

UNIVERSITY OF CALIFORNIA, BERKELEY

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SANTA BARBARA • SANTA CRUZ

OFFICE OF THE CHANCELLOR

BERKELEY, CALIFORNIA 94720

June 13, 1994

Joyce B. Freedman  
 Director, Sponsored Projects Office  
 336 Sproul Hall  
 Campus

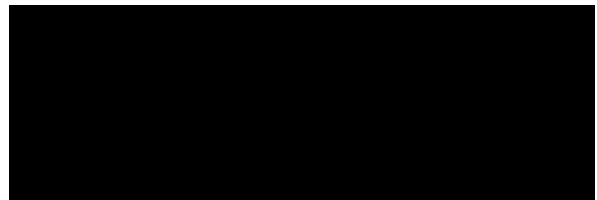
Dear Joyce:

In accordance with President Gardner's delegation to Chancellors of August 2, 1988 in connection with *Execution of Purchase Contracts, Subcontracts, and Standard Purchase Orders for Goods and Services to be Supplied to the University*, I am re delegating to you, in your position as Director, Sponsored Projects Office, the authority to issue and execute subgrants and subcontracts in amounts not to exceed \$2,000,000 in total funding, to non-profit and not-for-profit collaborating organizations under campus prime grants and contracts.

This re delegation is made in accordance with an exception provided in the August 8, 1985 letter and approved by the Senior Vice President-Administration on April 10, 1986. The exception letter is attached and is still current.

This re delegation shall become effective immediately.

Sincerely,



Chang-Uin Tien  
 Chancellor

Attachment: Gardner letter to Chancellors of August 8, 1985  
 Brady letter to Heyman of April 10, 1986

cc: Acting Controller Rod Umscheid  
 Special Assistant, Coordination and Review Jeanne Gardner  
 General Counsel James E. Holst  
 Provost for Research and Dean of the Graduate Division Joseph Cerny  
 Director, Materiel Management Trudy S. Tuan  
 Assistant Director, Sponsored Projects Office Marion B. Lentz  
 Coordinator, Delegations of Authority (Admin.) Marcelle M. Baxter

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DAVID PIERPONT GARDNER  
President

RONALD W. BRADY  
Senior Vice President—  
Administration

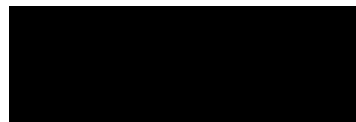
OFFICE OF THE PRESIDENT  
BERKELEY, CALIFORNIA 94720

April 10, 1986

CHANCELLOR HEYMAN

In response to Provost for Research and Dean of the Graduate Division Cerny's request of January 29, 1986, this constitutes approval to redelegate authority to the Manager of the Sponsored Projects office to execute subagreements to non-profit organizations. This approval is an exception to the Delegation of Authority—Execution of Purchase Contracts, Subcontracts and Standard Purchase Orders for Goods and Services to be Supplied to the University dated August 8, 1985; all other conditions of the Delegation shall apply.

Further restrictions of this authority may be made at your discretion. Redlegation of this authority shall be in writing, with copies to me, the General Counsel of The Regents, and the Director—Coordination and Review.



Ronald W. Brady

cc: Provost Cerny  
Acting General Counsel Holst  
Associate Vice President Pastrone  
Director Rogin  
University Materiel Coordinator Ove  
Contract and Grant Coordinator Mears

DATE February 5, 1986

IN REPLY REFER TO

OUR FILE NO. \_\_\_\_\_

MANAGER KAY DELUCCHI:

Thank you for the information on delegation of authority for issuance of subawards to non-profit organizations. This information brings me up to date on the issue. As you and I agreed earlier, delegating that authority to the Sponsored Projects Office is a practical thing to do. Please let me know of the final decision from Vice President Brady.




Selimo C. Rael  
Assistant Vice Chancellor --  
Financial Services

FILE /  
COPY /  
Karlson /  
Karlson /

February 4, 1986

SCR  
~~SCR~~

To: S. Rael

Fr: K. Delucchi 

Re: Approval for Special Delegation of Authority for Issuance of Subawards  
to Non-Profit Organizations  
(Provost Cerny's letter (1/29/86) to Senior Vice President Brady)

You may recall that I discussed the above subject with you on 1/23. I stated that neither Fred nor I have a problem with the delegation of authority for issuance of **subcontracts to nonprofit organizations and/or agencies** be continued with the Sponsored Projects Office (SPO) as that office has been negotiating such for the past 8 (not 15) years or so. If the delegation were to return to the Materiel Manager we would need, in all probability, to add to staff. That is more the problem than the "complexity" of the contracts referred to in Provost Cerny's letter. We did subcontracts to nonprofit agencies before and we can do it again! We do subcontracts with "for profit" corporations.

Provost Cerny's letter (Attachment A) was prompted by letters (Attachments B and C) to Chancellor Heyman by the Office of the President. While the Chancellor issued a delegation (Attachment D) to SPO on 12/18/85, **he did not follow protocol in asking for an exception from Senior Vice President Brady.** Incidentally, the Chancellor did not follow protocol in 1984 either! My understanding is that SPO felt a cc to the Senior Vice President was sufficient. I guess it's not!

Selimo, I'm not sure if you are aware of Attachment E, the latest Delegation of Authority--Execution of Purchase Contracts, Subcontracts, and Standard Purchase Orders for Goods and Services to be Supplied to the University.

**Action required on our (Materiel Management) part.** None if Senior Vice President Brady approves the delegation. If he disapproves, then Materiel Management will need to get back into the business of letting subcontracts to nonprofit agencies.

Attachments

cc: F. Davis (Attachments A,B,C,D)  
D. Haskins (Attachments A,B,C,D)

KD:pt

January 29, 1986

SENIOR VICE PRESIDENT BRADY

Approval for Special Delegation of Authority for Issuance of Subawards  
to Non-Profit Organizations

Chancellor Heyman has asked me to communicate with you concerning the delegation problem outlined in Director Joan Rogin's letter of January 13, 1986. In his December 18, 1985 delegation of authorities concerning extramurally funded projects, Chancellor Heyman continued long-standing practice in which subawards to non-profit organizations are issued by the Manager of the Sponsored Projects Office rather than by the Materiel Manager. The earlier (August 8, 1985) Presidential delegation of purchasing authorities prescribes the Materiel Manager as the primary delegatee, with other campus arrangements subject to your prior approval. Through oversight such approval was not obtained, and your ratification of the campus exception is now solicited.

For many years the Berkeley campus has administered research and other grants and contracts, which are collaborative in nature or are dependent upon major input from another non-profit organization, usually an educational institution. These arrangements, while consummated through a campus issued contract, are not of a procurement nature. Indeed many of the prime campus awards were funded contingent upon the participation of collaborating organizations(s) as identified in the underlying campus proposal. There are approximately 15-20 such subawards in effect annually, providing over \$25,000 and expending in the aggregate approximately \$10.M. Most subawards are issued to other educational institutions.

Approximately fifteen years ago the campus concluded that the contract and grant office was the proper focal point for consummating and administering subawards (to non-profits) which are highly tailored to the requirements of the prime award and the nature of the relationship envisioned by the principal investigator. These awards are often complex cost reimbursement arrangements that bear little resemblance to the standard fixed price University purchase order.

The campus has been satisfied with the way we have handled subawards with collaborating non-profit organizations. There is no substantive reason to shift responsibility to the purchasing function. Such a change would only serve to adversely impact the workload of Purchasing, to be worsened by "sub-recipient monitoring" under new Federal requirements.

FILE  
COPY 1  
*W. H. Heyman*  
*S. M. Hall*

We do not wish to change current practice on this campus, and I trust that you will be in a position to ratify our long-standing practice as most recently updated in the December 18, 1985 campus delegation letter.

A background file of relevant documents is attached for your convenience.



Joseph Cerny  
Provost for Research and  
Dean of the Graduate Division

Attachments

cc: Director Rogin  
Chancellor Heyman  
Vice Chancellor Park  
Vice Chancellor Wright  
Staff Assistant Manza  
SPO Manager Caputo  
Materiel Manager Delucchi ✓