

Service Contract Labor Standards (SCLS) and GSA Schedule Orders

The Service Contract Labor Standards (SCLS), formerly the Service Contract Act (SCA), is applicable to GSA Multiple Award Schedule (MAS) contracts that offer services. GSA has incorporated, by reference, the clauses prescribed at Federal Acquisition Regulation (FAR) Part 22 into GSA Schedule contracts. DoL [wage determinations](#) are incorporated into all Schedule contracts, and updated annually.

Task Order Contractor

While wage determinations are incorporated at the Schedule contract level, FAR Part 22 requires the Task Order Contractor to:

- Identify in their Quote, in response to an Request for Quote (RFQ) any quoted labor categories which may be subject to the SCLS.
- These identified labor categories shall be identified on the Schedule contractor's SCLS matrix as being subject to the SCLS

Ordering Contracting Officer

While wage determinations are incorporated at the Schedule contract level, FAR Part 22 requires the Ordering Contracting Officer (OCO) to:

- identify whether the SCLS is applicable to any of the labor categories required under the task order.
- determine the place of performance for the order
- identify in the order the appropriate wage determinations incorporated in the Schedule contract, which are applicable to the specific labor categories and place of performance applicable to the order.
- OCOs may not apply wage determinations to the order that are different from the wage determinations incorporated annually into the Schedule contract.

The Schedule contractor's SCLS matrix lists labor categories and fixed priced services awarded under the Schedule contract, that may be subject to SCLS. This matrix is published in the contractor's Authorized Schedule Price List available through GSA eLibrary. Task orders may not be issued to Schedule contractors unless the labor

categories/fixed price services applicable to the order are awarded under the contractor's Schedule contract or procured IAW GSAR Clause 552.238-115, *Special Ordering Procedures for the Acquisition of Order-Level Materials*.

Schedule pricing is based upon a nationwide geographic scope and contractors are required to comply with the wage determinations incorporated into Schedule contracts for each locality, regardless of the pricing proposed and awarded on the contract or order. Ordering Contracting Officers can and should seek price reductions when the work to be performed at the task order level is in a locality with lower SCLS rates.

Annual Wage Determination Updates

Updated wage determinations are incorporated into all Schedule contracts once each year, typically each April. Task orders are awarded based on the wage determinations (WDs) incorporated into the Schedule contract at the time the task order is issued. When wage determinations are updated and incorporated into the Schedule contract via the annual Schedule modification, contractors may request task order price adjustments from the date of the Schedule modification incorporating the updated WDs. Task order price adjustments are at the discretion of the order level CO, based upon the terms and conditions of the task order.

Options on order applicable to SCLS

Options on task orders are exercised based on the WDs incorporated into the Schedule contract at the time that the option is awarded. When OCO's award an order with SCLS applicable labor categories and fixed price services, the following language can be added for option year rates: "SCLS labor categories are subject to Schedule WDs incorporated in the MAS contract at the time of task order option exercise."