

## Things to Check before Submitting a Payroll:

Payroll reports must be submitted weekly!

The prime Contractor shall review all payrolls for completeness and for compliance with requirements, prior to submission to AHFA.

The prime Contractor is responsible for submission of payrolls by all subcontractors.

### PAYROLLS:

1. Payrolls must be numbered sequentially. (The word "Initial" must appear on payroll #1 and the word "Final" must appear on the last payroll)
2. Payroll beginning and ending dates must be 7 days long. (Beginning and ending on the same days of the week as prior payrolls)
3. The first payroll on which each employee appears shall include the employee's name and an individually identifying number, usually the last 4 digits of the employee's SSN. Afterward, the identifying number does not need to be reported unless it is necessary to distinguish between employees, e.g., if two employees have the same name
4. ST is Straight Time (40 hours or less worked per week)
5. OT is Over Time (Over 40 hours worked per week)
6. Specify types of "Other Deductions". (If the employee has deductions that are not part of the required withholdings, please have that employee sign the "Other" deductions statement form and include the form with that payroll)
7. Make sure to enter day and dates and report ending dates in the proper boxes.

### STATEMENT OF COMPLIANCE:

1. Must be dated correctly. (Corresponding with the 7 day week beginning and ending dates)
2. Must have the ORIGINAL SIGNATURE (in **ink**) of the person authorized to sign the payrolls each week.
3. Be sure to list all the deductions subtracted from the employee's wages.

(Exhibit #17)

## PERMISSIBLE PAYROLL DEDUCTIONS

The following payroll deductions may be made without completing Exhibit #18

1. Any deduction made in compliance with the requirements of Federal, State or local law.

Examples: Federal withholding taxes  
State withholding taxes  
Federal Social Security taxes

2. Any deduction of sums previously paid to the employee as a bona fide prepayment of wages when prepayment is made without discount or interest.

Example: A "bona fide prepayment of wages" is considered to have been made only when cash or its equivalent has been advanced to the person employed in such manner as to give him complete freedom of disposition of advanced funds.

3. Any deduction of amounts required by court process (garnishment) to be paid to another, unless the deduction is in favor of...

- The Contractor
- The subcontractor
- Any affiliated person
- **OR** When collusion or collaboration exists

4. Any deduction constituting a contribution on behalf of the person employed to funds established by the employer, or representatives of the employer, or both for the purpose of providing (from principal, or income, or both)...

- Medical or hospital care
- Pensions or annuities on retirement
- Death benefits
- Compensation for injuries, illness, accidents, sickness, or disability
- **OR** For insurance for any of the foregoing

## **PAYROLL AND WORKER INFORMATION**

Any laborer using tools to perform work in a specific trade must be paid not less than the journeyman's wage rate as indicated on the wage determination. A good rule of thumb...Do not allow laborers to utilize the tools of a trade unless they are paid for the time in which they use such tools (Split Classification).

A laborer may pour concrete, dig holes and trenches, rake asphalt, carry materials, hand the tools to a journeyman, use brooms, shovels and rakes to clean.

Laborers are not permitted to use any of the following tools:

<b>Air Tools</b>	<b>Cutting Knives</b>	<b>Floor Rollers</b>	<b>Hammers</b>
<b>Hand Saws</b>	<b>Knee Kickers</b>	<b>Levels</b>	<b>Pliers</b>
<b>Power Saws</b>	<b>Power Tools</b>	<b>Putty Knives</b>	<b>Screw Drivers</b>
<b>Snips</b>	<b>Tape Measures</b>	<b>Trowels</b>	<b>Wirecutters</b>
<b>Wrenches</b>			

If a laborer is observed performing such work with tools listed above and/or other tools not allowed, the contractor and/or subcontractor will be required to pay back wages for the total number of hours worked on the job site.