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

Office of the General Counsel

B-230355

April 7, 1988

Mr. Ron McCain
President
Ron McCain, Inc.
232 Falls Road
Randle, Washington 98377

Dear Mr. McCain:

Subject: Ron McCain, Inc.

Contract No. 50-05K-4-05441J DOL File No. 87-956-06200

The Assistant Administrator, Employment Standards Administration, United States Department of Labor, by letter dated January 22, 1988, recommended to our Office that Ron McCain, Inc., and Ron McCain, individually and as president of Ron McCain, Inc., 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-referenced contract.

We concur with the Assistant Administrator's recommendation. The Davis-Bacon Act provides that the Comptroller General is to debar persons or firms whom he finds have disregarded their obligations to employees under the Act. 40 U.S.C. § 276-2. Our review of the record confirms that there were substantial violations in this case which constitute a disregard of obligations to employees with respect to the minimum wage provisions of the Davis-Bacon Act.

Accordingly, Ron McCain, Inc., and Ron McCair, as its president, will be included on a list 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 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.

The back wages due the employees of Ron McCain, Inc., under the provisions of the Davis-Bacon Act, totaled \$26,699.20. However, the firm has made restitution of only \$19,703.93 of the amount owed the employees. If further amounts are collected by the Department of Labor and transferred to this Office, those amounts will be disbursed to the wage claimants in accordance with established procedures.

Sincerely yours,

Menry R. Wray

Associate General Counsel

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

Group Director, Claims Group/GGD Claims File No. Z-2865632