

ALERT

Major SCA Change Coming to GSA Multiple Award Schedules

May 16, 2016

The General Services Administration has started rolling out plans for a major change to how the Service Contract Act is incorporated into Multiple Award Schedules. The change will shift SCA wage determinations (WDs) from being incorporated and administered by GSA at the Schedule level to being incorporated in individual task orders by ordering agencies. GSA has been rolling out these plans on its GSA Interact website, through announcements such as this one for the Professional Services Schedule. The announcements report that GSA plans to make this change in June 2016 during mass refreshes of the affected Schedules. (GSA will make other changes during these refreshes.) Contractors will receive bilateral modifications and will have 90 days to agree to the refresh terms.

The change is significant. At present, GSA Schedules that provide for services incorporate the FAR SCA clause, FAR 52.222-41, and all current SCA WDs (i.e., one for each geographic region). New WD revisions are added to Schedules once per year during mass refreshes. At present, task orders under these Schedules do not incorporate any WDs even when the orders contemplate SCA-covered services. Thus, contractors have been left somewhat on their own to determine how to apply the SCA and particular WDs to individual orders. The forthcoming refreshes will remove WDs from Schedules effective immediately; ordering agencies will be directed to incorporate applicable WDs when issuing new task orders under these Schedules. (FAR 52.222-41 will remain incorporated in the Schedules.) These changes should clarify which Schedule orders are SCA covered and which WDs are incorporated into those covered orders.

Authors

Kevin J. Maynard
Partner
202.719.3143
kmaynard@wiley.law
Craig Smith
Partner
202.719.7297
csmith@wiley.law

Practice Areas

Government Contracts

Contractors with Schedules that include services (both professional and non-professional) should take note of and prepare for these changes in Schedule administration, such as any required changes to price lists at the Schedule level. Contractors should also be prepared to assist their ordering-agency customers with the changes. Contractors should ensure that applicable WDs are incorporated into new task-order awards and new task-order solicitations. Contractors should also ensure that applicable WDs are incorporated into *existing* Schedule task orders and blanket purchase agreements at anniversary dates or other junctures as specified by the FAR and Department of Labor SCA requirements.

To date, GSA has announced the changes for several Schedules beyond the Professional Services Schedule, with a range covering 23V (automotive services), 66 (scientific equipment and services), 67 (photographic services), 75 (office supplies and services), 76 (publication media), 81 (shipping and packaging), and 751 (automobile leasing). Further details should become available as this rollout progresses.