



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET NW
WASHINGTON, D.C. 20314-1000

JUN 07 2011

CECT-P

MEMORANDUM FOR USACE COMMANDS ATTN PRINCIPAL ASSISTANTS RESPONSIBLE FOR CONTRACTING (PARCS), REGIONAL CHIEFS OF CONTRACTING (RCC), CENTER CONTRACTING CHIEFS (CCC), AND DISTRICT CONTRACTING CHIEFS (DCC)

Subject: Procurement Instruction Letter (PIL) 2011-09, Authority to Use Electronic Software for Processing Davis-Bacon Act Certified Payrolls in USACE Construction Contracts

1. References:

- a. FAR Contract Clause 52.222-8, Payrolls and Basic Records.
- b. FAR Contract Clause 52.222-13, Compliance with Davis-Bacon and Related Act Regulations.

2. This PIL is issued to implement guidance to encourage the use of an electronic, commercially available system to process and submit Davis-Bacon certified payrolls to the Government.

3. The Davis-Bacon Act requires contractors performing on federally funded and federally assisted construction contracts to submit weekly payroll statements to the Contracting Officer. Several electronic systems are commercially available and used by construction contractors to process and submit certified payrolls. Use of electronic software to process the weekly Davis-Bacon Act requirements creates greater accuracy and efficiencies in reporting for both the contractor and the government.

4. This PIL applies to all US Army Corps of Engineers organizations preparing and administering contracts subject to the Davis-Bacon Act. The enclosed Special Contract Requirement (SCR), (S-102), shall be included in all solicitations and subsequent contracts subject to Davis-Bacon Act requirements with a value greater than \$5 Million, or a period of performance greater than 1 year. This PIL applies to all new solicitations issued after the date of this PIL. Specification writers shall insert the SCR, (S-102), in Section 00 73 00 of the technical specifications. Specification writers should also consider the use of the SCR, (S-102), in contracts not meeting these contract thresholds.

4. Point of Contact for this PIL is Ms. Robin Baldwin, Chief, Contracting Policy Division, robin.a.baldwin@usace.army.mil, (202) 761-8645.

KIM D. DENVER
Director, National Contracting Organization
U.S Army Corps of Engineers

Encl

CF: USACE Chiefs of Engineering and Construction



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
ACQUISITION LOGISTICS AND TECHNOLOGY
WASHINGTON DC 20310-0103

SAAL-PP

03 MAY 2011

MEMORANDUM FOR HEAD OF THE CONTRACTING ACTIVITY, U.S. ARMY CORPS OF ENGINEERS, 441 G STREET, NW, WASHINGTON, DC 20314-1000

SUBJECT: Request for Approval to Issue Implementing Acquisition Instruction on Federal Acquisition Regulation Part 22 Encouraging the Use of Electronic Software for Processing Davis-Bacon Act Certified Payrolls

1. I have approved the enclosed Acquisition Instruction (AI) and am returning it for your implementation.
2. As detailed in your request, this AI for use by the U.S. Army Corps of Engineers, encourages, but does not mandate contractors to use an electronic system for the processing and submission of Davis Bacon Act certified payrolls. Issuance of this AI should not result in a significant cost or administrative impact on contractors or offerors. Its issuance is only to implement higher-level issuances that have previously undergone the public comment process; therefore, publication in the Federal Register is not required.
3. Please direct any questions regarding this approval to Ms. Simone Jackson at Simone.Jackson@us.army.mil or 703-617-0354 for additional information.

Encl
USACE Acquisition
Instruction


Kee Thompson
Acting Deputy Assistant Secretary
of the Army (Procurement)

Enclosure 1

(S-102) CONTRACTOR SUPPLY and USE OF ELECTRONIC SOFTWARE FOR PROCESSING DAVIS-BACON ACT CERTIFIED LABOR PAYROLLS (April 2011)

The contractor is encouraged to use a commercially-available electronic system to process and submit certified payrolls electronically to the Government. The requirements for preparing, processing and providing certified labor payrolls are established by the Davis-Bacon Act as stated in FAR 52.222-8, PAYROLLS AND BASIC RECORDS and FAR 52.222-13, COMPLIANCE WITH DAVIS-BACON AND RELATED ACT REGULATIONS.

If the contractor elects to use an electronic Davis-Bacon payroll processing system, then the contractor shall be responsible for obtaining and providing for all access, licenses, and other services required to provide for receipt, processing, certifying, electronically transmitting to the Government, and storing weekly payrolls and other data required for the contractor to comply with Davis-Bacon and related Act regulations. When the contractor uses an electronic Davis-Bacon payroll system, the electronic payroll service shall be used by the contractor to prepare, process, and maintain the relevant payrolls and basic records during all work under this construction contract and the electronic payroll service shall be capable of preserving these payrolls and related basic records for the required 3 years after contract completion. If the contractor chooses to use an electronic Davis-Bacon payroll system, then the contractor shall obtain and provide electronic system access to the Government, as required to comply with the Davis-Bacon and related Act regulations over the duration of this construction contract. The access shall include electronic review access by the Government contract administration office to the electronic payroll processing system used by the contractor.

The contractor's provision and use of an electronic payroll processing system shall meet the following basic functional criteria: commercially available; compliant with appropriate Davis Bacon Act payroll provisions in the FAR; able to accommodate the required numbers of employees and subcontractors planned to be employed under the contract; capable of producing an Excel spreadsheet-compatible electronic output of weekly payroll records (format at <http://www.rmssupport.com/guides.aspx>) for export in an Excel spreadsheet to be imported into the contractor's Quality Control System (QCS) version of Resident Management System (RMS), that in turn shall export payroll data to the Government's Resident Management System (RMS); demonstrated security of data and data entry rights; ability to produce contractor-certified electronic versions of weekly payroll data; ability to identify erroneous entries and track the data/time of all versions of the certified Davis Bacon payrolls submitted to the government over the life of the contract; capable of generating a durable record copy, that is, a CD or DVD and PDF file record of data from the system database at end of the contract closeout. This durable record copy of data from the electronic Davis-Bacon payroll processing system shall be provided to the Government during contract closeout.

All contractor-incurred costs related to the contractor's provision and use of an electronic payroll processing service shall be included in the contractor's price for the overall work under the contract. The costs for Davis-Bacon Act compliance using electronic payroll processing services shall not be a separately bid/proposed or reimbursed item under this contract.