Austin

Living Wage Program

Austin City Auditor's Office | October 2026

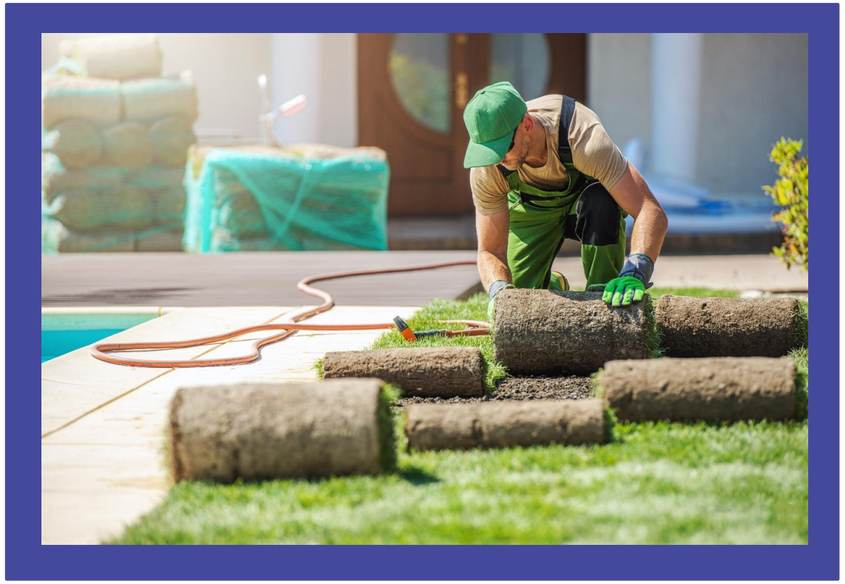
Background

The Living Wage Program establishes a minimum wage for non-construction employees contracting with the City.

Austin Financial Services administers the Program.

Contract managers in departments are responsible for contract monitoring.





Monitoring

Departmental contract managers collect two forms.

Contractor Certification Form



Submitted with contract bid

Employee Certification Form



Collected annually by contract managers

Austin Financial Services



Investigates complaints

Finding 1

Austin’s Living Wage Program monitoring is inconsistent due to insufficient training and guidance.

Monitoring staff did not consistently collect required program documentation.

Contractor Certification Forms



15% of forms were not collected

Employee Certification Forms



46% of forms for sampled employees were not collected

Random Spot Checks



Inconsistently performed

Employee Pay Verification

We obtained payment information for 285 employees.

Only one was not paid the living wage, and AFS reported that they have received back pay.

The City's training and guidance for the Living Wage Program are limited.

Brief mention in annual purchasing refresher training





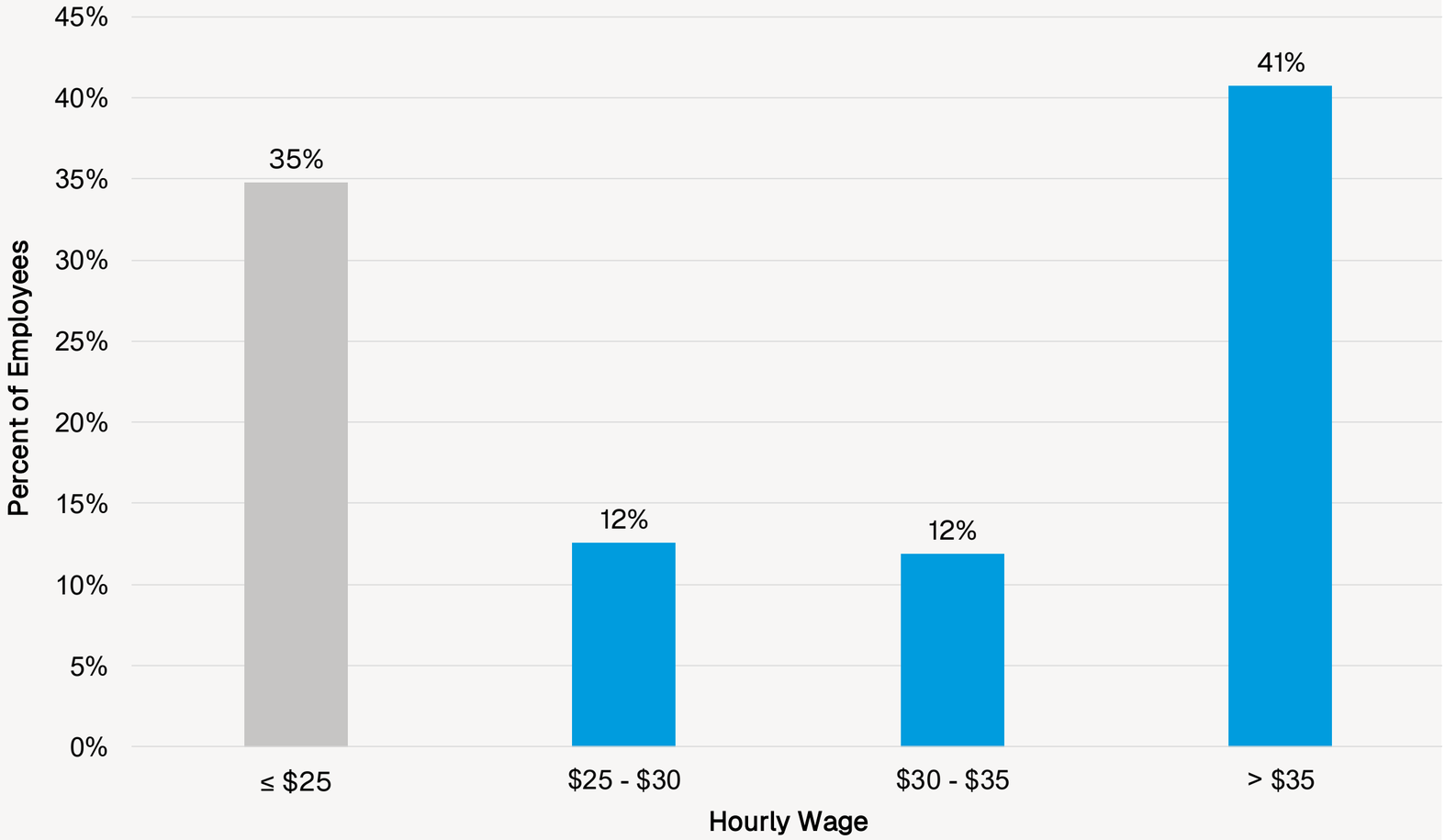
Some staff were unaware of Program requirements

Some Program guidance is unclear



Additional Observation

Austin's monitoring efforts do not focus on employees who earn near the living wage rate.



Recommendation

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Improve training and guidance for City staff responsible for monitoring so they know what the Living Wage requirements are and how to monitor contractor compliance.

Questions