



AMERICAN COUNCIL OF ENGINEERING COMPANIES
of Pennsylvania

THE BUSINESS OF ENGINEERING IN PENNSYLVANIA

Federal Acquisition Regulations (FAR) - The Department of Transportation is developing their own specific guidelines or “second cap” on allowable total compensation. The methods used by the Department to determine the reasonableness of compensation should be consistent with those used by Federal contracting officers (DCAA) under the Federal Acquisition Regulations (FAR), and follow the cognizant agency guidelines established by the AASHTO Uniform Audit and Accounting Guide, September 2009. By not adopting the same standards the Department, provides an incentive for firms to relocate their headquarters to other states, which adversely affects Job Creation/Retention in Pennsylvania.

TIMELY AUDITS - The resources of engineering firms are severely strained when audits are delayed; small firms are particularly hard hit. Audits should be prioritized and conducted within 18 months.

EXPEDITING CONTRACTS & SUPPLEMENTS - The Department of Transportation and similar agencies should develop systems to execute contracts in a timely manner. We are pleased that the Governor has committed to streamlining the process necessary to contract with the State and those initiatives such as “Enhanced Selection” are underway. We urge that more emphasis be placed on streamlining and consideration of other tools which would provide the authority to the state agencies to accelerate contract processing.

ADVERSE INTEREST ACT - Many State engineering projects are performed in three phases; feasibility study; preliminary engineering; and final engineering. The Act can be interpreted to preclude an engineer (consultant) from performing subsequent work if a recommendation were made. The Governor must support legislation to clarify the Adverse Interest Act to allow State Agencies to waive the requirements of the Act for phased projects.

CORPORATE REGISTRATION REFORM - Corporate Licensure rules in Pennsylvania require that Engineering firms that practice Architecture must possess a minimum ownership of 50% or more registered architects. A & E firms in Pennsylvania should be able to practice architecture and engineering as one corporate entity.

ACEC/PA favors legislation to revise the licensure laws.

CONTRACTING WITH THE PENNSYLVANIA DEPARTMENT OF GENERAL SERVICES -The “Commonwealth Procurement Code” (Act 57) was passed in 1998 to allow DGS to negotiate fees on projects over \$10,000,000. The Governor should require negotiation of the scope of work and fees on all contracts for professional services.

SALES TAXES ON PROFESSIONAL SERVICES - ACEC/PA opposes any Sales or Use Tax on Engineering/Management Consulting Services.