

**FEDERAL REQUIREMENTS
FOR
CONSTRUCTION CONTRACTS**

FEDERAL REQUIREMENTS FOR CONSTRUCTION CONTRACTS RELATED TO PROJECTS \$200,000 OR MORE

- I. General Federal Provisions
- II. General Contractor's Subcontractor/Vendor Report
- III. Nondiscrimination and Equal Employment Opportunity
 - A. Overview of Applicable Equal Opportunity Legislation and Equal Opportunity Clauses
 - B. Contract Requirements
 - C. Certification of Nonsegregated Facilities (General Contractor submits when the Contract is signed; Subcontractors submit before work begins.) *
 - D. Certification of Compliance with Affirmative Action Requirements for Equal Employment Opportunity (General Contractor submits when the Contract is signed; Subcontractors submit before work begins.)*
- IV. Minority and Women Owned Business Enterprise Requirements
 - A. Policy with Respect to Minority and Women Owned Business Enterprises
 - B. Minority and Women Owned Business Enterprise Identification Statement (General Contractor submits when the Contract is signed, if applicable; Subcontractors submit before beginning work, if applicable.)*
- V. Section 3
 - A. The Section 3 Clause
 - B. Targeted Incomes for Section 3
 - C. Basic Actions for Compliance with Section 3
 - D. Section 3 Agreement and Certification (General Contractor submits when the Contract is signed; Subcontractors submit prior to beginning work.)*
 - E. Final Report on Compliance with Section 3 (General Contractor submits at end of project.)
- VI. Federal Labor Requirements
 - A. Overview of Important Points
 - B. Federal Labor Standards Provisions (detailed statement of laws)
 - C. Weekly Report of Subcontractors on Job Site (Contractor submit weekly)
 - D. Weekly Certified Payroll Form (Contractor and all subcontractors submit weekly)
 - E. Authorization to Sign Certified Payroll Forms
 - F. Request for Approval of Wage Rate(s) for Addition Classifications(s)
 - G. The Wage Decision which Applies to this Project

Must be submitted for General Contractor when Contract is signed.

Note: Bonding requirements stated elsewhere.

Revised June 2023

GENERAL FEDERAL PROVISIONS

GENERAL FEDERAL PROVISIONS FOR CONSTRUCTION CONTRACTS

The following general federal provisions are a part of this Contract and do not require submittal of additional documentation, forms, reports, or certifications, except in unusual circumstances.

1. Interest of Members of Local Public Agency. No member of the governing body of Arundel Community Development Services, Inc. (ACDS) and no other officer, employee, or agent of ACDS who exercises any functions or responsibilities in connection with the approval or review or carrying out of the project or program to which this Contract pertains shall have any personal interest, direct or indirect, in this Contract.
2. Interest of Local Public Officials. No member of the governing body of Anne Arundel County, Maryland (referred to herein as "the County") and no other public official of the County who exercises any functions or responsibilities in the review or approval or the carrying out of the project or program to which this Contract pertains shall have any personal interest, direct or indirect, in this Contract.
3. Interest of Certain Federal Officials. No member of or delegate to the Congress of the United States, and no Resident Commissioner, shall be admitted to any share in or part of this Contract or to any benefit to arise therefrom.
4. Interest of Contractor. The Contractor covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, in the project area or any parcels therein, or any other interest which would conflict with the performance of this contract and covenants that no person having any such interest shall be employed.
5. Subcontracts and Other Contracts. The Contractor will certify that all contracts with applicants, recipients, subcontractors, and consultants contain the applicable federal requirements.
6. Access to Records. ACDS, the County, HUD, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcriptions.
7. Retention of Records. All required records pertinent to this Contract shall be retained by the Contractor for four years after final payment is made. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the four-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular four year period, whichever is later.
8. Accessibility. Every building or facility (other than a privately-owned residential structure) designed, constructed, or altered as a result of this Contract and made available through federal financial assistance, shall comply with the requirements of Section 504 of the

Rehabilitation Act of 1973, 24 CFR Part 8 Subpart A, Section 8.4 of the Fair Housing Amendments Act of 1988, and Section 303 of the Americans with Disabilities Act of 1990.

9. Lead-Based Paint Requirement. The Contractor and all subcontractors, vendors, and consultants shall comply with 24 CFR 35: Prohibition of Use of Lead-Based Paint and Elimination of Lead-Based Paint Hazard, when applicable to projects or programs resulting from this Contract.
10. Clean Air and Water Pollution. The Contractor and all subcontractors, vendors, and consultants shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970 (42 U. S. C. et. seq.) and the Federal Water Pollution Control Act (33 U. S. C. 125 et. seq.), as amended, when applicable to projects or programs resulting from this Contract.
11. Energy Conservation. The Contractor and all subcontractors, vendors, and consultants shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).
12. Eligibility of Contractor and Exclusion of Entities Debarred from Federally Funded Contracts. The Contractor certifies that neither the Contractor nor any person or firm who has an interest in the Contractor's firm is ineligible to be awarded contracts utilizing federal funds. The Contractor shall refrain from entering into any contract or contract modification with an applicant, recipient, contractor, subcontractor, vendor, or consultant debarred from contracts funded in whole or in part with federal funds or from participation in HUD programs.
13. Lobbying Certification. In accordance with the Housing and Community Development Act of 1974, as amended, and with 24 CFR 570.303 of the Community Development Block Grant regulations, the Contractor certifies that:
 - a. no federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative contract;
 - b. if any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence any officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative contract, it will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instruction; and
 - c. the Contractor will require that this language will be included in the award of contracts to all subcontractors, suppliers, and vendors related to this Contract.

14. Submittal of Certifications, Forms, and Reports. The Contractor must complete and, if applicable, require all subcontractors to complete all certifications, forms, and reports specified in this Contract in a manner acceptable to ACDS. Interim and/or final payments may be withheld by ACDS pending receipt and approval by ACDS of these certifications, forms, and reports.
15. Drug-Free Work Place. The Contractor will provide a drug-free work place by:
- a. publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's work place and specifying actions that will be taken against employees for violation of such prohibition;
 - b. establishing an ongoing drug-free awareness program to inform employees about
 - (1) the dangers of drug abuse in the work place,
 - (2) the Contractor's policy of maintaining a drug-free work place,
 - (3) any drug counseling, rehabilitation, and employee assistance programs that may be available, and
 - (4) the penalties that may be imposed upon employees for drug abuse violations occurring in the work place;
 - c. making it a requirement that each employee to be engaged in the performance of the scope of services be given a copy of the statement required by Item 15.a.;
 - d. notifying the employee in the statement required by Item 15.a. that, as a condition of employment under the scope of services, the employee will
 - (1) abide by the terms of the statement, and
 - (2) notify the employer in writing of his/her conviction for a violation of a criminal drug statute occurring in the work place no later than five calendar days after such conviction;
 - e. notifying ACDS, in writing, within 10 days after receiving notice under Item 15.d(2) from an employee or otherwise receiving actual notice of such conviction and providing notice, including position title, to every contractor, employer, or subcontractor on whose activity the convicted employee was working, unless the Contractor has designated a central point for the receipt of such notices;
 - f. within 30 calendar days of receiving notice under Item 15.d(2), with respect to any employee who is so convicted, the Contractor shall
 - (1) take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended, or
 - (2) require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency; and

- g. making a good faith effort to continue to maintain a drug-free work place through implementation of Items 15.a. through 15.f.

As part of the commitment to maintain a drug-free work place, the Contractor must insert in the following space the site(s) for the performance of work done in connection with this Contract.

Place of Performance: _____

Street Address: _____

City/State/Zip Code: _____

SUBCONTRACTOR/VENDOR REPORT

The Subcontractor/Vendor Report must be submitted by the General Contractor before work begins and with the FINAL payroll. As new subcontractors are added during the course of the project, updated Subcontractor/Vendor Reports must be submitted. These reports must also include second-tier subcontractors.

SUBCONTRACTOR/VENDOR REPORT

The Subcontractor/Vendor Report is a list of the subcontractors working on the project as well as providers of professional and other services. These reports must be submitted by the General Contractor before work begins and at the end of the project before final payments are made. As new subcontractors are added during the course of the project, updated interim Subcontractor/ Vendor Reports should be submitted. The Subcontractor/Vendor Reports should also include second-tier subcontractors. It is the General Contractor's responsibility to obtain the necessary information from the subcontractors.

Instead of using the chart, the General Contractor has the option of preparing these reports in another format, provided that all the required information is included. It is requested that the report be divided into two separate parts: one-part listing companies doing building trades work; and the other part listing companies doing non-construction work (such as engineering, surveying, or cleaning) related to the project.

GENERAL CONTRACTOR'S SUBCONTRACTOR/VENDOR REPORT

Project Name: _____

Contact Person: _____

General Contractor: _____

Telephone Number of Contact Person: _____

Date: _____

Page #__ of __

| Name/Address/Telephone | Check if Second or Third Tier Sub-Contractor* | Tax I.D. | Dollar Amount | Trade, Construction Element, or Service | If MBE/WBE, Specify Group(s)** | Check if Section 3 |
|------------------------|---|----------|---------------|--|---|--------------------------|
| | <input type="checkbox"/> | | | | <input type="checkbox"/> African American <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian/Pacific <input type="checkbox"/> Islander <input type="checkbox"/> Eskimo/Aleut <input type="checkbox"/> Female | <input type="checkbox"/> |
| | <input type="checkbox"/> | | | | <input type="checkbox"/> African American <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian/Pacific <input type="checkbox"/> Islander <input type="checkbox"/> Eskimo/Aleut <input type="checkbox"/> Female | <input type="checkbox"/> |
| | <input type="checkbox"/> | | | | <input type="checkbox"/> African American <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian/Pacific <input type="checkbox"/> Islander <input type="checkbox"/> Eskimo/Aleut <input type="checkbox"/> Female | <input type="checkbox"/> |
| | <input type="checkbox"/> | | | | <input type="checkbox"/> African American <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian/Pacific <input type="checkbox"/> Islander <input type="checkbox"/> Eskimo/Aleut <input type="checkbox"/> Female | <input type="checkbox"/> |
| | <input type="checkbox"/> | | | | <input type="checkbox"/> African American <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian/Pacific <input type="checkbox"/> Islander <input type="checkbox"/> Eskimo/Aleut <input type="checkbox"/> Female | <input type="checkbox"/> |
| | <input type="checkbox"/> | | | | <input type="checkbox"/> African American <input type="checkbox"/> Hispanic <input type="checkbox"/> Asian/Pacific <input type="checkbox"/> Islander <input type="checkbox"/> Eskimo/Aleut <input type="checkbox"/> Female | <input type="checkbox"/> |

**If yes, state here (or on an attached page if necessary) the name of the higher tier subcontractor who has contracted with this lower tier subcontractor:*

****African American; Hispanic; Native America; Asian/Pacific Islander; Eskimo/Aleut; Female**

**NONDISCRIMINATION
AND
EQUAL EMPLOYMENT
OPPORTUNITY**

NONDISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY

OVERVIEW

In accordance with Executive Order 11246 of September 24, 1965, as amended, and as implemented by Department of Labor regulations 41 CFR Chapter 60, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Equal Opportunity Clause, the Certification of Nonsegregated Facilities, and the Certification of Compliance with Affirmative Action Requirements for Equal Employment Opportunity which are included in this section are mandated by this Executive Order and the implementing regulations.

In accordance with Title VI of the Civil Rights Act of 1964, there shall be no discrimination on the basis of race, color, or national origin in activities covered by this Contract.

In accordance with Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, no person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination in activities covered by this Contract, including employment, on the ground of race, color, national origin, sex, or religion, either directly or through contractual, licensing, or other arrangements.

Section 109 which also applies to this Contract, prohibits discrimination on the basis of age under the Age Discrimination Act of 1975.

Section 109 also prohibits discrimination with respect to an otherwise qualified person with disabilities, as provided in Section 504 of the Rehabilitation Act of 1973. In accordance with the Americans with Disabilities Act of 1990 and Section 504 of the Rehabilitation Act of 1973, there shall be no discrimination against persons with disabilities regarding employment or other economic opportunities resulting from this Contract.

Inclusion of the equal opportunity clauses in this Contract are required by Executive Order 11246 of September 24, 1965, as amended, and as implemented by Department of Labor regulations 41 CFR Chapter 60. The equal opportunity clauses contain the following important provisions:

- nondiscrimination in employment and treatment during employment,
- notices to be posted at the job site,
- equal employment opportunity statement in solicitation and advertising,
- notification to labor unions,
- agreement to comply with all provisions of Executive Order 11246,
- agreement to furnish required reports,
- agreement to permit access to records,
- sanctions and remedies for non-compliance, and
- inclusion of clause in all subcontracts and obligation of Contractor to help enforce it.

CONTRACT REQUIREMENTS

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include but not be limited to (i) employment, upgrading, demotion, or transfer; (ii) recruitment or recruitment advertising; (iii) layoff or termination; (iv) rates of pay or other forms of compensation; and (v) selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provision of this nondiscrimination clause.
2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor during the performance of this contract, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. The Contractor will send to each labor union or representative of workers with which the Contractor has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor unions or worker's representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. During the performance of this contract, the Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
5. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
6. In the event of the Contractor's non-compliance with the nondiscrimination clauses of the contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
7. The Contractor will include the equal opportunity clause and all the contract requirements defined herein in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each

subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for non-compliance; *provided, however*, that in the event a Contractor becomes involved in or is threatened with litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

CERTIFICATION OF NONSEGREGATED FACILITIES

General Contractor submits this form when the Contract is signed. Subcontractors must submit this form before beginning work on the project.

Company Name: _____

Company Address: _____

Company Telephone Number: _____ Date: _____

Company Tax Identification Number: _____

Name of Project: _____

Is Company (check one): ☐ General Contractor or ☐ Subcontractor on this project?

As used in this certification, the term "segregated facilities" means any waiting room, work area, rest rooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom or otherwise.

The Contractor certifies that no segregated facilities are or will be maintained or provided for the Contractor's employees at any of the Contractor's establishments, and that the Contractor's employees do not and will not be permitted to perform their services at any location under the Contractor's control where segregated facilities are maintained.

The Contractor further agrees (except if the Contractor has obtained identical certifications from proposed Subcontractors for specific time periods) that, prior to entering into subcontracts which exceed \$10,000 and are not exempt from the Equal Opportunity Clause, the Contractor will

- (1) obtain identical certifications from proposed Subcontractors;
- (2) retain the certification in its files; and
- (3) forward the following notice to proposed Subcontractors (except if the proposed Subcontractors have submitted identical certifications for specific time periods):

"Notice to Prospective Subcontractors of Requirement for Certifications of Nonsegregated Facilities: A Certification of Nonsegregated facilities must be submitted before the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity clause of the prime contract. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e. quarterly, semiannually, or annually)."

The Contractor agrees that a breach of this certification or a breach of a Subcontractor's identical certification is a violation of the Equal Opportunity Clause in the Contract. The penalty for making false statements in these certifications is prescribed in 18 U.S.C. 1001.

Signature of Officer or Owner of Company: _____

Printed Name and Title of Signatory Above: _____

CERTIFICATION OF COMPLIANCE WITH AFFIRMATIVE ACTION REQUIREMENTS FOR EQUAL EMPLOYMENT OPPORTUNITY

General Contractor submits this form when the Contract is signed. Subcontractors must submit this form before beginning work on the project.

Company Name: _____

Company Address: _____

Company Telephone Number: _____ Date: _____

Company Tax Identification Number: _____

Name of Project: _____

Check YES or NO whether the following statement applies to this company. If YES, complete the remainder of this form. If NO, do not answer the remaining questions.

The company has more than 50 employees AND has or is bidding for a contract or purchase order amounting to \$50,000 or more for the project designated above.

☐ Yes

☐ No

Executive Order 11246 and 41 CFR part 60 require that certain companies involved in federally assisted construction projects develop and keep on file at each of their establishments an Affirmative Action Plan for achieving equal employment opportunity. Progress reports on utilization of minorities are to be completed annually on or before March 31. Previously, the reports were to be submitted to the Equal Employment Opportunity Commission or the administering agency within 30 days after the award of the contract or subcontract unless such a report was previously filed within 12 months preceding the date of the award. The requirement now is that these progress reports be kept on file at the company. Bidders and subcontractors who meet the criteria above must also answer the following questions.

The company has developed and has on file at each establishment affirmative action programs as required by 41 CFR part 60.

☐ Yes

☐ No

The company has participated in a previous contract or subcontract subject to the equal opportunity clause requirements for affirmative action programs.

☐ Yes

☐ No

The company has filed all reports as required by 41 CFR part 60.

☐ Yes

☐ No

Signature of Officer or Owner of Company: _____

Printed Name and Title of Signatory Above: _____

**MINORITY
AND
WOMEN OWNED
BUSINESS ENTERPRISES**

POLICY WITH RESPECT TO MINORITY AND WOMEN OWNED BUSINESS ENTERPRISES

To the maximum extent feasible, opportunities for contracting in connection with this project shall be given to MBEs/WBEs. Upon acceptance of a bid by ACDS, if any portion of the Contract is subcontracted, the Contractor will be expected to solicit MBE/WBE firms to bid on various aspects of the Contract. Resources available to assist the Contractor in finding or notifying MBE/WBE firms include, but are not limited to the following.

Anne Arundel County Directory of Minority & Women-Owned Businesses, available online at www.aacounty.gov/services-and-programs/directory-of-minority--woman-owned-businesses

A list of MBE/WBE certified by the Maryland Department of Transportation may be accessed online by visiting: www.mdot.state.md.us.

Minority trade associations:

Maryland/Washington Minority Contractors Association
2423 Maryland Avenue, Suite 200
Baltimore, MD 21218
E-mail: mmca.inc@gmail.com
E-mail: info@mmca-inc.net

For each MBE/WBE with whom a Contractor enters into a contract, the MBE/WBE Identification Statement shall be completed. This form was designed by ACDS to obtain information which it must report to the federal government on behalf of Anne Arundel County regarding MBE/WBE participation in certain HUD programs. It is the only MBE/WBE certification required for this project by ACDS and by HUD. However, some projects which are partially financed by the State of Maryland may require a separate certification of a firm by the Maryland Department of Transportation in order for the firm to count toward meeting the State's minority business participation goals for the project. If State funding of the project requires Maryland Department of Transportation certification and any additional documentation, those requirements will be stated elsewhere in the Contract.

When evaluating compliance for MBE/WBE, a contractor who does not have the MBE/WBE participation typically associated with the provision of services in Anne Arundel County, shall have the burden of demonstrating why it is not feasible. Such justification shall include, but not be limited to, documentation of their MBE/WBE outreach and marketing efforts such as (i) the provision of evidence that MBE/WBE firms listed on the MDOT Directory of Certified MBE/WBE firms were notified as to the availability of the contract, (ii) evidence of notification to the Anne Arundel County MBE Coordinator and the minority contractor/trade associations, and (iii) other supporting documentation demonstrating notification outreach was provided to MBE/WBE firms. All general contractors may satisfy their MBE/WBE affirmative marketing and outreach requirements through its subcontractors.

Arundel Community Development Services, Inc. shall withhold final payment to the contractor until all applicable MBE/WBE affirmative marketing and outreach documentation have been submitted and full compliance has been demonstrated.

MINORITY AND WOMEN OWNED BUSINESS ENTERPRISES IDENTIFICATION STATEMENT

This form is to be submitted by General Contractor, Consultant, or Service Provider as part of the Contract or Agreement, and by Subcontractors before they begin work.

Name of Company/Organization: ____

Address of Company/Organization: _____

Company/Organization Telephone Number: _____

Company/Organization Tax Identification Number: _____

Name of Project:____

1. Indicate if, on this project, you are a
 - ☐ General Contractor/Consultant/Services Provider
 - ☐ Subcontractor

If none of your owners or officers is a minority, please skip Sections 2 through 8 and sign and date this form where indicated.

2. Is your firm certified as an MBE or WBE? ☐ Yes ☐ No

If so, attach a copy of your MBE/WBE certification form and skip Sections 3 through 8 and sign and date form as indicated.

If you are not certified as a MBE or WBE, please self certify by answering Sections 3 through 9.

3. When was the company/organization established?_____
4. State the name of each owner/officer of the enterprise, their minority group, percentage of ownership, and type of investment.

| Name | WBE | | MBE | | | Minority Group(Check all that apply) | | | |
|------|-----|----|-----|-----|--------------|--------------------------------------|-------------------|-----------------|---|
| | Yes | No | No | Yes | % Owner-ship | African American | Hispanic American | Native American | Asian/ Pacific Islander American |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

5. The above percentages of MBE or WBE ownership have existed since _____.

6. Does any owner of your enterprise who is not a minority group member also have an ownership interest in any other firm working on this project? ☐ Yes ☐ No

(If yes, state the name of each such owner and the names of the firms in which such ownership interests exists.)

7. Are any of the minority owners/officers listed in Question #4 a former or current employee of any other firm working on the project? ☐ Yes ☐ No

(If yes, state the name(s) of the individual(s), name(s) of the employer(s), date(s) of employment with the other firm(s), and responsibilities in such employment.)

8. Has your enterprise subcontracted with other firms any work to be performed on this project? ☐ Yes ☐ No

(If yes, state the percentage of work subcontracted and the nature of such work.)

I certify that the foregoing information is correct and complete.

Printed or Typed Name of Owner or Officer

Signature of Owner or Officer

Title of Owner or Officer Above

Date

SECTION 3

Section 3 of the Housing and Urban Development Act of 1968, as amended, applies to this project. This means that, consistent with existing Federal, state, and local laws and regulations, the contractor shall ensure: (i) contracts for work awarded in connection with Section 3 projects are provided to Business Concerns that provide economic opportunities to Section 3 workers residing within the Baltimore Metropolitan Statistical Area and/or the neighborhood in which the project is located; and (ii) employment and training opportunities arising in connection with this Section 3 project is provided to Section 3 workers within the Baltimore Metropolitan Statistical Area.

The Contractor and Subcontractors should review and/or submit the following Section 3 documents contained herein:

1. **The Section 3 Clause, including Bidding Preference** (Information)
2. **Targeted Incomes for Section 3** (Information)
3. **Basic Actions for Compliance with Section 3** (Information)
4. **Section 3 Agreement and Certification**
 - Form: Contractor shall sign when the contract for the project is signed; Subcontractors shall submit this form to ACDS through the General Contractor prior to beginning work on the project.
5. **Final Report on Compliance with Section 3**
 - Form: Contractor shall submit to ACDS at the end of the project.

THE SECTION 3 CLAUSE

Inclusion of the following clauses in this contract are required by law.

1. The federally defined Section 3 regulations are a means to foster local economic development, neighborhood economic improvement, and individual self-sufficiency through housing and community development projects funded in whole or in part by the federal Department of Housing and Urban Development (HUD).
2. The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Community Development Act of 1968, as amended, 12 U.S.C. 1701u and its associated regulations (24 CFR Part 75) (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing.
3. The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.
4. The Contractor agrees to send to each labor organization or representative of workers with which Contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
5. The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The Contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of regulations in 24 CFR 135.
6. The Contractor will certify that any vacant employment positions, including training positions, that are filled (i) after the contractor is selected but before the contract is executed, and (ii) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.

7. Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.
8. ACDS shall provide a preference to Section 3 Businesses for all Section 3 Covered Contracts exceeding \$200,000 associated with Section 3 Covered Projects. When a Section 3 Covered Contract for construction services is to be awarded to the responsive and responsible construction contractor with the lowest reasonable sealed price, the contract shall be awarded to the qualified Section 3 Business Concern if its proposal amount is no more than five percent higher than the quotation of the otherwise lowest responsive quotation. In order to receive a Section 3 Business Concern preference as described, the business must provide acceptable documentation demonstrating Section 3 status to ACDS with their proposal. To obtain the preference, the Section 3 Business Concern must provide sufficient documentation and proof to ACDS that they:
 - 1) at least 51% of the business is owned by low-income people; or
 - 2) low-income people work more than 75% of the labor hours worked at the business; or
 - 3) at least 25% of the business is owned by public housing residents or Section 8 residents (either tenant-based or project-based).

A preference, as identified above, may be awarded to a joint venture partnership for an eligible Section 3 Covered Contract whereby an association of businesses, one of which qualifies as a Section 3 Business Concern, form a joint venture, and provide evidence through a written agreement, to engage in and carry out a business venture associated with the Section 3 Covered Contract. This agreement must identify the purpose for which the business concerns are combining their efforts, resources and skills. In addition, the agreement must identify a clearly defined portion of the work for which the Section 3 Business Concern will be responsible and what management responsibilities the Section 3 Business will be responsible for as part of the joint venture. In order to receive the preference, the Section 3 Business Concern in joint venture must perform at least 25 percent of the hours to be worked and must be contractually entitled to compensation proportionate to its work.

9. Any contractor who does not meet the Section 3 numerical goals must demonstrate why meeting the goals was not feasible. In the absence of evidence to the contrary, a contractor and/or subcontractor who reports meeting the minimum numerical benchmarks for all new hires and contracting opportunities will be considered to have met the Section 3 requirements. In evaluating compliance under Section 3, a contractor or subcontractor who has not met the numerical benchmarks has the burden of demonstrating why it was not feasible to meet the numerical benchmarks. Such justification may include statements regarding impediments encountered despite actions taken. In addition, to further demonstrate efforts taken to meet the numerical benchmarks, a contractor and/or a subcontractor may provide acceptable documentation as to the efforts taken to provide economic opportunities provided to Section 3 Workers/Targeted Workers or Section 3 Business Concerns. All prime contractors may satisfy the resident hiring requirements

through its subcontractors. ACDS shall withhold final payment to the contractor until all applicable Section 3 forms have been submitted and the contractor has demonstrated full compliance with Section 3 requirements.

10. ACDS will count all employees of a Section 3 Business Concern as Section 3 workers and Targeted Section 3 Workers for purposes of meeting the “hours worked” employment safe harbors. The Contractor will be responsible for reporting the following benchmark data to ACDS: (i) the total number of labor hours worked, (ii) the total number of labor hours worked by Section 3 workers, and (iii) the total number of labor hours worked by Targeted Section 3 workers.
11. YouthBuild is a community-based pre-apprenticeship program that provides job training and educational opportunities for at-risk youth ages 16-24 who have previously dropped out of high school. YouthBuild participants learn vocational skills in construction, as well as in other in-demand industries that include health care, information technology, and hospitality. Youth also provide community service through the required construction or rehabilitation of affordable housing for low-income or homeless families in their own neighborhoods. The Division of Youth Services within the Employment and Training Administration's Office of Workforce Investment at the U.S. Department of Labor administers the YouthBuild program. More information can be found here: <https://www.dol.gov/agencies/eta/youth/youthbuild>.
12. Section 3 does not apply to material only contracts or those that do not require any labor. For example, a contract for office or janitorial supplies would not be covered by Section 3. In this example, Section 3 would be encouraged but not required. However, a contract to replace windows that includes the removal of existing windows and the installation of new windows would be covered due to the involvement of labor.

TARGETED INCOMES FOR SECTION 3

It is the policy of ACDS to ensure that residents of the Baltimore Metropolitan Statistical Area whose family incomes do not exceed 80 percent of the median family income for that area shall participate, to the greatest extent feasible, in the economic opportunities generated by HUD financial assistance. Economic opportunities include training, employment, contracting or subcontracting, and purchasing. The current income levels for families at 80 percent or below of the area median adjusted for family size appears below. A Section 3 Worker is someone meeting *or when hired within the past five years fit* one of the following: (i) the worker's income for the previous or annualized calendar year is below 80% of AMI as set by HUD; (ii) the worker is employed by a Section 3 Business Concern; or (iii) a YouthBuild participant. A Targeted Section 3 Worker means a Section 3 worker who when hired (within the last 5 years) was: (i) a worker employed by a Section 3 Business Concern; (ii) lives within the neighborhood of the project (as defined by 24 CFR Part 75); or (iii) a YouthBuild participant.

80 PERCENT OF MEDIAN FAMILY INCOME BY FAMILY SIZE FOR THE BALTIMORE METROPOLITAN STATISTICAL AREA June 2023

| Family Size | Annual Income |
|-------------|---------------|
| 1 Person | \$66,300 |
| 2 Persons | \$75,750 |
| 3 Persons | \$85,200 |
| 4 Persons | \$94,650 |
| 5 Persons | \$102,250 |
| 6 Persons | \$109,800 |
| 7 Persons | \$117,400 |
| 8 Persons | \$124,950 |

Numerical Goals for Employment and Training of Section 3 Workers and Section 3 Targeted Workers

Benchmarks will be considered to have complied with requirements, in the absence of evidence to the contrary: (i) twenty-five (25) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and (ii) five (5) percent or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers. This means that the 5 percent is included as part of the 25 percent threshold.

| | |
|---|---|
| <u>Section 3 Labor Hours</u> = 25% Total Labor Hours | <u>Targeted Section 3 Labor Hours</u> = 5% Total Labor Hours |
|---|---|

Proof of Eligibility for Preference

A business seeking to qualify for a Section 3 contracting preference shall certify or submit evidence, *if requested*, that it is a Section 3 Business Concern.

Qualifications for the Job

There is no requirement to hire a Section 3 worker who does not meet the qualifications of the position to be filled. A Section 3 Business Concern seeking a contract or subcontract shall submit evidence to the Contractor, or subcontractor, *if requested*, that it is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract.

Outreach

If reporting indicates that the agency has not met the Section 3 benchmarks, the agency must report in a method prescribed by HUD program offices on the qualitative nature of its activities and those its contractors and subcontractors pursued per 24 CFR § 75.15(b) and § 75.25(b).

Such qualitative efforts may, for example, include but are not limited to, the following

- Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
- Provided training or apprenticeship opportunities.
- Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
- Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
- Held one or more job fairs.
- Provided or referred Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare).
- Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- Assisted Section 3 workers to obtain financial literacy training and/or coaching
- Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
- Provided technical assistance to help Section 3 business concerns understand and bid on contracts.

- Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.
- Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
- Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
- Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.

BASIC ACTIONS FOR COMPLIANCE WITH SECTION 3 IN HIRING AND CONTRACTING

1. Before beginning work on the project, the General Contractor and Subcontractors will certify that the company will comply with Section 3 and will carry out the Basic Actions for Compliance listed herein.
2. The General Contractor and Subcontractors will send to each labor organization or representative of workers with whom there is a collective bargaining agreement or other understanding a notice regarding the Section 3 commitments under this Contract.
3. The General Contractor and Subcontractors will cooperate with ACDS in informing referral agencies and community organizations about hiring and contracting opportunities and will respond to expressions of interest by Section 3 job applicants and Section 3 businesses.
4. The General Contractor will post at the site (i) a notice that this is a Section 3 project and (ii) information about specific job openings and contracting opportunities and how to apply.
5. The General Contractor will accept job applications at the site and maintain a file of those applications for use by all subcontractors on the project. Subcontractors will consider applicants from this file.
6. When a specific construction job opening occurs, the General Contractor or Subcontractor will contact the following for a referral of a low or very low income Anne Arundel County resident.

Employer Services Representative
Anne Arundel Workforce Development Corporation One-Stop Career Center
80 West Street, Suite A Annapolis, MD 21401
(410) 269-4423

7. **General Contractor and Subcontractors will place asterisks (*) by names of all Section 3 Workers and Section 3 Targeted Workers whenever they appear on the Certified Payroll Form.**
8. In cases where two or more Section 3 individuals or businesses are competing for the same opportunity and other factors such as qualifications or costs are equal, the General Contractor will consult with ACDS for guidance as to locally established priorities.
9. After completion of the project, the General Contractor and Subcontractors will, as requested by ACDS, report on subcontracting and hiring activity related to the project.

SECTION 3 AGREEMENT AND CERTIFICATION

The General Contractor, Consultant or Service Provider-must submit this form when signing the Contract. Subcontractors submit this form prior to starting work.

Company Name: ____

Company Address: _____

Company Telephone Number: _____ Date: _____

Company Tax Identification Number: _____

Name of Project: ____

Please check YES or NO by each of the following statements to indicate whether or not it applies to your company.

YES NO

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | At least 51% of the business is owned by low-income people; or. |
| <input type="checkbox"/> | <input type="checkbox"/> | Low-income people work more than 75% of the labor hours worked at the business; or. |
| <input type="checkbox"/> | <input type="checkbox"/> | At least 25% of the business is owned by public housing residents or Section 8 residents (either tenant-based or project-based). |

Statement of Agreement to Comply with Section 3 and Certification

The company named above has read the general information about Section 3 which appears in the Contract for the project, will comply with the goals and provisions of Section 3 as they apply to this project, and will carry out the basic actions for compliance as stated in the Contract. The company certifies that no hiring done during the period between Contract award and execution of the Contract was intended to circumvent obligations under Section 3. The company further certifies to the correctness of the information it has provided above for use in determining whether or not it is a Section 3 business.

Signature of Officer or Owner of the Company: _____

Printed Name of Signatory Above: _____

Title of Signatory: _____

FINAL REPORT ON COMPLIANCE WITH SECTION 3

The General Contractor, Consultant or Service Provider shall submit this form to ACDS at the end of the completion of the project. Final payments on the project may be withheld until this report is received.

Company Name:

Company Address:_____

Company Telephone Number:_____ Date: _____

Company Tax Identification Number: _____

Name of Project: ____

Please provide the following information about economic opportunities provided **ON THIS PROJECT** to Section 3 Workers by your company and all your subcontractors. (See contract document "Targeted Income for Section 3 Workers and Targeted Workers.")

| Job Category | Total Hours Worked | Total Hours Worked by Section 3 Workers | Total Hours Worked by Section 3 Targeted Workers |
|----------------------------|--------------------|---|--|
| Professional/Supervisory | | | |
| Office/Clerical | | | |
| Construction (List Trades) | | | |
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| Other (List) | | | |
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| | | | |
| | | | |
| Total | | | |

Summary of Efforts

The following efforts were made to direct the employment and other economic opportunities of the project, to the greatest extent feasible, toward low and very low income persons, particularly those who are recipients of government assistance for housing. Please check all items that apply.

| | |
|--------------------------|--|
| <input type="checkbox"/> | Attempted to recruit low-income residents through local advertising media. |
| <input type="checkbox"/> | Attempted to recruit low-income residents through signs prominently displayed at the project site and acceptance of applications at project site |
| <input type="checkbox"/> | Attempted to recruit low-income residents through contacts with community organizations and public or private agencies |
| <input type="checkbox"/> | Attempted to recruit low-income residents through coordination with HUD Youthbuild Programs or other publicly funded job training programs for low-income residents of Anne Arundel County |
| <input type="checkbox"/> | Informed referral agencies or community organizations about contracting opportunities |
| <input type="checkbox"/> | Notified labor organizations about Section 3 commitment |
| <input type="checkbox"/> | Participated in a HUD or other programs which promotes Section 3 training and employment |
| <input type="checkbox"/> | Participated in a HUD or other programs which promotes contracts with Section 3 businesses |
| <input type="checkbox"/> | Other |

If numerical goals were not met, please explain below why it was not feasible to do so.

The company named above has complied with Section 3 as stated above.

Signature of Office or Owner of Company

Printed Name of Signatory

Title of Signatory

FEDERAL LABOR REQUIREMENTS

FEDERAL LABOR REQUIREMENTS: OVERVIEW OF IMPORTANT POINTS

Federal Labor Standards apply to this Contract. These labor standards include Davis-Bacon and Related Acts. In brief, this means:

- Wage rates paid to employees of the Contractor and employees of all subcontractors must be no less than those in the Department of Labor “Wage Decision” for this project.
- The minimum wage rate for a trade not on the “Wage Decision” must be established in conjunction with ACDS and HUD based on Department of Labor regulations.
- Employees must be paid “time and a half” for hours which exceed 40 in any one week, as mandated by the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 - 333).
- Salaries of all employees of the Contractor and subcontractors under this Contract shall be paid unconditionally and not less often than once a week without deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland Anti-Kickback Act of June 13, 1934 (40 U.S.C. 276c). The Copeland Act makes it a criminal offense to induce any person employed under this Contract to give up any part of the compensation to which he or she is entitled.
- Weekly Certified Payroll Reports must be submitted by the Contractor and all subcontracts, as mandated by the Copeland Act.
- A “working subcontractor” who performs trade work at the project site **and has employees working at the site** must submit weekly certified payroll reports on which he includes the hours he worked on the project. However, he may identify himself on those reports as “owner” and omit the wage rate he pays himself.

*A “working subcontractor” who performs trade work at the project site **and has no employees working at the site** must be included on the General Contractor’s weekly certified payroll reports. His trade, wage rate, and hours must be included. The terms “1099” or “subcontractor” may be used to indicate why no deductions are taken. Regardless of the bid amount of the subcontract, this subcontractor must actually be paid weekly and at a wage rate no less than that established by the Wage Decision or accepted additional classification procedures. If the subcontract provides for additional compensation, the amounts owed shall be paid by the General Contractor periodically and/or at the end of the project in response to invoices submitted by the subcontractor.*

- **Contractors must use the “Wage Decision” in effect when the bids are opened for this project. The most recent “Wage Decision” available is included in the bid documents. If this “Wage Decision” is modified by the Department of Labor prior to the opening of bids, the new rates will apply if the modification occurs at a time when it is still feasible for ACDS to notify potential bidders.**

Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

(ii) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

- (1)** The work to be performed by the classification requested is not performed by a classification in the wage determination; and
 - (2)** The classification is utilized in the area by the construction industry; and
 - (3)** The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- (b)** If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor,

Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

2. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required

by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may

be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section l(b)(2)(B) of the Davis-bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section l(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(ii) (a) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i). This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be maintained under 29 CFR 5.5 (a)(3)(i) and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and Trainees.

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's

registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If

the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

6. Subcontracts. The contractor or subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 of this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

7. Contract termination; debarment. A breach of the contract

clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act Requirements.

All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

10. (i) Certification of Eligibility. By entering into this contract the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration..... makes, utters or publishes any statement knowing the same to be false..... shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

11. Complaints, Proceedings, or Testimony by Employees.

No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

B. Contract Work Hours and Safety Standards Act. The provisions of this paragraph B are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic

receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages.

In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in subparagraph (1) of this paragraph.

(3) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety. The provisions of this paragraph C are applicable only where the amount of the prime contract exceeds \$100,000.

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, 40 USC 3701 et seq.

(3) The Contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The Contractor shall take such action with respect to any subcontract as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

WEEKLY REPORT OF SUBCONTRACTORS ON JOB SITE

(General Contractor submit weekly with Certified Payrolls.)

Project Name: ____ Week Ending _____

General Contractor _____

Person Preparing Report _____

Check box for each day that Contractor or Subcontractor was present at the job site during the week.

| Company (List General Contractor First) | Mon | Tue | Wed | Thu | Fri | Sat | Sun |
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U.S. Department of Labor
Employment Standards Administration
Wage and Hour Division

PAYROLL
(For Contractor's Optional Use; See Instructions, Form WH-347 Inst.)



Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

Rev. April 2006

| | | | | | |
|---|-----------------|----------------------|--|---|--|
| NAME OF CONTRACTOR <input type="checkbox"/> OR SUBCONTRACTOR <input type="checkbox"/> | | ADDRESS | | OMB No.: 1215-0149 Expires: 04/30/2009 | |
| PAYROLL NO. | FOR WEEK ENDING | PROJECT AND LOCATION | | PROJECT OR CONTRACT NO. | |

| (1) NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OF EMPLOYEE | (2) NO. OF WITHHOLDING EXEMPTIONS | (3) WORK CLASSIFICATION | OT OR ST. | (4) DAY AND DATE | | | | | | | (5) TOTAL HOURS | (6) RATE OF PAY | (7) GROSS AMOUNT EARNED | (8) DEDUCTIONS | | | | | | (9) NET WAGES PAID FOR WEEK | | |
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The Copeland Act (40 U.S.C. 3145) requires contractors and subcontractors performing work on Federally financed 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 29 CFR Part 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls 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. Compliance with these requirements is mandatory. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

We estimate that it will take an average of 56 minutes to complete this collection of information, 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 these estimates or any other aspect of this collection of information, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, ESA, U. S. Department of Labor, Room S3502, 200 Constitution Avenue, N. W., Washington, D. C. 20210.

Date _____

I, _____ (Name of Signatory Party) _____ (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by

_____ on the
(Contractor or Subcontractor)
_____ ; that during the payroll period commencing on the
(Building or Work)

_____ day of _____, _____, and ending the _____ day of _____, _____,
all persons employed on said project have been paid the full weekly wages earned, that no rebates have
been or will be made either directly or indirectly to or on behalf of said

_____ from the full
(Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly
from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part
3 (29 CFR Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948,
63 Stat. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. 276c), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are
correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the
applicable wage rates contained in any wage determination Incorporated into the contract; that the
classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide
apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of
Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a
State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

☐ — in addition to the basic hourly wage rates paid to each laborer or mechanic listed in
the above referenced payroll, payments of fringe benefits as listed in the contract
have been or will be made to appropriate programs for the benefit of such
employees, except as noted in Section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

☐ — Each laborer or mechanic listed in the above referenced payroll has been paid,
as indicated on the payroll, an amount not less than the sum of the applicable
basic hourly wage rate plus the amount of the required fringe benefits as listed
in the contract, except as noted in Section 4(c) below.

(c) EXCEPTIONS

| EXCEPTION (CRAFT) | EXPLANATION |
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REMARKS:

NAME AND TITLE

SIGNATURE

THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR
SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE
31 OF THE UNITED STATES CODE.

AUTHORIZATION TO SIGN CERTIFIED PAYROLL FORMS

PROJECT: _____

I hereby authorize the following person(s) to sign Certified Payroll Forms for this project.

| NAME OF PERSON AUTHORIZED TO SIGN CERTIFIED PAYROLL FORMS | TITLE OF PERSON AUTHORIZED TO SIGN CERTIFIED PAYROLL FORMS |
|--|---|
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| | |

COMPANY: _____

SIGNATURE OF OFFICER OR OWNER: _____

PRINTED NAME OF SIGNATORY: _____

TITLE OF SIGNATORY: _____

DATE: _____

**REQUEST FOR APPROVAL OF WAGE RATE(S)
FOR
ADDITIONAL CLASSIFICATION(S)**

PROJECT: _____

The company below will employ one or more workers to perform trades which are not listed in the wage decision which was issued for this project. The trades and the wages and fringe benefits which will be paid for the work on this project are listed below for approval by the U.S. Department of Labor. The employees will receive no less than the wages plus the fringe benefits or the wages plus the value of the fringe benefits in cash. The amounts are no less than the wage rates for the lowest paid skill on the wage determination and are acceptable to the employees involved.

| TRADE (ADDITIONAL CLASSIFICATION) | WAGE RATE | FRINGE BENEFIT CASH VALUE |
|--|------------------|--------------------------------------|
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COMPANY: _____

SIGNATURE OF OFFICER OR OWNER: _____

PRINTED NAME OF SIGNATORY: _____

TITLE OF SIGNATORY: _____

DATE: _____