

II. Program-Specific Recovery Plan for Recovery.gov (Q 2.8 of Guidance)	
DOL Agency MAX ID and name: Wage and Hour Division (WHD)	
Recovery Program: Davis-Bacon and Related Act Wage Determination and Government Contract Labor Standards Enforcement	
Does this program align with an existing CFDA program?	No
1. Objectives:	
Program Purpose	The Davis-Bacon and related Acts require contractors and subcontractors on federally funded or assisted construction contracts over \$2,000 to pay laborers and mechanics the wages and fringe benefits prevailing for the classification of work in the geographic area where the contract is performed. Covered contracts must include a DOL-issued wage determination for each class of worker on the project. DOL also has the authority to establish regulations and investigate labor standards compliance.
Public Benefits	The establishment of prevailing wage determinations and the effective enforcement of such wages and fringe benefits ensures that workers on federally funded or assisted construction projects are paid a minimum wage and fringe benefit amount consistent with wages in the local community and that the infusion of federal funds into an area does not act to destabilize local wages and fringe benefits.
2. Projects and Activities:	
Kinds and scope of projects and activities to be performed	<p>The American Recovery and Reinvestment Act of 2009 (Recovery Act) requires the payment of Davis-Bacon Act (DBA) prevailing wage rates to “laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the Federal Government” pursuant to the Act. The Recovery Act appropriates substantial funding for construction, alteration and repair of Federal buildings, and for infrastructure projects, such as roads, bridges, public transit, water systems, and housing.</p> <p>WHD promotes compliance with the Recovery Act’s labor standards provisions and ensures that the greatest number of workers on Recovery Act projects receive the wages and benefits to which they are entitled under the law. Increased compliance assistance and outreach is intended to minimize coverage disputes and explain compliance principles to federal, state, and local contracting agency staff who have limited experience with the program.</p>
Davis-Bacon Wage Determination Updates	<p>To respond to the demand for updated and current wage rates under the Recovery Act, WHD reduced the time for conducting highway construction surveys to produce more timely and accurate highway construction wage determinations. WHD is reducing the backlog of building and heavy construction wage surveys to improve timeliness of processing new wage determinations for those industries. WHD took inventory of other wage determinations and determined which were outdated and needed to be replaced.</p> <p>WHD used an estimated \$1.691 million and 10 FTE to update prevailing wage rates based on wage survey data.</p>
Prevailing Wage Enforcement	With the Recovery Act funding, WHD expects DBA and related complaint investigations to double over the next two years – from approximately 400 to 800. Moreover, WHD believes that it is appropriate to conduct

	<p>directed investigations of the Recovery Act projects to ensure compliance with applicable labor laws. The agency is increasing its directed investigations from the current average of 90 per year to 250 per year – approximately five per district office. As a result, WHD expects to complete over 2,000 investigations over two years beginning in FY 2010. WHD also notes that the Recovery Act will have an impact on its Service Contract Act (SCA) enforcement program because of the volume of anticipated federal service work to be undertaken with funding from the Recovery Act.</p> <p>WHD has expended approximately \$11.87 million and 106 FTE to enforce applicable prevailing wage statutes on Recovery Act-funded contracts. This includes resources to conduct intensive outreach efforts to train contractors that may not have been previously covered by DBA and other Federal employment laws enforced by WHD.</p>
Outreach	<p>WHD's outreach plan includes education and outreach to contractors and their associations, employees and their representatives, and local community groups, so that they are fully informed on the Davis-Bacon requirements and rights provided therein. Specific outreach activities include issuing guidance, creating a Web page for DBA and SCA labor standards, publishing a revised edition of the Prevailing Wage Resource Manual, and numerous conferences and educational events.</p> <ul style="list-style-type: none"> • Conducting at least six national conferences for all stakeholders to include: an introductory session on DBA and SCA principles, a more comprehensive prevailing wage conference, a contracting agency training session on contract requirements, wage determinations, conformances, and responsibilities for compliance under the DBA and a session devoted to outline and promote DBA wage determination program enhancements. • Conduct additional conferences in FY2010 based on stakeholder requests and review of enforcement patterns and complaint data analysis identifying areas where systemic compliance issues by agency, geography, and/or type of construction/industry are occurring.
3. Characteristics:	
Types of Financial Awards to be used.	J Provision of Specialized Services K Advisory Services and Counseling N Investigation of Complaints
Type of Recipient	Federal
Type of Beneficiary	Federal; State, Local including County and Town/City; Individual
4. Major Planned Program Milestones:	
Guidance to Federal Agencies	WHD issued an All Agency Memorandum providing guidance on Davis-Bacon application to Recovery Act projects. Completed: May 29, 2009
Web Page Launch	WHD launched a Web site for Davis-Bacon and Service Contract Act labor standards compliance assistance materials for Recovery Act-funded projects. Completed: May 29, 2009

Revised Compliance Materials	WHD published a revised edition of the <i>Prevailing Wage Resource Manual</i> and related compliance assistance materials which were posted on the DOL Web site.
	Completed: July 20, 2009
Prevailing Wage Conferences	WHD conducted the first of an estimated six national prevailing wage conferences in Washington, D.C.
	Completed Date: July 20, 2009
Regional Prevailing Wage Conferences	WHD conducted seven national Prevailing Wage Conferences with the first in Washington, D.C., followed by five regional prevailing conferences for all stakeholders by October 31, 2009. Conferences include: a special session on basic Davis-Bacon and Service Contract principles for contractors and other parties who are new to the program, an overall prevailing wage conference, a training session specifically targeted to contracting agencies to provide specific guidance on contract requirements, wage determinations, conformances, and responsibilities for compliance under the Davis-Bacon Act and a session devoted to outline and promote Davis-Bacon Act wage determination program enhancements. The last conference was held the week of September 22.
	WHD will conduct additional conferences in FY 2010 based on stakeholder requests and review of enforcement patterns and complaint data analysis identifying areas where systemic compliance issues by agency, geography, and/or type of construction/industry are occurring.
	Expected Completion Date: Ongoing through December 31, 2010
Pipeline Surveys Published	WHD will publish updates to the building and heavy wage determinations of those states where the wage survey is currently in progress.
	Expected Completion Date: December 31, 2010
Remaining Highway Wage Determinations Update	WHD published 11 building surveys, and 8 heavy surveys that were in the pipeline in the commencement of the Recovery Act. The remaining surveys in the pipeline are 12 Building and Heavy surveys and WHD expects 10 to be published by August 2010.
	Expected Completion Date: December 31, 2010
5. Monitoring and Evaluation:	
WHD has designated a senior executive to oversee the agency's Recovery Act plan. WHD will report no less often than quarterly on the progress of its wage determination program updates. Internal reports will identify the status of the surveys, anticipated completion dates, and changes in the prevailing wage rates as a result of the new data. WHD will also monitor its enforcement activity by separately identifying investigations related to Recovery Act projects. WHD investigators will also indicate time spent investigating Davis-Bacon compliance with the prevailing wage provisions of the Recovery Act. WHD will monitor and track its outreach events, including the use of an approved customer satisfaction survey for monitoring the impact of the prevailing wage conferences. Finally, WHD will track its Recovery Act Web site activity. Longer term monitoring of compliance with the Davis-Bacon provisions via Davis-Bacon investigations will demonstrate whether the increased enforcement presence, the increased use of penalties such as debarment, and the increased outreach to the federal contracting community have an impact on contractors' levels of compliance.	

6. Measures:	
Measure Text	Percent of DOL conducted highway wage surveys updated in 18 months
Measure Type	Efficiency
Measure Frequency	Quarterly
Direction of Measure	Increasing
Unit of Measure	Percent of surveys
Explanation of Measure	One of the key purposes of WHD's Recovery Act wage determinations initiative is to update existing wage determinations, particularly in areas where wage surveys are dated and for those types of construction, like highway construction, most impacted by Recovery Act funding, <i>i.e.</i> , transportation and highway. The streamlined processes that are being implemented should lead to a higher number of completed highway surveys. Of the 23 highway surveys that need to be updated, WHD will update 18 (78%) within 18 months. WHD has published nine (9) new highway wage determinations (39%). Eleven (11) are in progress, and six should be completed and published by September 30, 2010. The actual reported below reflects the work conducted in 9 months, through December 31, 2010. The goal is to update 78% of dated highway surveys in 18 months or by September 30, 2010.
Year	FY 2010
Original Program Target	33%
Revised Full Program Target	78% of dated highway surveys updated in 18 months
Targeted ARRA Increment	45 percentage points
Actual	39%
Goal Lead	Tom Markey, Acting Deputy Administrator for Enforcement
Measure Text	Number of Davis-Bacon investigations completed
Measure Type	Output
Measure Frequency	Quarterly
Direction of Measure	Increasing
Unit of Measure	investigations
Explanation of Measure	WHD's enforcement activities in the Davis-Bacon program area will increase in response to the Recovery Act funding. The increase in complaints is not expected until FY 2010. WHD will substantially increase its directed enforcement of Davis-Bacon covered projects in FY 2010, which is reflected in the increased targets. As of May 7, 2010, WHD has initiated (e.g., registered) 1,183 Davis-Bacon Act investigations.
Year	FY 2010
Original Program Target	400
Revised Full Program Target	1,000
Targeted ARRA Increment	600

Actual	TBD
Goal Lead	Tom Markey, Acting Deputy Administrator for Enforcement
Measure Text	Percent of Davis-Bacon complaint investigations on Recovery Act projects initiated within 30 days of receipt
Measure Type	Efficiency
Measure Frequency	Quarterly
Direction of Measure	Increasing
Unit of Measure	Days
Explanation of Measure	WHD will prioritize Davis-Bacon complaints related to Recovery Act projects. As of April 30, 2010, 60% of ARRA complaint cases were under investigation within 30 days of receipt of the complaints.
Year	FY 2010
Original Program Target	N/A
Revised Full Program Target	90%
Targeted ARRA Increment	90%
Actual	60%
Goal Lead	Tom Markey, Acting Deputy Administrator for Enforcement
Measure Text	Percent of Davis-Bacon debarments for repeat and aggravated violations
Measure Type	Output
Measure Frequency	Quarterly
Direction of Measure	Increasing
Unit of Measure	Debarments
Explanation of Measure	WHD will pursue debarment in cases where the contractor or subcontractor has repeat or aggravated violations of the Recovery Act. WHD will be successful in 80 percent of the cases pursued. Debarment measures results will not be available until much later, as cases continue through the appeals process.
Year	FY 2010
Original Program Target	N/A
Revised Full Program Target	80%
Targeted ARRA Increment	80%
Actual	TBD
Goal Lead	Tom Markey, Acting Deputy Administrator for Enforcement

7. Transparency and Accountability
<p>WHD uses similar methodologies for tracking Recovery Act-related enforcement costs as it does with its current program goals. WHD tracks Recovery Act investigations in its investigation database. WHD investigators log their time into the agency's case tracking database. This function allows the agency to account for all direct enforcement hours and all outreach hours related to Recovery Act activities. All staff involved in Recovery Act activities track time in the Department's personnel time management system. WHD uses this system to determine the cumulative number of hours spent by WHD personnel on Recovery Act cases. The FTE costs can then be calculated using the actual compensation and benefit level of each individual charging time to Recovery Act-related work. Increased contract costs for the wage determination program can be tracked separately by associating hours worked and related costs to any surveys conducted as a result of the Recovery Act funds that would not have been otherwise conducted. WHD uses a separate accounting code for tracking travel-related activities. Recovery Act costs, in both instances, are a subset of the cost of current indicators.</p> <p>WHD has designated an SES executive manager as responsible for the successful implementation of the Recovery Act plan. In addition, the goals and objectives of the revised enforcement and wage determination program are integrated into WHD's Annual Performance Plan to which all agency managers are held accountable in their standards.</p>
8. Federal Infrastructure Investments:
N/A
9. Barriers to Effective Implementation:
N/A
10. Environmental Review Compliance:
N/A