



City and County of Denver

201 West Colfax Avenue, Dept. 705 • Denver, Colorado 80202

8500 Pena Boulevard • Denver, Colorado 80202 (DEN)

(P) 720-913-5000

www.denvergov.org/auditor

Timothy M. O'Brien, CPA
Auditor

Common Contractor Mistakes to Avoid

Below are examples of common contractor errors that result in the Prevailing Wage Division rejecting certified payrolls and holding pay applications and/or invoices.

Reasons for Rejecting a Certified Payrolls:

- Using wrong or outdated prevailing wage rates.
- Employees are misclassified on certified payroll(s) for actual work performed.
- "Total Hours All Projects Worked" is not reported on certified payroll.
- Incorrect prevailing wage rates are paid, leading to underpayment(s).
- When prevailing wage rates are less than normal rates of pay for an employee, the employee is paid below his/her normal rate of pay (i.e., pay is decreased to meet prevailing wage rates).
- Overtime is calculated with the wrong base rate applied, leading to an underpayment(s).
- Fringe benefits are being applied that have not been approved by the Prevailing Wage Division or are outdated.
- Apprentices work out of the 1:1 apprentice to journeyman ratio requirement.
- Employees are classified as apprentices but doesn't have a current apprentice certificate or a valid apprentice certificate issued through the U.S. Department of Labor.

Reasons for Rejecting a Pay Application/Invoice:

- Certified payroll(s) has not been submitted by the prime contractor or sub-contractor for period work was performed.
- Rejection notices within LCPtracker have not been addressed by the prime or sub-contractor.
- Certified payroll was selected as "Final" and additional invoices were submitted for the project.
- PreNTP form wasn't provided to the Prevailing Wage Investigator prior to work starting, preventing the Prevailing Wage Investigator to set-up the project in LCPtracker (Specific to Tenant Finish Project).
- Final invoice submitted though not all contractors submitted their "Final" certified payroll in LCPtracker.
- Employee restitution payment(s) have not been made or documentation was not provided to the assigned Prevailing Wage Investigator.

***Additional City and County of Denver Prevailing Wage resources, including Prevailing Wage Overview, Prevailing Wage Clarification of Determinations, Owner-operator Affidavit Form, Contractor Set-up Form, are available at:**