

ENGINEERING DIRECTIVES AND STANDARDS

Volume : III Effective Date :
Chapter : 1 Revision Date : 07/26/1976
Section : 1 Subject : **FRINGE BENEFIT PAYMENTS – WAGE CLASSIFICATION**
Directive : 11

1. **PURPOSE.** The purpose of this directive is to establish a uniform policy of interpretation of fringe benefit payments to applicable wage classifications on both Federal Aid and State projects.
2. **SCOPE.** This directive outlines payments for both union and non-union employees.
3. **PROCEDURE.** If the employee is represented by a labor union, then he shall be paid the basic hourly rate. The applicable fringe benefits shall be paid to the respective benefit fund in compliance with the union's contract.

If the employee is not represented by a labor union, then he shall be paid the basic hourly rate plus the applicable fringe benefits.

It is possible for the contractor to establish a fringe benefit fund (Health and Welfare, Vacations, Apprentice training, etc.) for his employees, but this type of fund must be approved by the U.S. Department of Labor and must meet the applicable requirements of the Davis-Bacon Act.

4. **OTHER ISSUANCES AFFECTED.** All directives, memoranda or instructions issued heretofore in conflict with this directive are hereby rescinded.
5. **EFFECTIVE DATE.** This directive will become effective immediately upon receipt.

LAWRENCE DOUCET
CHIEF CONSTRUCTION ENGINEER