



■ Best Tips for City Clients: Local Government Federal Compliance

Presented by: Janece Ray



Chandler Arizona
Where Values Make The Difference

IGNITE

May 28th - May 31st, 2019

Executive Summary

- Contracts
- DBE
- Title VI
- Environmental
- Labor Compliance
- Field Reports
- Buy America
- Material Certifications
- Audits



JANECE RAY – Federal Compliance

- City of Chandler, Arizona
- 15 Years Total
- 12 years – Federal Compliance
- Capital Projects Design and Construction
- Oversee Consultants and Contractors

Learning Objectives

- Contracts
 - Audit Preparation
 - Lists and Logs
 - Certified Payroll Verification
 - Communication
 - Other Tips

Contracts



City of Chandler, Arizona
Public Works & Utilities Department
Capital Projects Division

CONSTRUCTION BID

CITY PROJECT NO.: [REDACTED]

MAYOR
Kevin Hartke

VICE MAYOR
Terry Roe

COUNCIL
Matt Orlando
Jeremy McClymonds
René Lopez

Sam Huang
Mark Stewart

Andrew Goh, P.E.
CIP City Engineer

Contracts

- DBE
- Title VI
- Prompt Pay
- EEO
- Wage Decision
- Jobsite Posters
- Environmental





Audit Preparation

Audits Preparation

- Always start a project with the end in mind
- Make a checklist of all project contract requirements

Bid Dates		Inv to Bid:	Bids Due/Open:	DBWg 10 Day chk:	Council Date:
Item	Done	Description			
1		Project Initiation	Prep Docct/Packet		Receive (No's set up)
2		Start Project Authorization Packet Preparation			
3		Pull ADOT BECO LPA Checklist	www.aadot.gov/business-employment-and-compliance/pa-subrecipients/fhwa		
4		Submit for DEE Goal	Submit to ADOT LPA:		
5		Receive DEE Goal CJT	(Goal good for 120 Days, may wait post fed auth. https://dbeggoals.aadot.gov/accoun/login)		
6		Confirm Project Info			
7		Bid Prep FWHC contracts	put bid packet together		
8		Submit draft bid pkt to ADOT PM	for review/submit to FHWA for fed funding obligation		
9a		Receive ADOT notice of funding authorization			
9b		Receive ADOT email authorization			
10		Advertise for file	signed FHWA FEMIS (replaces AZPR2X) <i>This is official of to start - 9b [signed copy/ takes weeks</i>		
10b		Check DEE Expiration Date	Compare to Planned Advertise date		
11		DEE Re-assess submittal	(IF APPLICABLE) (due to advertise date)		
12		Notify ADOT PM of Advertisement Date			
13		Notify ADOT PM of Advertisement Date			

Audit Prep Tips

- **Tip 1:** Ask yourself, “what will the auditor think about this”
- **Tip 2:** Remind Staff, Project Team, Contractors, Subcontractors, Consultants that audits can occur 1-2-3 years AFTER project is complete.
- **Tip 3:** Audits on one can cause an audit on all the others

INTERNAL AUDIT (*once identified on an audit, do not need to re-id)

Date	Project No (s)	Project Name
Audit No		
Federal Docs		
1		*Authorization Form AZPR2x
2		*Clearance Letter
3		*Environmental Clearance
4		*Categorical Exclusion
5		*Engineers Estimate
6		*Right of Way Clearance
7		*Utility Clearances / RR Clearances
Contract Documents		
8		*Solicitation Advertisement
9		*Confirmation of 10-Day pre check on Wage Dec
10		*Contract
Construction Documents		
11		Project Contact List
12		Audits – copy of all previous audits
13		*Authorized Signature Form
14		*CPM Schedule

Federal Compliance Items	
33	
34	Certified Payrolls (see log)/Mo Notifications
35	Monthly Notifications for previous months
36	Employee Interviews
37	Subcontract for each Subcontractor (see log)
38	EEO Reports
	*DBE
	DBE Cuf Reports for each DBE
	*Title VI Documentation
	*Jobsite Bulletin Board checklist/pictures
	*OJT: Plan
	OJT: Hours / Log to date

Lists & Logs



Lists and Logs

- ✓ Subcontractors Approved
- ✓ Documents Required/Received
- ✓ Payroll Review / Outstanding Payrolls
- ✓ Subcontractors on Site Days
- ✓ Employees Interviewed
- ✓ Penalties/Liquidated Damages

NTP UPDATED		02/09/19		On site started today		Contract Amount	Bid Items	Comm. ROC/yr
Inspector	Left Column	Rec'd	Approved	DIB #	ROC Exp			
Subcontractor								
prime name here								
sub 1								
sub 2								

SUBCONTRACTOR APPROVAL CHECKLIST - PROCEDURE
CITY OF CHANDLER

DATE	
PROJECT NO/FED/ADOT	
PROJECT NAME	
PRIME	
SUBCONTRACTOR	
1a	ROC License - Verify on ROC Web Site - www.roc.state.az.us Test Description
1b	ROC License - Print Out - ED with the paper
2	ROC License - Confirm Name number assigned for projects approved after 10/2014. www.roc.state.az.us go to search, select
3	SAM Website - Confirm registered name of contractor
4	AC UTRACS - Confirm registered name of contractor
5	AC UTRACS - Verify UTRACS status of contractor
6	QA Reporting System Profile - Web Site www.azdot.gov/qa go to report section print profile
7	Verify UTRACS System Verification - Web Site www.azdot.gov/qa go to report section print profile
8	Project Name - Verify UTRACS status of contractor
9	Prime Name - Verify UTRACS status of contractor
10	Subcontractor - Verify UTRACS status of contractor
11	Subcontractor - Verify UTRACS status of contractor
12	Lower Tier - Verify UTRACS status of contractor
13	Bid Item - Verify UTRACS status of contractor
14	Bid Item - Verify UTRACS status of contractor
15	Bid Item - Verify UTRACS status of contractor
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100	Bid Item - Verify UTRACS status of contractor



(For Contractor's Optional Use; See Instructions at www.dol.gov/whd/forms/wh347instr.htm)
Please use as not required to respond to the collection of information unless it displays a currently valid OMB control number.

OMB No. 1235-0008
Expires: 02/28/2018
Rev. Dec. 2008

NAME OF CONTRACTOR <input type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/>			ADDRESS			CITY AND STATE			ZIP CODE		OMB No. 1235-0008 Expires: 02/28/2018		
PAYROLL NO.				FOR WEEK ENDING				PROJECT AND LOCATION				PROJECT OR CONTRACT NO.	
(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER)		(2) WORK CLASSIFICATION	(3) IN DAY AND DATE		(4) HOURS	(5) RATE OF PAY	(6) GROSS AMOUNT PAID	(7) FED. INC. TAX	(8) DEDUCTIONS		(9) NET WAGES FOR WIFE		
7-1-3			MON	TUE	TOT. HOURS								
			WED	THUR	TOTAL HOURS								
			FRI	SAT	TOTAL HOURS								
			SUN		TOTAL HOURS								
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Work classification 5

When completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federal, Federal or assisted construction contracts to respond to the information collection contained in 29 C.F.R. 52.11.5(a)(1). This Circular Act 140 (C.F.R. 52.11.5(a)(1)) contractors and subcontractors performing work on Federal, Federal or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. 52.11.5(a)(2)(ii) require contractors to submit weekly a copy of all payments to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payments are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving the information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that it will take an average of 55 minutes to complete the collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding this estimate or any other aspect of this collection, including suggestions for reducing the burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room 5302, 300 Constitution Avenue, NW, Washington, D.C. 20310

(326)

Certified Payroll Verification



CERTIFIED PAYROLL VERIFICATION

- ✓ More Than Pay Rates & Classifications
- ✓ Utilize Inspector Daily Reports

March 2019		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Smith Construction	02/25/19	x		S	x	x	x	x	x									
A Concrete	02/26/19			U														
Brown Traffic Control	03/20/19			N	x													
Charlie Asphalt				D														
Don's Paving	03/12/19			A														
Eastern Slurry	03/03/19			Y														
Frosty Sweeping																		
Grape Pavement																		

CERTIFIED PAYROLL TRACKING		DUE																
Subcontractor	Start Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Smith Construction	02/25/19																	
A Concrete	02/26/19																	
Brown Traffic Control	03/20/19																	
Charlie Asphalt																		
Don's Paving	03/12/19																	
Eastern Slurry	03/03/19																	
Frosty Sweeping																		
Grape Pavement																		

SUBCONTRACTORS ON		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Smith Construction	02/25/19																	
A Concrete	02/26/19																	
Brown Traffic Control	03/20/19																	
Charlie Asphalt																		
Don's Paving	03/12/19																	
Eastern Slurry	03/03/19																	
Frosty Sweeping																		
Grape Pavement																		

Communication



COMMUNICATION MISHAPS CAUSE FRUSTRATION

- Information Pass-Down (or UP) Does Not Always Happen
- Representatives At Meetings Are Not Always The Ones Who Need The Information
- Changes In Requirements From Last Project
- Employee Turnover
- City to City Same Requirements and Difference Procedures

COUNTER ACT TO AVOID MISHAPS

- Contractor Federal Project Guidelines Handout
- Use at Pre Bids, Include in Contract & Subcontracts, Pre Construction Meetings
- Email Group Contact For Each Project
- Provide / Offer Federal Compliance Review

Other Tips

OTHER TIPS

- Be Engaged – Be Aware Of All The Moving Pieces
- Federal Requirements Review With Contractors, Designers, Engineers, Staff
- Guides / Tips Sheets for Handouts & Reference/Pre-Filled Forms
- Learn What the Other Side Does



Federal Funded Contract Guide for Contractors/Subcontractors

This is an FHWA federal funded project.

1. THIS IS AN FHWA FEDERAL FUNDED CONTRACT / PROJECT. There is a ZERO TOLERANCE for compliance of the federal requirements. FHWA can take back federal funds for non-compliance.
2. THIS GUIDE MUST BE INCLUDED IN ALL SUBCONTRACTS. This document must accompany a Subcontractor Request and must be initialed by the subcontractor and submitted with the Subcontractor Request documentation (SRF, Subcontract, EEO, etc).
3. PRIME CONTRACTOR MUST SELF PERFORM 50% OF THE CONTRACT.
4. FEDERAL GUIDELINES REQUIREMENTS: If the subcontractor does not follow the federal guidelines during the project:
 - a. A subcontractor federal compliance training may be required at the City of Chandler office and will require one person from the Prime Contractor.
 - b. If the training meeting does not resolve the subcontractor federal compliance deficiencies, the subcontractor can be rejected from performing any additional work on the project.
5. RECORD RETENTION REQUIREMENTS: Records must be maintained for five (5) years.
6. WEB SITE REGISTRATION REQUIREMENTS: All Contractors / Subcontractors working on a federal funded project must be registered with:
 - a. AZ UTRACS website (<https://utracs.azdot.gov>) Must have a 5-digit AZ UTRACS Number (*The 5-digit number is new. The old 7-digit number will not be accepted*)
 - b. ADOT DBE System – (www.adot.dbsystem.com) All contractors/subcontractors must be registered in the ADOT DBE System, whether a DBE or not a DBE.
 - c. SAM (www.ssm.gov) – This site identifies contractors who cannot work on a federal funded project.
 - i. Contractors/Subcontractors should be registered with "SAM" for contracts awarded after 10-2014.
 - ii. No Contractor/Subcontractor with a debarment can work on a federal funded project.
 - iii. No Contractor/Subcontractor with an unresolved federal debt can work on a federal funded project.
7. PAYROLL, CERTIFIED PAYROLL REPORTING, FRINGE BENEFITS
 - a. Certified Payrolls Reporting is a requirement to work on this project.
 - b. City of Chandler requires the use of LCPTracker (www.lcptracker.com) to submit certified payrolls.
 - c. Certified Payroll Reporting is required WEEKLY for both working and non-working weeks from the first day a contractor/subcontractor starts work on this project and weekly until their contract work is complete and finalized.
 - d. Late or non-submittal of payroll reports:
 - i. City of Chandler may hold Prime Contractor's payment
 - ii. City of Chandler may assess penalty retainer of \$2,500 for each non-submitted payroll
 - iii. City of Chandler can stop contract work until compliance is met.
 - e. ALL LABORERS /MECHANICS WORKING ON SITE FEDERAL FUNDED PROJECTS MUST BE PAID WEEKLY



Learning Objectives Review

- Contracts
 - Audit Preparation
 - Lists and Logs
 - Certified Payroll Verification
 - Other Tips

Rate this Session

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■ THANK YOU

Janece Ray

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City of Chandler, Arizona

www.chandleraz.gov

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