

CSU.LC-00: LABOR COMPLIANCE CHECKLIST

REQUIREMENTS / REQUIRED DOCUMENTATION / ONLINE SUBMISSION PROCEDURES / HELPFUL WEB SITES / CERTIFICATION

REQUIREMENTS

The Prime Contractor and all subcontractors, including listed, replacement and sub-tier subcontractors, performing work on this project are subject to the requirements and procedures contained herein, as the CSU Labor Compliance Program is in effect for this project. Adherence to **all** of these procedures will assure full compliance and insure timely payments throughout the course of the project. Contractor or subcontractor neglect of any of these items may result in rejection of submittals, payment interruptions, and penalty assessment.

Should a CSU labor compliance program audit establish violations of Chapter 1, Part 7, Division 2 of the Labor Code by the Contractor or any subcontractor, the Trustees may recover audit costs in addition to wage adjustments, penalty assessments and any other sums authorized by law.

- **Prevailing Wage Required:** Public works contract provisions require the Contractor and its subcontractors to pay all workers employed on the project not less than the specified general prevailing wage rates for the work classification in which they are performing.

The Contractor or any subcontractor is responsible for ascertaining and complying with all applicable general prevailing wage rates for trades workers and any rate changes that may occur during the term of the contract. Prevailing wage rates and rate changes are to be posted at the job site for workers to view. Prevailing wage determinations for journeymen can be obtained at: <http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>.

- **Overtime:** The time of service of any worker employed upon public work is limited and restricted to eight hours during any one calendar day, and 40 hours during any one calendar week (Labor Code Section 1811). Overtime (not less than 1-1/2 times basic rate of pay) must be paid for all work performed by employees on public work in excess of eight hours per day, and 40 hours during any one week. **If a contractor or any subcontractor requires its workers to work a four ten-hour-day work week, the contractor or subcontractor is required to pay its workers eight hours straight time and two hours in overtime for each day worked of that week (Labor Code Section 1815).**

Saturday Work: The prevailing wage determinations for some crafts permit contractors to pay straight time rates for Saturday work if certain conditions are satisfied. Any such exception from the general prevailing wage requirements is construed narrowly in accordance with its express terms. **Furthermore, the exception must be included in the applicable prevailing wage determination in order to apply.** The DLSE will not recognize exceptions which may exist in underlying collective bargaining agreements which rates are adopted by the Director for purposes of public works, unless the Director also adopts the exception, and it is included in the determination.

- **Apprentices:** Contractor and subcontractors shall employ registered apprentices on public works projects in accordance with Labor Code Section 1777.5. Prevailing wage determinations for apprentices can be obtained at: <http://www.dir.ca.gov/OPRL/pwappwage/PWAppWageStart.asp>.
- **Penalties:** Penalties, including forfeitures and debarment, shall be imposed for Contractor or subcontractor failure to pay prevailing wages, failure to maintain and submit all requested documentation, failure to employ apprentices, failure to pay overtime, and failure to pay employees for all hours worked at the correct prevailing wage rate, in accordance with Labor Code Sections 1775, 1776, 1777.7, and 1813.

CSU Campuses

Bakersfield
Channel Islands
Chico
Dominguez Hills
East Bay

Fresno
Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

- **Certified Payroll Records:** Per Labor Code Section 1776, Contractor and all subcontractors are required to keep accurate payroll records which reflect the name, address, social security number, and work classification of each employee; the straight time and overtime hours worked each day and each week; the fringe benefits; and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee hired in connection with a public works project. In the event that there has been no work performed during a given week, the Certified Payroll Record shall be annotated “No Work” for that week.

Contractor and all subcontractors shall maintain their certified and/or non-performance payrolls on a weekly basis and shall submit said payrolls weekly, both electronically and in hard copy form, to the location specified by the Labor Compliance Program Representative at the job start meeting. Employee payroll records shall be certified and shall also be made available for inspection at all reasonable hours at the principal office of the contractor/subcontractor, or shall be furnished to any employee, or to his or her authorized representative on request.

NOTE: Per California Code of Regulations, Title 8, Subchapter 3, Article 1, Section 16000, “Definitions,” payroll records are defined as “all time cards, cancelled checks, cash receipts, trust fund forms, books, documents, schedules, forms, reports, receipts or other evidences which reflect job assignments, work schedules by days and hours, and the disbursement by way of cash, check, or in whatever form or manner, of funds to a person(s) by job classification and/or skill pursuant to a public works project.” Though submission of all of these items may not be regularly required, any/all must be made available upon request.

- **Kickback Prohibited:** Per Labor Code Section 1778, contractors and subcontractors are prohibited from accepting, taking wages illegally, or extracting “kickback” from employee wages.
- **Acceptance of Fees Prohibited:** Contractor and all subcontractors are prohibited from exacting any type of fee for registering individuals for public work (Labor Code Section 1779); or for filling work orders on public works contracts (Labor Code Section 1780).
- **Listing of Subcontractors:** Contractors are required to list all subcontractors hired to perform work on a public works project when that work is equivalent to more than one-half of one percent of the total effort (Public Contract Code Section 4100, *et seq.*).
- **Proper Licensing:** Contractor and all subcontractors are required to be properly licensed. Penalties will be imposed for employing workers while unlicensed (Labor Code Section 1021 and Business and Professions Code Section 7000, *et seq.* under Contractors State License Law).
- **Unfair Competition Prohibited:** Contractor and all subcontractors are prohibited from engaging in unfair competition (Business and Professions Code Sections 17200-17208).
- **Workers’ Compensation Insurance:** Contractor and all subcontractors are required to be insured against liability for workers’ compensation, or to undertake self-insurance in accordance with the provisions of Labor Code Section 3700 (Labor Code Section 1861).
- **OSHA:** Contractor and all subcontractors are required to comply with the Occupational, Safety and Health laws and regulations applicable to the particular public works project.
- **Employee Interviews** of both Contractor and all subcontractors will be conducted and must be allowed. If the worker selected to be interviewed does not speak English, the Contractor must provide an interpreter.
- **Travel & Subsistence:** Contractor and all subcontractors shall make travel and subsistence payments as defined in the applicable collective bargaining agreement, under each classification, filed with the Director of Industrial Relations (Labor Code Section 1773.1). To see Travel and Subsistence, look to the right of each classification, under “Holidays scope of work, travel & subsistence”, select and click on “Travel”. See the DIR web site: <http://www.dir.ca.gov/OPRL/PWD/index.htm>. Proof of payment is required.

REQUIRED DOCUMENTATION

Contractor and all subcontractors shall include the actual Campus, Project Title and Project ID Number on **ALL SUBMITTED DOCUMENTS**. Contractor is responsible to know this information and share it with all subcontractors, including listed, replacement and sub-tier subcontractors, at the time contracts are awarded. Campus, Project Title and Project ID Number shall be placed on the outside of the envelopes used for submission of these documents. Failure to comply with these procedures for submittal identification may be cause for rejection of a submittal. The checklist and the forms listed herein are available on the internet at the following address: http://www.calstate.edu/cpdc/cm/Labor_Compliance/.

Submission of the following applicable documentation is required:

1. **Certified Payroll Records** (Form CSU.LC-01) are to be submitted both electronically and in hard copy form by Contractor and all subcontractors for each week work is performed, from commencement of work on the project through the final week worked. Certified Payroll Records shall be on the payroll reporting form provided by the Chancellor's Office, or shall contain the same information as that form or the one provided by the Division of Labor Standards Enforcement at the following web site, in accordance with Labor Code section 1776: <http://www.dir.ca.gov/dlse/DLSEFormA-1-131.pdf>.

Responsibility for timely and accurate submittal of certified payroll by the Contractor and all subcontractors, including listed, replacement and sub-tier subcontractors, lies with the Contractor. Contractor shall distribute this information to all subcontractors, including listed, replacement and sub-tier subcontractors, employed on this project and strictly monitor their compliance to avoid potential penalties and/or payment delays.

- a. **Payroll Numbering:** Certified payrolls must be numbered in consecutive order beginning with the first week worked and ending when the payroll marked "Final" has been submitted. Non-Performance Reports (see following item no. 4) are required and are to be included in this consecutive count. If a Contractor or subcontractor returns to the project after previously submitting a certified payroll marked "Final," Contractor or subcontractor shall resume numbering from the point the first "Final" was submitted and continue until work is finished and another "Final" has been executed.
 - b. **Classifications:** Contractor and all subcontractors shall be certain to list the exact labor classification for each worker employed, including group or step number. If an employee is performing work in multiple classifications, separate entries for each classification's time should be entered on the Certified Payroll.
 - c. **Final Payroll:** Certified Payroll for the final week worked on the project must be labeled "Final."
2. **Statement of Compliance** (Form CSU.LC-02) must accompany each Certified Payroll (submitted both electronically and in hard copy form) certifying under penalty of perjury that the information presented is true and correct. The statement must be certified (signed) with the original wet signature of the registered owner of the business or an authorized agent acting on their behalf, as authorized by the following item no. 3.
 3. **Authorization to Certify** (Form CSU.LC-03) is used to authorize an individual other than the registered owner of the business to certify (sign) the weekly Statement of Compliance and other required Labor Compliance documentation. It must be submitted both electronically and in hard copy form, along with the first Certified Payroll report, and subsequently, should the certifying person change.
 4. **Non-Performance Report** (Form CSU.LC-04) must be submitted both electronically and in hard copy form for any payroll period in which no work was executed, beginning the first week worked until payroll marked "Final" has been received. Should the Contractor or subcontractor return to a project after submitting a "Final" Certified Payroll Report, Non-Performance Reports will again become necessary for both the current work period AND the gap between the two work periods. During extended periods of non-activity, a single Non-Performance Payroll form can serve for up to one month of consecutive non-performance.

5. **Fringe Benefit Statement** (Form CSU.LC-05) must be submitted both electronically and in hard copy form, along with the first Certified Payroll, which is due **no later than ten days after commencement of work on the project**. Fringe benefits (health and welfare, pension, vacation, etc.) must be included as part of an employee's hourly wage and this form will detail to whom the benefits will be paid.

When fringe benefits are paid directly to the employee, it should be so stated on this form. Any changes in fringe benefit amounts paid due to prevailing wage increases will require the submittal of a supplemental Fringe Benefit Statement reflecting the changes. **It is the responsibility of the Contractor and all subcontractors to know when such increases do occur and make the necessary adjustments.**

6. **Employee Deduction Authorization Forms** (Form CSU.LC-06) must be submitted both electronically and in hard copy form, and must be attached to the Certified Payroll and Statement of Compliance wherever "Other Deductions" may have occurred. Alimony, child support, and any other court-ordered wage deductions or garnishments must be accompanied by the supporting court documentation. Companies using the "Other" column to reflect vacation fringe benefit payments deducted after taxing should include a written explanation on company letterhead. Regular and consistent weekly deductions can be authorized with a single explanation and supporting documentation.
7. **Owner-Operator Listing Forms** (Form CSU.LC-07) must be submitted both electronically and in hard copy form, and must be attached to the Certified Payroll and Statement of Compliance whenever contractors and subcontractors hire owner-operators.

Apprenticeship

As previously stated, Contractor and all subcontractors, including listed, replacement and sub-tier subcontractors, shall employ registered apprentices on public works projects in accordance with Labor Code Section 1777.5. A comprehensive overview of all apprenticeship requirements for State of California public works projects and required apprenticeship forms are available on the following website: <http://www.dir.ca.gov/das/publicworks.html> (follow links regarding public works). Prevailing wage rates for apprentices are available at <http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>.

Apprenticeship forms are also available at http://www.calstate.edu/CPDC/CM/Labor_Compliance/. **Contractor and subcontractors, including listed, replacement and sub-tier subcontractors, shall review this information at the time of contract award and comply with all regulations regarding usage of apprentices on public works projects, as these regulations will be strictly enforced.**

Per Labor Code Section 1777.5, all contractors and subcontractors awarded work on a public works project are required to do the following tasks.

7. **Submit Contract Award Information** (Form DAS-140)
Contractors who are not already approved to train by an apprenticeship program shall provide contract award information to all of the applicable apprenticeship committees whose geographic area of operation includes the location of the public works project. Submit contract award information for each apprenticeable craft or trade to the apprenticeship committee in the area that includes the location of the public works project and that has approved the contractors, who are participants in an approved apprenticeship program, to train apprentices. See Title 8, California Code of Regulations, Section 230.

The contract award information shall be in writing and may be submitted on a Public Works Contract Information Form (DAS-140, <https://www.dir.ca.gov/DAS/DASForm140.pdf>). The filing of a DAS-140 is not a request for dispatch of registered apprentices. **The information shall be provided to the applicable apprenticeship committee within ten (10) days of the date of the execution of the prime or subcontract, but in no event later than the first day in which the contractor has workers employed on the public work.** See Title 8, California Code of Regulations Section 230.

These forms are to be submitted directly to local apprenticeship committees, and electronic or hard copies of each are submitted to CSU to demonstrate proof of submittal.

8. **Employ Registered Apprentices** (Form DAS-142, <http://www.dir.ca.gov/das/DASForm142.pdf>) Contractor and all subcontractors, including listed, replacement and sub-tier subcontractors, must employ registered apprentices on the public works project in a ratio of not less than one (1) hour of apprentice work for every five (5) hours performed by a journeyman. See Title 8, California Code of Regulations, Section 230.1.

All contractors who are not employing sufficient registered apprentices to comply with the one-to-five ratio, must request dispatch of required apprentices from the apprenticeship committees providing training in the apprenticeable craft or trade, and whose geographic area of operation includes the site of the public work by **giving the committee written notice of at least 72 hours** (excluding Saturdays, Sundays and holidays) **before the date on which apprentices are required.** Contractors who are not already participating in an approved program, and who did not receive sufficient number of apprentices from their initial request, must request dispatch of apprentices from another committee providing training in the applicable craft or trade, in the geographic area of the site of the public work, and must request apprentice dispatch(es) from each such committee, either consecutively or simultaneously, until the contractor has requested apprentice dispatches from each such committee in the geographic area. All requests for dispatch of apprentices shall be in writing, sent by first class mail, facsimile or e-mail. See 8, California Code of Regulations, Section 230.1(a).

These forms are to be submitted directly to local apprenticeship committees, and electronic or hard copies of each are submitted to CSU to demonstrate proof of submittal.

9. **Make Training Fund Contributions** (Form CAC-2 or equivalent, <http://www.dir.ca.gov/das/DASCAC2.pdf>) All contractors shall make training fund contributions in the amount established in the prevailing wage rate publication for journeymen and apprentices. Contractors who contribute to an apprenticeship program are entitled to a full credit in the amount of these contributions. Contractors who do not contribute to an apprenticeship program must submit their contributions to the California Apprenticeship Council, P.O. Box 420603, San Francisco, CA 94142-0603. **Training fund contributions are due and payable on the 15th day of the month for work performed during the preceding month.**

Electronic or hard copy of CAC-2 or its equivalent must be provided to CSU to demonstrate proof of training payments.

Training contributions to the Council shall be paid by check and shall be accompanied by a completed Training Fund Contributions Form (CAC-2), or a form containing the following ten items. See Title 8, California Code of Regulations, Section 230.2(c). <https://www.dir.ca.gov/DAS/TF/cac2.asp>

- a. The name, address, and telephone number of the contractor making the contribution.
 - b. The contractor's license number.
 - c. The name and address of the public agency that awarded the contract.
 - d. The jobsite location, including the county where the work was performed.
 - e. The contract or project number.
 - f. The time period covered by the enclosed contributions.
 - g. The contribution rate and total hours worked by apprenticeable occupation.
 - h. The name of the program(s) that provided apprentices, if any.
 - i. The number of apprentice hours worked, by apprenticeable occupation and by program.
 - j. Apprentice agreements (see item no. 10 following).
10. **Apprentice Agreements** must be submitted for all apprentices employed on the project in order to demonstrate their registration in a bona fide, approved apprenticeship program. Submit this agreement with the Certified Payroll for the apprentice's first week worked. This document is not required to be a wet-signed original. Where a valid Apprentice Agreement does not accompany listing of an apprentice, the employee is to be paid full journeyman wages for the craft he/she is performing.

ONLINE SUBMISSION PROCEDURES

Contractors and all subcontractors, including listed, replacement and sub-tier subcontractors, employed on this project are required to submit certified payrolls weekly and online.

Shortly after project award, the Labor Compliance Program Representative (LCPR) will contact the Contractor, review the program requirements, and request contact information for the Contractor's person responsible for oversight of LC submittals throughout the project. The LCPR will then contact the Contractor's LC contact person directly, and initiate use of the online submittal process.

Each company will then access the online submittal system to create and submit a certified (or non-performance) payroll report each week. These reports will be submitted only via the specified online submittal process; Hard copies are not required to be additionally submitted.

The Labor Compliance Program Representative is always available to Contractor and all subcontractors, including listed, replacement and sub-tier subcontractors, for labor compliance-related questions and concerns.

REQUIRED DOCUMENTATION FOR CONTRACTORS USING ONLINE SYSTEM

All CSU Labor Compliance Forms are available at http://www.calstate.edu/CPDC/CM/Labor_Compliance/. Detailed review of each of these forms is covered earlier in this Checklist. Please submit (applicable) items #1-5 listed below to the Labor Compliance Program Representative (LCPR) prior to job start for both Contractor and all subcontractors, including listed, replacement and sub-tier subcontractors, and be diligent in submitting proof of monthly training fund contributions. The LCPR will provide a specific mailing address when initial contact is made with the Contractor's LC contact person.

1. Form CSU.LC-03 – Authorization to Certify (*if applicable-see Checklist to determine*)
2. Form CSU.LC-05 - Fringe Benefit Statement (*mandatory*)
3. Form CSU.LC-06 - Deduction Authorization Forms (*if applicable-see Checklist to determine*)
4. DAS-140 (*within 10 days of award of contract or subcontract*)
5. DAS-142 (*no less than 72 hours before performing work on the project*)

HELPFUL WEB SITES

California General Prevailing wage determinations:

For journeymen: <http://www.dir.ca.gov/OPRL/PWD/index.htm>

For apprentices: <http://www.dir.ca.gov/OPRL/pwappwage/PWAppWageStart.asp>

Director's Office of Policy, Research and Legislation (OPRL): http://www.dir.ca.gov/OPRL/Statistics_Research.html

Division of Labor Standards Enforcement: <http://www.dir.ca.gov/DLSE/dlse.html>

Division of Apprenticeship Standards: <http://www.dir.ca.gov/DAS/das.html>

California Apprenticeship Council: <http://www.dir.ca.gov/CAC/cac.html>

CERTIFICATION

In accordance with State laws, along with the Chancellor’s Office Contract Documents, the undersigned Contractor hereby certifies that he/she will comply with all labor law requirements and fully understands that failure to comply will subject Contractor to payment withholds, penalties, and forfeitures as prescribed by State law. Should a CSU labor compliance program audit establish violations of Chapter 1, Part 7, Division 2 of the Labor Code by the Contractor or any subcontractor, the Trustees may recover audit costs in addition to wage adjustments, penalty assessments and any other sums authorized by law. The Contractor further acknowledges that all Labor Compliance requirements and submission procedures were thoroughly explained to the Contractor and listed subcontractors at the Labor Compliance portion of the Preconstruction Meeting for this project.

In the event a listed, replacement or sub-tier subcontractor was not in attendance at the meeting, the Contractor assumes responsibility of informing said subcontractor of all Labor Compliance requirements and submission procedures and enforcing compliance. Further the Contractor is responsible to obtain and submit the signed acknowledgement below for all subcontractors (including listed, replacement and sub-tier subcontractors).

ACKNOWLEDGEMENT

I acknowledge that all Labor Compliance requirements and submission procedures for this project have been thoroughly explained. This Labor Compliance Checklist will be distributed for signature at the time of contract award to all subcontractors (including listed, replacement and sub-tier subcontractors) employed on this project.

Project Name and ID No.: _____

_____ Contractor [Official Company Name]

By: _____
Signature Date Signed

_____ Printed Name (First & Last) and Title of Person Signing

Contractor above is (check one): Prime Contractor
 Listed or Replacement Subcontractor
 Sub-tier Subcontractor

If Contractor above is a sub-tier subcontractor, insert name of Contractor that issued the subcontract

The California State University, Chancellor’s Office

By: _____
Signature Date Signed
[Print Name], Labor Compliance Program Representative
Campus Name