



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

Welcome ORGANIZATION

**Illinois State Comptroller
Susana A. Mendoza**

Prevailing Wage Presentation

III FFC CLE Seminar

March 31, 2022



Comptroller Susana A. Mendoza

- **Chief financial and accountability officer**
- **Authorized to verify that payments for public works projects are in compliance with the law**
- **Last line of defense for your tax dollars**



A photograph of a group of people at what appears to be a formal signing ceremony. In the foreground, a woman with dark hair, wearing a dark blazer over a white top, is seated at a desk and signing a document. Standing behind her is a woman with short brown hair wearing a white lace top and red pants. Several other men are standing in the background, some in polo shirts and others in jackets. An American flag and a circular seal with the text "AUG 26th 1818" are visible on the wall behind them.

Prevailing Wage Oversight

- Additional oversight needed on public works projects
- Prevents prolonged investigations and lawsuits
- Allows for “claw back” wages



Comptroller's Executive Order 19-01

- Signed on August 13, 2019 subsequent to enactment \$45 billion capital plan
- Creation of Prevailing Wage Portal on website
- Acceptance of inquiries from the public
- Dedicated staff to prevailing wage inquiries
- Halt state payments to a contractor for failure to pay prevailing wage
- Efficient and effective action
- Consistent with Prevailing Wage Act



Notable Results

Grafton Technologies

- Rural broadband grantee in Jerseyville, IL
- Inquiry regarding failure to file certified payrolls
- After review, payments halted
- Payrolls indicated underpayment of over \$60,000
- IDOL investigation
- Grafton cooperated with IDOL's investigation and payment of back wages
- Funds released after Grafton paid up

St. Louis/Southern Illinois

Labor Tribune

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UFCW 655 ▾ EVENTS ▾ PLEASE PATRONIZE

Illinois News ▸ Illinois prevailing wage enforcement restores missing wages for broadband installation workers

10/7/2021

Illinois Correspondent

Illinois prevailing wage enforcement restores missing wages for broadband installation workers

A southwestern Illinois technology company has been forced to pay wages and fines totaling \$70,628 for violating the Illinois Prevailing Wage Act by not paying workers, Illinois Comptroller Susana Mendoza announced last week.

As a result, Mendoza will now release \$537,841 in state payments to Grafton Technologies, of Jerseyville.

Illinois prevailing wage law requires contractors and subcontractors to pay laborers,



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John Penn from LiUNA said:

"I have had the privilege of representing the hard-working women and men of LiUNA for nearly 50 years," said John Penn, Vice President and Midwest Regional Manager of the Laborers International Union. "In that time, I have seen companies use all kinds of schemes to avoid paying their workers what they are owed. There is only one sure way to get that company's attention and that is doing what Comptroller Mendoza did by restricting the flow of money into the company's accounts until they do what's right and follow the law. And for that, we can't thank her enough." —August 26, 2021

Illinois prevailing wage enforcement restores missing wages for broadband installation workers

Illinois prevailing wage enforcement restores missing wages for broadband installation workers

Correspondent

Springfield, IL – A southwestern Illinois technology company has been forced to pay fines and fines totaling \$70,628 for violating the Illinois Prevailing Wage Act by failing to pay its workers, Illinois Comptroller Susana Mendoza announced last week.

Comptroller Mendoza will now release \$537,841 in state payments to Grafton Technology, of Jerseyville.

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Tracking Inquiries

- 89 inquiries to date
- 45 inquiries under active investigation
- Almost \$2M on hold
- 32 contractors under scrutiny
- Increased attention to repeat violators
- Team meetings with local groups to explain this program

St. Louis/Southern Illinois

Labor Tribune

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Local News ▾ Illinois prevailing wage enforcement restores missing wages for broadband installation workers



Illinois prevailing wage enforcement restores missing wages for broadband installation workers

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Illinois Prevailing Wage Act (820 ILCS 130)

- Simple idea - if tax dollars are used on a construction or demolition project, then the workers on that project should be paid well
- No “races to the bottom”
- Level playing field for union signatory contractors
- And makes sure workers are paid what they deserve

Public Works Projects

- Public works projects must pay prevailing wage
- A “public works project” is any project paid for by tax dollars
- Legislature expanded and contracted the definition of “public works” over the years to include or exclude certain projects
- Legislature recently expanded the definition of “public works” to include projects that get certain tax breaks
- Ex: Wind farms and electric vehicle plants

Prevailing Wage

- The wage and benefits that most workers, laborers, mechanics, etc. make in a specific field in a specific area
- Calculated via an annual survey
 - Union rates play a big part in that survey
- Geographically specific
 - County by county, and sometimes even distinguishes regions in a single county
- Field specific
 - Carpenters have a different rate than laborers, foremen have a higher rate, etc.



How To Use Our Prevailing Wage Portal



PREVAILING WAGE INQUIRY

We will share our screen to take you on a tour of our Prevailing Wage Portal. We will show you how to:

- 1) Look up public works contracts
- 2) Submit prevailing wage inquiries
- 3) Help the Comptroller's Office review the information in a prevailing wage inquiry

On April 13, 2019, Comptroller Mendoza signed an Executive Order that reaffirms the Comptroller's commitment to ensure compliance with the Prevailing Wage Act on behalf of Illinois workers.

[CLICK HERE TO VIEW THE COMPTROLLER'S EXECUTIVE ORDER](#)

[CLICK HERE TO SUBMIT A PREVAILING WAGE INQUIRY ONLINE](#)

Taxpayers can now inquire about Prevailing Wage Act contracts that have been reported to our Office. You can search by vendor name, vendor FEIN, or a county. The information returned will include the vendor name, contract amount, original contract amount, original contract terms, county, location, and general description.

[CLICK HERE TO SEARCH FOR STATE CONTRACTS](#)

For more information about how to complete a Prevailing Wage Inquiry form, please call the Comptroller's Office.

Patrick Haynes (312) 814-1276, or (217) 782-6000.

Prevailing Wage Enforcement Officer



Searching For State Public Works Contracts



STATE CONTRACT S

➤ Search by vendor name, FEIN number, and county

➤ FEIN number is best

➤ Contractors do not always have consistent names. We can help!

➤ Real time screen share from our browser

Taxpayers can now inquire about Prevailing Wage Act contracts that have been reported. You can search by a specific vendor name, vendor FEIN, or a county. The information returned will include contract number, original contract amount, original contract terms, county, location, and general contract information.

VENDOR NAME

Enter Vendor Name in whole or in part.

FEIN NUMBER

Enter 9 digit FEIN number of the Vendor.

COUNTY

Select County



VENDOR PAYMENTS



WARRANT INQUIRY
FORM



DIRECT DEPOSIT SIGN
UP



DIRECT DEPOSIT
EXEMPTION INF



Submitting an Inquiry

- **Must make an inquiry**
- **Include contact information for the person filing the inquiry**
- **Include information on the project (the contractor, the violation, supporting documentation, etc.)**
 - Be as specific as possible!
- **Provide FEIN, if possible**
- **Is the contractor prime or sub?**
- **Is the contractor still active? Is the project complete?**
- **Strongly encourage submitting claims to IDOL**
- **Act quickly**
- **Real time screen share from our browser**



PREVAILING WAGE INQUIRY

Please fill out the form below to send your inquiry to the Illinois State Comptroller. Note that you must complete the form to be accepted. Once you submit the form, you will be contacted by an IOC employee and be asked to provide additional information you may have. The information you submit will only be used to assess your inquiry. Carefully review the form before submitting. Information presented is accurate.

* indicates a required field.

Individual Contact Information

First Name *

Last Name *

Title

Address

City

State

Phone *

Email



After Submitting Your Inquiry

- We will:
- Review the information
- Search for any state payments pending to the contractor
- Contact the person who made the inquiry
- Send correspondence to the public body and/or the contractor
- Request source of funds
- Request certified payrolls



Illinois Department of Labor (IDOL)

- IDOL is the primary government entity investigating prevailing wage issues
- File a claim with IDOL
- IDOL determines if a contractor has violated the Prevailing Wage Act
- We halt payments until the IDOL investigation is resolved
- Once IDOL opens an investigation, we notify the public body and contractor
- We strongly encourage cooperation
- We may also review subsequent projects

Illinois Department of Labor - Certified Payrolls

- Contractors must keep and file certified payrolls
- As of January 1, 2022, IDOL includes payrolls online in a searchable database
- <https://www2.illinois.gov/idol/Laws-Rules/CONMED/Pages/certifiedtranscriptofpayroll.aspx>
- We will show you this database on our browser

Illinois Department of Labor - Resolution

- 3 resolutions:
- 1) IDOL finds no violation
- 2) IDOL records a violation and orders the contractor to pay back wages/fine
- 3) IDOL orders contractor to pay back wages/fine, but does not record a violation
- (The distinction between #2 and #3 is important, because if a contractor gets two violations in five years, it may get debarred from any further state contracts.)



Resolution

- If IDOL finds no violation, we release funds
- If IDOL orders payment, we release funds upon confirmation of payment
- Contractor must show us payment to workers



Resolution

- **Pressure on contractors that violate the law**
- **Prevailing Wage Portal prevents prolonged investigation and costs**
- **Financial incentive to resolve the investigation ASAP**
- **Oversight on contractors thwarts bad actors**
- **Public bodies increase oversight on contractors**
- **I'm never afraid to go to the press to call out bad actors!**



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

Any Questions?

PREVAILING

WAGE



Contact My Staff

- **Patrick Haynes, Prevailing Wage Officer: 312-814-0965,
patrick.haynes@illinoiscomptroller.gov**
- **Craig Colbrook, Senior Counsel for Labor: 217-782-2673,
craig.colbrook@illinoiscomptroller.gov**
- **IOC Prevailing Wage Portal:
<https://illinoiscomptroller.gov/vendors/prevailing-wage/>**