



Certified Payrolls on Federally-Assisted Construction Projects

June 12, 2018

All contractors working on CDOT federally-assisted construction projects are required to submit weekly certified payrolls in compliance with Davis-Bacon Act and Davis-Bacon Related Acts (DBA/DBRA). The purpose of this memo is to clarify what supporting documentation must be submitted to CDOT to ensure compliance with the law.

1. CDOT Contractor Fringe Benefit and Deduction Statement (CFBDS) (revised 6/12/18.)

The CFBDS serves as a contractor's communication of fringe benefits and deductions that are common to all employees of the contractor. At the beginning of the project, this form must be uploaded to LCPtracker e-Documents for each contractor and updated annually, unless there are policy changes within the company that dictate an earlier revision.

2. Other Deduction Notes

Deductions are required to be detailed by type and amount on the certified weekly payroll. Within the LCPtracker system, "Other" approved deductions are detailed by type and amount within the Other Deduction Notes section of the payroll.

3. Supporting Documentation for Other Deductions

Generally, 29 CFR 3.5 lists certain deductions that are permissible without application to or approval from the Secretary of Labor. Any deductions made to an employee's pay outside of those permissible deductions require approval from the Secretary of Labor. While all deductions are subject to the request of additional supporting documentation, supporting documents for certain permissible deductions are required at the time of submission of the certified payroll, as outlined in the table.

Federal Reference	Type of deduction	Required supporting documentation at time of submission of certified weekly payroll in LCPtracker
29 CFR Part 3.5	Any deduction that is not generally allowed by the Secretary of Labor	USDOL approval letter for the specific type of deduction and specified time period of approval for the deduction.
29 CFR Part 3.5 (a)	Any deduction made in compliance with the requirements of Federal, State, or local law, such as Federal or	None. May be requested at later date upon audit.



	State withholding income taxes and Federal social security taxes	
29 CFR Part 3.5 (b)	Any deduction of sums previously paid to the employee as a bona fide prepayment of wages when such prepayment is made without discount or interest. A bona fide prepayment of wages is considered to have been made only when cash or its equivalent has been advanced to the person employed in such manner as to give him complete freedom of disposition of the advanced funds	Loan/cash advance document between the Company and Employee that includes the total loan and/or amount advanced, the date the funds were advanced, the date(s) in which funds will be deducted for repayment, the amount that will be deducted on each date, and the employee's name and signature authorizing the deduction. Documentation should expressly state and/or evidence by way of the total amount paid back that no profit or other benefit is otherwise obtained, directly or indirectly, by the contractor or subcontractor or any affiliated person in the form of commission, dividend, or otherwise by way of the funds advanced.
29 CFR Part 3.5 (c)	Any deduction of amounts required by court process to be paid to another, unless the deduction is in favor of the contractor, subcontractor, or any affiliated person, or when collusion or collaboration exists.	Court wage garnishment order.
29 CFR Part 3.5 (d)	Any deduction constituting a contribution on behalf of the person employed to funds established by the employer or representatives of employees, or both, for the purpose of providing either from principal or income, or both, medical or hospital care, pensions or annuities on retirement, death benefits, compensation for injuries, illness, accidents, sickness, or disability, or for insurance to provide any of the foregoing, or unemployment benefits, vacation pay, savings accounts, or similar payments	USDOL approval letter for any plans administered by the Company internally which involve funds being held and managed by the Company.



	for the benefit of employees, their families and dependents. (29 CFR Part 3.5 (b))	
29 CFR Part 3.5 (e)	Any deduction contributing toward the purchase of United States Defense Stamps and Bonds when voluntarily authorized by the employee.	None. May be requested at later date upon audit.
29 CFR Part 3.5 (f)	Any deduction requested by the employee to enable him to repay loans None. May be requested at later date upon audit. to or to purchase shares in credit unions organized and operated in accordance with Federal and State credit union statutes	None. May be requested at later date upon audit.
29 CFR Part 3.5 (g)	Any deduction voluntarily authorized by the employee for the making of contributions to governmental or quasi-governmental agencies, such as the American Red Cross.	None. May be requested at later date upon audit.
29 CFR Part 3.5 (h)	Any deduction voluntarily authorized by the employee for the making of contributions to Community Chests, United Givers Funds, and similar charitable organizations.	None. May be requested at later date upon audit.
29 CFR Part 3.5 (i)	Any deductions to pay regular union initiation fees and membership dues, not including fines or special assessments: Provided, however, That a collective bargaining agreement between the contractor or subcontractor and representatives of its employees provides for such deductions and the deductions are not otherwise prohibited by law	Collective bargaining agreement.
29 CFR Part 3.5 (j)	Any deduction not more than for the "reasonable cost" of board, lodging, or other facilities meeting the requirements of section 3(m) of the Fair Labor Standards Act of	Invoice(s) evidencing actual cost to employee of board, lodging or other facilities and documentation of the agreement between the Company and Employee that includes the total amount to be



	<p>1938, as amended, and Invoice(s) evidencing actual cost to employee of board, lodging or other facilities and documentation of the agreement between the Company and Employee that includes the total amount to be repaid, the date constituting the purchase by the employee, the date(s) in which funds will be deducted for part 531 of this title. When such a deduction is made the additional records required under § 516.25(a) of this title shall be kept.</p>	<p>repaid, the date constituting the purchase by the employee, the date(s) in which funds will be deducted for repayment, the amount that will be deducted on each date, and the employee's name and signature authorizing the deduction. Documentation should expressly state and/or evidence by way of the total amount paid back that no profit or other benefit is otherwise obtained, directly or indirectly, by the contractor or subcontractor or any affiliated person in the form of commission, dividend, or otherwise by way of the purchase facilitated by the employer. And/or the collective bargaining agreement as applicable.</p>
<p>29 CFR Part 3.5 (k)</p>	<p>Any deduction for the cost of safety equipment of nominal value purchased by the employee as his own property for his personal protection in his work, such as safety shoes, safety glasses, safety gloves, and hard hats, if such equipment is not required by law to be furnished by the employer, if such deduction is not violative of the Fair Labor Standards Act or prohibited by other law, if the cost on which the deduction is based does not exceed the actual cost to the employer where the equipment is purchased from him and does not include any direct or indirect monetary return to the employer where the equipment is purchased from a third person, and if the deduction is either (1) Voluntarily consented to by the employee in writing and in advance of the period in which the work is to be done and such consent is not a condition either for the</p>	<p>Invoice(s) evidencing actual cost to employee of equipment purchased and document between the Company and Employee that includes the total purchase amount to be repaid, the date constituting the purchase by the employee, the date(s) in which funds will be deducted for repayment, the amount that will be deducted on each date, and the employee's name and signature authorizing the deduction. Documentation should expressly state and/or evidence by way of the total amount paid back that no profit or other benefit is otherwise obtained, directly or indirectly, by the contractor or subcontractor or any affiliated person in the form of commission, dividend, or otherwise by way of the purchase facilitated by the employer. And/or the collective bargaining agreement as applicable.</p>



	obtaining of employment or its continuance; or (2) Provided for in a bona fide collective bargaining agreement between the contractor or subcontractor and representatives of its employees.	
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