CERTIFIED PAYROLL
MADE EASY
CERTIFIED PAYROLL DOESN’T HAVE TO BE DIFFICULT!

Whether you’ve done certified payroll reports in the past, or you’re just now considering jobs that require these reports, there’s always a little hesitation that comes with taking on government-funded projects. And it’s easy to see why - the reporting requirements can be daunting!

But these projects are great opportunities for contractors and can prove to be very lucrative. Plus, with the right tools (like construction accounting software) in place, producing these reports can be easy.

WHAT’S INSIDE?
You’ll find everything you need to know about certified payroll in this helpful guide, including:

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2. What makes up a Certified Payroll Report? { page 5 }
3. How to create a Certified Payroll Report. { page 7 }
4. Getting started with construction accounting software. { page 9 }
1. WHAT IS CERTIFIED PAYROLL?
The Davis Bacon Act was passed in order to make the bidding process on government funded jobs fairer and to ensure that skilled local workers were not overlooked in favor of workers who would accept much lower wages.

Any contractor working on a government-funded job must pay their workers according to the predetermined prevailing wage, also known as the Davis Bacon wage. Submitting a Certified Payroll Report on a regular basis serves as proof that you’re compliant with this requirement when it comes to paying your employees. Please note: Most federally-funded projects and many states/localities require some format of this report.

Inability to produce and submit these reports could result in hefty fines and penalties, so it’s important to follow the rules.
2. WHAT MAKES UP A CERTIFIED PAYROLL REPORT?
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GATHERING THE INFORMATION

Certified payroll reports can come in a variety of required formats. Local, state, and federal formats all differ to include the information each respective agency wants in the way they want to see it. Most certified payroll reports, however, will require similar information regardless of format. Here are the common pieces of information that make up a Certified Payroll Report:

- **Employee Information.** An employee's personal information, such as their name, address, and possibly their social security number.

- **Hours.** The hours an employee worked that week and a complete breakdown of the pay rates for those hours.

- **Earnings.** An employee's gross and net earnings for the week.

- **Taxes & Deductions.** An employee's tax withholdings and possibly other deductions for the week.

- **Fringe Benefits.** Any fringe benefits provided to the employee for the week.

Some agencies will require you to take extra steps when it comes to reporting information, such as prorating employee tax deductions and other deductions like garnishments.
3. CREATING A CERTIFIED PAYROLL REPORT.
There are a couple of different ways that you can create a Certified Payroll Report. Here are two methods:

**THE MANUAL METHOD: PUTTING THE PIECES TOGETHER**
Completing a Certified Payroll Report manually isn’t impossible, but it can be time-consuming – especially if you’ve got multiple employees working multiple prevailing wage jobs. You’ll have to compile a lot of information - identifying information about your company, the job you are working on, how many weeks you have been working on the job, the current work week, who worked on the job, their work classification, how many hours they worked, what they were paid, deductions, etc. - and fill out the Certified Payroll Report by hand.

**TIME MANAGEMENT**
The US Department of Labor estimates that it will take 55 minutes to complete their certified payroll format for each job. That is nearly an hour each week... for only one single job!

**THE CONSTRUCTION ACCOUNTING SOFTWARE METHOD: INSTANT REPORTS!**
Certified Payroll Reports don't have to time-consuming – or headache-inducing! There’s an easier way to create a Certified Payroll Report, and it involves construction accounting software!

With a construction-specific payroll service or accounting program, you have the ability to automatically generate certified payroll reports in a matter of seconds. The system simply uses the payroll data you’ve already entered into the system.

When you initially set up the prevailing wage job within the software, simply flag it as prevailing wage. The correct labor wages will then default in and you’ll have all the information you need to complete your certified payroll reports, regardless of format!
4. GETTING STARTED WITH CONSTRUCTION ACCOUNTING SOFTWARE.
The Benefits of Construction Accounting Software

There are plenty of other ways that construction accounting software can save your company time and money when it comes to working prevailing wage jobs:

**Instant Reporting:**
Because your payroll information is stored in the software, you can create Certified Payroll and other reports in a matter of seconds. This frees up the office staff and saves tons of time!

**No Records Required:**
You will no longer have to spend money on paper and storage since you’ll be able to re-run a report for any work week whenever you need it! A good construction accounting software program is date-sensitive and allows you to retroactively pull information from any time in the past!

**Multiple Formats:**
Construction accounting software packages can produce multiple Certified Payroll formats for a variety of agencies, whether they’re local, state, or federal.

Many agencies throughout the country are transitioning to electronic certified payroll reporting. A good construction accounting software will offer both paper and electronic formats and update their provided formats as the requirements change.
SIMPLIFY YOUR CERTIFIED PAYROLL

Now that you’ve learned about certified payroll and how construction accounting software can make it easy, it’s time to let us show you how simple it really is!

See how PAYROLL4CONSTRUCTION.COM does certified payroll. Give us a call at (800) 949-9620 or visit www.payroll4construction.com/reports.
ABOUT PAYROLL4CONSTRUCTION.COM

Payroll4Construction.com is a full service payroll provider just for the construction industry. Through our philosophy of keeping a singular focus on the construction industry, we built our service to automate complex construction payroll and make it easier for contractors.

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