



OFFICE OF THE ASSOCIATE VICE PRESIDENT —
AGRICULTURE AND NATURAL RESOURCES

1111 Franklin Street, 5th Floor
Oakland, California 94607-5200

October 15, 2021

TRANSMITTED VIA ELECTRONIC MAIL

PROJECT MANAGER MARTIN
Facilities Planning and Management

RE: Facilities Planning and Management Recharge Rates

Dear Luzanne,

This letter summarizes my decision regarding the proposed Fiscal Year 2021-2022 recharge rates for Facilities Planning and Management. Following careful consideration and the recommendations of the ANR Rate Review Committee, I have approved the following rates to be effective July 1, 2021 through June 30, 2022.

As a reminder, last year we implemented a new rate and recharge practice whereby the ending surplus/deficit balance from a completely closed year was applied to the rate calculations of prospective years. In addition, the Rate and Recharge Committee implemented a new practice whereby units were allowed to carry forward their last approved rate, if a unit's cost structure did not change while operating on a break-even basis. In order to carry forward the aforementioned rates, units must obtain prior endorsement from the recharge committee and continue to comply with the ANR recharge policy. Additional information is available from Han Pham, the Rate and Recharge Committee Chair. These process improvements are intended/designed to provide consistency in reporting and alleviate the administrative burden for units.

Facilities Planning and Management Recharge Rates

Project Management Rate - Full Cost	\$170.25 / hour
Contract Administration Rate – Full Cost	\$130.23 / hour

These rates accurately reflect the true costs of operations and will assist with recovery of the division's outlays. Your staff should ensure that the above approved rates are published in accordance with ANR practices. Units must permanently budget their recharge operations based on the approved rates and ensure that payroll changes are properly reflected in UC Path effective July 1, 2021. Units will need to coordinate with the Business Operations Center or business managers and ensure that all billings are processed on a monthly basis. In addition, please coordinate necessary budgetary entries with Han Pham at han.pham@ucop.edu, and financial entries, including depreciation, with Jing Yu at jing.yu@ucop.edu.

As in the past, it is expected that the above recharge rates will operate on a break-even basis based on the ANR Rate & Recharge policy and unit Directors will notify ANR Rate Review Committee Chair Han Pham if it becomes necessary to adjust rates before the next annual review process. If you have any questions, please contact Han at (510) 587-6441 or han.pham@ucop.edu.

Sincerely,

Tu M. Tran
Associate Vice President
Business Operations

cc: ANR Rate Review Committee