



## FEDERAL-AID CONTRACT

<b>Contract Number:</b>	<b>Federal-Aid Number:</b>	<b>Date:</b>
<b>Date Advertised for Bids:</b>	<b>Bid Opening Date:</b>	
<b>Contract Bid Amount:</b>	<b>Working Days:</b>	<b>Contract Type:</b>
<b>Description of Project:</b>		
<b>Labor Compliance Contact Information:</b>		
<b>Prime Contractor:</b>		
<b>Resident Engineer:</b>	<b>Pre-job performed by:</b>	

### POSTERS/NOTICES

Contractors are required to post all required state and federal posters on the jobsite in an area accessible to all workers, including subcontractors. Posters must be readable and placed in visible areas allowing workers to access the posters before, during, and after work shifts. Jobsites with multiple locations must include a portable poster board to ensure continued access to the information. Posters placed in foreman, supervisor, or employee vehicles, in an offsite job trailer, or inside a temporary restroom **do not** meet the posting requirement. Resident engineers, contract managers, and other delegated Caltrans staff will verify the prime contractor has posted the following:

- State General Prevailing Wage Determinations in effect on date advertised**  
**General Prevailing Wage Determination:**  
 Journeyman and Apprentice prevailing wage rates can be accessed at the CA Department of Industrial Relations (D I R) Web site:  
[D I R Prevailing Wage Determinations](#) and [Public Works Apprenticeship Requirements](#).  
*Reference: California Labor Code Section 1773.2*
- Federal Prevailing Wage Determinations in effect on bid date.**  
**General Decision Number:**                      **Modification Number:**                      **Publication Date:**  
 Federal prevailing wage rates can be accessed at the Department of Labor Web site:  
[Federal Prevailing Wage Determinations for California](#).  
 Select the county where the work will be performed. *Reference: Davis-Bacon Act*
- Company Equal Employment Opportunity (EEO) policy. *Reference: Contract Provisions*
- Department of Fair Employment and Housing DFEH-162 (English) and DFEH-162(S) (Spanish) – *Harassment or Discrimination in Employment is Prohibited by Law.*
- Pay Day Notice.

- Notice of Labor Compliance Program Approval, English and Spanish.  
*Reference: California Code of Regulations (CCR) §16429*
- Equal Employment Opportunity Commission EEOC-P/E-1 – *Equal Employment Opportunity is THE LAW*, English and Spanish.
- Federal Highway Administration FHWA-1022, NOTICE – *False Statement Notice*.  
*Reference: Contract Provisions*
- Davis Bacon Act poster WH 1321 – *Employee Rights Under the Davis Bacon Act*, English and Spanish.  
Federal wage rates must be posted with WH 1321.  
*Reference: Contract Provisions.*

**Posters may be printed from the Labor Compliance page on the Caltrans Web site at:**  
[Caltrans Division of Construction Labor Compliance Posters](#)

## PREVAILING WAGE REQUIREMENTS

- All workers employed in the execution of this public works project, including sole proprietors, partners, and corporate officers, must be paid not less than the specified prevailing wage rates for the type of work performed. *Reference: Labor Code §1774*
- Contractors utilizing an entity for the purpose of hauling or delivery of ready-mixed concrete are required to enter into a written subcontract agreement with the entity. *Reference: Labor Code § 1720.9*
  - ⇒ Workers employed in the hauling and delivery of ready-mixed concrete must be paid not less than the specified prevailing wage for the type of work performed in the geographic location of the plant/batch facility. *Reference: Labor Code § 1720.9*
- Overtime must be paid for all hours over eight in a calendar day and 40 hours in a week. Violations may subject the contractor to state and federal penalties.  
*Reference: Labor Code §1810-1815; Contract Work Hours & Safety Standards Act (CWHSSA)*
- Saturday/Sunday premium rates are applicable as indicated on prevailing wage determinations.
- When required, shift differential rates must be paid for classifications which include a shift determination.
- For building contracts, state and federal building wage rates are applicable.
- State Prevailing Wages**  
A Single \* indicates that the wage determination can be used for the life of the contract.  
A Double \*\* indicates that the wage determination includes predetermined increases.
- Federal Prevailing Wages** – in effect for the life of the contract.
- If there is a difference between the predetermined federal prevailing wage rates and the state prevailing wage rates for similar classifications of labor, the higher rate must be paid.  
*Reference: CCR §16001(b); Contract Provisions*
- Caltrans will not accept state wage classifications not specifically included in the federal minimum wage determinations. This includes “helper” or other classifications based on hours of experience.  
*Reference: Contract Provisions*
- Subsistence/Zone pay must be shown on the fringe benefit statement if not indicated on certified payroll.
  - ⇒ The contractor must make applicable travel and subsistence payments in accordance with information on file with D I R for classifications utilized. **For more information contact the Prevailing Wage Unit at (415) 703-4774 or visit D I R’s Web site at:**  
[D I R Prevailing Wage Determinations](#) *Reference: Labor Code §1773.1*
- Contractors violating prevailing wage requirements are subject to a penalty to be paid in addition to any wage underpayments. Liquidated damages in the amount of the wage underpayments may also apply.  
*Reference: Labor Code §1775 and §1742.1*

## PAYROLL REQUIREMENTS

- All labor compliance documents submitted must be complete, accurate, and require the correct Caltrans contract number.
- Certified payrolls must be submitted weekly and documents (including electronic) not previously submitted are due on or before the 15<sup>th</sup> of the month for the previous month's work. For Minor B and Emergency contracts, payrolls (including electronic) are due with the invoice.  
*Reference: Labor Code §1771.5*
- Certified payrolls must include ALL information as required by California Labor Code Section 1776, and the information included on Caltrans form CEM-2502, *Contractor/Subcontractor Payroll*.  
*Reference: 8 CCR §16404, Labor Code §1776*
- Classification and group numbers are required on all payrolls (i.e., Laborer-Group 1, Plumber-Pipefitter, etc.). When work classification is not shown, or a misclassification is identified, Caltrans will determine the wage rate based on duties performed. *Reference: Contract Provisions, Labor Code §1776*
- Payrolls must clearly show how gross and net wages are calculated, including fringe benefits.
- Caltrans form CEM-2503, *Statement of Compliance*, is due with each weekly payroll. Boxes must be marked indicating if benefits are paid to a fund and/or to the employee/employees.  
*Reference: Contract Provisions, Labor Code §1776*
- All deductions marked "other" (i.e. garnishments, tools, etc.) must be explained on the payroll or the Statement of Compliance. Source documents to confirm the "other" deduction that meet requirements of an authorized deduction are to be submitted with the first payroll on which the deduction appears.  
*Reference: CCR §16432*
- Caltrans form CEM-2501, *Fringe Benefit Statement*, must be completed and signed showing hourly rates and the name and address of plan/plans whenever any portion of the fringe benefits are paid to a plan, fund, or program. The form must be submitted with the first payroll and when fringe benefits or subsistence amounts change. Fringe Benefit Statements must be specific to the contract.  
*Reference: Labor Code §1773.1*
- All contractors are required to provide itemized wage statements (check stubs) to employees.
- Failure by the prime contractor to submit the required reports or documents will result in up to a 10 percent progress payment withhold for the month (minimum \$1,000 - maximum \$10,000). For Minor B and Emergency contracts, all payments due to the contractor will be withheld.  
*Reference: Contract Provisions, Labor Code §1771*
- Caltrans form CEM-2502, *Contractor/Subcontractor Payroll*, or form CEM-2505, *Owner-Operator Listing*, may be used when owner-operators are performing on project. *Reference: CCR §16404; Labor Code §1776*
  - ⇒ The contractor employing an equipment owner-operator must complete the owner-operator listing. Forms will not be accepted from the equipment owner-operator unless the hiring contractor signs the owner-operator Statement of Compliance.
- Whenever an entity is used in the hauling or delivery of ready-mix concrete the following documentation must be provided:
  - ⇒ A copy of the written agreement between the entity hauling/delivering ready-mix concrete and the contractor is required to be submitted with the first payroll which the entity performed work.
  - ⇒ The contractor is required to submit a copy the driver's certified time records to Caltrans with the payroll submission. *Reference: Labor Code § 1720.9*

- Certified payrolls may be maintained and submitted electronically. *Reference: CCR §16404*
  - ⇒ Submissions must be in an unmodifiable PDF format and contain all information required by California Labor Code Section 1776.
  - ⇒ The prime contractor and each subcontractor must complete a *Contractor's Acknowledgement Form* prior to submitting electronic payroll records. **The form can be downloaded at:**  
[Caltrans Division of Construction Labor Compliance](#)
  - ⇒ **Instructions for electronic submittal of certified payroll records can be downloaded at:**  
[Caltrans Division of Construction Labor Compliance](#)
  - ⇒ The prime contractor should require all subcontractors to notify the prime when submitting electronic payroll records.
- Payroll records must be preserved for three years after completion of the project.  
*Reference: Contract Provisions*

## APPRENTICES

- All requirements of California Labor Code section 1777.5 apply for classifications which D I R has identified as an apprenticable craft, including the following:
  - ⇒ Submit D I R's Division of Apprenticeship Standards form D A S-140, *Public Works Contract Award Information*, to the applicable apprenticeship committee, and a copy to Caltrans, prior to start of work. **The form may be downloaded from D I R's Web site at:**  
[Division of Apprenticeship Standards Public Works Information](#)
  - ⇒ Training fees MUST be sent to a state-approved apprenticeship program or the California Apprenticeship Council and identified on the fringe benefit statement.
  - ⇒ Apprentices must be paid the prevailing wage rate applicable to the classification in which they are registered and employed.
- Complaints or violations regarding apprentice ratios will be referred to the Division of Apprenticeship Standards. *Reference: 8 CCR §16434*
- Proof of registration in a state and federally approved apprenticeship program is required and must be submitted with the first payroll on which apprentices appear.  
*Reference: Labor Code §1777.5, Contract Provisions, Code of Federal Regulations (CFR) §5.16*
- The required number of trainees or apprentices is:
  - ⇒ Submit the required training plan to the resident engineer for approval before the start of work.
  - ⇒ Submit periodic reports to the resident engineer to demonstrate compliance with the training plan, including an explanation when an apprentice or a trainee quits the project.
  - ⇒ Prior to reimbursement, reports are reviewed for compliance with the training plan.

## SUBCONTRACTING

- The Subletting and Subcontracting Fair Practices Act requires prime contractors to list, at bid time, all subcontractors who will perform work for more than one-half of one percent of the total bid amount or \$10,000, whichever is greater. For building projects, subcontractors who will perform work for more than one-half of one percent must be listed. The prime must use those subcontractors as listed at bid time unless a written substitution is requested and approved in writing by the resident engineer **before** substitution. **This section does not apply to emergency force account projects.**  
*Reference: California Public Contract Code (PCC) §4100-4114; Contract Provisions*

- The resident engineer must approve all first-tier subcontractors on Caltrans form CEM-1201, *Subcontracting Request*, before they begin work at the jobsite and anytime there is an approved substitution. The prime must perform 30 percent of the work with their own forces.
- The prime contractor is responsible for work performed and compliance met by subcontractors and owner-operators.
- Failure to comply with the requirements of the Subletting and Subcontracting Fair Practices Act may result in a penalty of zero to ten percent of the subcontract involved and a referral to the Contractors State License Board. *Reference: PCC §4110-4111*

## DISADVANTAGED BUSINESS ENTERPRISE (DBE)

- All DBEs must perform a commercially useful function to count for contract participation.
- Compliance with the Subletting and Subcontracting Fair Practices Act applies for all listed DBE subcontractors.
- The prime contractor must notify the resident engineer in writing of anticipated substitutions of listed DBEs before starting the affected work.
- There is no DBE goal for this contract.
- The DBE goal applicable to this project is \_\_\_\_\_ percent. *Reference: Contract Provisions, Control of Work*
  - ⇒ Contractor must ensure that the listed DBE performs the item/items of work specified.
  - ⇒ If prime contractor fails to achieve committed DBE participation, the dollar value of the proposed DBE participation to date is withheld from payment.
  - ⇒ The fact that a DBE is certified will not determine whether the DBE is performing a commercially useful function.
  - ⇒ The prime contractor must submit a request for substitution in writing, citing one of the reasons listed in the contract. Caltrans will not allow improper substitutions. *Reference: CFR Part 26*
  - ⇒ Replace listed DBE with another certified DBE or perform a good faith effort.
  - ⇒ If replaced without approval, payment for item/items of work committed to the DBE is withheld.
  - ⇒ Caltrans form CEM-2406, *Monthly Disadvantaged Business Enterprise (DBE) Payment*, must be submitted monthly. Contractors are required to submit form to the resident engineer no later than the 15th of the month for the previous month. Failure by the prime to submit the required form will result in up to a 100 percent progress payment withhold (25 percent for 1 performance failure – 100 percent for multiple performance failures) but not more than 10 percent of the total bid. Deductions will not be released until the next estimate after compliance.  
*Reference: CFR Part 26, Contract Provisions*
- Caltrans form CEM-2407, *Disadvantaged Business Enterprise (DBE) Joint Check Agreement Request*, must be submitted to and approved by Caltrans prior to use of a joint check. Failure to comply with procedures will disqualify DBE participation and will result in no credit and no payment to the contractor for DBE participation. *Reference: 49 CFR Part 26, Standard Specifications*
- Submit Caltrans form CEM-2402(F), *Final Report-Utilization of Disadvantaged Business Enterprise (DBE), First-Tier Subcontractors*. Failure to submit this report will result in a \$10,000 withhold.
- If applicable, prime contractor must submit form CEM-2403(F), *Disadvantaged Business Enterprise (DBE), Certification Status Change*, and/or CEM-2404(F), *Monthly DBE/UDBE Trucking Verification*. Failure to submit this report will result in a progress payment withhold.

## EQUAL EMPLOYMENT OPPORTUNITY (EEO) REQUIREMENTS

- Contractor must comply with the nondiscrimination requirements provided in the contract.
- EEO requirements are applicable to all federal-aid construction contracts and to all subcontracts of \$10,000 or more. *Reference: Contract Provisions, FHWA Form 1273*
- Contractor will permit interviews of employees and owner-operators on the project during working hours.
- Contractor's EEO Officer must be identified in posted policy.  
Name of Company EEO Officer:
- The prime contractor is required to submit form, *Federal-Aid Highway Construction Contractors Annual EEO Report*, for themselves and lower-tier subcontractors with subcontracts for more than \$10,000 if work is performed the last full week of July. Failure to submit the forms by August 15th will result in a progress payment withhold.
- Caltrans provides contractor employees a *Discrimination Complaint Procedures* brochure (DFEH-151) upon receipt of an EEO complaint.

## TRUCKING

- Are the trucking items/materials coming from a commercial source? Yes  No 
  - ⇒ Was the commercial source established prior to bid opening? Yes  No
  - Who will pick up or deliver items/material?
  - ⇒ Will there be stockpile/stockpiles for this project? Yes  No
  - If so, list stockpile location/locations:

## ADDITIONAL CONTRACT INFORMATION

- Will there be Plant Establishment on this project? Yes  No 
  - ⇒ Type:
  - ⇒ Start Date:
- \*NOTE:** The subtrade Plumber: Landscape Tradesman classification may not be used in some counties.
- Are there any lane closure restrictions that prevent the prime contractor or any subcontractors from working a normal work week? Yes  No 
  - ⇒ Special/Night Shifts: Yes  No
  - ⇒ Multiple Shifts: Yes  No
  - ⇒ Weekends: Yes  No
  - ⇒ Shift differential rates must be paid for classifications with a shift determination.
- Caltrans Labor Compliance routinely conducts audits of contractor and subcontractor payroll records as indicated in the contract provisions.

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**I acknowledge that I have been informed and am aware of the Caltrans Public Works requirements listed above and that I am authorized to make this certification.**

**PRIME CONTRACTOR'S SIGNATURE BELOW**

**PHYSICAL ADDRESS**

\_\_\_\_\_

Print Name & Title

\_\_\_\_\_

Date

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Signature (If joint venture, make sure both sign)

**PAYROLL CONTACT NAME, EMAIL ADDRESS AND FAX NUMBER  
(to receive Labor Compliance Letters/Notices)**

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

**ADDITIONAL LABOR COMPLIANCE INFORMATION/SUBSISTENCE INFORMATION:**