 07/20/2012

	Rates	Fringes
BRICKLAYER.....	\$ 28.40	11.78
CARPENTER.....	\$ 20.19	6.51
LABORER: Common or General.....	\$ 21.50	5.23
OPERATOR: Backhoe/Excavator.....	\$ 29.49	11.16
OPERATOR: Bobcat/Skid Steer/Skid Loader.....	\$ 29.49	11.16
PLUMBER.....	\$ 20.00	5.52
ROOFER.....	\$ 16.85	3.83

Highlighted in red are a list of classifications for the rate identifier SUOH2012

# PAYROLL

(For Contractor's Optional Use; See Instructions at [www.dol.gov/whd/forms/wh347instr.htm](http://www.dol.gov/whd/forms/wh347instr.htm))

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

Rev. Dec. 2008

NAME OF CONTRACTOR <input type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>				ADDRESS 1234 Easy Street				OMB No.:1235-0008 Expires: 04/30/2021											
Contractor name here																			
PAYROLL NO. 1		FOR WEEK ENDING 05/16/2022		PROJECT AND LOCATION Library construction, LA				PROJECT OR CONTRACT NO. 123456											
(1)	(2)	(3)	(4) DAY AND DATE	(5)	(6)	(7)	(8) DEDUCTIONS				(9)								
NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	NO. OF WITHHOLDING EXEMPTIONS	WORK CLASSIFICATION	OT, OR ST.	HOURS WORKED EACH DAY							TOTAL HOURS	RATE OF PAY	GROSS AMOUNT EARNED	FICA	WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS	NET WAGES PAID FOR WEEK	
Chris P Bacon, 1111	1	BRCA0004-007 05/01/2020 Brick Layer	O					2.00			2.00	\$83.29	\$2,647.38	\$200.00	\$48.00			\$248.00	\$2,399.38
			S	8.00	8.00	8.00	8.00	8.00			40.00	42.54 19.48							
			O																
			S																

- Each column has a number which corresponds with steps we will cover in detail.
- Workers will have an entry for each work classification they have worked under in the pay period.



## Filling out Form WH-347

**Name & Address:** Check box to indicate whether you're a contractor or subcontractor and fill out your address.

**Payroll number:** This represents the weeks worked on the government contract. Start with "1" for your first payroll.

**For week ending:** Enter the end date of your workweek.

**Project and location:** Specify the project you're working on and its location.

**Project or contract number:** Get this from your contract.

## Payroll information

**Column 1:** Enter each worker's name and the last four digits of their Social Security number.

**Column 2:** Enter their number of withholding exemptions. This section is for your convenience, it's not required for certified payroll reporting.

**Column 3:** Enter their worker's job classification (i.e., brick layer, electrician, carpenter, laborer, etc.). IF they have more than one, it goes on a new line.

**Column 4:** Enter the day and date in the top chart. In each row, enter the hours they worked each day. The "O" row is for overtime hours, and the "S" row is for straight time (standard hours worked).

**Column 5:** Enter each worker's total hours.

**Column 6:** Enter your employee's pay rate, this must comply with prevailing wage rates and included fringe benefits. For OT, you take 1 ½ X the Base prevailing wage and then add the fringe. **You do not pay 1 ½ Fringe r**

The top box is OT, the first box is for PW base, the second is for Fringe.

RATE OF PAY	
\$83.29	
42.54	19.48

**Column 7:** Calculate and enter each employee's gross pay. If you fill this out online, it will calculate gross pay for you.

**Column 8:** Subtract your employee's deductions, such as FICA and withholding tax. Add up the totals for those deductions and put them in the appropriate columns.

**Column 9:** Subtract the total deductions from the gross amount earned from column 7 to get the week's net wages.

- Once filled out, you must submit the form to the awarding agency.
- You can't un-submit the form once submitted. If you need to make changes, you must submit a new form for the same period, with the corrected



# **CA Specific Certified Payroll Report ( CA DIR A131)**



# CA DIR A 131 Gather your info

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Every form will have different, but often similar requirements.

- Public work contractor registration number.
- DIR Project ID & info regarding who holds the contract (i.e. State of CA)
- Complete name & personal identifier for all workers ( i.e.Last 4 of social)
- Each worker's work classifications
- Hourly rates of pay, including rates of contributions or costs anticipated for fringe benefits or their cash equivalents (Wage Determination)
- Daily and weekly numbers of hours worked
- Wages and fringes paid along with deductions made
- Where applicable, info on training & apprenticeship info

# Finding California Determinations

Work classifications AND determinations: [www.dir.ca.gov/oprl/dprevwagedetermination.htm](http://www.dir.ca.gov/oprl/dprevwagedetermination.htm)

GENERAL PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS  
PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773 AND 1773.1  
FOR COMMERCIAL BUILDING, HIGHWAY, HEAVY CONSTRUCTION AND DREDGING PROJECTS

**Craft: Carpenter and Related Trades<sup>#</sup>**

**Determination:**  
SC-23-31-2-2021-1

**Issue Date:**  
February 22, 2021

**Expiration date of determination:**

**June 30, 2021<sup>\*\*</sup>** The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit for specific rates at (415) 703-4774.

**Localities:**

All localities within Imperial, Inyo, Kern, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara, and Ventura counties.

Area 1: Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara and Ventura counties.

Area 2: Inyo, Kern, and Mono counties.

**Wages and Employer Payments:**

Classification (Journey person)	Basic Hourly Rate <sup>a</sup>	Health and Welfare	Pension	Vacation and Holiday <sup>b</sup>	Training	Other <sup>c</sup>	Hours	Total Hourly Rate	Daily Overtime Hourly Rate (1 ½ X) <sup>d</sup>	Saturday Overtime Hourly Rate (1 ½ X) <sup>e</sup>	Sunday/ Holiday Overtime Hourly Rate (2 X)
Carpenter <sup>f g</sup> , Cabinet Installer, Insulation Installer, Hardwood Floor Worker, Acoustical Installer (Area 1)	\$43.76	\$8.00	\$5.41	\$7.09	\$0.62	\$1.44	8.0	\$66.32	\$88.20	\$88.20	\$110.08

# Submitting your CPR to the DIR

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- In California, contractors and subcontractors on most public works projects are required to submit certified payroll records (CPRs) using DIR's electronic certified payroll reporting system.
- You have two methods to submit your CPRs, shown here:


## Submit Payroll Records

Enter Payroll Online

Submit Payroll in XML File \*

## XML Submission

- If you choose to an XML, you'll be taken to this screen. You simply find your file and upload it here.

 **eCPR System - XML Upload**

Choose your XML files to upload

Select file to upload:  No file chosen

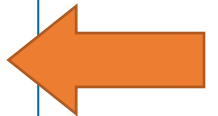
Would you prefer to:

- [Learn how to upload CPRs in XML](#)
- [Enter your CPRs manually using the iForm](#)
- [Click to search](#)

- For XML files, you can use any method to create them, including these listed.

Use compatible software to create certified payroll records in XML format. Although DIR does not endorse or guarantee their products, the following vendors offer software for submitting certified payroll records in XML.

[Anovo Systems, LLC](#) | [BluePoint Payroll Solutions](#) |  
[Certified Payroll Solutions](#) | [Contractor Business Tools, LLC](#) | [eBacon](#) |  
[Elations](#) | [Emars](#) | [Fennbridge](#) | [LaborZoom](#) | [LCPTracker](#) |  
[eComply Solutions LLC](#) | [Prism Compliance Management](#) |  
[Quantum Software Solutions Inc.](#) | [Sunburst Software Solutions, Inc.](#) |





## Online entry

- If you choose Enter Payroll Online, you'll be taken to this screen.
- If you don't have a registration number, you can put NA and it will allow you to use your SSN or FEIN. **SSN is not recommended, this is a public record.**

**Contractor Information**  
If you have a Public Works Contractor Registration Number, enter here:  ?   
**If you do not have a registration number, enter NA.**  

This information is required.

- If you've not used the system before, you'll see this message. Follow the steps to continue adding your info and submitting your CPR.

**This contractor does not yet exist in the eCPR Database. You must click the "Next" button to add it to the database.**  
 **All required fields must be filled before you can proceed.**

## Project info

- Select from the drop down or or enter DIR project ID. This is also called the PWC-100.
- The awarding agency should project this info, but you can look it up with some details using the “DIR Project ID lookup” function.

**Project Information**

Previously connected projects are available on the drop-down. Or, type a new number.

DIR Project ID:     [DIR Project ID Lookup](#) **Contact the prime contractor or the awarding body if not found.**

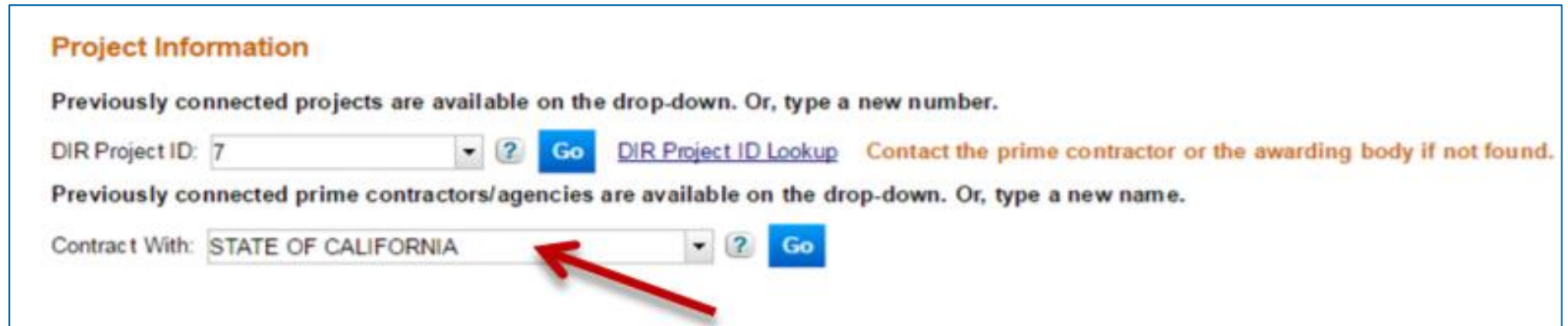
**Note:** If the system doesn't have info on the project, you'll see a message in red stating that the project must be registered with the PWC-100 database. If this happens, you need to contact the awarding agency.

## Contract With

The Contract With drop-down menu may contain any of these:

- The awarding agency,
- Prime contractor and any subs listed for the project
- Contractors who have previously submitted CPRs for the project.

If you can't find the name of who you have your contract with, type it into the "Contract with" field.



The screenshot shows a web form titled "Project Information". It contains two sections. The first section is for the "DIR Project ID", with a text input field containing "7", a dropdown arrow, a help icon, a blue "Go" button, and a link "DIR Project ID Lookup". Below this is a note: "Previously connected projects are available on the drop-down. Or, type a new number." and a warning: "Contact the prime contractor or the awarding body if not found." The second section is for the "Contract With" field, with a text input field containing "STATE OF CALIFORNIA", a dropdown arrow, a help icon, and a blue "Go" button. A red arrow points to the "Contract With" input field.

It is critical to enter the name **exactly as it appears in the PWC-100 form or on the contract**. Any differences – including spacing or capitalization – will cause the system to create a new branch of payroll for the certified payroll records you are submitting.

## Connect to Project

For first time CPRs under a project, you have to “Connect to Project.” This connects your reporting to the overall project.



You only have to do this for the first CPR submitted under a project.

### Project Information

Previously connected projects are available on the drop-down. Or, type a new number.

DIR Project ID:    [DIR Project ID Lookup](#) **Contact the prime contractor or the awarding body if not found.**

Previously connected prime contractors/agencies are available on the drop-down. Or, type a new name.

Contract With:   

**You have not yet associated the project to the value entered in the “Contract With” field. You must click the “Connect To Project” button to make this association.**

## Payroll info

- Enter your workers information (name/address/SSN)
- Enter their pay (Straight/Over/Double time) along with base hourly, fringe and training pay where applicable. In CA,OT is 1/12 on all hours worked in excess of 8 hours per day and 40 hours during any one week.
- Work classifications are “crafts”. You must select the correct craft for each employee and use the corresponding base hourly and fringe pay.

**Payroll Information**[Frequently Asked Questions](#)

Reporting Type: Weekly

Week Ending: 06/26/2016

☐ Check if this is a statement of non-performance

☐ Check if this is the final payroll for this project

Contractor Payroll Number:

eCPR Payroll Number: 1 - 0

**Weekly Reporting**

Employee: 1 of 1

First Name:

Last Name:

SSN:

Address:

City:

State:

Zip:

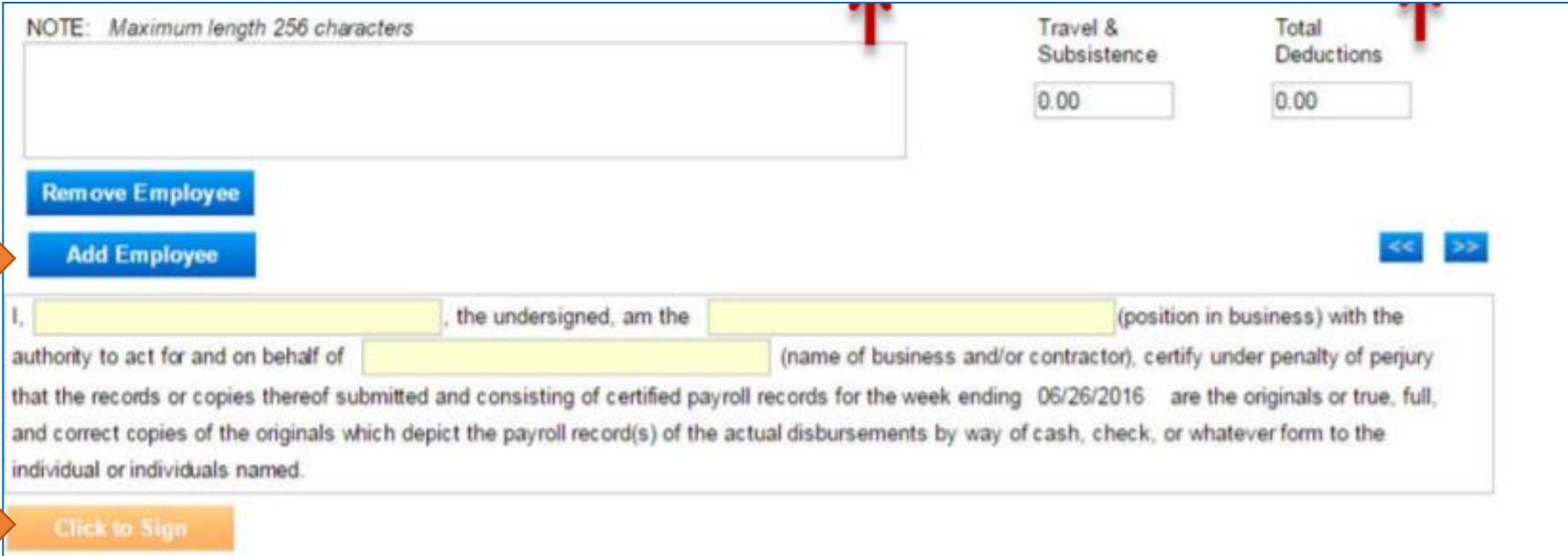
	Enter Craft	Mon 06/20	Tue 06/21	Wed 06/22	Thu 06/23	Fri 06/24	Sat 06/25	Sun 06/26	Total Hours	Base Hourly Rate	Total Hourly Fringe	Hourly Training	Total Hourly Rate			
<input type="checkbox"/> Straight Time	<input type="text"/>	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	+	0.00	+	0.00	=	
<input type="checkbox"/> Over Time	<input type="text"/>	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	+	0.00	+	0.00	=	
<input type="checkbox"/> Double Time	<input type="text"/>	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	+	0.00	+	0.00	=	

## Payroll info details

- If this is the first time entering an employee's info, you must fill out everything. If it isn't the first time, some of the fields will be auto-filled.
- If a value other than zero is entered in Total Hourly Fringe box, the system will ask you to break down the amount into these categories: Vacation/Holiday, Health/Welfare, Pension, Other.
- The Total Deductions box is where you enter the federal tax, FICA, state tax, SDI (State Disability Insurance), and other deductions listed on the employee's pay stub.
- If no work was done, select the "statement of non-performance" checkbox.
- If this is the last payroll for the project, select that checkbox.

## Adding additional employees to the payroll

- You must repeat these steps for each employee on the payroll. To do this, select the “add employee” button and repeat each step.
- You can add notes to your payroll in the Note field.
- Once every employee has been added, type your name and certify it by hitting the “click to sign” button.



NOTE: Maximum length 256 characters

Travel & Subsistence: 0.00

Total Deductions: 0.00

Remove Employee

Add Employee

I, [redacted], the undersigned, am the [redacted] (position in business) with the authority to act for and on behalf of [redacted] (name of business and/or contractor), certify under penalty of perjury that the records or copies thereof submitted and consisting of certified payroll records for the week ending 06/26/2016 are the originals or true, full, and correct copies of the originals which depict the payroll record(s) of the actual disbursements by way of cash, check, or whatever form to the individual or individuals named.

Click to Sign

The screenshot shows a web-based payroll system interface. At the top, there is a note field with a 256-character limit. To the right, there are two input fields for 'Travel & Subsistence' and 'Total Deductions', both showing '0.00'. Below these are two blue buttons: 'Remove Employee' and 'Add Employee'. An orange arrow points to the 'Add Employee' button. At the bottom, there is a large text area for a certification statement, which is partially filled with redacted text. Below this text area is an orange button labeled 'Click to Sign', which is also pointed to by an orange arrow. There are also navigation arrows ('<<' and '>>') on the right side of the interface.



## Correcting CPRs

- Once submitted, you cannot “unsubmit” a record. You must correct errors by submitting a new record for the same pay period. This creates a new, amended record and will take precedence over the original record.
- You do not have to re-submit information for every employee, only the ones you are correcting.
- If you are adding employees to a payroll that was already submitted simply add the employee to the same pay period. The original will remain on file, and amendments to it (added employees in this instance) will be visible.
- The system will modify the payroll number to show the amendment so you can differentiate original records from amended records.





# Your responsibilities

# Responsibilities

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General contractors are responsible for the compliance of every sub on their projects. Subs are equally responsible to stay compliant.

- Know and follow all prevailing wage laws that apply by contract and location.
- Follow all reporting regulations including weekly reports and non-performance reports if no work is done.
- Pay workers weekly and submit corresponding reports to certify that all prevailing wage regulations are followed.
- Under DBRA, CPRs must be submitted weekly. In CA, CPRs can be done monthly, but the DIR recommends submitting them weekly.

Welcome to eBacon!

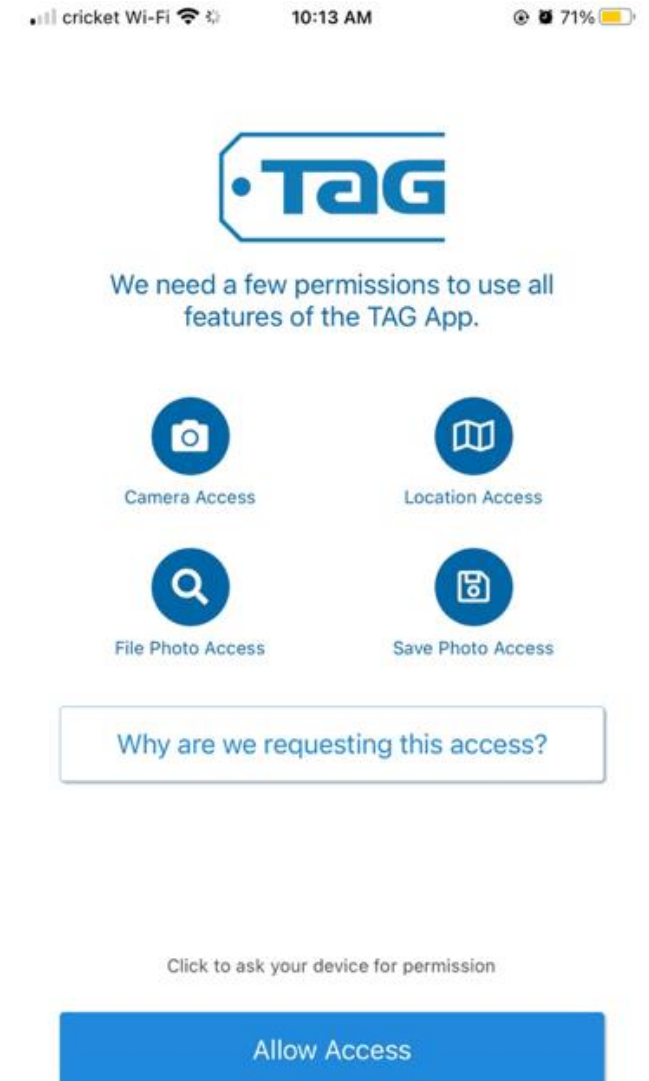


# eBacon makes it easy



# Easy time and attendance

- Capture time from the field with a smart phone or by text – Smart phone not required to use the app!
- Change work classifications with a click.
- Set a geofence around the worksite to improve time tracking accountability.
- Submit expenses and receipts
- Submit PTO requests



# Simplified payroll

- Time data flows into the payroll system from our app.
- Import or enter payroll from 3<sup>rd</sup> party systems with a few clicks.
- Simplifies wage determination to improve accuracy .
- Make restitution with just a couple clicks.

Enter or Review Records

Step 2 of 3

Enter records or review them below



◀ Back to Import



Enter Payroll



Submit Payroll ▶

# Powerful, 1-Click Reporting

- Run required reports with a few clicks.
- Get better insights into your business with powerful reporting options.
- Export reports as a PDF, CSV or directly into Excel

Reporting

Show Favorite Reports ▾

Search

Prime

Cases and their status

Cases and their status

★

Certified Hours Worked

Hours worked by date range

★

Determination Rate Report (Non Union)

Determination Rate Report (Non Union)

★

Certified Hours Worked

Report Parameters

Enter all of the required parameters below and then click "Run Report"

Toggle Full Screen

Run Report

Job

Make Selection... ▾

Start Date

mm/dd/yyyy ▾

End Date

mm/dd/yyyy

Export Options: PDF CSV Excel

# Enter & Manage New Jobs

- Create new jobs, including prevailing wage jobs with a few clicks.
- Sort through jobs for critical data, filter by location, status, start date etc...
- See your complete list of jobs for a better overview of active projects.

## New Job

Let's create a new job together.



For 'Job Number', use a short name/or number(s) associated with your new job. You can change it later. Addresses/prevaling wage sections are optional. The job description is optional but highly recommended to help employees see additional info about the job.

Job Number 12345	Job Description Awesome new job	Start Date 04/28/2021
---------------------	------------------------------------	--------------------------

Job Number is required

Job Address 2323 Easy Street	City Tempe	State Arizona	Zip 85281
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☒ Is this a prevailing wage job? ☐ Is this a Union job?

Prevailing Wage Job Type Federal	Awarded/Advertised Date 04/21/2021
-------------------------------------	---------------------------------------

Customer Name Federal government	County
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CANCEL

SUBMIT

# Resources

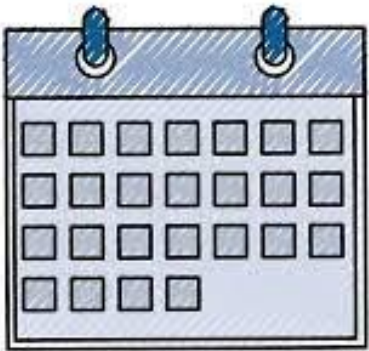
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- [Construction Resource Hub](#)
- [U.S. Department of Labor Prevailing Wage Seminars](#)
- [Wage Determinations Learning Center](#)
- [Certified payroll FAQs](#)
- [Four ways to make certified payroll easier](#)
- [Solving construction time keeping problems](#)
- [Government contracting compliance tips](#)



# Want more info?

Watch for the follow-up email to this webinar for a recording of this presentation and a handy wage determination guide.



Don't forget to join us for our next webinar:

- Prevailing wage pitfalls: May 27<sup>th</sup>

Have ideas about how our products can better serve you?

Tell us all about it:  
[info@tagpay.com](mailto:info@tagpay.com)

# Thank you.

[tagpay.com](https://tagpay.com) | [eBacon.com](https://eBacon.com)

