

University of California
Office of the President

Senior Vice President—
Business and Finance

Research Administration Office

Memo

Operating Guidance

No. 00-04, Sup. 2
September 3, 2004

CONTRACT AND GRANT OFFICERS

Subject: California Institute of Technology Jet Propulsion Laboratory General Provisions: Cost-Reimbursement without Fee with an Educational Institution (College or University) CREI R 7/04 and Research Support Agreement (RSA) 2/04

JPL CREI R 7/04:

California Institute of Technology Jet Propulsion Laboratory (JPL) has revised its *Cost Reimbursement without Fee with an Educational Institution (CREI) General Provisions* to add an attachment entitled: "Management of Government Property in the Possession of Contractors." This attachment "prescribes the minimum requirements contractors must meet in establishing and maintaining control over Government property." Equipment is defined as items which are "(i) generally commercially available and used as a separate item or component of a system, (ii) is valued at \$1,000 or more, and (iii) is identifiable by a manufacturer and model number." Please note the \$1,000 threshold for defining equipment is specific to JPL only.

The JPL property management requirements are complex, with procedures that are not part of the standard University management of government property. However, as the requirements of this attachment apply only to Government property provided by JPL or to contractor-acquired property for which JPL does not give title to the Contractor, it should rarely apply to any CREI agreements. For most sponsors, if the sponsor approves equipment in a line-item budget, no further approval is required prior to purchase. JPL requirements are different. If a proposal budget identifies a piece of equipment as defined by JPL to be purchased under a CREI, the campus must also include a form DD 1419 with the proposal to request JPL approval to purchase the equipment and to request that the equipment be vested in the University. If the specific piece of equipment to be purchased is not known at that time, the form DD 1419 submission process must be done whenever the specific piece of equipment is identified and prior to purchase. After JPL screens the NASA property database for the identified piece of equipment and is unable to locate it, JPL completes a form 2710 to approve the purchase and vest the property in the University. JPL has indicated that the screening process could take about two weeks.

All other terms and conditions of the CREI remain the same. *Contract and Grant Operating Guidance Memos* 00-04, dated October 20, 2000, and 00-04 Supplement 1, dated September 26, 2001, remain in effect. The CREI is available on-line at: <http://acquisition.jpl.nasa.gov/pdf/gp/Cost-ReimbursementwithoutFeeWithEducationalInstitution.pdf>

Sept. 3, 2004

Page 2

JPL RSA 2/04:

JPL has developed a new award instrument, the Research Support Agreement (RSA), to simplify the contracting process between JPL and educational institutions.

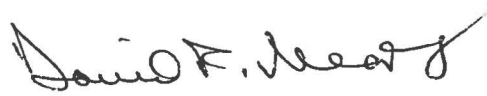
<http://acquisition.jpl.nasa.gov/pdf/gp/ResearchSupportAgreement.pdf> The RSA is a fixed price agreement. Based on the Principal Investigator's proposed scope of work which does not contain a budget, JPL determines the fixed amount of funding it will provide for the proposed project under the RSA. The applicable campus federal indirect cost rate is included in the total RSA fixed price amount provided by JPL.

JPL describes the RSA as "a best-efforts fixed-price subcontract for performing basic research at domestic colleges and universities under a set amount." The funds are intended to provide for awards for up to three years through July 30, 2007. Awards for cycle 1 observation time on NASA's Spitzer Space Telescope have already been issued. These RSAs have an end date of July 30, 2007. According to JPL, "there is no possibility of an extension beyond the expiration date." Cycle 2 observation time will begin in July, 2005. The Cycle 2 RFP should be published by JPL this winter. With an RSA, the entire funds are made available to the University at the start of the period of performance. Quarterly progress reports which briefly summarize the status of the proposed work must be submitted. No financial reports are required. RSA funds cannot be used to fund investigators affiliated with non-U.S. institutions unless they are on the payroll of the U.S. applicant institution.

JPL is interested in hearing from RSA recipients about the use of this mechanism. As it is intended to streamline the research contracting process with JPL, JPL plans to expand its use if recipients provide them with positive feedback on its implementation.

Refer: Samuela A. Evans
(510) 987-9849
samuella.evans@ucop.edu

Subject: 22
Organization: P-100


David F. Mears
Director