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Region IV

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Upcoming Events

- **Agency Training**— The OLR Web site now includes all training scheduled for agencies and other clients. In Region IV, we do send out invitations, mass Emails and faxes to notify potential participants, but please check the site frequently, as there may be training available in a nearby state. The URL is: <http://www.hud.gov/offices/olr/olrtrainingsem.cfm>
- **Special Training**—If your agency has any urgent need for labor standards training, please contact your HUD Labor Specialist.

Proverbs

Proofread carefully to see if you any words out.

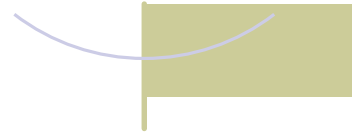
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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Region IV Labor Relations News



Changes to Rules for PHA “Maintenance” Contracts

Believe it or not, HUD is a bureaucracy. No big surprise there! And those of us who work for HUD....well, we have been a little stuck in certain ways of thought about things. (tell you something you don't already know, right?).

For many years, for public housing maintenance wage rates and other HUD-determined prevailing wages, we followed the “Davis-Bacon model” for establishing the procedures and paperwork required to document compliance.

Upon review (finally), we concluded that “Davis-Bacon standards” are in some cases more stringent than they need to be concerning “HUD-determined” wage requirements. Therefore, HUD has established policies and procedures for HUD-determined wage rates *different* from and *less burdensome* than the DOL Davis-Bacon standards for PHAs, TDHEs, tribes and their contractors.

Thus, after thorough review by OLR policy staff, Public Housing staff & other parties, HUD has amended its guidance and HUD Form 5370 to eliminate the requirement for the submission of certified weekly payrolls by contractors performing routine and non-routine maintenance work. The new policy is outlined in **Labor Relations Letter 2004-01** (2004; OK, it's not *that* new is it?).

No—HUD did not eliminate all documentation requirements. We eliminated only the requirements to certify and submit payroll reports.

And this action does not relieve contractors and/or subcontractors of their obligations to create and maintain records demonstrating their compliance with HUD-determined prevailing wage requirements. These records must at a minimum contain for each

laborer and mechanic employed:

- His or her name, address & social security number;
- Correct work classification or classifications;
- Hourly rate or rates of monetary wages paid;
- Rate or rates of any fringe benefits provided;
- Number of daily & weekly hours worked;
- Gross wages earned;
- Any deductions taken; and
- Actual wages paid

A key provision of the policy outlined in LR2004-01 requires that agencies perform compliance monitoring of vendors/contractors performing maintenance work under contract. Monitoring includes conducting employee interviews and performing periodic checks of the documentation identified in the list above. See the Letter for details.



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What We Told You Before....Well, It's Different Now—How to Include FLS Provisions in Contracts

Not so long ago (as late as November 14, 2006, actually), HUD OLR staff would tell you about some very specific and restrictive requirements concerning the incorporation of federal labor standards into construction contracts. For example, in no way could you “incorporate by reference” the labor clauses into a contract. Try it and get a Finding during the next monitoring review.

Hold on to your hats, ‘cause that’s yesterday’s thinking!

While the basic requirement for incorporation remains, the definition of ‘incorporation’ has changed somewhat to provide for a broader application and an easier way to comply.

See **Labor Relations Letter 2006-03**, published Nov 2006. This document identifies several means by which you may incorporate labor clauses into contract documents:

- Incorporation by “hard-copy”. The applicable HUD form and wage decision may be physically bound/attached to the contract (and bid specifications, if applicable) as issued by HUD (HUD forms and HUD wage decisions) or DOL (Davis-Bacon wage decisions).
- Incorporation into other documents. The clauses/text of the applicable HUD form and wage decision

may be incorporated into other documents (e.g., into the program participant’s own forms) that are bound/attached to the contract (and bid specifications, if applicable) or incorporated by reference (see paragraph 3, below). The HUD program participant (e.g., State, local, or tribal agency; owner/developer) is responsible for the accuracy of the content. In all cases, the requirements imposed by the applicable HUD form and wage decision remain in force.

- Incorporation by reference. The applicable HUD form and wage decision, or other documents containing the HUD form clauses/wage decision, may be incorporated into the contract and any bid specifications by reference. The reference must be specific as to the exact form or clauses that are incorporated, and where the form or clauses may be accessed or obtained (e.g., HUDClips, agency web site). Davis-Bacon wage decisions may be incorporated by reference to www.wdol.gov and to the specific number, modification number, and date of the applicable wage decision.

HUD-determined wage decisions are not available at HUD’s web site; however, a public or Indian housing agency may post any applicable HUD-determined wage decision to its own web site and reference that site. Program participants must provide hard-copies of any referenced forms, clauses, and/or wage decisions on request.

HUD has developed forms which contain the contract labor standards provisions required for construction work covered by Davis-Bacon wage rates, and for maintenance work covered by HUD-determined wage rates. These forms are available on-line at HUDClips

(www.hudclips.org/cgi/index.cgi), or in hard copy from HUD’s Customer Service Center at (800) 767-7468.

Who says the government



doesn’t change? It just takes a while.

Bereavements

HUD’s Region IV Office of Labor Relations (OLR) lost two dear members during the summer of 2006: Joseph (“Joe”) Purcell and Ronnie Davenport.



Joseph Vincent Purcell, Jr., August 23, 1949–July 6, 2006.

A talented and entertaining member of the OLR staff, Joe Purcell, came to HUD as a Community Builder in 2000, and served in that capacity until 2002, when he joined the Office of Labor Relations. Joe was a graduate of Vanderbilt University, earning a BA in Social Science from the prestigious George Peabody College. He earned a Masters Degree in Public Administration from the Institute of Government at Tennessee State University.

Joe’s down-to-earth nature, sense of humor, and strong convictions drew people to him. His experiences in the work world ranged from being a Captain in the U.S. Army to Community Organizer/Leadership Trainer, and Management Consultant. Joe also spent many years at the Metropolitan Development and Housing Agency in Nashville, Tennessee. Joe also participated in the annual Stand Down event, which provides veterans in need with housing, food, employment, transportation, clothing, and financial assistance.

We will miss Joe’s interesting perspectives and his wry sense of humor.



Ronnie Hiram Davenport, September 30, 1949–August 14, 2006.

Many in the Union knew Ronnie as the long-time treasurer for Local 1568. As a CPA, he also served as treasurer or financial adviser for charitable and church organizations with which he was involved.

Ronnie was a Labor Relations Specialist in the Office of Labor Relations, a position he held for the last sixteen years. Previously, he served as Financial Analyst for the Community Planning and Development Division. He was also a tax preparer/consultant for several years.







He was a member of the Ebenezer Baptist Church in Atlanta, and served faithfully as a deacon, trustee, a member of the Finance Committee, the Joseph L. Roberts, Jr. Men’s Chorus, the Church Choir, and a member of the Marie Hunter Usher Board.

Ronnie earned an Accounting degree in 1971 from South Carolina State University. He received a Masters Degree in Business Administration in 1974 from Atlanta University. He was a member of Omega Psi Phi Fraternity.

HUD Mission

Increase Homeownership, support community development, and increase access to affordable housing free from discrimination.

HUD Goals

-  Increase Homeownership Opportunities
-  Promote Decent Affordable Housing
-  Strengthen Communities
-  Ensure Equal Opportunity in Housing
-  Embrace High Standards of Ethics, Management, and Accountability
-  Promote Participation of Faith-Based and Community Organizations

Did You Know...

HUD canceled several contractor & subcontractor forms? The eliminated forms include the HUD-1421; HUD-1422; FHA-2482; and the FHA-2482A. Vist <http://www.hud.gov/offices/olr/olrmk9.cfm> to find out more!

HUD has fill-able forms and instructions online? Check it out:

<http://www.hud.gov/offices/olr/olrnew.cfm>



Section 3 and Me (and You)

FYI

Wage Decision Source— The official Web site for obtaining Davis-Bacon wage decisions is <http://www.wdol.gov>.

Agency “LRO”— Please be sure to designate a staff person or persons to be responsible for the enforcement of prevailing wage requirements (including, for housing authorities, HUD-determined prevailing wage requirements). This is what we call the agency’s “Labor Relations Officer.”

This primary contact is the person you should identify on Semi-Annual Enforcement Reports under “Agency Contact Person.” Generally, the contact person should bear primary responsibility for the management and enforcement of federal labor standards for the agency.

Under the leadership of Regional Director Bob Young, the Office of Field Policy and Management in Atlanta named Mrs. Teresa Chappell the Section 3 Coordinator for Region IV.

The purpose of Section 3 of the Housing and Urban Development Act of 1968 is to ensure employment, training, contracting and other economic development opportunities for low-income persons when federal dollars are expended. Federal law requires that “to the greatest extent feasible” at least 30% of all new hires should be Section 3 Residents. Section 3 helps low-income residents gain the training, education and jobs needed to become self-sufficient.

HUD grant agreements and contracts require recipients to

comply with the Section 3 requirements, which apply to the entire project or activity regardless of whether it is fully or partially funded by HUD.

The Office of Field Policy and Management has assumed a greater role concerning Section 3 by committing staff and other resources to perform outreach and technical assistance. In this new role, HUD field office management staff expect to work with each relevant program area to assist the Office of Fair Housing and Equal Opportunity expand awareness of and compliance with Section 3.

On December 12, 2006, Atlanta took the first step by conducting mandatory training for FPM and OLR staff in Region IV. OLR training staff will incorporate informa-

tion about Section 3 in all workshops and other training activities.

To learn more about HUD and Section 3, contact your Fair Housing and Equal Opportunity representative in your local HUD office, or visit our website at <http://www.hud.gov>.



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Attention/Forward to:

Agency staff responsible for Davis-Bacon & HUD determined prevailing wage enforcement