KERN COMMUNITY COLLEGE DISTRICT AGREEMENT WITH INDEPENDENT CONTRACTOR

This Agreement is entered into by and between the Kern Comm One):	nunity College District, on behalf of (Check
☐ District Office	☐ Bakersfield College
☐ District-Wide	☐ Cerro Coso Community College☐ Porterville College☐
Li District-wide	Li Forterville College
("District"), and, security number/federal identification number, office(s) located at	("Contractor"), identified under social, with its principal place of business /
1. TERM OF AGREEMENT / DATE(S) of SERVICE(S):	
2. <u>SERVICES TO BE PERFORMED</u> : In consideration of the during the Term of Agreement / Date(s) of Service(s), Contrapplicable, provide materials and /or equipment to the Distribelow:	actor agrees to perform services and, if
It is understood and agreed that in the event any additional Contractor, prior to rendering any such tasks, the tasks shall b parties, indicating the specific work to be accomplished, the performance will be completed, and the additional compensatitasks.	e set forth in a writing duly signed by the approximate period of time over which
3. <u>COMPENSATION</u> : In consideration of the Services fully District agrees to pay Contractor a total fee of \$. The District will ue to Contractor within thirty (30) days of 's receipt of a properly completed invoice is that the District will not have any liability mented herein and properly invoiced by
Other Consideration/Notes:	
Office Use Only. To be completed by Initiator-(Required):	
FOAPAL to be used for this expense	

- 4. REPRESENTATIONS AND WARRANTIES: Contractor represents and warrants that Contractor is fully admitted to transact business in the State of California. Contractor possesses the skill, knowledge, expertise, and, as applicable, holds current license(s), certification(s) and/or educational credentials, as required under the laws of the State of California and/or in accordance with District policies and regulations, to fully perform the services hereunder. Contractor represents that he/she/it has read and understands the terms and conditions of this Agreement.
- **5.** <u>NON-EMPLOYEE / INDEPENDENT CONTRACTOR STATUS</u>: During the Term of this Agreement and/or Date(s) of Service(s), Contractor's Services for the District shall be rendered as an Independent

Contractor. This Agreement is not intended, nor shall it be construed so as, to create the relationship of agent, employee, partnership, joint venture or association, or representative of the other for any purpose, or to imply any other relationship whatsoever between Contractor and District, except as set forth herein. Neither party is granted any expressed or implied right or authority by the other party to assume or create any obligation or responsibility on behalf of or in the name of the other party, or to bind the other party in any manner or thing whatsoever. Contractor shall be solely responsible for paying all salaries, wages, benefits and other compensation which the Contractor's employees or consultants, if any, may be entitled to receive in connection with Contractor's Services hereunder, including, without limitation, withholding and paying all applicable payroll taxes and contributions, including federal, state and local income taxes, FICA, FUTA, and state unemployment, workers' compensation and disability insurance. Nothing contained hereunder will confer upon the Contractor any right to continue to render Services to the District, or to become employed by the District. The District and Contractor acknowledge that Contractor's Services hereunder are non-exclusive and Contractor is free to accept other work.

- **6. SB 854 DIR CONTRACTOR REGISTRATION REQUIREMENTS**: If the services hereunder constitutes services to be rendered on a Public Works project ONLY, as defined in the California Public Contract Code, the California Uniform Public Cost Accounting Procedures, the Education Code and/or the Labor Code, please be advised that SB 854 requires verification of contractor and subcontractor's registration with the Department of Industrial Relations ("DIR"). The attached Community College Facility Coalition SB 854 DIR Contractor Registration, DLSE Prevailing Wage Rate Enforcement & Monitoring includes a listing of statutory provisions affected by SB 854, with Code References, descriptions, definitions and proposed sample contract modifications. The following sample forms are also attached for reference:
 - 1) Verification of Contractor and Subcontractors' DIR Registration; and
 - 2) <u>Certification of Certified Payroll Submittal to Labor Commissioner</u>

SB 854 requires that the above forms are to be completed and submitted **ONLY** when services hereunder are to be rendered for projects defined as "PUBLIC WORKS". If the services to be rendered hereunder are NOT part of a PUBLIC WORKS project, then these forms are NOT required.

- 7. <u>INDEMNIFICATION</u>: Contractor agrees to indemnify, defend, and hold harmless, the District (and its officers, employees, trustees, agents, successors and assigns) from and against all claims, suits, expenses (including reasonable attorney's fees), losses, penalties, fines, costs and liability whether in contract, tort or strict liability (including, but not limited to, personal injury, death at any time, and property damage), arising out of or made necessary by Contractor's performance of this Agreement, breach of its terms, negligent acts or omissions, including as may arise resulting from Contractor's failure to make payments to Contractor's employees or consultants, if any, and/or self-employment taxes.
- **8. INSURANCE REQUIREMENTS:** Unless otherwise specifically agreed to in writing in advance of execution of this Agreement, Contractor agrees to obtain, pay for and maintain in effect during the Term of this Agreement and/or Date(s) of Service(s), the following policies of insurance issued by an insurance company rated not less than "A-VI" in A.M. Best's Insurance Rating Guide:
 - (i) Commercial General Liability insurance (including contractual, products and completed operations coverage, bodily injury and property damage liability insurance) with single combined limits of not less than \$1,000,000 per occurrence;
 - (ii) Commercial Automobile Liability insurance for "any auto" with combined single limits of liability of not less than \$1,000,000 per occurrence;
 - (iii) Professional Liability insurance (also known as "Errors and Omissions" insurance) with a limit of liability of not less than \$1,000,000 per occurrence; and
 - (iv) Worker's Compensation and State Disability insurance as required under law.

Each policy shall contain an endorsement naming the Kern Community College District as an additional named insured insofar as this Agreement is concerned, and provide that written notice shall be given to the District at least thirty (30) days prior to cancellation or material change in the form of the policy or reduction in coverage. Prior to rendering Services hereunder, and at Contractor's expense, Contractor shall furnish the District with a Certificate of Insurance evidencing the endorsements required above, and the District shall have the right to inspect the Contractor's original insurance policies upon request. Upon notification of a notice of cancellation, change or reduction in coverage, Contractor shall immediately file with the District a certified copy of the required new or renewal policy and certificates for such policy. Nothing herein concerning minimum insurance requirements shall reduce the Consultant's liabilities or obligations under the indemnification provisions of this Agreement.

9. PROPRIETARY RIGHTS / OWNERSHIP / CONFIDENTIALITY: Contractor acknowledges:

- a. District may disclose to Contractor certain confidential information relating to, without limitation, the District's past, present, and future research, marketing, development, and/or business activities ("Confidential Information"). Except as required by the duties under this Agreement, Contractor agrees that, until such time as the Confidential Information enters the public domain through no fault of Contractor, Contractor will never, directly or indirectly, use, disseminate, disclose, lecture upon, or publish articles concerning any of the Confidential Information disclosed to Contractor by or on behalf of District without the prior written consent of District. Such confidentiality shall survive the termination of this Agreement and will only be relieved by written consent of District.
- c. All work accomplished pursuant to this Agreement will be the sole and exclusive property of District; and in addition to the obligations imposed above, Contractor will deliver all such work to District prior to expiration or termination of this Agreement and/or Contractor's performance hereunder.
- d. Upon expiration of termination of the Agreement and/or Contractor's performance hereunder, Contractor agrees to return to District all copies of Confidential information, all drawings, documents, records, notebooks, disks, tapes, data residing or recorded in electronic media, and all other representations of confidential information, whether prepared by District, Contractor or others.
- e. Contractor agrees that all copyrightable material, inventions, improvements, developments and discoveries conceived, made, discovered or reduced to practice by Contractor solely, or in collaboration with others, during the period of this Agreement (i) relating in any manner to the business, research or development of District that Contractor may be directed to undertake, or (ii) which Contractor may become associated within work or in performing the services hereunder, or (iii) which are developed by Contractor using any supplies, facilities or Confidential Information of District are the sole property of District, and Contractor further agrees to grant to District any and all right, title and interest, of any kind or of all such copyrightable material, inventions, improvements, developments, and discoveries.
- **10. GOVERNING LAW:** This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of California, without regard to its conflict of laws rules, and in accordance to District's policies and regulations, including, but not limited to, Section 3A15 of the District's Board Policy, as follows: ..

"3A15 Claims against the Kern Community College District:

3A15A Any claims against the District for money or damages, which are not governed by any other statutes or regulations expressly relating thereto, shall be presented and acted upon in accordance with Title 1, Division 3.6, Part 3, Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of the California Government Code.

а	3A15B1 gency, or by anothe		blic entities, claims by the state department or
а	3A15B2 nd allowances	Claims for feed	s, salaries or wages, mileage or other expenses
ty	3A15C pes of legal proces		d place for service of claims, lawsuits or other ct is:
		The Office of the 2100 Chester A Bakersfield, Ca (661) 336-5040	alifornia 93301
			nay be terminated by either party with or without notice to the other party addressed as follows:
Name: Address:	ice will be addresse		If to District, notice will be addressed to: Kern Community College District c/o: Thomas J. Burke, CFO 2100 Chester Avenue Bakersfield, CA 93301
by registered U.S. delivered seven (7)	mail and addressed	in accordance oosit into the U.	parties from time to time. Any written notice sent herewith will be deemed to have been made and S. mail. Contractor's obligations hereunder shall
nvalid or unenforce	eable, either in itself rce unless it would b	or as to any par	sion, or covenant of this Agreement is held to be rticular party, the remainder of this Agreement will not inconsistent with the purpose of the Agreement
	I <u>T</u> : Neither party the prior written agr		y rights, or transfer any obligations, under this arties.
			tains the entire agreement of the parties and oral or written, with respect to the subject matter
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3A15B Claims must be presented according to this policy as a prerequisite for filing suit against the District. Claims that are subject to the requirements of this policy include, but are not limited to, the following:

hereof. This Agreement may not be amended, modified, revised or supplemented in any way, except in a writing signed by Contractor and District.

AGREED TO AND ACCEPTED: CONTRACTOR: Signature: Date: Print Name: The following signatures provide authorization for the use of this hiring category. **CAMPUS REPRESENTATIVES:** Initiator (College representative with authority to initiate the request for engagement for services to be rendered hereunder): Signature: Date: Budget Manager (Directors, Deans, etc. with approval authority under \$5,000): Manager (Vice-Presidents, Presidents, etc. with approval authority over \$5,000): Date: _____ Signature: **Campus Director of Administration:** Signature: Date: **Campus Director of Human Resources:** Signature: Date:____ **DISTRICT OFFICE REPRESENTATIVES: Vice Chancellor, Human Resources:** Signature: Abe Ali **Chief Financial Officer, Business Services:**

Thomas J. Burke

Signature:

Date:_____

Community College Facility Coalition

SB 854 DIR Contractor Registration DLSE Prevailing Wage Rate Enforcement & Monitoring West Valley Mission CCD – Mission College November 17, 2014

STATUTE	DRY PROVISIONS AFFECTED BY SB 854
CODE SECTION	DESCRIPTION
Labor Code §1725.5	DIR contractor registration process; registration criteria and implementation of DIR registration requirements
Labor Code §1771.1	DIR registration required to be qualified to: (i) bid public works; (ii) public contract award; or (iii) public contract performance; process for handling "inadvertent error" listing unregistered subcontractor
Labor Code §1771.3	State Public Works Enforcement Fund
Labor Code §1771.4	Call for Bids/contract documents establish DLSE CPR submittal of CPRs Establish PWR monitoring/enforcement
Labor Code §1771.5	DIR CMU provisions deleted
Labor Code §1771.7	DIR CMU PWR enforcement for state-wide bond funded projects eliminated for contracts awarded after January 1, 2012 Contracts for state-wide bond funded projects awarded after January 1, 2012 subject to SB 854 DLSE PWR enforcement/monitoring
Labor Code §1773.3	District notice to DIR of public works contract award. Prior legislation required DIR notice of contract award only for DIR CMU Projects. As amended, notice required for all public works contract award.
Labor Code §1776	Amended to require contractors' CPR submittal to DLSE
Education Code §17250.30 and Education Code §81704	DIR CMU PWR only for design-build awarded before January 1, 2014 Design Build Projects awarded after January 1, 2012 subject to Labor Code §1771.4 CPR submittal to DLSE and DLSE PWR monitoring/enforcement
	Sample DIR Registration Verification Form Sample Contract Provisions

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swong@paig.net

§1720. Public works defined; paid for in whole or in part out of public funds defined; exception for private residential projects; exclusions

(a) As used in this chapter, "public works" means:

- (1) Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by any public utility company pursuant to order of the Public Utilities Commission or other public authority. For purposes of this paragraph, "construction" includes work performed during the design and preconstruction phases of construction, including, but not limited to, inspection and land surveying work. For purposes of this paragraph, "installation" includes, but is not limited to, the assembly and disassembly of freestanding and affixed modular office systems.
- (2) Work done for irrigation, utility, reclamation, and improvement districts, and other districts of this type. "Public work" does not include the operation of the irrigation or drainage system of any irrigation or reclamation district, except as used in Section 1778 relating to retaining wages.
- (3) Street, sewer, or other improvement work done under the direction and supervision or by the authority of any officer or public body of the state, or of any political subdivision or district thereof, whether the political subdivision or district operates under a freeholder's charter or not.
- (4) The laying of carpet done under a building lease-maintenance contract and paid for out of public funds.
- (5) The laying of carpet in a public building done under contract and paid for in whole or in part out of public funds.
- (6) Public transportation demonstration projects authorized pursuant to Section 143 of the Streets and Highways Code.

[§1720 sub-sections (b)-(g) not included]

§1720.3. Public works; hauling refuse from public works site

- (a) For the limited purposes of Article 2 (commencing with Section 1770), "public works" also means the hauling of refuse from a public works site to an outside disposal location, with respect to contracts involving any state agency, including the California State University and the University of California, or any political subdivision of the state.
- (b) For purposes of this section, the "hauling of refuse" includes, but is not limited to, hauling soil, sand, gravel, rocks, concrete, asphalt, excavation materials, and construction debris. The "hauling of refuse" shall not include the hauling of recyclable metals such as copper, steel, and aluminum that have been separated from other materials at the jobsite prior to transportation and that are to be sold at fair market value to a bona fide purchaser.

§1720.6. Public work defined

Effective: January 1, 2012

For the limited purposes of Article 2 (commencing with Section 1770) of this chapter, "public work" also means any construction, alteration, demolition, installation, or repair work done under private contract when the following conditions exist:

- (a) The work is performed in connection with the construction or maintenance of renewable energy generating capacity or energy efficiency improvements
- (b) The work is performed on the property of the state or a political subdivision of the state.
- (c) Either of the following conditions exists:
 - (1) More than 50 percent of the energy generated is purchased or will be purchased by the state or a political subdivision of the state.
 - The energy efficiency improvements are primarily intended to reduce energy costs that would otherwise be incurred by the state or a political subdivision of the state.

§1721. Political subdivision defined

"Political subdivision" includes any county, city, district, public housing authority, or public agency of the state, and assessment or improvement districts.

§1722. Awarding body and body awarding the contract defined

"Awarding body" or "body awarding the contract" means department, board, authority, officer or agent awarding a

contract for public work.

§1722.1. Contractor; subcontractor defined

For the purposes of this chapter, "contractor" and "subcontractor" include a contractor, subcontractor, licensee, officer, agent, or representative thereof, acting in that capacity, when working on public works pursuant to this article and Article 2 (commencing with Section 1770).

§1725.5. Registration of contractors; mandatory registration; qualifications and application; fees; exempt contractors

Effective: June 20, 2014

A contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For the purposes of this section, "contractor" includes a subcontractor as defined by Section 1722.1.

- (a) To qualify for registration under this section, a contractor shall do all of the following:
 - (1) Beginning July 1, 2014, register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of three hundred dollars (\$300) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The annual renewal fee shall be in a uniform amount set by the Director of Industrial Relations, and the initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.
 - (2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:
 - (A) Workers' Compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation Insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.
 - (B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.
 - (C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.
 - (D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.
 - (E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months or since the effective date of the requirements set forth in subdivision (e), whichever is earlier. If a contractor is found to be in violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:
 - (i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.
 - (ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars (\$2,000).
- (b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.
- (c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. If the

failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

- (d) If, after a body awarding a contract accepts the contractor's bid or awards the contract, the work covered by the bid or contract is determined to be a public work to which Section 1771 applies, either as the result of a determination by the director pursuant to Section 1773.5 or a court decision, the requirements of this section shall not apply, subject to the following requirements:
 - (1) The body that awarded the contract failed, in the bid specification or in the contract documents, to identify as a public work that portion of the work that the determination or decision subsequently classifies as a public work.
 - (2) Within 20 days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.
 - (3) The requirements of this section shall apply prospectively only to any subsequent bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2) of this subdivision.
- (e) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work, as defined in this chapter, entered into on or after April 1, 2015.

§1771. Payment of general prevailing rate

Except for public works projects of one thousand dollars (\$1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.

This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work.

§1771.3. State Public Works Enforcement Fund; deposit and distribution of funds; short-term loans to the fund

- (a) The State Public Works Enforcement Fund is hereby created as a special fund in the State Treasury to be available upon appropriation of the Legislature. All registration fees collected pursuant to Section 1725.5 and any other moneys as are designated by statute or order shall be deposited in the fund for the purposes specified in subdivision (b).
- (b) Moneys in the State Public Works Enforcement Fund shall be used only for the following purposes:
 - (1) The reasonable costs of administering the registration of contractors and subcontractors to perform public work pursuant to Section 1725.5.
 - (2) The costs and obligations associated with the administration and enforcement of the requirements of this chapter by the Department of Industrial Relations.
 - (3) The monitoring and enforcement of any requirement of this code by the Labor Commissioner on a public works project or in connection with the performance of public work as defined pursuant to this chapter.
- (c) The annual contractor registration renewal fee specified in subdivision (a) of Section 1725.5, and any adjusted application or renewal fee, shall be set in amounts that are sufficient to support the annual appropriation approved by the Legislature for the State Public Works Enforcement Fund and not result in a fund balance greater than 25 percent of the appropriation. Any yearend balance in the fund greater than 25 percent of the appropriation shall be applied as a credit when determining any fee adjustments for the subsequent fiscal year.
- (d) To provide adequate cashflow for the purposes specified in subdivision (b), the Director of Finance, with the concurrence of the Secretary of the Labor and Workforce Development Agency, may approve a shortterm loan each fiscal year from the Labor and Workforce Development Fund to the State Public Works Enforcement Fund.
 - (1) The maximum amount of the annual loan allowable may be up to, but shall not exceed 50 percent of the appropriation authority of the State Public Works Enforcement Fund in the same year in

which the loan was made.

- (2) For the purposes of this section, a "short-term loan" is a transfer that is made subject to both of the following conditions:
 - (A) Any amount loaned is to be repaid in full during the same fiscal year in which the loan was made, except that repayment may be delayed until a date not more than 30 days after the date of enactment of the annual Budget Act for the subsequent fiscal year.
 - (B) Loans shall be repaid whenever the funds are needed to meet cash expenditure needs in the loaning fund or account.

§1771.4. Additional requirements when bidding and awarding public works contracts Effective: June 20, 2014

- (a) All of the following are applicable to all public works projects that are otherwise subject to the requirements of this chapter:
 - (1) The call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
 - (2) The awarding body shall post or require the prime contractor to post job site notices, as prescribed by regulation.
 - (3) Each contractor and subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner, in the following manner:
 - (A) At least monthly or more frequently if specified in the contract with the awarding body.
 - (B) In a format prescribed by the Labor Commissioner.
 - (4) The department shall undertake those activities it deems necessary to monitor and enforce compliance with prevailing wage requirements.
- (b) The Labor Commissioner may exempt a public works project from compliance with all or part of the requirements of subdivision (a) of this section if either of the following occurs:
 - The awarding body has enforced an approved labor compliance program, as defined in Section 1771.5, on all public works projects under its authority, except those deemed exempt pursuant to subdivision (a) of Section 1771.5, continuously since December 31, 2011.
 - (2) The awarding body has entered into a collective bargaining agreement that binds all contractors performing work on the project and that includes a mechanism for resolving disputes about the payment of wages.

(c)

- (1) The requirements of paragraph (1) of subdivision (a) shall only apply to contracts for public works projects awarded on or after January 1, 2015.
- (2) The requirements of paragraph (3) of subdivision (a) shall only apply to the following projects:
 - (A) Projects that were subject to a requirement to furnish records to the Compliance Monitoring Unit pursuant to Section 16461 of Title 8 of the California Code of Regulations, prior to the effective date of this section.
 - (B) Projects for which the initial contract is awarded on or after April 1, 2015.
 - (C) Any other ongoing project in which the Labor Commissioner directs the contractors or subcontractors on the project to furnish records in accordance with paragraph (3) of subdivision (a).
 - (D) All projects, whether new or ongoing, on or after January 1, 2016.

§1771.7. Awarding body choosing to use funds derived from Kindergarten-University Public Education Facilities Bond Act for public works project; initiating and enforcing labor compliance program Effective: June 20, 2014

(a)

(1) For contracts specified in subdivision (f), an awarding body that chooses to use funds derived from either the Kindergarten-University Public Education Facilities Bond Act of 2002 or the Kindergarten-University Public Education Facilities Bond Act of 2004 for a public works project, shall initiate and enforce, or contract with a third party to initiate and enforce, a labor compliance program, as described in subdivision (b) of Section 1771.5, with respect to that public works project.

- (2) If an awarding body described in paragraph (1) chooses to contract with a third party to initiate and enforce a labor compliance program for a project described in paragraph (1), that third party shall not review the payroll records of its own employees or the employees of its subcontractors, and the awarding body or an independent third party shall review these payroll records for purposes of the labor compliance program.
- (b) This section applies to public works that commence on or after April 1, 2003. For purposes of this subdivision, work performed during the design and preconstruction phases of construction, including, but not limited to, inspection and land surveying work, does not constitute the commencement of a public work.

(c)

(1) For purposes of this section, if any campus of the California State University chooses to use the funds described in subdivision (a), then the "awarding body" is the Chancellor of the California State University. For purposes of this subdivision, if the chancellor is required by subdivision (a) to initiate and enforce, or to contract with a third party to initiate and enforce, a labor compliance program, then in addition to the requirements described in subdivision (b) of Section 1771.5, the

Chancellor of the California State University shall review the payroll records on at least a monthly basis to ensure the awarding body's compliance with the labor compliance program.

For purposes of this subdivision, if an awarding body described in subdivision (a) is the University of California or any campus of that university, and that awarding body is required by subdivision (a) to initiate and enforce, or to contract with a third party to initiate and enforce, a labor compliance program, then in addition to the requirements described in subdivision (b) of Section 1771.5, the payroll records shall be reviewed on at least a monthly basis to ensure the awarding body's compliance with the labor compliance program.

(1) An awarding body described in subdivision (a) shall make a written finding that the awarding body has initiated and enforced, or has contracted with a third party to initiate and enforce, the labor compliance program described in subdivision (a).

(A) If an awarding body described in subdivision (a) is a school district, the governing body of that district shall transmit to the State Allocation Board, in the manner determined by that board, a copy of the finding described in paragraph (1).

(B) The State Allocation Board shall not release the funds described in subdivision (a) to an awarding body that is a school district until the State Allocation Board has received the written finding described in paragraph (1).

(C) If the State Allocation Board conducts a postaward audit procedure with respect to an award of the funds described in subdivision (a) to an awarding body that is a school district, the State Allocation Board shall verify, in the manner determined by that board, that the school district has complied with the requirements of this subdivision.

(3) If an awarding body described in subdivision (a) is a community college district, the Chancellor of the California State University, or the office of the President of the University of California or any campus of the University of California, that awarding body shall transmit, in the manner determined by the Director of Industrial Relations, a copy of the finding described in paragraph (1) to the director of that department, or the director of any successor agency that is responsible for the oversight of employee wage and employee work hours laws.

(e) Because the reasonable costs directly related to monitoring and enforcing compliance with the prevailing wage requirements are necessary oversight activities, integral to the cost of construction of the public works projects, notwithstanding Section 17070.63 of the Education Code, the grant amounts as described in Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1 of the Education Code for the costs of a new construction or modernization project shall include the state's share of the reasonable and directly related costs of the labor compliance program used to monitor and enforce compliance with prevailing wage requirements.

(f) This section shall only apply to contracts awarded prior to January 1, 2012.

Revised February 26, 2015

(d)

(2)

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§1776. Payroll records; retention; inspection; redacted information; agencies entitled to receive nonredacted copies of certified records; noncompliance penalties; rules

Effective: June 20, 2014

- (a) Each contractor and subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:
 - (1) The information contained in the payroll record is true and correct.
 - (2) The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by his or her employees on the public works project.
- (b) The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of the contractor on the following basis:
 - (1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or his or her authorized representative on request.
 - (2) A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the body awarding the contract and the Division of Labor Standards Enforcement of the Department of Industrial Relations.
 - (3) A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or for copies thereof. However, a request by the public shall be made through either the body awarding the contract or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the contractor, subcontractors, and the entity through which the request was made. The public may not be given access to the records at the principal office of the contractor.
- (c) Unless required to be furnished directly to the Labor Commissioner in accordance with paragraph (3) of subdivision (a) of Section 1771.4, the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision (a).
- (d) A contractor or subcontractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested the records within 10 days after receipt of a written request.
- (e) Except as provided in subdivision (f), any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the awarding body or the Division of Labor Standards Enforcement shall be marked or obliterated to prevent disclosure of an individual's name, address, and social security number. The name and address of the contractor awarded the contract or the subcontractor performing the contract shall not be marked or obliterated. Any copy of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley trust fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating contributions to participants shall be marked or obliterated only to prevent disclosure of an individual's full social security number, but shall provide the last four digits of the social security number. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall be marked or obliterated only to prevent disclosure of an individual's social security number.
 - (1) Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to Section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided nonredacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and furnished upon request to the public by an agency included in the Joint Enforcement Strike Force on the Underground Economy or to a law enforcement agency investigating a violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, and social security number.
 - (2) An employer shall not be liable for damages in a civil action for any reasonable act or omission

(f)

taken in good faith in compliance with this subdivision.

- (g) The contractor shall inform the body awarding the contract of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.
- (h) The contractor or subcontractor has 10 days in which to comply subsequent to receipt of a written notice requesting the records enumerated in subdivision (a). In the event that the contractor or subcontractor fails to comply within the 10-day period, he or she shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.
- (i) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section.
- (j) The director shall adopt rules consistent with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code) governing the release of these records, including the establishment of reasonable fees to be charged for reproducing copies of records required by this section.

SB 854 (2014) DIR Registration & CPR Requirements Sample Contract Modifications

Advertisement & Call For Bids Notice

<u>DIR Registration</u>. Each Bidder submitting a proposal to complete the work, labor, materials and/or services ("Work") subject to this procurement must be a Department of Industrial Relations registered contractor pursuant to Labor Code §1725.5 ("DIR Registered Contractor"). A Bidder who is not a DIR Registered Contractor when submitting a proposal for the Work is deemed "not qualified" and the proposal of such a Bidder will be rejected for non-responsiveness. Pursuant to Labor Code §1725.5, all Subcontractors identified in a Bidder's Subcontractors' List shall be DIR Registered Contractors. If awarded the Contract for the Work, at all times during performance of the Work, the Bidder and all Subcontractors, of any tier, shall be DIR Registered Contractors.

<u>Prevailing Wage Rate ("PWR") Monitoring and Enforcement</u>. The Work is subject to payment of PWRs. The Contractor and all Subcontractors of every tier shall pay laborers performing any portion of the Work not less than the PWR established for the labor provided. Pursuant to Labor Code §1771.4(a)(4), PWR monitoring and enforcement shall be by the Department of Industrial Relations.

Instructions For Bidders

Bidder and Subcontractors DIR Registered Contractor Status.

<u>Bidder Status</u>. In addition to other requirements established herein relating to Bidder qualifications, in order to be deemed "qualified" to submit a proposal for the Work, the Bidder must be a DIR Registered Contractor when submitting a proposal. The proposal of a Bidder who is not a DIR Registered Contractor when the proposal is submitted will be rejected for non-responsiveness.

Listed Subcontractors' Status. All Subcontractors identified in a Bidder's Subcontractors' List must be DIR Registered Subcontractors at the time of submittal of the proposal for the Work. The foregoing notwithstanding, a proposal is not subject to rejection for non-responsiveness when the Subcontractors List accompanying the proposal lists any Subcontractor(s) who is/are not DIR Registered Contractors if the listed Subcontractor(s) who are not DIR Registered become DIR Registered prior to the opening of proposals or become DIR Registered within twenty four (24) hours of the opening of proposals pursuant to Labor Code §1771.1(c)(1) or (2). If the Subcontractors List accompanying the proposal lists any Subcontractor(s) who is/are not DIR Registered Contractors and the listed Subcontractor(s) who are not DIR Registered do not become DIR Registered prior to the opening of proposals or become DIR Registered within twenty four (24) hours of the opening of proposals pursuant to Labor Code §1771.1(c)(1) or (2), such proposal is not be subject to rejection for non-responsiveness, provided that if the Bidder submitting the Subcontractors List with non-DIR Registered Subcontractors is awarded the Contract for the Work, the Bidder shall request consent of the District to substitute another Subcontractor for the non-DIR Registered Subcontractor pursuant to Labor Code §1771.1(c)(3), without adjustment of the Contract Price or the Contract Time.

<u>DIR Registration Verification</u>. A form of DIR Registration Verification is included with the Contract Documents. Each Bidder shall submit the completed DIR Registration Verification Form executed by a duly authorized officer or employee of the Bidder with the Bidder's proposal for the Work; failure of a

Bidder to do so will render the proposal non-responsive and rejected. The proposal of a Bidder who does not verify to all matters set forth in the form of DIR Registration Verification will be rejected for non-responsiveness.

Contract Documents Provisions

DIR Registration.

<u>Contractor and Subcontractor Compliance</u>. Strict compliance with DIR Registration requirements pursuant to Labor Code §1725.5 is a material obligation of the Contractor under the Contract Documents. The foregoing includes without limitation, compliance with DIR Registration requirements at all times during performance of the Work by the Contractor and all Subcontractors of any tier. The failure of the Contractor and all Subcontractors of every tier to be DIR Registered at all times during performance of the Work is the Contractor's default of a material obligation of the Contractor under the Contract Documents.

<u>No Subcontractor Performance of Work Without DIR Registration</u>. No portion of the Work is permitted to be performed by a Subcontractor of any tier unless the Subcontractor is a DIR Registered contractor.

<u>Contractor Obligation to Verify Subcontractor DIR Registration Status</u>. An affirmative and ongoing obligation of the Contractor under the Contract Documents is the Contractor's verification that all Subcontractors, of all tiers, are at all times during performance of the Work in full and strict compliance with DIR Registration requirements. The Contractor shall not permit or allow any Subcontractor of any tier to perform any Work without the Contractor's verification that all such Subcontractors are in full and strict compliance with DIR Registration requirements.

Contractor Obligation to Request Substitution of Non-DIR Registered Subcontractor. If any Subcontractor identified in the Contractor's Subcontractors List submitted with the Contractor's proposal for the Work is not DIR Registered at the time of opening of proposals for the Work or if a Subcontractor's DIR Registration lapses prior to or during a Subcontractor's performance of Work, the Contractor shall request the District's consent to substitute the non-DIR Registered Subcontractor pursuant to Labor Code §1771.1(c)(3) and/or Labor Code §1771.1(d).

Certified Payroll Records.

Compliance With Labor Code §§1771.4 and 1776. A material obligation of the Contractor under the Contract Documents is: (i) the Contractor's strict compliance with the requirements pursuant to Labor Code §§ 1771.4 and 1776 for preparation and submittal of Certified Payroll Records ("CPR"); and (ii) the Contractor's enforcement of CPR preparation and submittal for all Subcontractors of every tier.

Express Condition Precedent to Payment of Contract Price. Strict compliance with CPR requirements established pursuant to Labor Code §1776 is an express condition precedent to the District's obligation to: (i) process any request for payment of any portion of the Contract Price; or (ii) to disburse any portion of the Contract Price to the Contractor. The Contractor shall demonstrate strict compliance with CPR preparation and submittal requirements by delivery to the District of electronic files or hard copies of all CPRs submitted by the Contractor and/or Subcontractors for the Work pursuant to Labor Code §§1771.4 and 1776 concurrently with the submittal thereof to the Labor Commissioner. The District: (i) shall not be obligated to process

or disburse any portion of the Contract Price; or (ii) shall not be deemed in default of the District's obligations under the Contract Documents unless the Contractor's demonstrates strict compliance with CPR preparation and submittal requirements.

<u>PWR Monitoring and Enforcement</u>. During the Work and pursuant to Labor Code §1771.4(a)(4), the Department of Industrial Relations shall monitor and enforce the obligation of the Contractor and Subcontractors of every tier to pay laborers performing any portion of the Work the PWR established for the classification of work/labor performed.

VERIFICATION OF CONTRACTOR AND SUBCONTRACTORS' DIR REGISTRATION

I am th	ne of			("Bidder")
	(Title/Position)			(Bidder Name)
submit	tting the accompanying Bid Propo	osal for the Wor	k descri	ribed as AAAA.
1.	The Bidder is currently register	ed as a contract	or with	n the Department of Industrial Relations ("DIR").
2. Registi	The Bidder's DIR Registration fration is June 30, 20	lumber is:		The expiration date of the Bidder's DIR
comple the Bio	ration will occur: (i) prior to ex eting all obligations under the Co	piration of the intract for the V	Contractory, the	ork and the expiration date of the Bidder's DIR act Time for the Work; or (ii) prior to the Bidder he Bidder will take all measures necessary to renew e Bidder's DIR Registration while performing Work
4. duratio	The Bidder, if awarded the Coron of the Work.	ntract for the W	ork will	Il remain a DIR registered contractor for the entire
5. submi	The Bidder has independently tted with the Bid Proposal of the			ubcontractor identified in the Subcontractors List IR registered contractor.
will pr	ntractors' List or within twenty-1	our (24) hours	of the o	er for each subcontractor identified in the Bidder's opening of Bid Proposals for the Work, the Bidder for each subcontractor identified in the Bidder's
prospe	er subcontractors must be DIR re	gistered contra	ctors at	ed notice to prospective subcontractors that: (i) all t all times during performance of the Work; and (ii) nd contract with lower-tier subcontractors who are
8. mislea	If any of the statements here ding, the Bidder's Bid Proposal is			naterial facts rendering a statement to be false or or non-responsiveness.
9.	I have personal first hand-know	vledge of all of t	he fore	egoing.
I decla	re under penalty of perjury unde	r California law	that the	ne foregoing is true and correct.
Execu	ted this day of	, 20	_ at	(City and State)
				(City and State)
(Signatu	m)			
Jagnatu	ie)			
(Name, 1	typed or printed)			

CERTIFICATION OF CERTIFIED PAYROLL SUBMITTAL TO LABOR COMMISSIONER

I am th	e	
	(Superintendent/Project Manager)	(Contractor)
	(Project Name)	This Certification is submitted to XYZ School District
		an Application for Progress Payment to the District, identified as ("the Pay Application").
1.		strict's disbursement of a Progress Payment covering Work, 20, 20
2.	employees of the Contractor engaged requirements for the period of time covers	d Payroll Records ("CPR") to the Labor Commissioner for all d in performance of Work subject to prevailing wage rate ered by the Pay Application. Copies of all CPRs submitted by the elating to the Pay Application are attached hereto.
3.	Application have submitted their CPRs to Work subject to prevailing wage rate	any portion of payment to be disbursed pursuant to the Pay to the Labor Commissioner for all of their employees performing e requirements for the period of time covered by the Pay ed by Subcontractors to the Labor Commissioner relating to the
4.	I have reviewed the Contractor's CPRs so Labor Commissioner by the Contractor a Pay Application.	ubmitted to the Labor Commissioner; the CPRs submitted to the are complete and accurate for the period of time covered by the
5.		Rs submitted to the Labor Commissioner; the CPRs submitted to ontractors are complete and accurate for the period of time
6.		d the Subcontractors' CPRs attached hereto are true and correct abor Commissioner for the period of time covered by the Pay
I decla Certific	re under penalty of perjury under Califor	rnia law that the foregoing is true and correct. I executed this, 20 at (City and State)
		(City and State)
Ву:		
	(Typed or Printed Name)	_

School Name

School Address

Request for Quotation

Date:					
School Contact / Title - R	Requesting Quote:				
Contact E-Mail: Contact Phone: D					
Project Name:	Project Address/L	_ocation:		-	
Quote Due Date:	Quote is good for: (circle one)	30 days	60 days	90 days	120 days
prevailing wages if the t Registration, worker's c If selected, you will be re	e § 1720 et. seq. this work is considered a total project cost is over \$1,000 Proof of compensation and liability insurance is receptured to enter certified payroll reports (rebsite located at: https://apps.dir.ca.gov/e	f a valid Co quired befo electronic	ontractor/S ore work st	pecialty lice arts.	ense, DIR
Quantity	Description/Scope of Work to be Performe	d .		Unit Price	Extended Price
Attach additional sheets i	f necessary	Gra	and Total		
Will Sub-Contractors be u Use page 3, as necessary Please type or print legibly Company Name:	ete Project:	information			
	DIR Registration No.:		7	ax ID:	
Contact Name:	Phone No.:	E-m	ail address:		

School Name

School Address

Request for Quotation (cont.)

DIR Classification(s) of workers t Check all that apply;	o be utilized:			
Asbestos Cement Masons Elevator Mechanic Landscape Maint. Pipe Trades/Plumber Sound/Communications Tile Workers	Bricklayers Drywall Finisher Glazier Operating Engineer Plaster Surveyors	Carpenters Drywall Lath Iron Worker Modular Fur Roofers Teamster	ner Electric Labore Painter Sheetm	r
Classifications and wage rates ca DIR Prevailing Wage Hot Line (4	an be found at: <u>http://www</u> 15) 703-4774	v.dir.ca.gov/oprl/PW	/D/index.htm	
Printed Name:		·	- 	
Signature of Authorized Person:			Date:	
Important Notice: California new law proposal, subject to the requirements of defined in this chapter, unless current to http://www.dir.ca.gov/Public-Works/l Department of Industrial Relations Office Use:	Section 4104 of the Public Co ly registered and qualified to	ontract Code, or engage	in the performance of any contribution to Labor Code Section	ract for public work, as
Recommend for Contract By:				
Print Name:		Initials:	Date:	
Department:				
Budget Code:				
Est. Project Start Date: Est. Project End Date:				
PWC-100 Processing Date:By:				
PWC-100 Data Entry Website:				
**Completion of this form does	not constitute a bindin	g contract to prov	ide work and/or equipme	ent listed above.

Revised February 26, 2015

School Name

School Address

Sub-contractors		Please type or print legibly
Company Name:		
Company Address:		
Contractor's Lic. No.:	DIR Registration No.:	Tax ID:
Contact Name:		E-mail address:
DIR Classification(s) of worke Check all that apply;	ers to be utilized:	
Asbestos Cement Masons Elevator Mechanic Landscape Maint. Pipe Trades/Plumber Sound/Communications Tile Workers	Bricklayers Drywall Finisher Glazier Operating Engineer Plaster Surveyors	Carpenters Carpet/Linoleum Drywall Lather Electrician Iron Worker Laborer Modular Furn. Installer Painter Roofers Sheetmetal/HVAC Teamster Telecom Technician
Company Name:		
Company Address:		
Contractor's Lic. No.:	DIR Registration No.:	Tax ID:
Contact Name:		E-mail address:
DIR Classification(s) of worke Check all that apply;		
Asbestos Cement Masons Elevator Mechanic Landscape Maint. Pipe Trades/Plumber Sound/Communications Tile Workers	Bricklayers Drywall Finisher Glazier Operating Engineer Plaster Surveyors	Carpenters Carpet/Linoleum Drywall Lather Electrician Iron Worker Laborer Modular Furn. Installer Roofers Sheetmetal/HVAC Teamster Tarpet/Linoleum Electrician Laborer Painter Sheetmetal/HVAC Telecom Technician

[Place on letterhead]

[Date]

[Contact Name, Title Contractor Name Address City, CA ######]

Dear [Contractor Name]:

Our records indicate that your company has provided services to the [School District Name] (District. This letter is a courtesy reminder to you that provision of such services on or after March 1, 2015 may require your company to comply with the contractor registration and prevailing wage monitoring requirements under Senate Bill 854.

The provisions of Senate Bill 854 and other applicable laws contain certain requirements, including contractor registration with, and electronic reporting of prevailing wage information to, the California Department of Industrial Relations (DIR) for all public works over \$1,000. Public works are defined in Labor Code section 1720 and other applicable laws, and include construction, alteration, demolition, installation, or repair work done under contract and paid for with public funds.

Each contractor and subcontractor working on public works that are over \$1,000 is required to:

- 1. Register with DIR and pay an annual fee of \$300 (current fee).
- 2. Submit electronic certified payroll records to DIR.
- 3. Post job site notices as required by statute and regulation.

You can find additional information on the requirements at the DIR website: http://www.dir.ca.gov/Public-Works.html. The DIR also is hosting a webinar on the contractor registration process on January 27, 2015. Additional webinar information and registration can be found at: http://www.dir.ca.gov/Public-Works/SB 854 Webinar Announcement.pdf.

Unless otherwise permitted by applicable laws, the District will accept, starting on March 1, 2015, bids for public works over \$1,000 only from contractors registered with DIR and will enter into, starting on April 1, 2015, contracts for public works over \$1,000 only with registered contractors. Unless otherwise permitted by applicable laws, only subcontractors registered with DIR are to be: (1) listed on any bid for public works over \$1,000 that is submitted, on or after March 1, 2015, to the District; or (2) listed to perform public works over \$1,000 under a contract that is entered into, on or after April 1, 2015, with the District.

We hope that your company will comply with the new requirements in order to be eligible to provide services to the District. Compliance with the new requirements does not guarantee that your company will be considered for or awarded a contract with the District.

Thank you for your services to the District. If you have any questions, please contact me at (###) ###-####.

Sincerely,

