



United States
General Accounting Office
Washington, D.C. 20548

Office of the General Counsel

B-230443

March 31, 1988

Mr. Edward J. Ptasinski
Owner
Penn Argus Associates, Inc.
a/k/a Pegasus Alarm Associates, Inc.
Post Office Box 3359
Scranton, Pennsylvania 18503

Dear Mr. Ptasinski:

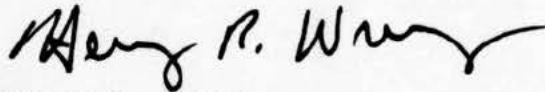
Re: Contract No: DAAC-89-85-C-0160
Installation of Fire Alarm System
Tooele Army Depot
Tooele, Utah
DOL File No.: 86-313-13592

The Administrator, Employment Standards Administration, United States Department of Labor, by letter dated February 18, 1988, recommended to our Office that the names Penn Argus Associates, Inc. a/k/a Pegasus Alarm Associates, Inc., and Edward J. Ptasinski, individually and as its owner and general manager be placed on the ineligible bidders list for violations of the Davis-Bacon Act, 40 U.S.C. §§ 276a to 276a-5 (1982), with respect to the above-referred contract.

We concur with the Administrator's recommendation. The Davis-Bacon Act provides that the Comptroller General is to debar persons and firms whom he finds have disregarded their obligations to their employees under the Act. 40 U.S.C. § 276a-2. Our review of the record in this case confirms that there were substantial violations which constitute a disregard of obligations to your employees with respect to minimum wage provisions of the Act. Accordingly, your name individually and as owner and general manager and that of Penn Argus Associates, Inc., a/k/a Pegasus Alarm Associates, Inc., will be included on a list of ineligible bidders to be distributed to all departments of the government. Pursuant to statutory direction at 40 U.S.C. § 276a-2, no contract shall be awarded to Penn Argus Associates, Inc., or to you, or to any firm, corporation, partnership, or association in which you have an interest until 3 years have elapsed from the date of publication of that list.

When our Claims Group receives the funds which were withheld for the violations, they will be disbursed to the wage claimants in accordance with established procedures.

Sincerely yours,



Henry R. Wray
Associate General Counsel

cc: Paula V. Smith
Administrator
Employment Standards Administration
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, D.C. 20210

Sylvester L. Green, Director
Contract Standards Operations
U.S. Department of Labor
Room S3518
200 Constitution Avenue, NW
Washington, D.C. 20210

Group Director, Claims Group/GGD