

Prevailing Wage – Paper Wage and Hour Survey Instructions

Introduction

Prevailing Wage rates in Washington State are established with two different methods. First the Department of Labor & Industries (L&I) adopts the prevailing wage rates that unions and employers establish in collective bargaining agreements (CBAs), made up of the hourly wage, benefits and overtime for a trade and occupation.

L&I will survey trades and occupations for which there are no CBAs in a county. L&I also uses surveys to establish prevailing wage rates for residential construction trades, (whether or not a CBA exists for residential construction.) During a survey L&I invites contractors and employers to report hours worked and wages paid to employees who performed work for a particular trade, such as carpenters, electricians and laborers. We request the hourly wage and benefits to be reported for all hours worked during the survey period.

The following instructions will help you submit a survey using a paper Wage Survey. A method to submit your survey online is also available at the following web page: <u>lni.wa.gov/PWSurvey</u>.

Explanation of trades and job classifications

At the <u>survey web page</u> you will find scope of work descriptions for each trade being surveyed. You will also find a list of job classifications (or categories) specific to the trade. Be sure to review the scope of work description and job classification before filling out your survey.

Wage rates established for each county

L&I is required to gather all hours worked in each county separately. When the results are calculated, separate rates will be published for each county.

Inside or outside the largest city

The hours worked **inside the largest city** must be gathered separately from the hours worked **outside the largest city** for each county where work was performed. Please refer to the list below to find the largest city in each of Washington State's counties.

Washington Counties and Largest Cities					
County	Largest City	County	Largest City	County	Largest City
Adams	Othello	Grays Harbor	Aberdeen	Pierce	Tacoma
Asotin	Clarkston	Island	Oak Harbor	San Juan	Friday Harbor
Benton	Kennewick	Jefferson	Port Townsend	Skagit	Mount Vernon
Chelan	Wenatchee	King	Seattle	Skamania	Stevenson
Clallam	Port Angeles	Kitsap	Bremerton	Snohomish	Everett
Clark	Vancouver	Kittitas	Ellensburg	Spokane	Spokane
Columbia	Dayton	Klickitat	Goldendale	Stevens	Colville
Cowlitz	Longview	Lewis	Centralia	Thurston	Olympia
Douglas	East Wenatchee	Lincoln	Davenport	Wahkiakum	Cathlamet
Ferry	Republic	Mason	Shelton	Walla Walla	Walla Walla
Franklin	Pasco	Okanogan	Omak	Whatcom	Bellingham
Garfield	Pomeroy	Pacific	Raymond	Whitman	Pullman
Grant	Moses Lake	Pend Oreille	Newport	Yakima	Yakima

Participation and Privacy

Participation in surveys is voluntary. Information provided may be made available for public review if requested. L&I may contact you to ask for clarification if it appears your survey data contains an error.

Employers and labor unions are invited to participate

L&I identifies companies who likely employed workers in the trade being surveyed and mails these companies a letter to request the company file a survey. If your company did not receive a survey letter, but you performed the applicable work in Washington State during the survey period, you may still participate in the survey process.

Labor unions are allowed to report data on behalf of signatory contractors. Labor unions and interested parties may also submit survey data on behalf of non-signatory contractors when valid data is found on approved Affidavits of Wages Paid or certified payroll reports. The source documents must be provided to L&I in hard copy or as attachments to emails sent to <u>PWSurvey@lni.wa.gov</u>.

Feedback and assistance

You may contact the Prevailing Wage Program at <u>PWSurvey@lni.wa.gov</u> or 360-902-5337 if you need assistance or to report a problem. Also please feel free to let us know how the system and/or these instructions work. We appreciate your feedback.

Wage and hour data to be included in your survey:

Below are instructions for the type of survey data you may submit. Please read the instructions carefully.

- **Report all hours worked and wages paid** to employees who performed the work described in the scope of work description for the trade being surveyed.
- Report all hours worked, on both public and private projects.
- **Report only hours worked during the survey period.** Survey forms ask employers to report wages and hours worked over a specific period of time. The survey period (or reporting period) can be found on the online survey screens and the paper survey form.
- If employees earned different wages for the same scope of work at various times during the survey period, each rate must be reported on a separate line with the number of hours paid at each of those specific hourly rates.

- Include hours and wages for journey-level workers and supervisors who perform manual labor. This includes lead workers, supervisors (also referred to as "journey-level in charge") or foremen who perform physical work, but only when those hours are spent performing manual or physical labor.
- State all wages in hourly terms. All wages and benefits must be reported as hourly rates. If you paid workers on a salary, or other non-hourly basis, you will need to mathematically calculate the hourly rate. See the final page of this document for examples of how to calculate an hourly rate.
- Report all hours worked in each county separately.
- Separate the hours worked outside the largest city from the hours worked inside the largest city for each county where the work was performed.

Wage and hour data to NOT include in your survey:

Do NOT report hours of work, wages, or benefits paid to or for:

- **Owner/operators.** "Owner/operators" includes (1) sole owners and their spouses, (2) any partner who owns 30% or more interest in the partnership, and (3) a president, vice-president or treasurer of a corporation who owns at least 30% of the corporation.
- Apprentices, helpers or trainees.
- Supervisors who do not perform manual labor.
- **Independent contractors** that may have performed work for you.
- Work falling outside the scope of work description.
- **Payroll deductions** such as worker's comp premiums, unemployment insurance or other mandated payroll deductions.
- Any other benefits or fees required by federal, state or local law.

Instructions for filling out a paper survey form

Visit the following web page <u>www.lni.wa.gov/PWSurvey</u>, where you will find the steps to submit a paper survey. You will find links to download survey forms, links to review the scope of work description for the trades being surveyed, as well as specific instructions for the survey.

How to return a completed survey to L&I

Make sure to sign and date your completed survey form. Then return the survey using one of the following methods:

• Mail the completed survey form to:

Prevailing Wage Program Department of Labor & Industries P.O. Box 44540 Olympia, WA 98504

• **E-mail** completed and signed Survey Forms as imaged or scanned documents to <u>PWSurvey@Lni.wa.gov</u>. Please type "Wage and Hour Survey" in the subject line.

Instructions for filling out columns A – I on the paper survey form

- **Column A Classification of worker:** Report the type (or category) of worker you are reporting hours and wages for on each line that contains a different county and/or different wage and hour information. Visit the <u>survey web page</u> to review the list of job classifications specific to the trade.
- **Column B County where the work was performed:** Indicate the name of the county where the physical work was performed. If you report work performed in more than one county, list each county separately.
- Column C Hourly base wage rate: Report the base hourly wage rate paid to workers. If workers were paid different rates, list them separately. If some hours were worked at a premium rate (overtime or double time) report those hours at their base wage rate, not at the premium rate. You may need to calculate the hourly rate by dividing the total pay for the survey period by the total number of hours worked.
- Column D Hourly rate paid for insurance (medical, dental, vision, life, etc.): The insurance rate includes medical, dental, vision, life insurance, etc. Include employer contributions only. Report the insurance rate in per-hour terms. You may need to calculate the hourly rate by dividing the total contribution for the survey period by the total number of hours worked. See the wage rates calculation example at the end of the instructions.
- **Column E Hourly rate paid to pension or retirement plans:** Report pension or retirement plan contributions in per-hour terms. Include employer contributions only. You may need to calculate the hourly rate by dividing the total contribution for the survey period by the total number of hours worked. See the wage rates calculation examples below.
- Column F Hourly rate paid to apprenticeship programs: Include payments to a benefits trust, plan, or program to pay the costs toward apprenticeship, or other similar training programs. "Apprenticeship" means a program registered with L&I and approved by the Washington State Apprenticeship Training Council. The apprenticeship benefit is often a pre-established hourly contribution paid by the employer.

In some cases, apprenticeship and training programs are funded through a periodic (such as monthly) fee. You may need to calculate the hourly rate by dividing the total contribution for the survey period by the total hours worked (by journey level and apprentice/trainee workers). See the wage rates calculation examples below.

• Column G – Hourly rate paid for Other Benefits (vacation, holiday, etc): Please include your costs for all other benefits. Required benefits under federal, state, or local laws do not count as "other benefits".

For other benefits to be counted, you must have a separate account showing amounts set aside per worker per quarter, or make irrevocable payments to a third party as part of a plan, fund, or program. Benefit plans must:

- a. Be reasonably anticipated to actually provide benefits to workers;
- b. Represent a commitment that can be legally enforced;
- c. Be carried out under a financially responsible plan or program;
- d. Have been communicated in writing to the workers.

See the wage rates calculation examples below.

• Column H – Hours worked inside the county's largest city: Separate the hours worked outside the largest city from the hours worked inside the largest city for each county where the work was performed. (See Largest County/City chart earlier in this document.)

Column I – Hours worked outside the county's largest city: Report the total number of hours worked by all workers at each individual hourly rate outside the largest city within each county where the work was performed.

Examples: Hourly wage calculations.

An employee earned an annual salary of \$35,000 not including benefits, and worked 2000 hours in 2014. The hourly rate paid to the employee would be:

\$35,000	• •	2,000	=	\$17.50
Total Paid	Divided By	Hours Worked	=	Hourly Rate

An employer spent \$11,000 to provide employee X with medical insurance for one year. During that year, employee X worked 1,800 hours. The hourly rate paid by the employer would be:

\$11,000	•	1,800	=	\$6.11
Total Benefits Paid	Divided By	Hours Worked	=	Hourly Rate

Employee X takes two weeks for a vacation equaling 80 hours. Her employer paid her \$500 for those two weeks off. During that year, employee X worked 1,800 hours. The hourly rate paid by the employer would be:

\$ 500	÷	1,800	=	\$0.28
Total Paid	Divided By	Total Hours Worked	=	Hourly Rate

Company X paid \$5,000 to an apprenticeship fund during the survey period. Company X employed three journey level workers and two apprentices who worked a combined 9,000 hours during the survey period. The hourly contribution paid to apprenticeship programs would be:

\$ 5,000	• •	9,000	=	\$0.56
Total Paid	Divided By	Total Hours Worked	=	Hourly Rate