

Rural Capacity Assistance Program

Labor Standards Compliance Training

SESSION 3

Worker Interviews & Record Keeping

Site Visits, Compliant Interview Procedures, and Audit-Ready Documentation

PARTICIPANT HANDOUT

May 6, 2026 | 10:00 – 11:30 AM PT | Microsoft Teams

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About This Handout

This handout supports Session 3 of the Rural Capacity Assistance Program. It is designed as a take-away reference. Each section pairs with a slide in today's deck and corresponds to a segment in the facilitator script. Exhibits A through D, beginning on page 11, are ready-to-use templates.

Learning objectives

- Distinguish federal (HUD/DOL) and state (BOLI) interview requirements and identify which apply to a given project.
- Plan and conduct a compliant on-site worker interview using Form WH-38 and the Oregon BOLI on-site interview record.
- Provide meaningful language access using qualified interpreters and translated materials.
- Build a documentation system that satisfies federal and state retention rules and survives audit review.
- Recognize the most common findings during HUD and BOLI compliance reviews and the controls that prevent them.

Key terms used in this handout

Term	Meaning
Funding Source Administrator	The grantee or subrecipient staff member responsible for labor standards compliance on a funded project.
Funding agreement	The contract between OBDD or HUD and the grantee that triggers prevailing wage requirements.
Site of work	The physical location of construction, alteration, or repair, including secondary sites that exclusively serve the project.
Laborer/mechanic	A worker performing manual labor on the site of work, regardless of skill level. Subject to prevailing wage.
LEP	Limited English Proficient — a person whose primary language is not English and who has limited ability to read, write, speak, or understand English.

1. Federal and State Interview Requirements

1.1 Federal authority and Form WH-38

On federally funded projects, on-site worker interviews are required under the Davis-Bacon Act and its implementing regulations at 29 CFR Parts 1, 3, and 5. HUD-funded projects follow the operational guidance in HUD Handbook 1344.1 Rev-3.

Form WH-38 — the U.S. Department of Labor on-site interview form — is the standard interview instrument. It captures four sets of information:

- Project identification: project name, contract number, contractor and subcontractor, location, date and time.
- Worker identification and classification: name, optional last four of SSN, work classification, and a description of duties actually performed.
- Wages and hours: hourly rate, fringes, hours worked this week and last week, deductions, last paycheck status.
- Signatures: worker (voluntary) and interviewer.

Federal interview frequency

HUD does not prescribe a fixed interview count. The standard is a sufficient sample to verify each contractor on the project and each classification working on the project.

Operating minimum: one interview per contractor per classification per project; more for projects of long duration or with workforce turnover.

1.2 State authority and the BOLI on-site interview record

On Oregon prevailing wage projects, ORS 279C.800–870 establishes the wage requirement and OAR Chapter 839, Division 25 governs administration. The Bureau of Labor and Industries (BOLI) issues its own on-site interview record. It captures the same core information as the WH-38 plus three Oregon-specific items:

- Apprenticeship program registration number (apprentices not registered with the State Apprenticeship and Training Council must be paid the journey-level rate).
- BOLI-prescribed fringe benefit description, separating health and welfare from pension and other bona fide fringes.
- Project notification confirmation — verification that the project was filed with BOLI on Form WH-118 before work began.

1.3 Dual-jurisdiction projects

On a project funded with both federal and state dollars, both Davis-Bacon and ORS 279C apply. The compliance rule is to follow whichever requirement is stricter on each individual point. For interviews, this means using Form WH-38 as the base instrument and appending a one-page Oregon supplement that captures the three BOLI-specific fields. Do not interview the worker twice.

Topic	Federal (HUD/DOL)	Oregon (BOLI)
Threshold for coverage	\$2,000 federally funded construction	\$50,000 public works contract
Primary form	WH-38 (DOL)	BOLI on-site interview record
Frequency	Sufficient sample per contractor and classification	As needed; tied to investigation or random review
Filing/notice	No advance project filing	WH-118 project notification before work begins
Apprentices	Registered with DOL/state agency	Registered with State Apprenticeship and Training Council
Retention (records)	3 years after work completion	3 years (contractor); longer for grantees

2. Site Visits, Scheduling, and Interview Procedure

2.1 Pre-visit checklist

1. Pull the most recent certified payroll and the wage determination; bring printed copies.
2. Confirm scope of work and active classifications with the contractor superintendent.
3. Confirm site safety and PPE requirements; bring your own (hard hat, vest, eye protection, boots).
4. Schedule during active work hours, not break periods.
5. Provide written notification 24–48 hours in advance for routine visits.

2.2 The seven-step interview procedure

6. Introduce yourself, your role, and the funding agency. Show identification.
7. State the purpose in plain language: “I am verifying that you are being paid the correct prevailing wage. This conversation is private and voluntary.”
8. Explain confidentiality. Answers go to the funding agency, not the employer.
9. Confirm voluntary participation. The worker may decline; document the decline.
10. Ask the questions on the form, in order, and write what the worker says.
11. Review the form with the worker; ask if anything should be corrected; request — do not require — a signature.
12. Provide a contact card with funding agency and BOLI contact information.

Privacy is non-negotiable

Federal and state requirements both demand a private interview — out of earshot and out of sight of the contractor and supervisor.

The interviewer must be the grantee, subrecipient, funding agency, or third-party labor compliance contractor. The contractor or its staff may not conduct the interview.

2.3 Red flags to listen for

- Misclassification flag: “I do a little of everything.” Probe duties; compare to certified payroll classification.
- Unfamiliarity flag: worker hesitates on hourly rate or says “ask my boss.”
- Kickback flag: cash side payments; worker paying for tools or transportation that should be employer-provided.
- Hours mismatch flag: hours described do not match certified payroll for the period.
- Turnover flag: worker mentions others not paid or who left the project; trace those names.

3. Language Access and Interpreter Services

Language access on labor standards interviews is required by Title VI of the Civil Rights Act of 1964, HUD's LEP guidance, and Oregon public contracting rules in ORS 279A. "Meaningful access" for limited-English-proficient (LEP) workers is the operating standard.

3.1 Three rules for interpreter use

13. Use a qualified interpreter — proficient in both languages, familiar with labor standards vocabulary, and bound by confidentiality. Telephonic services such as LanguageLine are acceptable for routine interviews.
14. Do not use the contractor or a fellow employee as the interpreter, even informally. The interpreter cannot be in any power relationship with the worker.
15. Document the interpreter on the interview form: name, service, and the language used.

3.2 Translated materials

The participant rights statement (Exhibit B) and the contact card (Exhibit C) are provided in English and Spanish in the program template library. Additional language requests should be routed to the Funding Source Administrator at least seven business days before the planned interview.

Most-encountered LEP languages on rural Oregon projects

Spanish — plan for Spanish access as a baseline.

K'iche' and Mam — in agricultural-worker-heavy areas; arrange in advance.

Russian — in some communities; arrange in advance.

4. Required Documentation Categories

Audit-ready records rest on five pillars. Each pillar corresponds to a clearly named folder in the project file.

Pillar	What goes in it
1. Contract & bidding	Wage determination as published; bid documents that included it; executed contract incorporating the wage determination; modifications.
2. Certified payrolls	WH-347 forms; BOLI WH-38 addendum where applicable; apprenticeship documentation; signed weekly statements of compliance.
3. Interview records	Completed WH-38s and BOLI on-site interview records; site visit logs; signed worker rights statements; interpreter logs.
4. Project actions	Notices to the contractor; requests for information; restitution determinations; back-wage payments; correspondence.
5. Closeout	Final compliance certification; contractor's final payroll; funding agency's closeout letter; final wage determination compliance summary.

4.1 Filing structure

Three valid filing structures exist; choose one and use it consistently for the life of the project.

- Per-contractor (recommended for rural projects): one folder per contractor with sub-folders for payrolls, interviews, and correspondence.
- Per-payroll-period: one folder per pay period across all contractors. Better for very large projects.
- Per-worker: one folder per individual worker. Rarely necessary at the grantee level.

The single most missed document

The wage determination as it existed at the time of bid opening, with the publication date stamped on it. Wage determinations are revised frequently; the SAM.gov copy will not match the bid version two years later. Save the PDF on the day you publish the bid and keep it in the contract folder.

5. Records Retention Periods

When in doubt, retain longer. The defensive standard CCA recommends — six years from project closeout for all labor standards records — satisfies federal, state, audit appeal, and False Claims Act look-back periods.

Record type	Federal rule	State rule (Oregon)	Defensive standard
Certified payrolls	3 yrs after work completion (29 CFR 5.5)	3 yrs (contractor); 6 yrs+ (grantee under public records schedule)	6 yrs from project closeout
Interview forms (WH-38, BOLI)	3 yrs (29 CFR 5.6)	3 yrs minimum; longer for public records	6 yrs from project closeout
Wage determinations & contracts	3 yrs after final expenditure report (2 CFR 200.334)	Permanent for some contract files (per agency schedule)	Permanent in project file
Correspondence & notices	3 yrs	Per public records schedule	6 yrs from project closeout
Closeout documents	3 yrs after final report	Per public records schedule	Permanent in project file

6. Digital vs. Physical Records Strategy

Strategy	Strengths	Weaknesses	Best for
Pure digital	Searchable; geographic resilience; multi-user access	Fragile without consistent file naming, controlled access, off-site backup	Larger grantees with IT support
Pure physical	Durable; signature integrity intuitive	Slow to search; vulnerable to loss with staff turnover	Single-user offices with strong filing discipline
Hybrid (recommended)	Originals scanned to controlled cloud folder; physical originals retained 1 year then destroyed	Requires written destruction policy and a single point of accountability	Most rural cities, counties, and special districts

Minimum standards for digital records

16. Consistent file naming: contractor_payroll-period_document-type.pdf
17. Controlled access: not posted to a public-shared folder.
18. Backup geographically separated from the primary copy.
19. Signature integrity: scanned signatures acceptable; typed names in a Word file are not.

7. Audit Preparation Checklist

HUD typically gives 30 days notice of a labor standards review. Work this checklist when the notice arrives.

20. Confirm audit scope: contracts, pay periods, and contractors covered.
21. Pull the wage determination at bid opening for each covered contract.
22. Pull all certified payrolls; reconcile dollars against the contract amount.
23. Pull all interview records; confirm at least one per contractor per classification.
24. Pull all site visit logs; confirm visit-to-interview ratio is reasonable.
25. Pull the correspondence file; flag any open items.
26. Spot-check three random workers across three random pay periods. For each, trace the wage determination → certified payroll → interview record → payment record.
27. Document the pre-audit review in a memo to file.

7.1 Top ten most common findings

From HUD monitoring reports and BOLI investigations — in rough order of frequency:

28. Missing wage determination as it existed at bid opening.
29. Misclassification, especially laborer vs. operator and laborer vs. skilled trade.
30. Apprentices working without registration documentation.
31. Insufficient interviews — fewer than one per contractor per classification.
32. Interviews conducted in non-private settings.
33. Fringe benefit miscalculation, especially health-and-welfare credit issues.
34. Missing or late certified payrolls.
35. Signatures missing on certified payrolls.
36. Failure to provide language access.
37. Incomplete project closeout files.

Quarterly self-audit

Block 90 minutes at the end of each quarter. Open one project file. Run the four-step trace — wage determination → certified payroll → interview → payment — for one randomly selected worker. Document findings and corrective actions.

Four self-audits per year prevent the surprise findings.

Exhibits

Exhibit A — Pre-Visit Notification Email Template

Subject: Routine labor standards site visit — [Project Name] — [Date]

Dear [Contractor Superintendent name],

This message confirms a routine labor standards site visit at the [Project Name] on [Date] at approximately [Time]. The purpose of the visit is a routine compliance interview under the project's funding agreement.

Attending from [Grantee/Funding Source Administrator]: [Name, Title]. The visit will take approximately [Duration].

Please ensure that workers across the active classifications are available for brief, private interviews of 5 to 15 minutes each. We do not need a list of workers in advance; we will select in the field.

If site safety requires specific PPE or sign-in protocols, please confirm by reply.

Thank you for your cooperation.

[Funding Source Administrator name, title, agency, phone, email]

Exhibit B — Worker Rights Statement

Your rights during this interview

This is a confidential, voluntary conversation about your wages and working conditions. It is unlawful for your employer to fire you, demote you, threaten you, or reduce your hours because you spoke with a labor standards interviewer.

If anything happens to you because of this conversation, contact:

- [Funding Source Administrator] — [phone] — [email]
- Oregon BOLI Wage and Hour Division — 971-673-0844
- U.S. Department of Labor Wage and Hour Division — 1-866-487-9243

You may keep this statement.

(Spanish translation provided in the program template library.)

Exhibit C — Worker Contact Card

Front (English) — wallet-sized card distributed at the close of every interview:

Labor Standards Compliance Contact

Project: [Project Name]

Funding Source Administrator: [Name] — [Phone] — [Email]

Oregon BOLI: 971-673-0844

U.S. DOL Wage and Hour: 1-866-487-9243

Calls are confidential.

Exhibit D — Quarterly Self-Audit Worksheet (one page, ready to print)

Field	Entry
Project name and contract number	
Quarter and year of self-audit	
Reviewer name and title	
Worker selected at random (initials only)	
Pay period selected at random	
Wage determination in file? (Y/N, page reference)	
Worker classification on certified payroll	
Hourly rate paid (per certified payroll)	
Hourly rate required (per wage determination)	
Match? (Y/N — if N, describe)	
Interview record on file for this contractor and classification?	
Interview date	
Discrepancies identified	
Corrective action taken or required	
Date completed and reviewer signature	

References and Technical Assistance

Authority

- Davis-Bacon and Related Acts — 40 USC 3141 et seq.
- 29 CFR Parts 1, 3, and 5 — Davis-Bacon implementing regulations.
- HUD Handbook 1344.1 Rev-3 — Federal Labor Standards Compliance in Housing and Community Development Programs.
- ORS 279C.800–870 — Oregon Prevailing Wage Law.
- OAR Chapter 839, Division 25 — BOLI prevailing wage rules.
- Title VI of the Civil Rights Act of 1964 — Language access for federally funded programs.
- 2 CFR 200.334 — Records retention for federal awards.

Forms

- Form WH-38 — U.S. DOL on-site interview form.
- Form WH-347 — Federal certified payroll.
- BOLI on-site interview record.
- BOLI WH-38 certified payroll addendum.
- BOLI Form WH-118 — Notice of public works project.

Funding context for grantees

Labor standards apply when a project is funded under a federal or state award above the applicable threshold. Common funding sources triggering these requirements on rural Oregon projects include CDBG, HOME, Section 108 loans, USDA Rural Development water and waste programs, and state-funded public works above the \$50,000 ORS 279C threshold.

Technical assistance

Between sessions, technical assistance is available from the program team. Submit questions by email; the program targets a 24-hour response on routine technical assistance and three business days for compliance opinions. Contact information is on the back of your meeting invitation and in the post-session email.

Next session

Session 4 — Enforcement, Restitution, and Project Closeout — Wednesday, June 3, 2026, 10:00–11:30 AM PT, Microsoft Teams (same link).

