

DECISION

**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

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FILE: B-219702**DATE:** January 7, 1986**MATTER OF:** Goal One "M", Inc. - Davis-Bacon Act Debarment -
Settlement Agreement**DIGEST:**

The Department of Labor (DOL) recommended debarment of a contractor for violations of the Davis-Bacon Act constituting a disregard of its obligations to employees under the Act. An agreement was reached in a hearing before an administrative law judge stipulating to the contractor's debarment. Accordingly, where a contractor specifically stipulates to debarment, after being granted due process by DOL in the form of a hearing before an administrative law judge, we accept DOL's finding as evidence of a violation of the Davis-Bacon Act. The contractor is ordered debarred under the Act.

The Deputy Administrator, Employment Standards Administration, United States Department of Labor (DOL), by a letter dated March 23, 1984, recommended that the names Goal One "M", Inc. (Goal), Thomas Paparsenos, individually and as President, and Beatrice Paparsenos, individually and as Vice-President, be placed on the ineligible bidders list for violations of the Davis-Bacon Act, 40 U.S.C. §§ 276a to 276a-5 (1982), which constituted a disregard of obligations to employees under the Act. We concur in DOL's recommendation.

Goal entered into contract numbers N62472-79-C-3703, N62472-78-C-3744 and N62472-78-C-4968 with the Department of the Navy for painting and roof repairs and contract numbers F28609-78-C-0055, F28609-79-C-0039, and F28609-78-C-0053 with the Department of the Air Force for roof repairs. These contracts were subject to the Davis-Bacon Act requirements that certain minimum wages be paid. Further, pursuant to 29 C.F.R. § 5.5(a) (1984), the contractor was to submit payroll records certified as to correctness and completeness, specifying--among other things--rates of pay, hours worked, and wages paid for each worker.

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The DOL found, as a result of an investigation, that employees performing work for Goal under these contracts were not paid the minimum wages required pursuant to the Davis-Bacon Act. Further, DOL found that rates of pay, hours worked, and wages paid as reported on the certified payrolls were falsified. Goal was notified by certified letter--dated February 26, 1982--of the nature and extent of the Davis-Bacon Act violations with which it was charged, and that debarment was possible. Goal was also given an opportunity for a hearing on the matter before an administrative law judge in accordance with 29 C.F.R. §§ 5.6(c) and 5.11(b) (1980 and 1981). A hearing was requested. However, on October 14, 1983, an agreement was reached between DOL, Goal, Thomas Paparsenos, and Beatrice Paparsenos, and approved by an administrative law judge (Goal One "M", Inc., Case No. 83-DB-19, Office of the Administrative Law Judges, United States Department of Labor, October 14, 1983, Stuart A. Levin, A.L.J.), providing for payment to the wage claimants of withheld funds under Navy contract N62472-78-C-4968, and for debarment of Goal, Thomas Paparsenos, and Beatrice Paparsenos under the Davis-Bacon Act.

The Davis-Bacon Act provides that the Comptroller General is to debar persons or firms whom he has found to have disregarded their obligations to employees under the Act. 40 U.S.C. § 276a-2. In this regard, we make independent legal determinations based upon our own evaluation of the evidence in each case. Circular Letter B-3368, March 19, 1957. However, where a contractor specifically stipulates to debarment, after being granted due process by DOL in the form of a hearing before an administrative law judge we accept DOL's findings as evidence of a violation of the Davis-Bacon Act. Malloy Construction Company, B-216861, June 25, 1985, 64 Comp. Gen. _____. Based on the October 14, 1983, agreement we accept DOL's findings that the wage claimants were underpaid and that rates of pay, hours worked, and wages paid as reported on the certified payrolls were falsified. Falsification of payroll records is a basis for debarment under the Davis-Bacon Act. J&B Painting Co., B-217327, June 7, 1985.

Therefore, we find that Goal One "M", Inc., Thomas Paparsenos, individually and as President, and Beatrice Paparsenos, individually and as Vice-President, have disregarded their obligations to employees under the Davis-Bacon Act. We order the names Goal One "M", Inc.,

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Thomas Paparsenos, individually and as President, and Beatrice Paparsenos, individually and as Vice-President, be included on a list to be distributed to all departments of the Government. Pursuant to statutory direction (40 U.S.C. § 276a-2), no contract shall be awarded to them or to any firm, corporation, partnership, or association in which they or any of them, have an interest until 3 years have elapsed from the date of publication of such list.

Further, we order that the funds on deposit with our Office--\$4,968.63--be disbursed to the wage claimants in accordance with established procedures.


Henry R. Wray
Associate General Counsel