

PART 2

RESPONSIBILITY AND AUTHORITY

Part 2 sets forth responsibility and authority of Chancellors and Laboratory Directors for the purchase of goods and services.

I. RESPONSIBILITY

- A. Campus and Laboratory - Each Chancellor and Laboratory Director is responsible for purchasing and providing the goods and services required in a manner consistent with this Bulletin and with the following requirements:
1. Planned Purchasing Program - Further the principal objective of the Planned Purchasing Program, which is to maximize the economics of quantity buying where needs can properly be met through use of Universitywide and regional pool purchases, commodity agreements, and price schedules.
  2. Cost Effectiveness - Institute programs dealing with standardization, value and cost analysis, utilization of items excess to others, simplification in purchases of low-cost items, and such other matters as may encourage receipt of the most favorable prices, terms, and conditions, which will result in the lowest overall cost consistent with need.
  3. Solicitation of Supplier and Service Contractor Interest - Stimulate interest in becoming a supplier to the University through means such as participating in trade fairs and other business meetings, distributing brochures describing campus or Laboratory needs and listing whom to contact and, as appropriate, utilizing newspaper and trade journal notices periodically to invite inquiries.
  4. Purchase Transactions - Ensure in awards of purchase contracts that the requirements for competition have been met, any negotiations have been conducted according to established guidelines, and prices to be paid are reasonable in the particular circumstances.
  5. Procedures and Controls - Develop and maintain written procedures and controls that implement University purchasing policies, ensure coordination with Contracts and Grants Officers on execution of subcontracts for goods and services, and maintain records to substantiate compliance with these policies.

6. Equal Opportunity in Business - Make every effort to ensure that all persons, regardless of race, religion, sex, color, ethnicity, and national origin, have equal access to Purchase Orders, contracts, and other business opportunities with the University.
7. Laboratory Compliance - The procurement systems employed by the National Laboratories are negotiated with and approved by the Department of Energy (DOE) under the management contracts between DOE and the University. Approved policies and procedures supporting these DOE-approved systems are included in the Laboratory Procurement Policy and Standard Practices Manual published and maintained by the University Laboratory Administration Office. The obligation of federal funds will be accomplished employing such policies and procedures.

Each Chancellor and Laboratory Director is expected to actively contribute to the further development and refinement of this Bulletin and these requirements by encouraging consultation and concerted efforts with colleagues throughout the University, including the campuses, Laboratories, and Office of the President.

- B. Office of the President - The role of the Office of the President in Materiel Management is to recommend and develop policies, monitor compliance, provide effective coordination and counsel, administer the Planned Purchasing Program, maintain the CALCODE classification and coding system for equipment management, represent the University with external agencies, analyze proposed State and Federal regulations, formulate long-range planning, conduct special studies as needed, and staff task forces and cross-functional work groups. To this end, the Senior Vice President--Business and Finance shall be responsible in the following areas:
1. Policy - Develop and refine University Materiel Management policies, including the procedures in this Bulletin, in collaboration with campus and Laboratory colleagues.
  2. Limitations on Authority - Compile and distribute to the campuses and Laboratories all current, relevant information available on limitations on authority to execute purchase contracts and related documents imposed by State or Federal law or Executive Order, or by action of other authority.
  3. Redelelegation of Purchasing Authority - Approve redelegation of purchasing authority to other than the Materiel Manager for the purchase of goods and services and to other than the Librarian for purchases of books and periodicals.

4. Liaison - Maintain liaison with State and Federal agencies relating to Materiel Management activities, analyze pending legislation and new regulations for potential impact on the University, disseminate relevant information, and consult with University colleagues on other governmental matters of interest.
5. Administer the Planned Purchasing Program.
6. Purchase Contract and Related Documents - Provide staff support for maintenance of standard terms and conditions of purchase and related documents, document development, and in interactions with the General Counsel as required.
7. Regents' Agenda Items - Prepare required Regents' agenda items and submit them through the Office of the President to secure approval of purchase contracts and related documents which exceed the authority of the President.
8. Policy Compliance - Monitor, in conjunction with internal audit, compliance with the procedures in this Bulletin, provide guidance in policy interpretation, and recommend to Chancellors and Laboratory Directors corrective action when indicated.

## II. AUTHORITY

- A. Authority of The Regents - The California Constitution vests in The Regents full powers of organization and governance of the University, subject only to certain limited legislative controls. One such control is Chapter 2.1, Part 2, Division 2 of the State of California Public Contract Code (Public Contract Code Section 10507, et seq.). Thus, those authorized through the delegation process to commit the University may do so only when the requirements for competition, as set forth herein, have been met.
- B. Authority of the President - The Standing Orders of The Regents authorize the President to execute on behalf of The Corporation all contracts and other documents necessary in the exercise of the President's duties. However, specific authorization by resolution of the Board of Regents is required for documents which involve or which are:
  1. Obligations on the part of the University to expenditures or costs for which there is no established fund source.

2. Agreements by which the University assumes liability for conduct of persons other than University officers, agents, employees, students, invitees, and guests.

Notwithstanding the foregoing limitations, the President is authorized to execute all documents necessary in the exercise of the President's duties when an emergency precludes prior submission to the Board, provided that in all such cases the President shall report such actions to the Board, through an appropriate Standing Committee, at its next regular meeting.

- C. Delegations to Chancellors and Laboratory Directors - The President has delegated authority to Chancellors and Laboratory Directors to execute purchase contracts for goods and services, subject to the above limitations of the Standing Orders of The Regents and the additional provisions of Exhibit A, Delegation of Authority--Execution of Purchase Contracts, Subcontracts, and Standard Purchase Orders for Goods and Services to be Supplied to the University.
- D. Role of the General Counsel - The Bylaws of The Regents direct that the General Counsel and Vice President for Legal Affairs, who shall also be an Officer of the University, shall be the chief legal officer of the University; shall have general charge of all legal matters pertaining to the Corporation and the University; shall attend meetings of the Board and its Committee; shall represent the Corporation in all legal proceedings; shall advise the Corporation, its Committees and Officers, the President of the University, University Officers, and Officers of the Academic Senate on legal questions as may be required; and shall, subject to the direction of the President of the University, oversee the provision of all legal services to the University.