

University of California  
Office of the President

Senior Vice President—  
Business and Finance

Costing Policy & Analysis  
Research Administration Office

# Memo

## Operating Guidance

No. 96-07  
April 2, 1996

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### CONTRACT AND GRANT OFFICERS (CAMPUS AND LAB)\*

**Subject:** Jet Propulsion Laboratory General Provisions - Cost-Reimbursement Without Fee With an Educational Institutions (College or University) Contract (4468 - 1/95)

The Jet Propulsion Laboratory, California Institute of Technology, prepared a standard agreement (4468) dated 1/95 for use with all educational institutions with which it contracts. After months of discussion with JPL, the Research Administration Office can recommend that campuses accept this contract with the following understandings and modifications:

GP-30. Walsh-Healey Public Contracts Act

GP-35. Buy American Act - Supplies

It is understood that these clauses are not applicable to basic or applied research contracts with educational institutions. However, because JPL believes that they may be needed in contract with educational institutions for other types of work, they are retained in the General Provisions as they apply to any work with educational institutions.

GP-50. Rights in Technical Proposal Data

When we requested that the phrase "unless such data are identified by a restrictive legend" be added to the end of this clause in order to protect any proprietary data in our proposals, JPL stated that an exclusion for specified numbered pages would be added to any individual contract for which the proposal contained proprietary data. Thus, the text of each specific contract will have to be reviewed on a case-by-case basis to determine if this clause needs to be altered to protect specified portions of a technical proposal.

GP51. Rights in Data--General

This clause should now contain the modifications provided in the attachment to this Operating Guidance Memo. They provide that the University may establish copyright on any data first produced in the performance of the contract including software.

\*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.

GP-79. Termination of Defined Benefit Pension Plans

GP-80. Reversion or Adjustment of Plans for Postretirement Benefits Other Than Pensions (PRB)

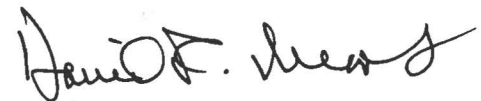
These clauses only apply to commercial organizations. However, JPL did not delete them from the higher education contract because they consider them to be "flow-around" clauses, that is, they are to be used in a subcontract with a commercial organization. They are self-deleting for higher education institutions.

In addition to the General Provisions, any contract could have Additional General Provisions (AGP) which JPL should point out and negotiate with the campus Contracting Officer. So each contract needs to be reviewed to determine if any AGPs are included.

Finally, JPL notified campuses that these General Provisions are available on the World Wide Web via the JPL home page. The address is: <http://procurement.jpl.nasa.gov/folio.cgi/4468.nfo?>. Please note that, although the date of the on-line General Provisions may state 9/21/95, that is the date they were put on-line. They are the 1/95 General Provisions discussed in this Memo. These General Provisions can also be received via e-mail at: [Procurement@jpl.nasa.gov](mailto:Procurement@jpl.nasa.gov). In the subject field, type: JPL General Provisions (4468).

Refer: Samuela A. Evans  
(510) 987-9849

Subject Index: 22  
Organization Index: P-100

  
David F. Mears  
Director, Research Administration

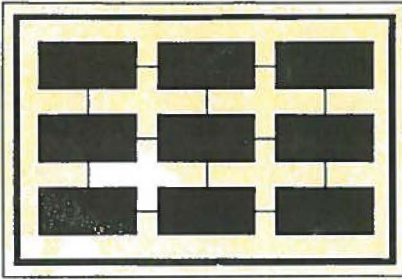
Attachment

NEGOTIATED ALTERATIONS TO  
JPL'S GENERAL PROVISIONS  
WHICH ARE  
APPLICABLE TO ALL JPL CONTRACTS  
WITH  
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

**ARTICLE GP-51, RIGHTS IN DATA - GENERAL, is revised as follows:**

- (1) Delete paragraph (c)(1)(A) and substitute:
  - (A) Except as otherwise specifically provided in this Contract, the Contractor may establish claim to copyright subsisting in any data first produced in the performance of this Contract. When claim to copyright is made, the Contractor shall affix the applicable copyright notices of 17 U.S.C. 401 or 402 and acknowledgment of Government sponsorship (including the Prime Contract number) to the data when such data are delivered to JPL, as well as when the data are published or deposited for registration as a published work in the U.S. Copyright Office. (Acknowledgment shall include a statement that "This work was performed for the Jet Propulsion Laboratory, California Institute of Technology, sponsored by the United States Government under Contract NAS7-1260.") For data other than computer software, the Contractor grants to the Government, and in support and furtherance of its Government contract obligations, the Institute, and others acting on their behalf, a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted data to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly by or on behalf of the Government. For computer software, the Contractor grants to the Government, and in support and furtherance of its Government contract obligations, the Institute, and others acting on their behalf, a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted computer software to reproduce, prepare derivative works, and perform publicly and display publicly by or on behalf of the Government.
- (2) Delete paragraph (c)(1)(B) and substitute:
  - (B) If the Government desires to obtain copyright in computer software first produced in the performance of this Contract for which claim to copyright has not been made by the Contractor, the Contracting Officer or the Institute may direct the Contractor to establish, or authorize the establishment of, claim to copyright in said computer software, and to assign, or obtain the assignment of, such copyright to the Government or its designated assignee.
- (3) At end of paragraph (c)(2) delete the period and add "if included in this Contract or as otherwise may be provided in a collateral agreement incorporated in or made part of this Contract."
- (4) Delete paragraph (d)(3) and substitute:
  - (3) Before the Contractor publishes or releases computer software first produced under this Contract, it shall first furnish the Contracting Officer with a copy of such software and a statement as to the circumstances of the publication or release.
- (5) In paragraph (j), first sentence, delete the words "or an unauthorized representative, may,..." and substitute "an authorized representative, or JPL may,..."





University of California  
Office of the President

Senior Vice President—  
Business and Finance

Costing Policy & Analysis  
Research Administration Office

# Memo

## Operating Guidance

No. 96-07  
Supplement 1  
June 19, 1996

### CONTRACT AND GRANT OFFICERS (CAMPUS AND LAB)\*

Subject: Jet Propulsion Laboratory - Cost Reimbursement Without Fee With an Educational  
Institution Contract: Negotiated Alterations to General Provisions Fax Dated May 6, 1996

The Jet Propulsion Laboratory (JPL), California Institute of Technology, has submitted additional provisions to the subject contract to the Office of the President, Research Administration Office (RAO), for review. A copy of these Negotiated Alterations to the General Provisions, fax dated May 6, 1996, is attached to this memo. Also attached is a copy of the RAO letter to John Davis, Acquisition Division, JPL, stating that these additional alterations are acceptable to the University with the understandings described in the letter.

In addition to the information about the negotiated alterations provided in the letter to John Davis, the Office of Technology Transfer has advised us that the clauses on Limited Rights Notice and Restricted Rights Notice now included with these negotiated alterations in Article GP-51, Rights in Data - General, may need to be discussed with Principal Investigators. These clauses present language not normally found in federal contracts. Universities usually have FAR clause 52.227-14, Alternate IV, in their federal contracts. However, Alternate IV is used primarily in basic or applied research performed solely by universities. Subcontracts to universities from for-profit government contractors or other intermediaries of federal funding such as JPL may now contain the Limited Rights Data and Restricted Rights Data clauses also found in FAR 52.227-14, but not previously used in university contracts with federal agencies.

Principal Investigators need to be advised of the requirements in these new clauses when their research involves delivering to the Government or the direct sponsor data which is confidential or software which is a trade secret or copyrighted. This situation could occur when the JPL contract involves industry collaborators or subcontractors or software developed outside of the JPL contract by the University. Failure to correctly mark restricted data or software will result in the Government receiving unlimited rights to the data.

OTT will be issuing an Operating Guidance Memo on this subject in the near future.

Refer: Samuela A. Evans  
(510) 987-9849

Subject Index: 22  
Organization Index: P-100

*David F. Mears*  
David F. Mears  
Director, Research Administration

### Attachments

\*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.



NEGOTIATED ALTERATIONS  
WITH XXXXXXXXXXXXXXXXXXXXXXXXXX  
TO GENERAL PROVISIONS  
WITH ASSOCIATED RATIONALE

(Note: all the following changes are considered  
standard alterations, and therefore do not  
need NMO approval)

- (a) In the General Provisions to this Contract, wherever the word "schedule(s)" appears in reference to the work or costs of this Contract, said references shall refer to the work referenced and costs contained on the first page of this Contract. Other General Provision references to "schedules(s)" shall be deemed to refer to the "Articles" portion of this Contract.
- (b) ARTICLE GP-2, entitled "Order of Precedence," is modified to add paragraph (d) as follows:
  - (d) All provisions of this Contract which are required by their terms to be included in subcontracts shall be required by the Contractor to take precedence in the subcontract over any other provisions.
- (c) ARTICLE GP-11 of this Contract entitled "Asbestos Notification" is deleted in its entirety and is substituted with:

ARTICLE GP-11. ASBESTOS NOTIFICATION

(This Article applies if any of the Contract effort will be performed in JPL-Pasadena buildings.)

Contractor acknowledges receipt of the attached "Asbestos Notification," form JPL 2895, identifying JPL buildings containing asbestos and agrees to distribute the Notice to all its personnel prior to their commencing work in such buildings. Contractor agrees to coordinate with the JPL Safety Operations Section for special asbestos handling instructions to be given to all Contractor's personnel, including subcontractors' personnel, prior to their commencing work, if any, which could disturb asbestos in JPL-controlled buildings. The substance of this Article will be included in all subcontracts issued under this Article for work performed in JPL-Pasadena buildings.

- (d) Delete ARTICLE GP-15 of this Contract entitled "Safety: Illness and Injury Prevention Program," and substitute:

ARTICLE GP-15. INJURY AND ILLNESS PREVENTION PROGRAM

All Contractors whose personnel work at a site in California must establish and implement an effective injury and illness prevention program in compliance with California law.

- (e) In ARTICLE GP-21 of this Contract entitled "Examination of Records by Comptroller General," delete paragraph (a) and substitute the following:
  - (a) This Article does not apply if this Contract does not exceed \$50,000 and does not apply if this Contract is for public utility services at rates established to apply uniformly to the public, plus any applicable reasonable connection charge.

- (f) ARTICLE GP-29, entitled "Contract Work Hours and Safety Standards Act - Overtime Compensation" is deleted and the following is substituted:

52,222-4

ARTICLE GP-29. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION

- Craft people*
- (a) This provision is not applicable to contracts for supplies, materials, or articles ordinarily available in the open market, contracts of \$50,000 or less, contracts to be performed solely within a foreign country, contracts for supplies in connection with which any required services are merely incidental to the contract and do not require substantial employment of laborers or mechanics, and any other contracts exempt under regulations of the Secretary of Labor (29 CFR 5.15).
- (b) Overtime Requirements. No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics (see FAR 22.300 and any corresponding implementing or supplementing provisions in the NFS) shall require or permit any such laborers or mechanics in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than 1-1/2 times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- (c) Violation, Liability for Unpaid Wages, and Liquidated Damages. In the event of any violation of the provisions set forth in paragraph (b) of this Article, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions set forth in paragraph (b) of this Article in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in paragraph (b) of this Article.
- (d) Withholding for Unpaid Wages and Liquidated Damages. Either JPL or the Contracting Officer shall, upon their own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract, or any other contract with JPL, or any other Federally assisted contract which is subject to the Federal Contract Work Hours and Safety Act which is held by the Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (c) of this Article.
- (e) Payrolls and Basic Records.
- (1) The Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of Contract work and shall preserve them for a period of three years from the completion of the Contract for all laborers and mechanics working on the Contract. Such records shall contain the name and address of

each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Nothing in this paragraph shall require the duplication of records required to be maintained for construction work by Department of Labor regulations at 29 CFR 5.5(a)(3) implementing the Davis-Bacon Act.

- (2) The records to be maintained under paragraph (e)(1) of this Article shall be made available by the Contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the Institute, the Contracting Officer or the Department of Labor. The Contractor or subcontractor shall permit such representatives to interview employees during working hours on the job.
- (f) Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the provisions set forth in paragraphs (a) through (f) of this Article and also an Article requiring the subcontractors to include these provisions in any lower-tier subcontracts. The Contractor shall be responsible for compliance by any subcontractor or lower-tier subcontractor with the provisions set forth in paragraphs (a) through (f) of this Article.
- (g) ARTICLE 36, entitled "PREFERENCE FOR U.S.-FLAG AIR CARRIERS," is modified to add the following:
- (This Article does not apply to contracts for supplies, nonpersonal services, and construction within the small purchase amount in FAR Part 13.)
- (h) ARTICLE GP-39, entitled "Restrictions on Certain Foreign Purchases," is deleted in its entirety and is substituted with the following:

ARTICLE GP-39. RESTRICTIONS ON CERTAIN FOREIGN PURCHASES

- (a) Unless advance written approval of JPL and the Contracting Officer is obtained, the Contractor shall not acquire for use in the performance of this Contract:
- (1) Any supplies or services originating from sources within the communist areas of North Korea, Vietnam, Cambodia, or Cuba;
  - (2) Any supplies that are or were located in or transported from or through North Korea, Vietnam, Cambodia, or Cuba; or
  - (3) Arms, ammunition, or military vehicles produced in South Africa, or manufacturing data for such articles.
- (b) The Contractor shall not acquire for use in the performance of this Contract supplies or services originating from sources within Iraq, any supplies that are or were located in or transported from or through Iraq, or any supplies or services from entities controlled by the Government of Iraq.
- (c) The Contractor agrees to insert the provisions of this Article, including this paragraph (c), in all subcontracts hereunder.



- (i) ARTICLE GP-41 of this Contract entitled "Reports on Subcontracts" is deleted in its entirety.
- (j) ARTICLE GP-47 of this Contract entitled "Small Business and Small Disadvantaged Business Subcontracting Plan (SB/SDB Plan)," is modified as follows:
  - 1. In paragraph (a), the revision date "R 1/95" for form JPL 0294 is deleted.
  - 2. Paragraph (b) of the Article of this Contract entitled "Small Business and Small Disadvantaged Business Subcontracting Plan (SB/SDB Plan)" is hereby deleted, and the following is substituted:
    - (b) If a Plan is required under this Contract, SF 294, "Subcontracting Report for Individual Contracts," is a deliverable which must be submitted by the Contractor to the JPL Negotiator.
- (k) ARTICLE GP-48, entitled "Restrictions on Subcontractor Sales," is deleted and the following is substituted:

ARTICLE GP-48. RESTRICTIONS ON SUBCONTRACTOR SALES

- (a) This Article applies only if the basic contract is greater than \$50,000.
  - (b) Except as provided in (c) below, the Contractor shall not enter into any agreement with an actual or prospective subcontractor, nor otherwise act in any manner, which has or may have the effect of restricting sales by such subcontractors directly to JPL or the Government of any item or process (including computer software) made or furnished by the subcontractor under this Contract or under any follow-on production contract.
  - (c) The prohibition in (b) above does not preclude the Contractor from asserting rights that are otherwise authorized by law or regulation.
  - (d) The Contractor agrees to incorporate the substance of this Article, including this paragraph (d), in all subcontracts under this Contract.
- (l) ARTICLE GP-51, RIGHTS IN DATA - GENERAL, is revised as follows:
- (1) Delete paragraph (c)(1)(A) and substitute:
    - (A) Except as otherwise specifically provided in this Contract, the Contractor may establish claim to copyright subsisting in any data first produced in the performance of this Contract. When claim to copyright is made, the Contractor shall affix the applicable copyright notices of 17 U.S.C. 401 or 402 and acknowledgment of Government sponsorship (including the Prime Contract number) to the data when such data are delivered to JPL as well as when the data are published or deposited for registration as a published work in the U.S. Copyright Office. (Acknowledgment shall include a statement that "This work was performed for the Jet Propulsion Laboratory, California Institute of Technology, sponsored by the United States Government under Contract NAS7-1260.") For data other than computer software, the Contractor grants to the Government, and in support and furtherance of its Government contract obligations, the Institute,

and others acting on their behalf, a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted data to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly by or on behalf of the Government. For computer software, the Contractor grants to the Government and in support and furtherance of its Government contract obligations, the Institute, and others acting on their behalf, a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted computer software to reproduce, prepare derivative works, and perform publicly and display publicly by or on behalf of the Government.

(2) Delete paragraph (c)(1)(B) and substitute:

- (B) If the Government desires to obtain copyright in computer software first produced in the performance of this Contract for which claim to copyright has not been made by the Contractor, the Contracting Officer or the Institute may direct the Contractor to establish, or authorize the establishment of, claim to copyright in said computer software, and to assign, or obtain the assignment of, such copyright to the Government or its designated assignee.

(3) Delete paragraph (c)(2) and substitute:

- (2) Data Not First Produced in the Performance of This Contract. The Contractor shall not, without prior written permission of JPL, incorporate in data delivered under this Contract any data not first produced in the performance of this Contract and which contains the copyright or mask work notice of 17 U.S.C. 401 or 402 or 909, unless the Contractor identifies such data and grants to the Government, and in support and furtherance of its Government contract obligations, the Institute, or acquires on their behalf, a license of the same scope as set forth in subparagraph (c)(1) of this Article; provided, however, that if such data are computer software, the Contractor grants to the Government and in support and furtherance of its Government contract obligations, the Institute, or acquires on their behalf, a paid up nonexclusive irrevocable worldwide license as set forth in subparagraph (g)(3) of this Article if included in this Contract or as otherwise may be provided in a collateral agreement incorporated in or made part of this Contract.

(4) Delete paragraph (d)(3) and substitute:

- (3) Before the Contractor publishes or releases computer software first produced under this Contract, it shall first furnish the Contracting Officer with a copy of such software and a statement as to the circumstances of the publication or release.

(5) Add paragraph (g)(2) as follows:

- (2) Notwithstanding paragraph (g)(1) of this Article, the Contractor may identify and specify the delivery of limited rights data, or JPL or the Contracting Officer may require by written request the delivery of limited rights data that has been withheld or would otherwise be withholdable. If delivery of such data is so required,

the Contractor may affix the following "Limited Rights Notice" to the data and the Institute and the Government will thereafter treat the data, subject to the provisions of paragraph (e) and (f) of this Article, in accordance with such Notice:

#### LIMITED RIGHTS NOTICE

- (a) These data are submitted with limited rights under Government Contract No. NAS7-1260 and JPL Subcontract No. 960501. These data may be reproduced and used by the Institute or the Government with the express limitation that they will not, without written permission of the Contractor, be used for purposes of manufacture nor disclosed outside the Institute or the Government; except that the Institute or the Government may disclose these data outside the Institute or the Government for the following purposes, if any, provided that the Institute or the Government makes such disclosure subject to prohibition against further use and disclosure:

- (1) Use by support service contractors.
- (2) (Reserved)

- (b) This notice shall be marked on any reproduction of these data, in whole or in part.

(end of notice)

- (6) Delete paragraph (j) and substitute:

- (j) Inspection of Data Withheld. The Contractor agrees, except as may be otherwise specified in this Contract for specific data items listed as not subject to this paragraph, that the Contracting Officer, an authorized representative, or JPL may, up to three years after acceptance of all items to be delivered under this Contract, inspect at the Contractor's facility any data withheld pursuant to subparagraph (g)(1) of this Article, for purposes of verifying the Contractor's assertion pertaining to the limited rights or restricted rights status of the data or for evaluating work performance. Where the first-tier subcontractor whose data are to be inspected demonstrates to the Contracting Officer that there would be a possible conflict of interest if the inspection were made by a particular representative, the Contracting Officer shall designate an alternate inspector.

- (7) Add paragraphs (g)(3)(A) - (C) as follows:

- (A) Notwithstanding paragraph (g)(1) of this Article, the Contract may identify and specify the delivery of restricted computer software, or JPL or the Contracting Officer may require by written request the delivery of restricted computer software that has been withheld or would otherwise be withholdable. If delivery of such computer software is so required, the Contractor may affix the following "Restricted Rights Notice" to the computer software and the Institute and the Government will thereafter treat the



computer software, subject to the provisions of paragraphs (e) and (f) of this Article, in accordance with the Notice:

#### RESTRICTED RIGHTS NOTICE

- (a) This computer software is submitted with restricted rights under Government contract No. NAS7-1260 (and JPL subcontract No. 960501). It may not be used, reproduced, or disclosed by the Institute or the Government except as provided in paragraph (b) of this Notice or as otherwise expressly stated in the Contract.
- (b) This computer software may be:
  - (1) Used or copied for use in or with the computer or computers for which it was acquired, including use at any Institute or Government installation to which such computer or computers may be transferred;
  - (2) Used or copied for use in a backup computer if any computer for which it was acquired is inoperative;
  - (3) Reproduced for safekeeping (archives) or backup purposes;
  - (4) Modified, adapted, or combined with other computer software, provided that the modified, combined, or adapted portions of the derivative software incorporating restricted computer software are made subject to the same restricted rights;
  - (5) Disclosed to and reproduced for use by support service contractors in accordance with subparagraphs (b)(1) through (4) of this Article, provided the Institute or the Government makes such disclosure or reproduction subject to these restricted rights; and
  - (6) Used or copied for use in or transferred to a replacement computer.
- (c) Notwithstanding the foregoing, if this computer software is published copyrighted computer software, it is licensed to the Institute and the Government, without disclosure prohibitions, with the minimum rights set forth in paragraph (b) of this Article.
- (d) Any other rights or limitations regarding the use, duplication, or disclosure of this computer software are to be expressly stated in, or incorporated in, the Contract.
- (e) This Notice shall be marked on any reproduction of this computer software, in whole or in part.

(and of notice)

- (B) Where it is impractical to include the Restricted Rights Notice on restricted computer software, the following short-form Notice may be used in lieu thereof:

RESTRICTED RIGHTS NOTICE - SHORT FORM

Use, reproduction, or disclosure is subject to restrictions set forth in Contract No. NAS7-1260 (and subcontract No. 960501 with Massachusetts Institute of Technology).

(end of notice)

- (C) If restricted computer software is delivered with the copyright notice of 17 U.S.C. 401, it will be presumed to be published copyrighted computer software licensed to the Institute and the Government without disclosure prohibitions, with the minimum rights set forth in paragraph (b) of this Article, unless the Contractor includes the following statement with such copyright notice: "Unpublished - rights reserved under the Copyright Laws of the United States."

- (m) Add ARTICLE GP-83, entitled "SAFETY AND HEALTH," as follows:

ARTICLE GP-83. SAFETY AND HEALTH

(This Article is applicable only if the Contract (i) requires work involving the use of hazardous materials or operations, regardless of dollar value; (ii) exceeds \$25,000 and involves construction, repair, or alteration of facilities; or (iii) exceeds \$1,000,000, unless a waiver is granted.)

- (a) The Contractor shall take all reasonable safety and health measures in performing under this Contract and shall, to the extent set forth below, submit a safety plan and a health plan for JPL's approval. The Contractor shall comply with all Federal, State, and local laws applicable to safety and health in effect on the date of this Contract and with the safety and health standards, specifications, reporting requirements, and provisions set forth below.
- (b) The Contractor shall take or cause to be taken any other safety and health measures JPL may reasonably direct. To the extent that the Contractor may be entitled to an equitable adjustment for those measures under the terms and conditions of this contract, the equitable adjustment shall be determined pursuant to the procedures of the Article of this Contract entitled "Changes," provided, that no adjustment shall be made under this Safety and Health Article for any change for which an equitable adjustment is expressly provided under any other provision of the Contract.
- (c) Standards. The following safety and health standards, specifications, issuances, and reporting requirements are prescribed pursuant to paragraph (a).
- (1) General Standards and Specifications: The Contractor shall comply with applicable provisions of the Occupational Safety and Health Standards of the Occupational Safety and Health Act of 1970, Rules and Regulations of the Department of Labor issued pursuant thereto and regulations of states provided for under the

Act. Within California the Contractor shall comply with applicable provisions of the California Occupational Safety and Health Act of 1973.

- (2) Flight Project Safety: The Contractor shall include in each Project Plan prepared for a flight project the safety needs and special safety monitoring required for the flight project. Project Plans containing such requirements will be referenced in the flight project task order issued by the Contracting Officer under the Prime Contract and the Contractor shall comply with those requirements.
  - (3) Nuclear Safety: Radioactive material will be handled in accordance with appropriate State of California, Department of Energy and/or Nuclear Regulatory Commission requirements and in accordance with National Aeronautics and Space Council document, "Nuclear Safety Review and Approval Procedures for Minor Radioactive Sources in Space Operations." Additionally, when radioactive material is to be used in space launches, they shall meet the requirements of the Interagency Nuclear Safety Review Panel (INSRP) as directed by the President of the United States.
  - (4) Environmental Matters: Environmental controls shall be in accordance with applicable NASA and other Federal, State and local regulatory requirements and in accordance with applicable Executive Orders of the President.
  - (5) Propulsion Safety: Chemical Propulsion Information Agency Publication No. 194, Chemical Rocket/Propellant Hazards, Volumes II and III and DOD Manual 4145.26M, Contractor's Safety Manual for Ammunition and Explosives, March 1986 shall be used as guides in establishing propulsion safety requirements to be included in the safety and health plan to be submitted in accordance with paragraph (a) above.
  - (6) Ammunition and Explosive Safety: DOD Manual 4145.26M, Contractor's Safety Manual for Ammunition and Explosives, March 1986 and CAL/OSHA and Federal OSHA regulations, shall be used in establishing ammunition, explosive and related safety standards.
  - (7) Any additional safety and health standards, specifications, issuances and reporting requirements set forth in this Contract.
- (d) The safety and health plan to be submitted by the Contractor pursuant to paragraph (a) above shall implement the requirements of this Article and of the standards and specifications of paragraph (c) of this Article and shall describe the means to be employed by the Contractor to monitor and enforce said requirements. The plan shall include the Contractor's standards and criteria for imposing safety and health standards upon its subcontractors of any tier and its plans and procedures for monitoring compliance with such standards. A safety and health plan for similar work performed by the Contractor on a Federal contract may be submitted for review and approval under this Article.



- (e) The Contractor shall immediately notify and promptly report to JPL any accident, incident, or exposure resulting in fatality, lost-time occupational injury, occupational disease, contamination of property (or, if this Contract sets forth any acceptable threshold limits of contamination, any contamination of property beyond those stated limits) or property loss of \$25,000 or more arising out of work performed under this Contract. The Contractor is not required to include in any report an expression of opinion as to the fault or negligence of any employee. Service contractors (excluding construction contracts) shall provide quarterly reports specifying lost-time frequency rate, number of lost-time injuries, exposure, and accident/incident dollar losses as specified in the contract Schedule. The Contractor shall investigate all work-related incidents or accidents to the extent necessary to determine their causes and furnish the JPL a report, in such form as JPL may require, of the investigative findings and proposed or completed corrective actions. In addition, the Contractor shall comply with the illness, incident and injury experience reporting requirements set forth below or elsewhere in this Contract.
- (f) Illness, Incident and Injury Experience Reports.
- (1) Reports required by this Article or elsewhere in this Contract shall be furnished in three copies unless otherwise specified.
- (2) The following illness, incident, and injury experience reports are prescribed pursuant to paragraph (e) above:
- (A) Investigative Reports: The Contractor shall furnish reports of investigation of individual incidents or accidents in formats approved by JPL. provided, however, that the Contractor shall not be required to furnish personally identifiable information concerning Contractor or subcontractor employees.
- (B) The Contractor shall furnish such other reports as JPL determines to be related to the Contractor's safety and health program and its experiences thereunder.
- (g) (1) JPL may notify the Contractor in writing of any noncompliance with this Article and specify corrective actions to be taken. The Contractor shall promptly take and report any necessary corrective action.
- (2) If the Contractor fails or refuses to institute prompt corrective action in accordance with subparagraph (g)(1) of this Article, JPL may invoke any stop work or suspension of work provision of this Contract or any other remedy legally available to the Institute in the event of such failure by the Contractor.
- (h) The Contractor (or subcontractor or supplier) shall cause the substance of this Article, including this paragraph (h) and any applicable provisions of this Contract, with any appropriate changes of designations of the parties, to be inserted in subcontracts of every tier which:
- (1) Amount to \$1,000,000 or more, unless JPL makes a written determination that this is not required;
- (2) Require construction, repair, or alteration in excess of \$25,000; or

- (3) Regardless of dollar amount, involve the use of hazardous materials or operations.
- (i) The Contractor agrees that authorized representatives of JPL or the Contracting Officer shall have access to and the right to examine the sites or areas where work under this Contract is being performed in order to determine the adequacy of the Contractor's safety and health measures under this Article.
- (i) As part of the Contractor's safety and health plan, the Contractor shall furnish a list of all hazardous operations to be performed, including operations covered by measures indicated in paragraphs (a) and (b) of this Article and a list of other major or key operations required or planned in the performance of the contract, even though not deemed hazardous by the Contractor. JPL and the Contractor shall jointly decide which operations are to be considered hazardous with JPL as the final authority. Before hazardous operations commence, the Contractor shall develop, review, and provide plans for the operation for JPL to review. The Contractor's review procedure shall include evaluations by operating personnel, management and safety professionals, as appropriate. Lists of personnel trained and certified or specified for each hazardous operation shall be maintained. Such records shall be supplied to JPL on request.

# UNIVERSITY OF CALIFORNIA

BERKELEY • DAVIS • IRVINE • LOS ANGELES • RIVERSIDE • SAN DIEGO • SAN FRANCISCO



SANTA BARBARA • SANTA CRUZ

OFFICE OF THE SENIOR VICE PRESIDENT—  
BUSINESS AND FINANCE

OFFICE OF THE PRESIDENT  
300 Lakeside Drive  
Oakland, California 94612-3550

May 30, 1996

John Davis  
Acquisition Division, Section 627  
MS 190-220  
Jet Propulsion Laboratory  
California Institute of Technology  
4800 Oak Grove Drive  
Pasadena, CA. 91109

Subject: Negotiated Alterations to General Provisions -- Cost Reimbursement Without Fee with an  
Education Institution, Fax Dated May 6, 1996

Dear Mr. Davis:

This letter is in response to the subject negotiated alterations which were faxed to Samuela Evans in my office on May 6, 1996. These alterations are acceptable to the University of California with the following understandings:

## GP-29. Contract Work Hours and Safety Standards Act -- Overtime Compensation

This clause is not generally applicable to research and is, therefore, not found in federal research contracts. It is required for contracts primarily when the work would require substantial employment of laborers or mechanics. However, as with other clauses in the JPL General Provisions which the University has said are not applicable, JPL has retained them in the General Provisions indicating that they do not apply to the University. While we have no reason to believe that the University is not in compliance with the requirements of this clause, we would like to point out that it is not used by NASA in its federal research contracts.

## GP-51. Rights in Data - General

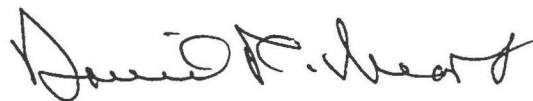
We understand that the revised language we are accepting in this clause is that in your May 6th fax and not that found in the JPL on-line version of the General Provisions also dated May 6, 1996.



John Davis  
May 30, 1996  
Page 2

We will inform our campuses of these negotiated alterations to the JPL General Provisions. Thank you for continuing to work with us on the implementation of this JPL contract. If you have any questions about the above response, please call Samuela Evans at (510) 987-9849.

Very truly yours,

A handwritten signature in dark ink, appearing to read "David F. Mears", with a stylized flourish at the end.

David F. Mears  
Director, Research Administration

cc: Campus Contract and Grant Officers

UCOP

Research Administration Library  
(Library Copy)  
12th Floor, Kaiser Building

University of California  
Office of the President

Senior Vice President—  
Business and Finance

Costing Policy & Analysis  
Research Administration Office

# Memo

## Operating Guidance

No. 96-07  
Supplement 2  
December 9, 1996

### CONTRACT AND GRANT OFFICERS (CAMPUS AND LAB)\* VICE CHANCELLORS--ADMINISTRATION

**Subject:** Jet Propulsion Laboratory - Alterations to Cost Reimbursement Without Fee With an Educational Institution (College or University) Contract: General Provisions (6/96)

Contract and Grant Operating Guidance Memo No. 96-07, Supplement 1, dated June 19, 1996, distributed a fax copy of negotiated alterations to the Jet Propulsion Laboratory's (JPL) General Provisions for Cost Reimbursement Without Fee With Educational Institutions Contracts. JPL has since notified us that the set of negotiated alterations dated May 6, 1996 is not the final version which it is using with educational institution contracts. The Alterations dated 6/96, enclosed with this Memo, are the ones which campuses should now be receiving from JPL along with the contract General Provisions.

The 6/96 Alterations do not contain several of the clauses which were in the May 6, 1996 version. The clauses which have been deleted include:

ARTICLE 36, Preference For U.S. Flag Air Carriers

ARTICLE GP-51, Rights in Data General

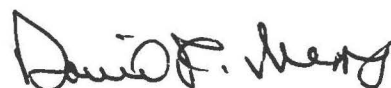
Paragraph (g)(2) Limited Rights Notice  
Paragraph (g)(3)(A)-(C) Restricted Rights Notice

ARTICLE GP-83, Safety and Health

It should be noted that, although Article GP-51 no longer contains the Limited Rights and Restricted Rights Notices, limited rights and restricted rights are still addressed in paragraphs (g)(1) and (j). Such data must still be identified and withheld or delivered and treated as limited rights data. Under paragraph (j), such withheld data may be inspected for "up to three years after acceptance of all items to be delivered under this contract..."

Refer: Samuela A. Evans  
(510) 987-9849

Subject Index: 22  
Organization Index: P-100  
Cancel: C&G Operating Guidance Memo No. 96-07, Sup. 1



David F. Mears  
Director, Research Administration

Enclosure

\*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.



## **ALTERATIONS TO COST-REIMBURSEMENT WITHOUT FEE WITH AN EDUCATIONAL INSTITUTION (COLLEGE OR UNIVERSITY) CONTRACT GENERAL PROVISIONS**

The following alterations modify the General Provisions (JPL 4468, R 1/95) incorporated in this Contract and are in addition to any other alterations specified in the Contract Schedule.

### **ARTICLE GP-2. ORDER OF PRECEDENCE**

The following paragraph (d) is added to the Article of this Contract entitled "Order of Precedence:"

- (d) All provisions of this Contract which are required by their terms to be included in subcontracts shall be required by the Contractor to take precedence in the subcontract over any other provisions.

### **ARTICLE GP-11. ASBESTOS NOTIFICATION**

Delete the Article of this Contract entitled "Asbestos Notification," and substitute:

#### **ARTICLE GP-11. ASBESTOS NOTIFICATION**

(This Article applies if any of the Contract effort will be performed in JPL-Pasadena buildings.)

Contractor acknowledges receipt of the attached "Asbestos Notification," form JPL 2895, identifying JPL buildings containing asbestos and agrees to distribute the Notice to all its personnel prior to their commencing work in such buildings. Contractor agrees to coordinate with the JPL Safety Operations Section for special asbestos handling instructions to be given to all Contractor's personnel, including subcontractors' personnel, prior to their commencing work, if any, which could disturb asbestos in JPL-controlled buildings. The substance of this Article will be included in all subcontracts issued under this Article for work performed in JPL-Pasadena buildings.

### **ARTICLE GP-15. SAFETY: ILLNESS AND INJURY PREVENTION PROGRAM**

Delete the Article of this Contract entitled "Safety: Illness and Injury Prevention Program," and substitute:

#### **ARTICLE GP-15. INJURY AND ILLNESS PREVENTION PROGRAM**

All Contractors whose personnel work at a site in California must establish and implement an effective injury and illness prevention program in compliance with California law.

### **ARTICLE GP-21. EXAMINATION OF RECORDS BY COMPTROLLER GENERAL**

In the Article of this Contract entitled "Examination of Records by Comptroller General," delete paragraph (a) and substitute:

- (a) This Article does not apply if this Contract does not exceed \$50,000 and does not apply if this Contract is for public utility services at rates established to apply uniformly to the public, plus any applicable reasonable connection charge.

### **ARTICLE GP-22. PROHIBITION OF CONTRACTOR USE OF PRIVATELY OWNED AIRCRAFT IN CONTRACT PERFORMANCE**

Delete the Article of this Contract entitled "Prohibition of Contractor Use of Privately Owned Aircraft in Contract Performance," and substitute:

**ARTICLE GP-22. PROHIBITION OF CONTRACTOR USE OF PRIVATELY OWNED AIRCRAFT IN CONTRACT PERFORMANCE**

The Contractor, its employees, agents and subcontractors, shall not use privately owned (noncommercial) aircraft in the performance of this Contract without prior approval of JPL. Any request for approval to use privately owned aircraft must include a certificate of insurance as evidence that the Contractor has in effect Aircraft Liability Insurance coverage of not less than \$5,000,000 for all deaths, injuries and property damage arising from one accident or occurrence. The Contractor shall be required as a condition of JPL's approval to submit an endorsement naming the Institute as an additional named insured in such aircraft liability insurance policy. The Contractor shall include this provision in any subcontract involving travel subject to JPL approval or requiring that the subcontractor utilize a privately owned (noncommercial) aircraft.

**ARTICLE GP-29. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION**

Delete the Article of this Contract entitled "Contract Work Hours and Safety Standards Act - Overtime Compensation," and substitute:

**ARTICLE GP-29. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION**

- (a) This provision is not applicable to contracts for supplies, materials, or articles ordinarily available in the open market, contracts of \$50,000 or less, contracts to be performed solely within a foreign country, contracts for supplies in connection with which any required services are merely incidental to the contract and do not require substantial employment of laborers or mechanics, and any other contracts exempt under regulations of the Secretary of Labor (29 CFR 5.15).
- (b) Overtime Requirements. No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics (see FAR 22.300 and any corresponding implementing or supplementing provisions in the NFS) shall require or permit any such laborers or mechanics in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than 1-1/2 times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- (c) Violation, Liability for Unpaid Wages, and Liquidated Damages. In the event of any violation of the provisions set forth in paragraph (b) of this Article, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions set forth in paragraph (b) of this Article in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in paragraph (b) of this Article.
- (d) Withholding for Unpaid Wages and Liquidated Damages. Either JPL or the Contracting Officer shall, upon their own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract, or any other contract with JPL, or any other Federally assisted contract which is subject to the Federal Contract Work Hours and Safety Act which is held by the Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (c) of this Article.
- (e) Payrolls and Basic Records.
  - (1) The Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of Contract work and shall preserve them for a period of three years from the completion of the Contract for all laborers and mechanics working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Nothing in this paragraph shall require the duplication of records required to be maintained for construction work by Department of Labor regulations at 29 CFR 5.5(a)(3) implementing the Davis-Bacon Act.

(2) The records to be maintained under paragraph (e)(1) of this Article shall be made available by the Contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the Institute, the Contracting Officer or the Department of Labor. The Contractor or subcontractor shall permit such representatives to interview employees during working hours on the job.

(f) Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the provisions set forth in paragraphs (a) through (f) of this Article and also an Article requiring the subcontractors to include these provisions in any lower-tier subcontracts. The Contractor shall be responsible for compliance by any subcontractor or lower-tier subcontractor with the provisions set forth in paragraphs (a) through (f) of this Article.

#### **ARTICLE GP-39. RESTRICTIONS ON CERTAIN FOREIGN PURCHASES**

Delete the Article of this Contract entitled "Restrictions on Certain Foreign Purchases," and substitute:

#### **ARTICLE GP-39. RESTRICTIONS ON CERTAIN FOREIGN PURCHASES**

(a) Unless advance written approval of JPL and the Contracting Officer is obtained, the Contractor shall not acquire for use in the performance of this Contract:

- (1) Any supplies or services originating from sources within the communist areas of North Korea, Vietnam, Cambodia, or Cuba;
- (2) Any supplies that are or were located in or transported from or through North Korea, Vietnam, Cambodia, or Cuba; or
- (3) Arms, ammunition, or military vehicles produced in South Africa, or manufacturing data for such articles.

(b) The Contractor shall not acquire for use in the performance of this Contract supplies or services originating from sources within Iraq, any supplies that are or were located in or transported from or through Iraq, or any supplies or services from entities controlled by the Government of Iraq.

(c) The Contractor agrees to insert the provisions of this Article, including this paragraph (c), in all subcontracts hereunder.

#### **ARTICLE GP-41. REPORT ON SUBCONTRACTS**

Delete the General Provision of this Contract entitled "Report on Subcontracts."

#### **ARTICLE GP-47. SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN (SB/SDB PLAN)**

The Article of this Contract entitled "Small Business and Small Disadvantaged Business Subcontracting Plan (SB/SDB Plan)" is altered as follows:

1. In paragraph (a), the revision date "R 1/95" for JPL form 0294 is deleted.

2. Delete paragraph (b), and substitute:

(b) If a Plan is required under this Contract, SF 294, "Subcontracting Report for Individual Contracts," is a deliverable which must be submitted by the Contractor to the JPL Negotiator.

#### **ARTICLE GP-48. RESTRICTIONS ON SUBCONTRACTOR SALES**

Delete the Article of this Contract entitled "Restrictions on Subcontractor Sales," and substitute:

#### **ARTICLE GP-48. RESTRICTIONS ON SUBCONTRACTOR SALES**

(a) This Article applies only if the basic contract is greater than \$50,000.



- (b) Except as provided in (c) below, the Contractor shall not enter into any agreement with an actual or prospective subcontractor, nor otherwise act in any manner, which has or may have the effect of restricting sales by such subcontractors directly to JPL or the Government of any item or process (including computer software) made or furnished by the subcontractor under this Contract or under any follow-on production contract.
- (c) The prohibition in (b) above does not preclude the Contractor from asserting rights that are otherwise authorized by law or regulation.
- (d) The Contractor agrees to incorporate the substance of this Article, including this paragraph (d), in all subcontracts under this Contract.

## **ARTICLE GP-51. RIGHTS IN DATA - GENERAL**

The Article of this Contract entitled "Rights in Data - General" is altered as follows:

1. Delete paragraphs (c)(1)(A) and (B), and substitute the following:

- (A) Except as otherwise specifically provided in this Contract, the Contractor may establish claim to copyright subsisting in any data first produced in the performance of this Contract. When claim to copyright is made, the Contractor shall affix the applicable copyright notices of 17 U.S.C. 401 or 402 and acknowledgment of Government sponsorship (including the Prime Contract number) to the data when such data are delivered to JPL, as well as when the data are published or deposited for registration as a published work in the U.S. Copyright Office. (Acknowledgment shall include a statement that "This work was performed for the Jet Propulsion Laboratory, California Institute of Technology, sponsored by the United States government under Contract NAS7-1260.") For data other than computer software, the Contractor grants to the Government, and in support and furtherance of its Government contract obligations, the Institute, and others acting on their behalf, a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted data to reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly by or on behalf of the Government. For computer software, the Contractor grants to the Government, and in support and furtherance of its Government contract obligations, the Institute, and others acting on their behalf, a paid-up, nonexclusive, irrevocable worldwide license in such copyrighted computer software to reproduce, prepare derivative works, and perform publicly and display publicly by or on behalf of the Government.
- (B) If the Government desires to obtain Copyright in computer software first produced in the performance of this contract for which claim to copyright has not been made by the Contractor, the Contracting Officer or the Institute may direct the Contractor to establish, or authorize the establishment of, claim to copyright in said computer software and to assign, or obtain the assignment of, such copyright to the Government or its designated assignee.

2. Delete paragraph (c)(2), and substitute the following:

- (2) Data Not First Produced in the Performance of This Contract. The Contractor shall not, without prior written permission of JPL, incorporate in data delivered under this Contract any data not first produced in the performance of this Contract and which contains the copyright or mask work notice of 17 U.S.C. 401 or 402 or 909, unless the Contractor identifies such data and grants to the Government, and in support and furtherance of its Government contract obligations, the Institute, or acquires on their behalf, a license of the same scope as set forth in subparagraph (c)(1) of this Article; provided, however, that if such data are computer software, the Contractor grants to the Government and in support and furtherance of its Government contract obligations, the Institute, or acquires on their behalf, a paid up nonexclusive irrevocable worldwide license as set forth in subparagraph (g)(3) of this Article if included in this Contract or as otherwise may be provided in a collateral agreement incorporated in or made part of this Contract.

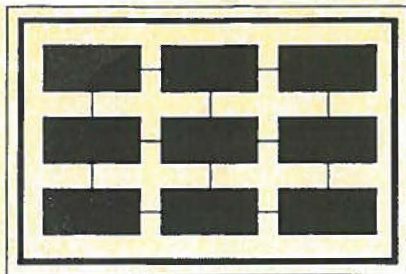
3. Delete paragraph (d)(3), and substitute the following:

- (3) Before the Contractor publishes or releases computer software first produced under this contract, it shall first furnish the Contracting Officer with a copy of such software and a statement as to the circumstances of the publication or release.

4. Delete paragraph (j), and substitute the following:

- (j) Inspection of Data Withheld. The Contractor agrees, except as may be otherwise specified in this Contract for specific data items listed as not subject to this paragraph, that the Contracting Officer, an authorized representative, or JPL may, up to three years after acceptance of all items to be delivered under this Contract, inspect at the Contractor's facility any data withheld pursuant to subparagraph (g)(1) of this Article, for purposes of verifying the Contractor's assertion pertaining to the limited rights or restricted rights status of the data or for evaluating work performance. Where the first-tier subcontractor whose data are to be inspected demonstrates to the Contracting Officer that there would be a possible conflict of interest if the inspection were made by a particular representative, the Contracting Officer shall designate an alternate inspector.

1. The first part of the report deals with the general situation of the country and the position of the various groups. It is a very good summary of the situation and is well written. The second part of the report deals with the specific details of the situation and is also well written. The third part of the report deals with the recommendations and is also well written. The fourth part of the report deals with the conclusions and is also well written. The fifth part of the report deals with the appendix and is also well written. The sixth part of the report deals with the bibliography and is also well written. The seventh part of the report deals with the index and is also well written. The eighth part of the report deals with the cover and is also well written. The ninth part of the report deals with the title page and is also well written. The tenth part of the report deals with the table of contents and is also well written. The eleventh part of the report deals with the list of figures and is also well written. The twelfth part of the report deals with the list of tables and is also well written. The thirteenth part of the report deals with the list of references and is also well written. The fourteenth part of the report deals with the list of abbreviations and is also well written. The fifteenth part of the report deals with the list of symbols and is also well written. The sixteenth part of the report deals with the list of units and is also well written. The seventeenth part of the report deals with the list of definitions and is also well written. The eighteenth part of the report deals with the list of footnotes and is also well written. The nineteenth part of the report deals with the list of appendices and is also well written. The twentieth part of the report deals with the list of references and is also well written.



University of California  
Office of the President

Senior Vice President—  
Business and Finance

Costing Policy & Analysis  
Research Administration Office

# Memo

## Operating Guidance

No. 96-07  
Supplement 3  
May 22, 1997

### CONTRACT AND GRANT OFFICERS (CAMPUS AND LAB)\* VICE CHANCELLORS--ADMINISTRATION

**Subject:** Jet Propulsion Laboratory General Provisions - Cost Reimbursement Without Fee With an Educational Institution (College or University) Contract: Equipment Purchasing Requirements

The Jet Propulsion Laboratory (JPL) General Provisions - Cost Reimbursement Without Fee With an Educational Institution (College or University) contain a specific clause, Article GP-64. Government Property, which sets forth how title to equipment purchased under this contract will vest. In addition, Exhibit E of the subject contract entitled "Management of Government Property in the Possession of Contractors" prescribes the minimum requirements for contractors to maintain control of property purchased under a JPL contract.

Article GP-64. Government Property of the subject JPL General Provisions sets forth how title to property purchased under this contract shall vest at the end of the contract. Specifically, subparagraph (c) Title (4) states that

*Title to equipment (and other tangible personal property) specifically approved by JPL in writing to be purchased with funds available for research and having an acquisition cost of \$5,000 or less shall vest in the Contractor, upon acquisition, provided JPL concurs in writing by issuance of the form specified below. Title to equipment purchased with funds available for research and having an acquisition cost in excess of \$5,000 shall vest with the Government, unless JPL (with NASA approval) indicates otherwise in writing by issuance of the form indicated below.....The status of title to property and the required concurrences and approvals will be tracked using the form (JPL 2710) attached, which will be issued to the Contractor by the JPL Negotiator. (Italics added.)*

JPL Acquisition Division staff has stated that equipment listed in the approved contract budget meets the "...approved by JPL in writing..." requirement of this section. Any equipment purchased under a contract which is not in the approved contract budget must be approved separately in writing by JPL.

According to this subparagraph, the JPL Contract Negotiator should send a completed form JPL 2710, Vesting of Property Purchased with Contract Funds, with each specific contract that has equipment listed in the budget. A copy of this form is attached to the contract. Without a completed JPL 2710, the campus may find at contract close-out that JPL wants all the equipment purchased under the contract returned or transferred, whether under or over \$5,000 in acquisition costs. Completion of this form with the initial contract will clarify the vesting of property purchased under the contract from the outset. Any additional equipment purchased during the contract which was not in the original budget and, therefore, not listed on the JPL 2710 would require the JPL Contract Negotiator to issue another JPL 2710 indicating the vesting of that piece of additional equipment.

\*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.

May 22, 1997

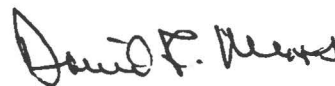
Page 2

As JPL Contract Negotiators may not always include the form JPL 2710 with a contract, the campus Contract and Grant Officer should make sure, when reviewing a JLP contract, that a completed form JPL 2710 is included when necessary. If title to equipment does not vest in The Regents and JPL requests that it be shipped elsewhere, the cost of shipping should be charged to the contract or to JPL if the contract is closed-out.

Exhibit E, Management of Government Property in the Possession of Contractors, provides additional requirements and definitions for contractors on maintaining equipment purchased under a JPL contract. Campuses should note that these requirements follows those of the National Aeronautics and Space Administration (NASA). Thus, they include the requirement for screening existing government inventories, submitting NASA DD Form 1419, for each piece of equipment valued at over \$1,000.

Refer: Samuela A. Evans  
(510) 987-9849

Subject Index: 22  
Organization Index: P-100

A handwritten signature in black ink, appearing to read "David F. Mears". The signature is written in a cursive, slightly stylized font.

David F. Mears  
Director, Research Administration