



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

Office of the General Counsel

B-226496

May 19, 1987

Mr. Michael D. Carnicle  
President  
Mi-Lu, Inc. a/k/a Maintenance  
Design and Efficiency  
Post Office Box 242  
Garretson, South Dakota 57030

Dear Mr. Carnicle:

Subject: Burger Associates, Inc. - Prime Contractor  
Mi-Lu, Inc. a/k/a Maintenance Design and  
Efficiency - Subcontractor  
Contract No. 576223-C  
DOL File No. NY-83-381

The Assistant Administrator, Employment Standards Administration, United States Department of Labor, by letter dated March 9, 1987, recommended to our Office that the names Mi-Lu, Inc. a/k/a Maintenance Design and Efficiency and Michael D. Carnicle, individually and as its President 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.

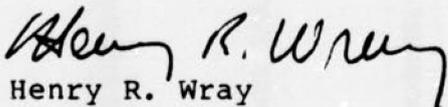
We concur with the Assistant Administrator's recommendation. The Davis-Bacon Act provides that the Comptroller General is to debar persons and firms whom he finds have disregarded their obligations to their employees under the Act. 40 U.S.C. § 276a-2. Our review of the record in this case confirms that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

Accordingly, your name and that of Mi-Lu, Inc. a/k/a Maintenance Design and Efficiency 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 Mi-Lu, Inc. a/k/a Maintenance Design and Efficiency, 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.

The funds on deposit with our Claims Group which were withheld for the violations are being distributed to the wage claimants in accordance with established procedures.

Sincerely yours,



Henry 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