



ACCOUNTING BULLETIN

TO: Fiscal Officers of All State Agencies

FROM: Steven L. Valasek, Director of State Accounting

DATE: June 1, 2005

SUBJECT: Definition and Additional Reporting Requirements for Prevailing Wage Contracts/Grants

NUMBER: 126

As a follow up to Accounting Bulletin 104, the Illinois Office of the Comptroller (IOC) is publishing the statutory definition of “Public Works” and we have established additional reporting requirements for processing grants/contracts that are applicable to the Prevailing Wage Act. This additional reporting information will be posted on the Comptroller’s web site pursuant to the Comptroller’s Executive Order on Prevailing Wages.

Pursuant to 820 ILCS 130/2 the definition of “Public Works” is “all fixed works constructed by any public body, other than work done directly by any public utility company, whether or not done under public supervision or direction, or paid for wholly or in part by any public funds.” Further, “Public Works” includes all projects financed in whole or in part with bonds issued under:

- Industrial Project Revenue Bond Act
- Industrial Building Revenue Bond Act
- Illinois Development Finance Authority Act
- Illinois Sports Facilities Authority Act
- Build Illinois Bond Act

and

- all projects financed in whole or part with loans or other funds made available pursuant to the Build Illinois Act
- all projects financed in whole or part with funds from the Department of Commerce and Economic Opportunity under the Illinois Renewable Fuels Development Program Act for which there is no project labor agreement
- projects financed in whole or in part with funds from the Fund for Illinois’ Future under Section 6z-47 of the State Finance Act
- funds for schools construction under Section 5 of the General Obligation Bond Act

- funds authorized under Section 3 of the School Construction Bond Act
- funds for school infrastructure under Section 6z-45 of the State Finance Act
- and funds for transportation purposes under Section 4 of the General Obligation Bond Act.

The IOC is currently pre-auditing all applicable grants/contracts for the prevailing wage clause. The applicability of the prevailing wage requirements must be applied on a case by case basis for each contract/grant. Below is a listing of potential transaction code/class code combinations that may require the prevailing wage clause.

Transaction Code 23 – Construction Contracts
Class Codes – 05, 06, 18 and 19

Transaction Code 27 – Awards & Grants
Class Codes – 41, 61, 71 and 76

Transaction Code 28 – Other Contracts – External Vendor
Class Codes – 13, 40, 41, 51, 52, 54 and 65

Transaction Code 29 – Other Contracts – State Agency
Class Codes – 13, 40, 41, 51, 52, 54, 56 and 65

The above list is provided as a tool for you to use in your analysis and is not intended to be an all inclusive listing. The Prevailing Wage Act’s applicability cannot be reduced to specific transaction/code combinations. The Prevailing Wage Act may be applicable to several grants/contracts with Transaction Code/Class Codes that are not listed above. Likewise, the Prevailing Wage Act may not be applicable to every grant/contract with the above listed Transaction Code/Class Codes. The IOC recommends you review all potential transactions with your Legal Office for compliance.

For all grants/contracts that require the prevailing wage certification, the contracting State agency must also report the location of the public works project, including the county, as well as a brief description of the project and the source of funding.

Following are the instructions for entering the required information on SAMS:

- For agencies entering their documents directly on SAMS:
 - Enter “PWA” in the first three positions of the “Comments” field on the PO document header screen
 - Enter “A” in the action code field on the POTX Line Number 01 screen. Tab to a blank text line and enter the county code on line # 901. (See SAMS Section 19.50.20 page 1 of 1 for a complete listing of Illinois counties and corresponding codes). If applicable, enter additional county

codes on lines #902 - #908. Note that only one county code is entered per line for a maximum of eight counties.

- Tab to a blank text line and enter the location of the public works project on line #911. Each line must start with the applicable 3 position numeric county code. If applicable, enter additional locations (that correspond to additional county codes) on lines #912 - #918.
 - Tab to a blank text line and enter a brief description of the public works project on line #921. If applicable, enter additional descriptions (that correspond to additional county/locations) on lines #922 - #928.
 - If the project is funded from one of the twelve funding sources cited in this bulletin, then tab to a blank text line and enter the funding source of the public works project on line #930 (e.g. Industrial Project Revenue Bond Act, Illinois Sports Facilities Authority Act, school construction under Section 5 of the General Obligation Bond Act,...).
- For agencies submitting their documents on tape, this information must be entered on the PO document header screen and on the POTX screen as per above instructions after the tape loads to SAMS.
 - For agencies submitting their documents manually, this information must be included in the description area of the COD document. CODs that do not contain this information will be returned for correction by the submitting agency. Obligations Unit Accounting Specialists will enter the information into SAMS before processing the document.

This is a one time reporting requirement that must be met upon the original establishment of all contracts/grants that require a prevailing wage certification. This requirement is effective immediately for all FY 06 contracts/grants.

For new contracts, agencies must meet this one time filing requirement at the establishment of the contract/grant in FY 06.

For multi-year contracts/grants originally established in a previous fiscal year, agencies must meet this one time filing requirement at the re-establishment of the multi-year contract/grant in FY 06. This is applicable to multi-year contracts/grants charged against regular appropriations accounts, continuing appropriations accounts, reappropriated accounts, and non-appropriated accounts.

If you have any questions pertaining to this bulletin, please contact Linda Seelbach at (217)782-3608. Agencies may access this and other Accounting, Payroll and SAMS Bulletins on the Comptroller's website at www.ioc.state.il.us under Resource Library.