DHHS POLICIES AND PROCEDURES

Section IV:	**General Administration**
Title:	**Subrecipient Monitoring Manual**
Chapter:	**Davis-Bacon Act**
Current Effective Date:	**3/30/05**
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Davis-Bacon Act

The Davis-Bacon Act is a federal law that requires all laborers and mechanics employed by contractors or subcontractors working on construction contracts in excess of $2,000 financed by federal funds to be paid wages not less than those established for the locality of the project by the U. S. Department of Labor. These requirements will not be applicable to most Department of Health and Human Services (DHHS) subrecipients.

Suggested Monitoring Procedures

Review the contract, grant award, funding authorization or other agreement with the subrecipient to determine if any construction is authorized using federal funds. If so, notify the subrecipient of the requirements of the Davis-Bacon Act.

For subrecipients assessed as low risk:

1. Inquire of the subrecipient to determine if they are aware of the requirements of the Davis-Bacon Act and if they are in compliance.
2. Inquire if the subrecipient is receiving payrolls certified as being in compliance with prevailing wage rates as determined by the U. S. Department of Labor (40 USC 276a to 276a-7).

For subrecipients assessed as medium or high risk:

In addition to the activity outlined above for low risk subrecipients:

1. Request a copy of a certified payroll and compare it to the prevailing wage rates for the locality.

Documentation:

Monitoring Tool/Instrument
Working Papers
Summaries
Monitoring Results Report

For questions or clarification on any of the information contained in this policy, please contact Office of the Controller. For general questions about department-wide policies and procedures, contact the DHHS Policy Coordinator.