



University of California  
Office of the President

Office of the  
Associate Vice President —  
Business and Finance

Contracts and Grants Office

# Memo

## Operating Guidance

C&G No. 86-22  
September 5, 1986

### VICE CHANCELLORS — BUSINESS AND FINANCE/ADMINISTRATION\* CONTRACTS AND GRANTS OFFICERS (NON-LAB) OFFICE OF THE PRESIDENT FUNCTIONAL MANAGERS

Subject: New State Agreement Contract Provision: Contractor to Give Priority  
Consideration to Employment of Qualified Aid Recipients

We were recently asked by a campus contracts and grants office about the acceptability of a special provision in a State Air Resources Board Agreement. This provision, concerning the hiring of recipients of aid, states that:

The contractor shall give priority consideration in filling vacancies in positions funded by the contract to qualified recipients of aid under Chapter 2 commencing with Section 11200 of the Welfare and Institutions Code, in accordance with Article 3.9 commencing with Section 11349 of the Welfare and Institutions Code. (Public Contract Code Section 10353)

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.

In response to our inquiry about this clause, the State Department of General Services, Office of Legal Services replied that their "Department would not require contracts which the University of California enters into with other state agencies to contain this provision." (See enclosed letter)

DGS has told us that we can refer to this letter from them if we are asked in the future to include this clause in a contract between the University and a State agency.

Refer: Samuela A. Evans  
ATSS 8-582-1654  
(415) 642-1654

Subject Index: 2, 14  
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S-210

David F. Mears  
University Contracts and Grants  
Coordinator

## DEPARTMENT OF GENERAL SERVICES

July 29, 1986



University of California  
Office of the President  
Berkeley, CA 94720

Attention: David F. Mears  
University Contracts and  
Grants Coordinator

SUBJECT: Public Contract Code Section 10353 as Applied to University of California Agreements

Dear Mr. Mears:

Your letter of July 17, 1986, to Mr. Emil J. Relat, requesting an opinion regarding the applicability of Public Contract Code Section 10353 to University of California contracts has been referred to me for a determination.

Although not expressly stated, it would appear the Legislature intended the requirements of Public Contract Code Section 10353 to apply to contracts entered into by state agencies with private and nonprofit entities as opposed to public entities. Consequently, our Department would not require contracts which the University of California enters into with other state agencies to contain this provision.

Incidentally, Emil J. Relat retired last June, and I am pleased to inform you that Charles O. Thrasher is Chief Counsel of this office.

Sincerely,

A handwritten signature in black ink that appears to read "Teresa L. Boron".

TERESA L. BORON  
Staff Counsel  
Office of Legal Services  
(916) 322-5698

TLB:mh