ADMINISTRATIVE PROCEDURES MEMORANDUM NO. 05-04

TO: Vice Presidents
   Chancellors
   Secretary of the Board of Regents
   State Director of Vocational Education
   Deans and Directors

FROM: Sam Callejo
      Vice President for Administration

SUBJECT: ADMINISTRATIVE PROCUREMENT PROCEDURES A8.290,
         REQUIREMENTS OF FEDERALLY FUNDED PURCHASES

Transmitted herewith is the revised Administrative Procedure A8.290, Requirements of Federally Funded Purchases. This update is issued in response to a finding resulting from a Property Control System Analysis conducted by the Office of Naval Research and incorporates federal flowdown provisions which are applicable when a subcontractor is in possession of government property. The revisions include:

- Addition of a new section 2, Federal Flowdown Provisions Applicable when Subcontractor is in Possession of Government Property;

- Inclusion of Attachment 290.1a. If the subcontractor is an educational or nonprofit organization, FEDERAL PROVISIONS APPLICABLE WHEN SUBCONTRACTOR (EDUCATIONAL OR NONPROFIT ORGANIZATION) IS IN POSSESSION OF GOVERNMENT PROPERTY (MAY 2005) – GOVERNMENT SUBCONTRACT PROVISIONS INCORPORATED IN ALL SUBCONTRACTS/PURCHASE ORDERS (UNDER COST-TYPE PRIME COST REIMBURSABLE CONTRACTS) shall be attached to all federally funded subcontracts and purchase orders under cost-type prime cost reimbursable contracts; and

- Inclusion of Attachment 290.1b. If the subcontractor is a commercial entity, FEDERAL PROVISIONS APPLICABLE WHEN SUBCONTRACTOR (COMMERCIAL ENTITY) IS IN POSSESSION OF GOVERNMENT PROPERTY (MAY 2005) – GOVERNMENT SUBCONTRACT PROVISIONS INCORPORATED IN ALL SUBCONTRACTS/PURCHASE ORDERS (UNDER COST-TYPE PRIME COST REIMBURSABLE CONTRACTS) shall be attached.
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Any questions concerning these procedures should be directed to the Office of Procurement and Real Property Management, telephone (808) 956-8687.