

# **CHAPTER 1**

## **LOS ANGELES UNIFIED SCHOOL DISTRICT**

### **LABOR COMPLIANCE PROGRAM**

#### **General Information**

**C**alifornia Labor Code section 1770 et seq. and Education Code section 17424 require that contractors on public works projects pay their workers based on the prevailing wage rates, which are established and issued by the Department of Industrial Relations, Division of Labor Statistics and Research. Labor Code sections 1720 through 1861 detail the prevailing wage system, explaining who the law protects, what contractors must do to comply with the law, what constitutes the prevailing wage, how it is determined, and how the prevailing wage requirements are enforced.

In February 1985, the Los Angeles Unified School District began administering a program for monitoring the prevailing wage rates paid to construction workers on public works projects throughout the District.

On January 27, 1993, the Director of the Department of Industrial Relations granted the Los Angeles Unified School District initial approval to operate its Labor Compliance Program.

On September 7, 1993, the Board of Education of the Los Angeles Unified School District adopted the Labor Compliance Program.

On December 27, 1996, this Program received final approval from the Department of Industrial Relations.

In establishing this Labor Compliance Program, the District adheres to the statutory requirements as defined in Labor Code section 1771.5(b). Further, it is the intent of the District to actively enforce this Labor Compliance Program wherein the District construction sites are monitored for the payment of prevailing wage rates and wherein those contractors, having workers on District sites, routinely submit Certified Payroll Records demonstrating their compliance with the payment of prevailing wage rates.

# Benefits of a Labor Compliance Program

The Department of Industrial Relations has articulated a number of benefits of a comprehensive Labor Compliance Program. According to the Department of Industrial Relations, such benefits include:

**1. Competitive bidding process integrity**

When a comprehensive Labor Compliance Program is initiated and enforced, it prevents underbidding by contractors, or contractors who utilize subcontractors, and who do not pay prevailing wages. It creates a level playing field for contractors bidding on District construction projects.

**2. Regeneration of funds to the community**

The enforcement of prevailing wage laws offers integrity to the competitive bidding process on District construction projects. The local community contractors have incentive to bid; therefore, the project funds can be regenerated to the community.

**3. Better labor relations**

A strong Labor Compliance Program is a sound approach to the promotion of responsible working conditions. Cooperation and communication among all constituencies interested in school construction offer the best long-term prospects for a sustained, positive labor and management relationship.

**4. Quality construction work**

Payment of prevailing wages to workers employed on public works can attract the most skilled workers and ensure the highest quality of work on all projects.