



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

Mr. Phillips, JR  
14647

B-199608

August 18, 1980

[Debarment for Violation of Davis-Bacon Act]

Mr. Thomas L. Moore, President  
T.A.M., Inc.  
1312 McCalla Avenue  
Knoxville, Tennessee 37915

Dear Mr. Moore:

Enclosed is a copy of our finding of today that T.A.M., Inc., and its president, Thomas L. Moore, have disregarded obligations to employees within the meaning of the Davis-Bacon Act, 40 U.S.C. § 276a (1976), in the performance as a subcontractor on contract Nos. NAS 10-8938 and NAS 10-8039 at the Kennedy Space Center, Florida.

Pursuant to the provisions of section 3(a) of the act, those names will be included on our next published list of ineligible contractors and no Government contract will be awarded to them or to any firm, corporation, partnership or association in which they have an interest until 3 years have elapsed from the date of publication.

Sincerely yours,

For The Comptroller General  
of the United States

Enclosure

011745



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

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August 18, 1980

FINDING

In the matter of T.A.M., Inc., and its president, Thomas L. Moore.

Section 1(a) of the Davis-Bacon Act of August 30, 1935, 49 Stat. 1011, 40 U.S.C. § 276a (1976), provides in part that--

"The advertised specifications for every contract in excess of \$2,000, to which the United States \* \* \* is a party, for construction, alteration, and/or repair, including painting and decorating, of public buildings or public works of the United States \* \* \* and which requires or involves the employment of mechanics and/or laborers shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics \* \* \* and every contract based upon these specifications shall contain a stipulation that the contractor or his subcontractor shall pay all mechanics and laborers employed directly upon the site of the work, unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account, the full amounts accrued at time of payment, computed at wage rates not less than those stated in the advertised specifications, regardless of any contractual relationship which may be alleged to exist between the contractor or subcontractor and such laborers and mechanics \* \* \*."

Section 3(a) of the act provides that--

"\* \* \* the Comptroller General of the United States is further authorized and is directed to distribute a list to all departments of the Government giving the names of persons or firms whom he has found to have disregarded their obligations to employees

and subcontractors. No contract shall be awarded to the persons or firms appearing on this list or to any firm, corporation, partnership, or association in which such persons or firms have an interest until three years have elapsed from the date of publication of the list containing the names of such persons or firms."

Contract NAS 10-8938, for the rehabilitation of the paved area and bus stand at the Automobile Maintenance Center and Service Facility at the Kennedy Space Center, Florida, and contract NAS 10-8939, for the rehabilitation of the air conditioning and ceiling in the Communications Office Building also at Kennedy Space Center, were awarded to the Small Business Administration (SBA) by the National Aeronautics and Space Administration under the authority of section 8(a) of the Small Business Act, 15 U.S.C. § 637(a). The SBA subcontracted the work to T.A.M., Inc. The subcontracts, in excess of \$2,000, contained the stipulations and provisions required by the Davis-Bacon Act.

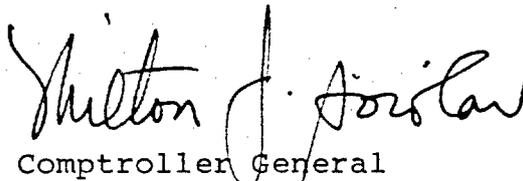
An investigation conducted by the Employment Standards Administration, Wage and Hour Division, United States Department of Labor, disclosed that T.A.M., Inc., having full knowledge of its statutory and contractual responsibilities, did nevertheless disregard these obligations as evidenced by the deliberate payment of subminimum wage rates to persons employed on the subject projects. As a result of this investigation, 18 employees were found to have been underpaid a total of \$7,251.15 in violation of the terms of the Davis-Bacon Act. The record also indicates that Thomas L. Moore, president of T.A.M., Inc., submitted payroll records to the contracting agency containing false information designed to simulate compliance with applicable labor standards requirements.

By letter of September 20, 1977, the Deputy Administrator, Wage and Hour Division, United States Department of Labor, notified T.A.M., Inc., and its president of the nature and extent of the labor standards violations and provided an opportunity to rebut the charges. T.A.M., Inc., and its president exercised all of the appellate rights set forth in the Department of Labor's regulations, ultimately filing an appeal with the Wage Appeals Board. In a decision rendered August 16, 1979, the Board affirmed the decision of the Administrator of the Wage and Hour

Division which recommended imposition of debarment sanctions. On November 28, 1979, the Board dismissed a motion for reconsideration and affirmed the August 16, 1979, decision.

It is clear, particularly in light of the falsified payroll records, that good faith was not shown in complying with the Davis-Bacon Act and contractual provisions.

We, therefore, find that T.A.M., Inc., and its president, Thomas L. Moore, have disregarded "obligations to employees" within the meaning of the Davis-Bacon Act. Accordingly, these names will be included on a list for distribution to all agencies of the Government and, pursuant to the statutory direction, no contract shall be awarded to them or to any firm, corporation, partnership or association in which they have an interest until 3 years have elapsed from the date of publication of such list.



For The Comptroller General  
of the United States



UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

CLAIMS DIVISION

Z-2820342-0

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The Comptroller General

We are forwarding the file pertaining to the apparent violations of the Davis-Bacon Act, 40 U.S.C. 276a, and the Contract Work Hours and Safety Standards Act, 40 U.S.C. 327 et seq., by T.A.M. Inc., which performed work under National Air and Space Administration contract Nos. NAS10-8938 & NAS10-8939 at NASA, Kennedy Space Center, Florida.

Details of the violations and administrative recommendations concerning debarment are contained in the attached investigative report and Department of Labor transmittal letter.

Since there are no funds on deposit for distribution to the aggrieved workers, the matter of whether the contractor's name should be placed on the debarred bidders list for violations under the Davis-Bacon Act is forwarded for your considerations and instructions.

For further information, please contact Glenn Wolcott on extension 53218.

  
Chief, Payment Branch

Recorded  
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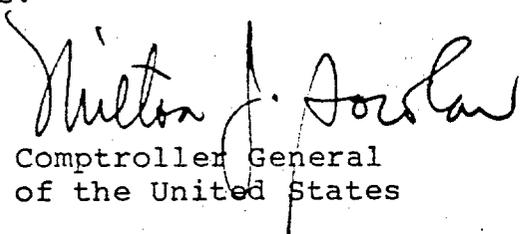
Indorsement

B-199608-O.M.

August 18, 1980

Associate Director, FGMS Division-Claims Group

Returned. T.A.M., Inc., and its president, Thomas L. Moore, are being notified of debarment for violation of the Davis-Bacon Act, 40 U.S.C. § 276a (1976), in accordance with the attached letter and Finding (copies), and these names should be included on the next published list of ineligibles.

  
For The Comptroller General  
of the United States

Attachments - 2