

Understanding Federal Davis Bacon Wage Calculations

A Brief Guide

The following guide is intended to assist WECA-IEC's members in answering some frequently asked questions about Davis Bacon wages and briefly explain how they are calculated.

Frequently Asked Questions (FAQ)

What is A Federal Davis Bacon Project?

A Federal Davis Bacon Project is categorized as such because the Federal Government will be paying for the cost of the project using Federal Funds. Should the project have any City, State or County monies included, *the project **would not** be considered a Federal Davis Bacon Project.*

What is the Federal 'threshold' for Prevailing Wage?

The Federal 'threshold' for prevailing is \$2,000. Projects must have 100% Federal money to be considered a Federal job, once State funding is involved then it becomes California Prevailing Wage and not a Federal Prevailing Wage project.

Does an Apprentice wage determination change when a new Federal Davis Bacon Wage Determination is published for the same county?

No, when a Contractor bids on a Federal Davis Bacon Project, the wages are considered to be for the life of the project. Use the wage determination provided in the bid packet. If the wage determination is not in the bid packet, contact your Contract Administrator.

What is a Contract Administrator?

The Contract Administrator is responsible for the proper administration and enforcement of the Federal labor standards provisions on contracts covered by Davis-Bacon requirements. The Contract Administrator will provide labor standards advice and support to contractors working on the project, including providing the proper Davis-Bacon wage decision, ensuring that the wage decision and contract clauses are incorporated into the contract for construction, monitoring labor standards compliance, reviewing payroll reports and overseeing any enforcement action that may be required.

Can a WECA apprentice work on Federal Davis Bacon Projects?

Yes.

Are there mandatory Apprentice requirements for Federal Davis Bacon jobs?

There is NO mandatory requirement to use Apprentices on Federal Davis Bacon jobs.

Does a contractor need to submit a DAS140 or a DAS142 for Federal Davis Bacon Projects?

No, the DAS140 and the DAS142 are State forms.

What rate should an Electrician Trainee (ET) be paid if working on a Federal Davis Bacon job?

Federal Davis Bacon only has two worker classifications: Journeyman and Apprentice, so an ET working on a Federal Davis-Bacon job must be paid at the Journeyman rate. An ET cannot be paid the Apprentice rate unless the ET is indentured with a Federally-approved apprentice program such as WECA's.

What are the supervision requirements for an ET working on a Federal Davis Bacon project?

Federal Davis Bacon only determines the wages. California State Certification determines the supervision requirements. State Certification states: 3099.4 (a)(3)...*shall be under the direct supervision of an electrician certified pursuant to section 3099 who is responsible for supervision of no more than one uncertified person...*

Where do Journeyman Training Contributions go for Federal Davis Bacon projects?

If the job is 100% Federally funded, the information will be in the Bid Packet. Usually, contractors don't have to pay training contributions for a Federal Journeyman. If the project is **NOT** 100% Federally funded, you would pay State Prevailing Wages and the Journeyman Training Contributions would come to WECA-IEC.

What if Apprentice Private Wages are higher than the Federal Davis Bacon wage?

WECA-IEC recommends paying the higher apprentice rate. Always compare the Private Apprentice rates against the calculated Federal Davis Bacon Apprentice Rates and pay the higher of the two rates.

Brief Explanation of Davis Bacon wage calculations

Federal Davis Bacon wages can be accessed through <http://www.gpo.gov/davisbacon/> or the wage sheet should be included in your Bid Packet.

If accessing wages through the Federal website you would follow the link above, then select the appropriate County & Construction Type (Building, Heavy, Highway, Residential). Then locate the craft of Electrician and calculate the sum for the Journeyman Total Package rate.

To determine the Apprentice wages, follow the program (Commercial, Residential or VDV) percentages that apply and subtract out the WECA-IEC benefits. See the example below:

Example

This example is for San Joaquin County using a 3rd year WECA-IEC Commercial Apprentice. The apprentice percentages for a Commercial apprentice are as follows:

1st yr = 40% 2nd yr = 50% 3rd yr = 60% 4th yr = 70% 5th yr = 80%

- Federal Davis Bacon Wage sheet shows a rate of:
\$33.00 + Fringes of 7.5% + 20.04
- Find the *Journeyman Total Package*
To do this you would add \$33.00 + \$2.48 (7.5% of Rate) + 20.04 = \$55.52.
\$55.52 is the Journeyman Total Package
- Next find the correct *Apprentice Percentage*
The percentage chart above shows a 3rd year Commercial Apprentice would be 60%
- Next find the *Apprentice Total Package*
To do this, take 60% of the Total Jman package which is \$33.31.
\$33.31 is the Apprentice Total Package
- Next figure the *Base Wage* for a 3rd year Commercial Apprentice
Apprentice Base Wage is figured as 65% of the Apprentice Total Package which would be 65% x \$33.31 = \$21.65
\$21.65 is the Commercial Apprentice Base Wage.

- Next figure the *Apprentice Benefit Package*.
The Apprentice Benefit amount is figured as 35% of the Apprentice Total Package which would $35\% \times \$33.31 = \11.66 .
\$11.66 is your Apprentice Benefit Package

- Next check to see if there is an *Excess Pension/Wage* amount.

To do this, subtract the WECA-IEC Benefits (\$3.75/Health & Welfare, \$2.25/Training, \$1.00/Pension for a 3rd yr Commercial apprentice) from the Apprentice Benefit Package (\$11.66). This leaves a balance of \$4.66.

The Excess Wage/Pension amount (\$4.66) may be added to the apprentice base wage **or** paid to WECA-IEC ATC Pension as Excess Pension.

If paid as base wage the total wage on the apprentice payroll check will be \$26.31 (\$21.65 + \$4.66)

If paid as Excess Pension, the total pension contribution is \$5.66. (\$1.00/pension amount for a 3rd year Commercial apprentice + \$4.66/ Excess Pension amount)

Once calculations are complete it is very important to go back and review the Private Wage Rate and be sure to pay the higher of the two wage rates (Private vs. Davis Bacon).

Program Percentages

Commercial Program:

1st yr = 40% 2nd yr = 50% 3rd yr = 60% 4th yr = 70% 5th yr = 80%

Residential Program:

1st yr/1st Semester = 50%, 1st year/ 2nd Semester = 56%

2nd yr/ 1st Semester = 62%, 2nd yr/ 2nd Semester = 68%

3rd yr/ 1st Semester = 74%, 3rd yr/ 2nd Semester = 80%

VDV Program:

1st yr/1st Semester = 50%, 1st year/ 2nd Semester = 56%

2nd yr/ 1st Semester = 62%, 2nd yr/ 2nd Semester = 68%

3rd yr/ 1st Semester = 74%, 3rd yr/ 2nd Semester = 80%