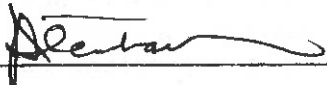


| | | | |
|---------------|---|---|---|
| TO: | ENGINEERING BULLETIN | | |
| | NEW YORK STATE DEPARTMENT OF TRANSPORTATION | | |
| | SUBJECT: SUBMITTAL OF PAYROLLS BY CONTRACTORS AND SUBCONTRACTORS | | |
| | Subject Code 7.30 | | |
| Distribution: | <input checked="" type="checkbox"/> Main Office | <input checked="" type="checkbox"/> Regions | <input type="checkbox"/> Special |
| APPROVED: |  <hr/> Jack Sternbach, Deputy Chief Engineer, Construction Division | | Code: <u>EB 84-26</u> Date: <u>9/6/84</u> Supersedes: <u>EB 84-23</u> dated 7/11/84. |

This Engineering Bulletin Expires _____

Please remind all present and future contractors that copies of payrolls are required to be submitted weekly by all contractors and subcontractors pursuant to Required Contract Provisions Federal-Aid Construction Contracts, Form PR-1273, included in every contract Proposal financed with Federal-aid. Similar submittals on 100% State financed construction contracts are required under Section 102-10 of the Department's Standard Specifications. All payroll submittals are required to be accompanied by a Statement of Compliance indicating how fringe benefit payments are made.

Pending revision to the Manual for Uniform Record Keeping (MURK), entries concerning Wage Rate Interviews illustrated on page 3-7, Exhibit No. 1.02C, under the heading "Employee's Stated Hourly Rate" should be supplemented with a fringe benefit (F.B.) notation of "Including F.B." or "Excluding F.B.."

The Department has recently experienced some serious problems which could have been avoided by the receipt and review of payrolls on a timely basis to verify whether wage rates conform to the prescribed prevailing wage rates in the contract and whether the work was actually performed by an approved subcontractor.

In order to better enforce this important aspect of contract administration, effective immediately, progress estimates shall not be forwarded to the Contract Payment Unit for processing until all required payrolls have been received by the Engineer-in-Charge, based on the following considerations:

1. Section 191 of the Labor Law requires that manual workers shall be paid weekly and no later than seven calendar days after the end of the week in which the wages are earned. Therefore, it would not be reasonable to insist on special payrolls to be prepared, where the contractor has adopted such lag payroll procedures, simply to cover the entire period encompassed by a progress estimate.
2. Furthermore, there may be an additional period of days not covered by a current payroll which may be considered as being reasonable due to a difference between the ends of an estimate and a payroll period. For example, if an estimate is for a period ending on Saturday and the contractor's weekly payroll ends c.o.b. Wednesday, the remaining three days in that week may also be excluded in addition to the lag cited in the preceding paragraph.

Subject: SUBMITTAL OF PAYROLLS BY CONTRACTORS AND SUBCONTRACTORS.

The contractor is responsible for the submission of copies of all payrolls, including those by the subcontractors. If an estimate is to be held up because of a missing payroll by the contractor or a subcontractor, the contractor should be promptly notified to provide an opportunity for reasonable explanation or correction. If a subcontractor is delinquent, the contractor must document the efforts made to secure such payrolls. If such explanation is considered reasonable, the work by such subcontractor may be deleted from the estimate, rather than hold up significant payments for other completed work. However, such a situation should not be allowed to continue. Where necessary, the Engineer-in-Charge should conduct meetings with the contractor and the affected subcontractor to surface any problems which may require resolution by the Regional Office or this Division.

Pursuant to procedures outlined in Engineering Bulletin 84-20, dated June 26, 1984, the Merchandise/Invoice Received (MIR) date entered by the Engineer-in-Charge on such estimates shall be adjusted, as necessary, to reflect the delay in receiving the required payroll or acceptable documentation of such delay.

Any questions concerning the above procedure, which is in conformance with Article 8 of the contract, should be directed via the Regional Construction Engineer to this Division.