



DEPARTMENT OF THE ARMY
ARMY CONTRACTING COMMAND - REDSTONE
BUILDING 5303, MARTIN ROAD
REDSTONE ARSENAL, ALABAMA 35895-5000

CCAM-ESP

8 April 2020

MEMORANDUM FOR Express Blanket Purchase Agreement (BPA) Primes

SUBJECT: COR Process Changes

1. Over the past few years, the Defense Contract Audit Agency (DCAA) has found that some EXPRESS contractors are not compliant with proper labor category charging against task orders issued by the U.S. Army Contracting Command, Redstone (ACC-RSA). The DCAA refers to these non-compliance issues as “unqualified labor” because the labor rates proposed either do not meet the skill level category requirements (relevance, education, or experience) or do not meet the pre-approved substitution criteria on their respective GSA Schedules. As a result of these findings, the Senior Contracting Official has directed process changes be established to ensure more rigor is placed on the approval of labor categories by the CORs before allowing the contractor to proceed with performance.
2. Each contract holder will be given until 6 Aug 2020 to correct any labor issues regarding irrelevant job experience, failure to meet the minimum degree requirement, and/or failure to meet the job qualification within the labor category description on their respective GSA Schedule. The outcome of this action may result in a change to the labor category and/or rates on active task orders. The actions on active task orders will not absolve contractors from unqualified labor in previous years, but will allow them to correct any issues going forward.
3. To obtain the correct level of performance moving forward, the Quality Assurance Surveillance Plan (QASP) has been amended to require the COR to review 20% of all resumes and provide a qualification determination for all new task orders and technical direction actions. The COR is not limited to 20% review. If the COR deems that additional reviews are required, they are empowered to do so. If the individual proposed to support the specific requirement does not qualify for the position (relevance, experience, or education), the COR should bring the resume to the contracting officer (KO) for a final decision. If the KO agrees, the labor category for that individual will be denied and the contractor will need to provide an individual that meets the requirements of their respective contract or adjust the labor category appropriately.
4. This process change will help ensure the U.S. Army is properly administering its contracts. It will also ensure we are compensating the Contractor appropriately for the work performed and in accordance with their approved labor category rates and descriptions within their respective GSA Schedule.

5. If you have any questions, please contact Barbara Lupo, 256-955-8104, Barbara.l.lupo.civ@mail.mil.

VOLONDA L. REEDUS
Branch Chief, Program Strategies