

PURCHASING POLICY 31

DATE: June 30, 2009

TO: State Agencies Purchasers

FROM: Kent Allin, Director

SUBJECT: Prevailing Wage Certified Payroll Requirements (Minn. Stat. § 177.30 and 177.43)

POLICY OBJECTIVES:

To announce new requirements for contracting agencies and project owner/manager to collect payroll information for each state construction contract or purchase order that is covered by prevailing wage requirements. Contractors and subcontractors shall furnish, via E-mail, a State of Minnesota Prevailing Wage Payroll Report and Statement of Compliance Form. This form is to be furnished no later than 14 days after the end of each pay period. No other payroll forms will be accepted to meet this requirement.

BACKGROUND

State agencies have construction work done using construction contracts or purchase orders. Prevailing wages are the wages required to be paid on state-funded construction projects that meet the statutory thresholds for prevailing wages (see ALP Manual Appendix Q for information on purchasing construction and prevailing wage thresholds). Minnesota's prevailing wage law (Minn. Stat. §177.41 through 177.44) requires that laborers, workers, and mechanics on projects financed in whole or in part by state funds should be paid wages comparable to wages paid for similar work in the community as a whole. "Project" includes erection, construction, remodeling, or repairing of a public building or other public work. This requirement does not apply to wage rates and hours of employment of laborers or mechanics who process or manufacture materials or products or to the delivery of materials or products by or for commercial establishments which have a fixed place of business from which they regularly supply processed or manufactured materials or products. This requirement does apply to laborers or mechanics who deliver mineral aggregate such as sand, gravel, or stone which is incorporated into the work under the contract by depositing the material substantially in place, directly or through spreaders, from the transporting vehicle.

GOAL

All contracting agencies and project owners/managers shall require, and the contractor and subcontractor shall furnish to the contracting entity and the project owners/managers, via E-mail, a State of Minnesota Prevailing Wage Payroll Report and Statement of Compliance Form. These forms are to be furnished no later than 14 days after the end of each pay period.

POLICY

1. The State of Minnesota Prevailing Wage Payroll Report and the Statement of Compliance Form are available on the Office of State Procurement website at www.OSP.admin.state.mn.us/mn02000.htm
2. A state agency that issues a construction contract or a purchase order, Whether against OSP enterprise contracts (m-contracts) or under their ALP authority, for a state-funded construction project that meets statutory thresholds shall create an E-mail address to which the contractors will send the State of Minnesota Prevailing Wage Payroll Report as a Microsoft Excel format attachment and the Statement of Compliance Form as a PDF format attachment. The E-mail address shall be included in the solicitation and/or the contract document or purchase order.
3. The State of Minnesota Prevailing Wage Payroll Report and the Statement of Compliance Form that are submitted shall be maintained by the contracting agency for a minimum of three years after final payment has been made of the project.
4. The solicitation document shall include the following language:

The contractor and subcontractor(s) shall furnish, via E-mail as attachments, a State of Minnesota Prevailing Wage Payroll Report as a Microsoft Excel file and the Statement of Compliance Form as a PDF file to E-mail address: (Note to buyer, insert E-mail address here).

The Subject line on the Contractor's or Subcontractor's E-mail must give their Firm's Name and the Contract or Purchase Order Number.

These forms must be furnished not more than 14 days after the end of each pay period. No other payroll forms will be accepted to meet this requirement.

The State of Minnesota Prevailing Wage Payroll Report and the Statement of Compliance Form are available on the OSP website at www.OSP.admin.state.mn.us/mn02000.htm
5. All of the data provided on the State of Minnesota Prevailing Wage Payroll Report and the Statement of Compliance Form will be public data, which is available to anyone upon request. If you have questions regarding the Prevailing Wage Laws, contact the Department of Labor and Industry at 651.284.5091.