



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

Office of the General Counsel

B-222757

October 2, 1986

Mr. Claud H. Smith
President
Smith Electric Company
3802 Gayle Avenue
San Antonio, Texas 78223

Dear Mr. Smith:

Subject: Smith Electric Company
Contract No. F41800-82-C-0340
DOL File No. V1-TX-83-46

The Assistant Administrator, Employment Standards Administration, United States Department of Labor, by letter dated February 7, 1986, recommended to our Office that Smith Electric Company, Claud H. Smith, President, and Bettie Smith, Secretary-Treasurer, 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. § 276a-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, Smith Electric Company, Claud H. Smith, President, and Bettie Smith, Secretary-Treasurer, 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.

Sincerely yours,

Henry R. Wray

Henry R. Wray
Associate General Counsel

cc: Sylvester L. Green, Director
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Group Director, Claims Group/GGD
with file Z-2864126