

Prevailing Wage
Labor Compliance Seminar
Prequalification of Contractors for
Awarding Bodies

Public Works
California Labor Commissioner's Office
Department of Industrial Relations-2025

Disclaimer

California Labor Commissioner's Office

The following presentation is intended to summarize relevant portions of existing law in the Labor Code and California Code of Regulations, but those code sections, as interpreted by the courts, will govern actual enforcement. The information contained in this presentation is a general overview of existing law or regulation. Any opinions expressed are solely those of the author/speaker and are not necessarily the official position of the Department of Industrial Relations (DIR), its Director, or any related public entity. The information in this presentation is not intended as legal advice, and does not guarantee any outcome in specific enforcement or coverage proceedings within the jurisdiction of DIR.



Our Goals

- PRE-QUALIFICATION OF CONTRACTORS
- LABOR COMMISSIONER MODEL QUESTIONNAIRE





"Individual commitment to a group effort - that is what makes a team work, a company work, a society work, a civilization work." – Vince Lombardi

Why Pre-Qualify Contractors?



Purpose

- Contractors seeking to BID on Public Works Projects can be Pre-Qualified (PCC 20101)
- Stops Bad Actors BEFORE a contract is awarded and stops repeat violators from continuing to profit from wage theft

IMPORTANCE

Levels the Playing Field for Law Abiding Contractors

Value

- Allows Awarding Bodies to be Proactive
- Contracts are awarded only to Responsible Bidders
- Avoids Awarding Body Citations and Debarment

Labor Commissioner's Model Questionnaire

SCORING WORKSHEET

MODEL INTERVIEW QUESTIONS .

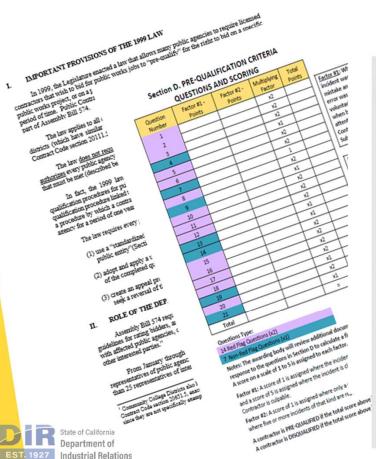
FORTHCOMING PUBLIC WORK BID

REQUEST FOR PRE-QUALIFICATION OF BIDDERS COMMENCING WITH

SOURCES FOR VERIFICATION OF INFORMATION GIVEN BY CONTRACTORS.

ANNOUNCEMENT OF PRE-QUALIFICATION PROCEDURES AND OPEN DATES FOR ANNUAL PRE-QUALIFICATION

EASY AS 1-2-3



INSTRUCTIONS FOR AWARDING BODIES

Contractors who wish to be pre-qualified must submit a completed pre-qualification questionnaire to the awarding body for review. Contractors are required to provide any additional information and/or documentation as instructed on the questionnaire. The Model Pre-qualification Questionnaire can be found on pages 10 to 27.

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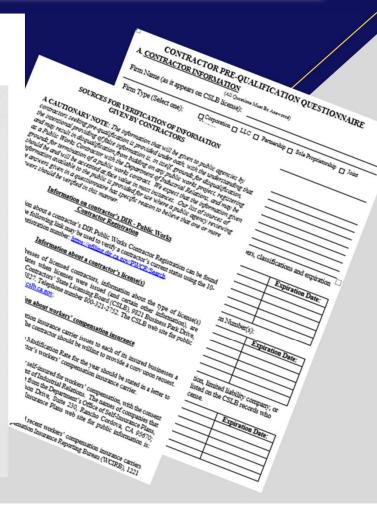
INTRODUCTION AND OVERVIEW OF THE 1999 LAW AND ITS APPLICATION.

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Important Provisions of The 1999 Law. II. Role of the Department of Industrial Relations. III. An Overview of The Documents In This Package. IV. Appeal Procedure... V. Application of The Public Records Act VI. What Are the Law's Provisions Regarding Pre-qualification of Subcontractors. INSTRUCTIONS FOR AWARDING BODIES. MODEL PRE-QUALIFICATION QUESTIONNAIRE A. Contractor Information B. Current Organization and Structure... C. Essential Criteria Questions. D. Pre-qualification Criteria Questions... Prior History Criminal Matters and Civil Suits. Occupational Health and Safety Compliance. Prevailing Wage and Apprenticeship Compliance... E. Project References . F Certification



Labor Commissioner's Model Questionnaire

CONTRACTOR

Completes the Pre-Qualification questionnaire Submits the Pre-Qualification Questionnaire and financial statements Provides any additional information/documentation



AWARDING BODY

Awarding Body reviews the "Essential Criteria"

Contractor is immediately <u>disqualified</u> if:

Any answer to questions 1-6 is "NO"

Any answer to questions 7-13 is "YES"

$\underline{\text{REVIEW}}$

Prequalification Criteria Questions are reviewed located in Section D

Contractor is Pre-Qualified if:

All of the Contractors responses to questions 1-21 are "0"





C. ESSENTIAL CRITERIA OUESTIONS

1. Does your firm possess a valid and current California Contractor's or other professional license as required by law for the project or projects for which it intends to submit a bid?

Yes No

Circle Answer

 Is your firm registered with DIR as a Public Works Contractor for the current fiscal year? Yes No

No

No

No

 Does your firm have a liability insurance policy with a policy limit of at least \$1,000,000 per occurrence and \$2,000,000 aggregate?

Yes

Does your firm have current workers' compensation insurance policy as required by the Labor Code or is your firm legally self-insured pursuant to Labor Code section 3700 et. seq.?

Yes No

5. Have you attached your firm's latest copy of reviewed or audited financial statements with accompanying notes and supplemental information?*

Yes

NOTE: Financial statements that are not either reviewed or audited are not acceptable. A letter verifying availability of a line of credit may also be attached; however, it will be considered as supplemental information only, and is not a substitute for the required financial statements.

Yes

Have you attached a notarized statement from an admitted surety insurer (approved by the California Department of Insurance) authorized to issue bonds in the State of California, which states that: (a) your current bonding capacity is sufficient for the project for which you seek pre-qualification if you are seeking pre-qualification for a single project; or valid for a year if you are seeking pre-qualification valid for a year; and (b) your current available bonding capacity? **

NOTE: Notarized statement must be from the surety company, not an agent or broker.



Important Notes

Be Proactive

• Purpose of pre-qualifying is to make sure bad actors are stopped BEFORE a contract is awarded and repeat violators do not profit from wage theft

Level the Playing Field for Law Abiding Contractors

• Labor Commissioner Model Questionnaire is a complete pre-qualification packet that can be easily adopted and customized to an Awarding Bodies needs AND can be used to enhance whatever system an Awarding Body already has in place

Avoid Awarding Body Citations and Debarment



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Public works in general means:

- . Construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds.
- It can include preconstruction and post-construction activities related to a public works project.

Anyone working on a public works project must be paid prevailing wages as determined by DIR. Projects of \$30,000 or manyone working on a public works project must be paid prevailing wages as determined by DIR. must meet DIR's apprenticeship requirements. Failure to comply with public works requirements can result in civil penalties, criminal prosecution, or both.

DIR Service Portal

for Contractors, Awarding Bodies & Developer Proponents

DIR Support Center for lastest training and FAQs



Resources

- · Awarding Bodies
- Contractors
- · Summary of Skilled and Trained Workforce ("STW") Statutes
- · Frequently Asked Questions on Skilled and Trained Workforce ("STW") Requirements
- · Public Works Pre-Qualification of Contractors
- · Apprenticeship Requirements
- · Enforcement of Public Works Law
- · File a Public Works Complaint
- Labor Compliance Programs
- · Prevailing Wage Requirements
- More Resources

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Have Questions?

Contact Us:

publicworks@dir.ca.gov

Subject Line:

Pre-Qualification of Contractors

QUESTIONS...

1. As an Awarding Body, do you currently have a Pre-Qualification of Contractors system in place?

- a) Yes
- b) No

- 2. What is the benefit of using the Labor Commissioner Model Questionnaire?
- a) It is a complete pre-qualification packet that meets all the requirements of the law.
- b) It can be easily adopted and customized to an awarding body needs.
- c) It can be used to enhance whatever pre-qualification system an awarding body already has in place.
- d) All of the above.



- a) Yes
- b) No

