



University of California
Office of the President

Senior Vice President—Academic Affairs

Research Administration Office

Memo Operating Guidance

No. 86-22, Supplement 1
October 11, 2006

CONTRACT AND GRANT OFFICERS

Subject: State Contract Provision: Priority Hiring Considerations

Contract and Grant Operating Guidance Memo 86-22, dated September 5, 1986, distributed a letter from the State Department of General Services (DGS) stating that Public Contract Code Section 10353, Priority Hiring Considerations, does not apply to public entities such as the University of California. [<http://www.ucop.edu/raohome/cgmemos/86-22.html>] Last year, an attorney at a State agency said that because the letter was “old”, she would not delete this clause. As a result, we have obtained another letter from DGS Office of Legal Services reiterating this position. This letter is attached.

The State of California Public Contract Code Section 10353 referred to in this provision requires State agencies to include a provision in contracts in excess of \$200,000 which requires contractors to give priority to recipients of welfare aid in filling positions funded by the contract. Specifically, the clause found in State General Terms and Conditions (GTC) which the University sometimes receives instead of interagency agreements (GIA) terms and conditions states:

PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

The clause may also be incorporated within an agreement as well.

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[Enclosure](#)