

Are You Handling Your SCA Covered Employees Correctly & Efficiently?



Take the Self-Assessment

Navigating the complexities of the Service Contract Act (SCA) presents numerous challenges for contractors working on federal service contracts. Adherence to SCA regulations is crucial to maintaining compliance, avoiding legal pitfalls, and ensuring fair treatment of employees.

The following checklist outlines critical areas of focus that are commonly encountered by contractors. This list aims to highlight potential issues along with the consequences of non-compliance, serving as a guide to help navigate the intricacies of SCA regulations effectively.

Assessment Question	Consequence
Have you been issued a violation from the Department of Labor?	Being issued a violation from the Department of Labor can lead to mandatory corrections, potential fines, and back wage payments to affected employees.
Do you have trouble understanding the rules and obligations for SCA covered employees?	Trouble understanding the rules and obligations for SCA covered employees often results in non-compliance issues that could subject your company to audits and penalties.

Score	
Are you manually calculating vacation and sick leave accruals and payouts for SCA-covered employees?	Inaccurate vacation and sick leave accruals and payouts for SCA-covered employees can require rectification through additional leave credits or monetary compensation. And could lead to back-pay penalties.
Did you misunderstanding or misapply health and welfare (H&W) benefits requirements. Can your existing HR and Payroll system calculate H&W payments correctly?	Incorrect handling of health and welfare (H&W) benefits requirements can result in the need for retroactive adjustments and additional contributions toward H&W benefits.
Do you have issues implementing rate increases in a new wage determination in a multi-year contract subject to annual WD adjustments?	Incorrectly implementing WD rate increases in a new wage determination in a multi-year contract subject to annual adjustment can lead to back pay owed to employees and contract reevaluation.
Does your timekeeping system fail to segregate and keep records on hours spent on contract work and non-contract work for employees who do both allowing H&W benefits to be calculated correctly?	A timekeeping system's failure to segregate and keep records on hours spent on contract work and non-contract work for employees who do both could trigger compliance reviews and financial penalties.
Did you fail to notify service employees of the applicable wage and fringe benefit requirements.	Failing to notify service employees of the applicable wage and fringe benefit requirements can result in sanctions and the necessity to make corrective payments.
Do you lack proper SCA recordkeeping when cash payments are made to satisfy fringe benefit requirements?	Lack of proper recordkeeping when cash payments are made to satisfy fringe benefit requirements can cause compliance verification issues and potential fines.
Do you have issues making timely payment of wages or fringe benefit contributions?	Untimely payment of wages or fringe benefit contributions can lead to employee complaints, Department of Labor investigations, and fines.
Do you have problems with underpayment of service workers due to misclassification?	Problems with underpayment of service workers due to misclassification can result in owed back wages, legal actions, and damaged reputations.

Understanding Your Results

Your score out of 100, illustrates how much risk you are taking on. The higher the score, the more urgent the need to consider getting help. Adherence to Service Contract Act (SCA) requirements demands diligent attention to detail and a proactive approach to compliance management.

By addressing the items highlighted in this checklist, contractors can mitigate the risk of violations, safeguard against financial penalties, and uphold their reputation.

It is essential for employers to maintain accurate records, ensure timely and correct payments, and stay informed on SCA regulations to foster a compliant and fair working environment for service employees on federal contracts.

Setup a Discovery Call to Discuss your Results

How AtWork Systems Can Help

AtWork Systems offers comprehensive solutions designed to assist employers in managing the complexities of Service Contract Act (SCA) compliance effectively. Through our suite of tools and services, employers can navigate the challenges outlined in the SCA checklist with ease:

- **Accurate Wage Determination Mapping:** We help employers accurately map job classifications to the correct wage determinations, mitigating the risk of underpayment due to misclassification.
- **Detailed Recordkeeping:** With our robust recordkeeping capabilities (accouting, HR & payroll), employers accurately track hours worked, wages paid, and fringe benefits provided, ensuring SCA compliance.
- **Subcontractor Oversight:** Our platform enables prime contractors to ensure that their subcontractors are also in compliance with SCA regulations.
- **Compliance Policy Implementation:** We support the development and implementation of internal policies and procedures geared towards SCA compliance, including assigning oversight responsibilities.
- Legal and Professional Guidance Connection: AtWork Systems connects employers with experts in SCA compliance for legal counsel and advice when needed.
- **Fringe Benefits Analysis:** Our tools assist in evaluating and applying health and welfare benefits correctly according to SCA requirements.
- **Reporting and Remediation Support:** In cases of non-compliance, our systems provide mechanisms for reporting issues to contractual partners and guidance on corrective actions.

Visit <u>AtWorkSys.com</u> to learn more about our integrated approach that simplifies compliance with SCA regulations, enabling employers to focus on delivering quality services while ensuring their workforce is fairly compensated and their contractual obligations met.

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How Outsourcing Helps You	How OneLynk Helps You
 Outsource: All your business operations such as Finance & Accounting, Billing, Human Resources, Contracts & Projects, Time & Expense, and Payroll. Save Money: Avoid costs associated with hiring and training in-house staff and building infrastructure. 	 Integrated: Your Finance & Accounting systems are completely integrated with Billing, HR, Contract & Project management, Time & Expense, Vendor Management, Payroll, & Cybersecurity. Efficient: Analyze costs using Bid, Target, Actual and Forecast indirect rates without manual processes or apprendiment.
 Save Time: Concentrate on your core functions, such as product development and program execution. Manage Cost: We provide detailed cost accounting, 	 Automated: You define workflows and policies that reduce cost and improve compliance. Employees and managers submit transactions, then defined polices
and indirect rate analysis, which is essential for government contracting.	 Compliant: OneLynk is DCAA compliant, so you never
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