

## § 603.685

property or equipment must be subject to the property management standards in 10 CFR 600.321(b) through (e). As provided in those standards, the title to the real property or equipment will vest conditionally in the for-profit firm upon acquisition. A TIA, whether it is a fixed-support or expenditure-based award, must specify that any item of equipment that has a fair market value of \$5,000 or more at the conclusion of the project also will be subject to the disposition process in 10 CFR 600.321(f), whereby the Federal Government will recover its interest in the property at that time.

### **§ 603.685 Management of real property and equipment by nonprofit participants.**

For nonprofit participants, a TIA's requirements for vesting of title, use, management, and disposition of real property or equipment acquired under the award are the same as those that apply to the participant's other Federal assistance awards. Specifically, the requirements are those in:

(a) 10 CFR 600.231 and 600.232, for participants that are States and local governmental organizations; and

(b) 10 CFR 600.132 and 600.134, for other nonprofit participants, with the exception of nonprofit GOCOs and FFRDCs that are exempted from the definition of "recipient" in 10 CFR 600.101. If a GOCO or FFRDC is a participant, the contracting officer must specify appropriate standards that conform as much as practicable with the requirements in its procurement contract. Note also that:

(1) If the TIA is a cooperative agreement, 31 U.S.C. 6306 provides authority to vest title to tangible personal property in a nonprofit institution of higher education or in a nonprofit organization whose primary purpose is conducting scientific research, without further obligation to the Federal Government; and

(2) A TIA therefore must specify any conditions on the vesting of title to real property or equipment acquired by any such nonprofit participant.

## 10 CFR Ch. II (1-1-06 Edition)

### **§ 603.690 Requirements for Federally-owned property.**

If DOE provides Federally-owned property to any participant for the performance of RD&D under a TIA, the contracting officer must require that participant to account for, use, and dispose of the property in accordance with:

(a) 10 CFR 600.322, if the participant is a for-profit firm.

(b) 10 CFR 600.232(f), if the participant is a State or local governmental organization. Note that 10 CFR 600.232(f) contains additional requirements for managing the property.

(c) 10 CFR 600.133(a) and 600.134(f), if the participant is a nonprofit organization other than a GOCO or FFRDC (requirements for GOCOs and FFRDCs should conform with the property standards in their procurement contracts).

### **§ 603.695 Requirements for supplies.**

An expenditure-based TIA's provisions should permit participants to use their existing procedures to account for and manage supplies. A fixed-support TIA should not include requirements to account for or manage supplies.

## PURCHASING

### **§ 603.700 Standards for purchasing systems of for-profit firms.**

(a) If the TIA is an expenditure-based award, it should require for-profit participants that currently perform under DOE assistance instruments subject to the purchasing standards in 10 CFR 600.331 to use the same requirements for the TIA, unless there are programmatic or business reasons to do otherwise (in which case the reasons must be documented in the award file).

(b) Other for-profit participants under an expenditure-based TIA should be allowed to use their existing purchasing systems, as long as they flow down the applicable requirements in Federal statutes, Executive Orders or Government-wide regulations (see Appendices A and B to this part for a list of those requirements).