



University of California
Office of the President

Senior Vice President—Academic Affairs

Research Administration Office

Memo Operating Guidance

No. 07-07
October 2, 2007

CONTRACT AND GRANT OFFICERS

Subject: LLNL to LLNS Transition

Effective October 1, 2007, the Lawrence Livermore National Laboratory (LLNL) is no longer operated and managed by The Regents of the University of California. Rather it is operated by a joint venture of which the Regents of the University of California is a significant affiliate. The joint venture is Lawrence Livermore National Security LLC. (LLNS). LLNS is a limited liability corporation made up of the University of California, Bechtel National, Inc., BWX Technologies, Inc., the Washington Group International, Inc., Battelle, and Texas A&M.

We have been coordinating with the Laboratory to develop three new templates to continue our collaborations after they officially became a separate legal entity on October 1, 2007. The first is the template to replace what are now known as Multi-Location Assignments (MLAs) for personnel exchanges between the Laboratory and University campuses/locations. The second is new Work for Others template to be used when requesting research or services from the Laboratory. The third is Subcontract template to be used when the Laboratory is requesting unclassified basic and applied research and development work from the University (i.e., the replacement for Intra-University Transaction Agreements).

Personnel Exchanges

Up until now, MLA arrangements have been handled through human resources offices. However, after October 1, 2007, Laboratory employees are no longer University employees, and thus a new arrangement must be used. The template Interpersonnel Agreement included in Attachment A is the new vehicle to be used for personnel exchanges. It works for the exchange of personnel going in either direction (i.e. Laboratory to University or University to Laboratory).

When a Laboratory employee comes to work at a University location, the University will need to enter the transaction into the purchasing system in order to reimburse the Laboratory for the employee's corresponding salary, benefits and applicable overhead. Please work with your procurement offices to determine the appropriate processing mechanism at your campus. Because C&G offices are familiar

*Note: The addressees above represent the standard distribution of Contract and Grant Memos. Additional addressees, if any, may be added based on the subject of the Memo. See cc's.

with the concept of Interpersonnel Agreements, it would be useful for you to work collaboratively with procurement offices.

Transactions for UC employees going to the Laboratory should be processed by C&G offices and will now have to be captured by the Contracts and Grants Reporting System (CGX). The new sponsor code to be used for LLNS in the CGX and the Corporate Financial System (CFS) is FC57.

The indirect costs rate that we will apply when the Laboratory is reimbursing the University for an employee working at the Laboratory is 9%. This is the current rate we apply to Intergovernmental Personal Act Mobility Program transactions. Indirect cost waiver number 05R-049 can be used for this purpose.

When the University is reimbursing the Laboratory, the Laboratory will apply its off-site G&A rate. They will offset a substantial amount of this rate from an unrestricted Laboratory source so that the rate charged to the University will be quite low. Still, please be advised that the University will likely experience an increase in costs of about 15% for these transactions due to the increased LLNS payroll burden.

Note that arrangements for any one employee may not exceed a period of two years, plus a two year extension, for a total of four years. Also note that employees should sign the Employee Acknowledgement attached to the new template.

Laboratory Services (Work for Others)

Included as Attachment B is the new Work For Others (WFO) template to be used when the University is requesting services from the Laboratory. It is very similar to the template currently used, except that the arrangement is now between the University and LLNS.

The Executive Director for Strategic Sourcing, as an official authorized to sign purchasing agreements, has signed a one-time agreement which assigns all existing LLNL/UC Work for Other agreements continuing after October 1, 2007 to LLNS (see Attachments B-1 and B-2). This was done to simplify the process and assure a smooth transition for these projects. However, each University location will need to process the transaction in their local systems so that checks are issued to LLNS after October 1, 2007. These can be thought of as task orders and should be independently handled from now on. Furthermore, if there were specific terms and conditions required by the prime source of funds or program initially included in the WFO agreement being replaced, you should issue an amendment to the specific agreement to reincorporate these conditions. Contact Edna Waller at LLNL to coordinate these amendments: Edna Waller, Work For Others Group Lead, Lawrence Livermore National Laboratory, PO Box 808, L-435, Livermore, CA 94551-0808. phone: 925-423-7491, fax: 925-423-5156, email: waller1@llnl.gov.

Any new Work for Others transactions beginning after October 1, 2007, should utilize the attached template and be signed at the local level.

Subcontract Template for University Work

The Subcontract template to be used when the Laboratory is requesting unclassified basic and applied research and development work from the University will operate like the previous Intra-University Transaction Agreements. Attachments C-1 through C-6 are the new negotiated replacement documents for these transactions.

The Laboratory has sent to UC campuses replacement Subcontracts for on-going projects. Transactions previously captured in the CGX using the Lawrence Livermore National Laboratory sponsor code should not be re-entered into the CGX when a replacement LLNS Subcontract is processed. However, Subcontracts for new projects should be entered into the CGX and the CFS using the new sponsor code for LLNS, FC57.

This memo replaces the LLNL funds-in agreement in C&G Operating Guidance Memo 99-06.

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Cancels: LLNL Portion of C&G Memo 99-06

Lourdes DeMattos
Contract & Grant Officer

Attachments:

[Attachment A, Interpersonnel Agreement Template](#)
[Attachment A-1, Letter from R. Hume to Department and Financial Contacts](#)

[Attachment B, New Work for Others Template](#)
[Attachment B-1, List of current WFOs to be transitioned](#)
[Attachment B-2, One-time WFO Agreement transitioning current WFOs](#)
[Attachment B-3, Letter from Robert Foley and Linda Rakow to William Tucker](#)

[Attachment C-1, Master Agreement for UC unclassified work for the Lab](#)
[Attachment C-2, Sample Subcontract to UC from the Lab](#)
[Attachment C-3, General Provisions for Standard Research Subcontracts](#)
[Attachment C-4, Security and Site Access Provisions](#)
[Attachment C-5, Site Services Requirements](#)
[Attachment C-6, Subcontractor Acquired Property Identification List](#)

cc: Procurement Managers
Haggai Hisgilov, Executive Director, Strategic Sourcing