

Authority to Settle Claims

(Delegation of Authority SCDA-IRM0002)

I. Delegation Summary

Delegated To: Director, Materiel Management

Scope of Delegation: This delegation provides authority to approve settlement of routine claims against the University up to \$50,000 which have not been litigated, including claims against general and automobile self insurance, medical malpractice, and workers' compensation.

Delegated By: Vice Chancellor, Business and Administrative Services

Effective Date: July 2, 1998

II. Detailed Delegation

A. Detailed Delegation Statement

Effective immediately, the Director, Materiel Management, is authorized to approve settlement of routine claims up to \$50,000 which have not been litigated. In determining the settlement amount, all consideration paid or received must be valued including amounts paid to employees during periods of leave, and employee benefits. Settlement of claims shall be subject to appropriate funding and must be consistent with guidelines, procedures, and reporting requirements to be established by the Office of the President and the General Counsel.

Note: The Manager, Insurance and Risk Management will recommend on all claims, including routine/non-routine and litigated/non-litigated, prior to review or approval by the Director, Materiel Management, or the Vice Chancellor, Business and Administrative Services (see UCSC Delegations SCDA-IRM0001, Attachment 1).

B. Restrictions/Exceptions

Campus recommendations for settlement of non-litigated claims over \$50,000 shall be submitted by the Vice Chancellor--Business and Administrative Services to the Office of the President. The concurrence of

the General Counsel is required in connection with settlements over \$50,000. Accordingly, arrangement for early participation of the Office of the General Counsel should be made. Campus recommendations for settlement of all litigated claims and for all claims over \$100,000 will be submitted to the Office of President by the Chancellor.

C. Authority to redelegate

This authority may be redelegated. Redelegation should align authority with effective organizational assignments of responsibility. Any redelegation of this authority must be in writing and must be at least as restrictive as this delegation. Additional restrictions may, however, be included. (See UCSC Policy MSC0004: *Delegations of Authority*.)

D. Definitions

Claim: any demand for payment which is disputed in whole or in part and is made other than through litigation. Commercial negotiations to adjust amounts payable under a contract shall not be treated as “claims.”

Litigation: legal proceedings in the form of a lawsuit, arbitration proceeding, or internal or external administrative proceeding. (Note: Most workers’ compensation settlements have been litigated and thus must be approved by the Office of the President.)

Routine Claim: Any claim which involves one or more of the following: (1) public relations significance, (2) programmatic impact for UCSC, (3) academic employment-related claims, and /or (4) employment-related claims involving issues such as violence in the workplace or racial or sexual harassment.

III. “Supersedes” Notification

This delegation of authority supersedes all previous campus delegations on this subject.

IV. Getting Help

The campus Director, Materiel Management, can respond to questions about this delegation of authority.

If you need help with ...	Contact ...
...general and auto liability claims	Insurance and Risk Management, x9-2853.
...workers’ compensation claims	Risk Management Specialist, x9-2850.
...personnel grievances, unfair labor practices, and other Human Resources related claims	Human Resources

V. Authority/References

Authority to make this delegation is documented as follows:

UCSC Delegation SCDA-IRM0001, Authority to Settle Claims, Chancellor to Vice Chancellor--Business and Administrative Services, dated July 2, 1998.

References

Regents' Policy on Settlement of Claims and Litigation, adopted September 15, 1992.

UCOP Office of Risk Management, Settlement Authorization/Review Guidelines, dated August 19, 1996.

UCSC Policy MSC0004: Delegations of Authority

UCSC Delegation SCDA-IRM0003: Attachment 1

Related Delegations of Authority

UCOP Delegation DA2054, President Peltason to Chancellors, Settlement of Claims, dated March 11, 1996.

VI. Copies

The following individuals/offices were provided copies of this delegation:

President
Senior Vice President--Business and Finance
Special Assistant--Coordination and Review
General Counsel and Vice President for Legal Affairs
Manager, Insurance and Risk Management

Attachment 1

Claims	Recommend	Concur	Review/Submit	Approve
Non-litigated claims up to \$10,000	n/a	n/a	n/a	Manager, Insurance and Risk Management
Non-litigated claims up to \$50,000 (routine)	Manager, Insurance and Risk Management	n/a	n/a	Director, Materiel Management
Non-litigated claims up to \$50,000 (non-routine)	Manager, Insurance and Risk Management	Director, Materiel Management	n/a	Vice Chancellor-- Business and Administrative Services
Non-litigated claims \$50,000 - \$100,000	Manager, Insurance and Risk Management	Director, Materiel Management	Vice Chancellor-- Business and Administrative Services	President
All litigated claims, up to 100,000 and/or <u>Compromise and Release (C&R) claims</u>	Manager, Insurance and Risk Management	Director, Materiel Management	Vice Chancellor-- Business and Administrative Services	President
All claims over \$100,000	Manager, Insurance and Risk Management	Director, Materiel Management Vice Chancellor-- Business and Administrative Services	Chancellor	President

Rev. 8/99 LJR