

Certified Payroll Requirements

1. Forms

- 1.1. WH-347
- 1.2. Statement of Compliance
- 1.3. Statement of No Work Performed
- 1.4. Sub-subcontractor Reporting Form
- 1.5. HUD-5282 (included only if applicable to this project)
- 1.6. Standard Form 1444 Request for Authorization of Additional Classification and Rate

2. Additional Resources

- 2.1. Instructions for completing WH-347 <http://www.dol.gov/whd/forms/wh347instr.htm>
- 2.2. Compliance Assistance with The Davis Bacon and Related Acts (DBRA) <http://www.dol.gov/compliance/laws/comp-dbra.htm>
- 2.3. State of Tennessee Prevailing Wage Act of 1975 - http://www.tdot.state.tn.us/construction/rulemaking_hearing/PW%20Act%201.pdf
- 2.4. Screen Shot Instructions by Rock City Construction – <http://www.rockcity-gc.com/help.htm>

3. Introduction

- 3.1. The Davis Bacon and Related Acts (DBRA) require payment of prevailing wages to workers employed on federal and federally assisted construction projects. At the state and municipal level, DBRA is often referred to as “Little DBRA”. Prevailing wage rates vary from between state and federal governments; regardless of government entity, the following instructions and requirements remain the same.
- 3.2. The appropriate Prevailing Wage Rates for a particular project are attached to all Subcontract Agreements as an exhibit. Subcontractors are required to a) classify workers in accordance with the applicable Prevailing Wage Rates and b) pay workers in accordance with the prevailing wage rate for their particular work classification, including fringe benefits if applicable to the Prevailing Wage Rate. For any State of Tennessee project, or State of Tennessee assisted project, workers must be classified in accordance with the definitions prescribed in the State of Tennessee Prevailing Wage Act of 1975. If a Subcontractor opts to use a “canned form” produced by a payroll software or service and this form does not clearly bear worker classifications in accordance with those prescribed within the Prevailing Wage Rates, the Subcontractor must make such notations by hand. Certified Payroll Reports that display worker classifications not plainly shown on the Prevailing Wage Rates will be deemed non-compliant and will be returned to Subcontractor for correction and re-submittal.
- 3.3. All requirements contained herein are applicable to all Subcontractors regardless of tier. If a Subcontractor has sub-subcontracted his portion of work, partially or in full, the Subcontractor is responsible for collecting and vetting its sub-subcontractor’s certified payroll reports and submitting them to Rock City Construction. Our Subcontractor must submit a letter to our office stating that they have sub-subcontracted their portion of the work, in part or in full, and provide all names of all lower tier sub-subcontractors. This letter must be on company letterhead and signed by an individual empowered to contractually bind the Subcontractor. These requirements are in addition to the requirements set forth within the Subcontract Agreement regarding sub-subcontracting. Please note, it is the responsibility of the Subcontractor executing the Subcontract Agreement herein to collect, verify correctness, and then submit certified payroll reports to our office for any sub-subcontractors employed by the executing Subcontractor, regardless of tier.
- 3.4. Non-compliance with any requirement set forth within this document, or any other related document, will result in delayed payment until such non-compliance has been remedied.

4. Required Forms

- 4.1. Subcontractors may at their option utilize form WH-347 prepared by the U.S. Department of Labor, Wage and Hour Division to report wages paid. Alternatively, if the Subcontractor has a form which provides the exact same information in a similar format, as may be the case with payroll software, these forms will be accepted. However, the Statement of Compliance as provided with the WH-347 is still required as part of the submittal. If the Statement of Compliance is provided in any other form, it may be acceptable so long as it states the same information verbatim, in a similar format. The Statement of Compliance must be signed in the space provided; missing signatures or misplaced signatures are not acceptable.
- 4.2. Payroll Software/Service produced journal reports will not be acceptable if they a) do not bear all of the exact same information as the WH-347 and b) if they include hours worked for a project other than the project indicated on the certified payroll report or if they include employee information for an employee who did not perform work on the prevailing wage project. Only use "Certified Payroll" compliant reports from your Payroll Software or Service provider – payroll journals will not be accepted in lieu of form WH-347, but may be accepted with a properly completed WH-347 when a correction is being shown. Rock City Construction Co., Inc. reserves the right to require Subcontractor to furnish information on the form WH-347 if deemed necessary.
- 4.3. All provided spaces on the form WH-347 including Statement of Compliance MUST be completed, including checking the appropriate fringe box on the Statement of Compliance. Do not leave any spaces blank, write "n/a" if needed, and be sure to sign the Statement of Compliance in the space provided.
- 4.4. For weeks where no work was performed on site, Subcontractors must submit a statement to that affect. The Subcontractor must either use Rock City's form titled "Statement of No Work Performed" or the WH-347 with Statement of Compliance with a notation "No Work Performed". Regardless of which form is used, the form must display week ending date and a signature in the appropriate space.
- 4.5. The Sub-subcontractor Reporting Form is required of all Subcontractors prior to starting work. This aids Rock City Construction and the Department of Labor in sub-subcontractor awareness.
- 4.6. If applicable to this project, form HUD-5282 Assignment of Signatory for Certified Payroll Reports must be submitted prior to starting work on site. If this form is included in your Subcontract Agreement Package, or is later requested, only the person designated by Subcontractor on this form as Assigned Signatory may sign the Statement of Compliance.

5. Submittal Requirements

- 5.1. Certified Payroll Reports must be submitted in duplicate on a weekly basis to Rock City Construction Co., Inc., regardless if work has been performed; one must bear an original signature and the other may be a copy.
- 5.2. Each Certified Payroll Report must be numbered; the first week worked shall be numbered # 1 – note the numbering system is not your internal payroll number, rather it is the number of certified payroll reports on the particular project. The last payroll submitted shall be numbered "PR # + Final" to indicate your final payroll submission for the project.
- 5.3. As stated elsewhere, if no work has been performed during a given week, a statement to that affect must be submitted. This may be done on Rock City's form titled "Statement of No Work Performed" or may be done on form WH-347 as described in the Forms section. Please note, No Work Statements must be signed regardless of which form is used and must be submitted in duplicate, on a weekly basis just like all other reports. No work statements may or may not be numbered; however consistency is required.

6. Request Classification and Wage Rate

6.1. If a subcontractor plans to perform work for which there is not an existing classification and wage rate assigned on the applicable Prevailing Wage Rate sheet for the project, a new classification and associated wage rate must be requested prior to starting work. Standard Form 1444 Request for Authorization of Additional Classification and Rate is used for the purpose of requesting such additional class and rate; this form should be submitted by Subcontractor to Rock City Construction as soon as possible, but prior to starting work; it may take up to (6) weeks to receive a response or approval from the government contracting office.

7. Apprenticeship Regulations

7.1. Any Subcontractor, regardless of tier, using an apprentice shall submit evidence of his or her indenture and/or apprenticeship registration when the apprentice's name first appears on a submitting payroll as per T.C.A. 12-449, the Prevailing Wage Commission promulgated Rule 0800-3-2-04 which provides that "Apprentice shall mean those persons registered individually under a bona fide apprenticeship program registered with the Bureau of Apprenticeship and Training in the United States Department of Labor." If this documentation cannot be produced, the employee must be paid the full wage as assigned in the wage determination for the applicable work classification.

8. Claiming Exempt Status

8.1. A Subcontractor may be deemed "Exempt" if the Subcontractor does not have any employees and is a Sole Proprietor and the Sole Proprietor performs all work him/herself, no other workers associated with Subcontractor or its subcontracted scope of work are allowed on site for any reason throughout the duration of the project. If a Subcontractor wishes to claim exempt status, the Subcontractor must submit a formal letter to Rock City Construction indicating the project name, project location, and explanation of exempt status. This letter must be on company letterhead and an individual empowered to contractually bind the Subcontractor must sign the letter.

9. 1099 Payment Arrangements and Independent Contractors vs Bona fide Employees

9.1. Bona fide employees should never be paid by 1099 arrangements and submitting certified payroll reports with this designation is not acceptable to Rock City or the government. If you have Sub-subcontracted any portion of your Subcontract Agreement obligations (which you may only do so with permission as described in your Subcontract Agreement), you are required to collect certified payroll reports from your sub-subcontractors as described elsewhere in this document. For additional information about determining if a worker is a bona fide employee, please review the 20-factor test, or this [IRS article](#); if this information is not clear, we recommend you consult with your CPA or employment law consultant.

- **Synopsis**

- Non-compliance will result in delayed payments.
- Requirements apply to all subcontractors, regardless of tier.
- Workers must be clearly classified in accordance with the applicable Prevailing Wage Rates for the project, even if classification must be notated by hand.
- Subcontractors are responsible for collecting, vetting and submitting their sub-subcontractors certified payroll reports, regardless of tier.
- Certified payroll may be submitted on the WH-347 or a “canned form” produced by payroll software; regardless of option, acceptable forms are those that bear the exact same information and verbiage as the WH-347 and Statement of Compliance, with signature in the provided space.
- All spaces on the WH-347 form, including Statement of Compliance must be completed, including checking one of the fringe boxes.
- No work statements must be submitted throughout the duration of the project, until a final report is submitted.
- Submit (2) copies of certified payrolls on a weekly basis; one must be an original signature document while the other may be a copy.
- Your last payroll report for the project must say “FINAL” somewhere on the report.
- If apprentices are planned to be on site, you must provide proof of apprenticeship registration with the first certified payroll which the apprentices name appears.

Submit certified payroll reports and direct all related questions to:

Katie S. Bouldin
Contract Administrator
Rock City Construction Co., Inc.
P.O. Box 607
Franklin, TN 37065-0607
Voice: 615-794-6691
E-mail: CSB@rockcity-gc.com

Physical Address: 3326 Aspen Grove Drive, Suite 160, Franklin, TN 37067

The information provided herein is for your convenience; if the laws of the State of Tennessee, or any other authority having jurisdiction, dictate more stringent procedures, then those laws govern and supersede the above provided instructions prepared by Rock City Construction Co., Inc. Additionally, this document is not intended to be an exhaustive list of prevailing wage requirements.