Payroll Review Process

☐ **1. Prime Contractor will:**

- ➤ Ensure all subcontractors receive a copy of the *Certified Payroll Checklist.*
- ➤ Submit certified payrolls to the Project Manager for their employees and all sub-contractors to the Project Manager.
  - Weekly for Federally funded/Davis-Bacon projects.
  - Monthly by the 5th of each month for state-funded/BOLI projects.
- ➤ Review sub-contractor's payrolls prior to submission to the Project Manager.
- ➤ Correct identified unacceptable errors and resubmit revised payrolls within one month to the Project Manager.
- ➤ Direct subcontractors to correct identified unacceptable errors and resubmit revised payrolls within one month to the Project Manager.

The Oregon Department of Transportation Construction Manual, Labor Compliance, Certified Payrolls 2. Review of Certified Payrolls by the Project Manager.

☐ **2. Project Manager will review payrolls within one month of submission by the prime contractor for accuracy and completeness.**

- ➤ Ensure all prime contractors receive a copy of the *Certified Payroll Checklist.*
- ➤ Review payrolls for accuracy and completeness:
  - Every item on the first payroll of every contractor shall be reviewed thoroughly for accuracy and completeness.
    - o A thorough review of each payroll will continue until acceptable payrolls are submitted.
  - <u>Once acceptable payrolls are being received</u>, a monthly review will be performed on one payroll for every contractor working on the project.
    - o Every item on the payroll will be reviewed.
    - o Recommend a different week be selected each month.
    - o Payroll reviews can be spread out throughout the month to prevent workload conflicts.
  - Payrolls with inaccurate, incomplete, or missing information that could affect pay and/or fringe benefits cannot be accepted (Classification, group number, apprentice percentage, hours worked, fringe benefits information, rates of pay, overtime, deductions, etc.) and will be returned to the Prime Contractor <u>within one month</u> of submission for correction and resubmission.
  - Prime contractors will be notified of errors that do not affect pay and/or fringe benefits and directed to correct on future payrolls.
  - Payrolls without unacceptable errors will be considered accepted and not reopened for review without cause.

29 CFR 5.6 (a)(3) and 29 CFR 5.5 (a)(1)(i); ORS 279C.840); OAR 839-025-0035; The Oregon Department of Transportation Construction Manual, Labor Compliance, Certified Payrolls 2. Review of Certified Payrolls by the Project Manager.

☐ **3. OCR will perform quarterly audits of the payroll review process and provide technical assistance and training:**

- ➢ During routine visits to the Project Managers Offices:, Regional Civil Rights Specialists will:
  - Perform a quarterly audit of each office to ensure compliance and identify training needs.
  - Review one weekly payroll of one contractor randomly selected from current projects.
  - Prepare an OCR Quarterly Audit Report during each visit and provide copies to the PM and the Labor Compliance Officer.
  - Review previous Audit Reports to ensure corrective actions have been taken.
  - Provide technical assistance and identify training needs.
- ➢ The Labor Compliance Officer will:
  - Assist in the QA process.
  - Review Payroll Review Reports.
  - Provide detailed program technical expertise to ODOT staff and contractors.
  - Make on-site visits to Project Managers offices by invitation or when determined necessary.
  - Develop, coordinate, and provide training to Project Managers' staff and/or regions as needed.
  - Conduct investigations of Prevailing Wage Complaints.
  - Perform final sign-off of projects.

☐ **4. ODOT will:**

- ➢ Include the Payroll Review Checklist in all Pre-Con packets.
- ➢ Ensure that all contractors have received a copy of the Payroll Review Checklist