IV in management and operating contracts without integrated accounting systems.

(2) 970.5232–3, Accounts, records, and inspection. If the contract includes the clause at 48 CFR 52.215–11, Price Reduction for Defective Cost or Pricing Data—Modifications, the contracting officer shall use the clause with its Alternate I.

(3) 970.5232–4, Obligation of funds. The contracting officer may use the clause with its Alternate I in contracts which, expressly or otherwise, provide a contractual basis for equivalent controls in a separate clause.

(4) 970.5203–1, Management controls.

(5) 970.5232–5, Liability with respect to Cost Accounting Standards.

(6) 970.5232–6, Work for others funding authorization.

(7) 48 CFR 52.230–2, Cost Accounting Standards.

(8) 48 CFR 52.230–6, Administration of Cost Accounting Standards.

(b) The following DEAR clauses are standard financial management clauses. The contracting officer shall insert them in all management and operating contracts with integrated accounting systems:

(1) 970.5232–7, Financial management system.

(2) 970.5232–8, Integrated accounting.

(c) Any deviations from the standard financial management clauses specified in paragraphs (a) and (b) of this section require the approval of the Head of the Contracting Activity and the written concurrence of the Department’s Chief Financial Officer.

970.35 Research and development contracting.

Subpart 970.35—Research and Development Contracting

970.3500 Scope of subpart.

This subpart implements 48 CFR 35.017 regarding the establishment, use, review, and termination of Federally Funded Research and Development Centers (FFRDCs) sponsored by the Department of Energy (DOE).

970.3501 Federally funded research and development centers.

(a) The contract award document constitutes the sponsoring agreement between the Department of Energy and the contractor operating an FFRDC.

(b) The contract statement of work shall define the purpose and mission of the FFRDC.

(c) Other elements of the sponsoring agreement which shall be incorporated into the contract include:

(1) The appropriate termination clause of the contract (as prescribed in 48 CFR subpart 49.5).

(2) The plan for the identification, use, and disposition of retained earnings developed pursuant to 970.1504–1–3(c)(6), if applicable.

(3) The clause entitled “Federally Funded Research and Development Center Sponsoring Agreement,” which,
970.3501–2 Using an FFRDC.

The contractor may only accept work from a non-sponsor (as defined in 48 CFR 35.017) in accordance with the requirements of DOE Order 481.1, Work for Others (Non-Department of Energy Funded Work).


970.3501–3 Reviewing FFRDCs.

(a) All Department of Energy sponsored FFRDCs are operated by management and operating contractors.

(b) Coincident with the review required by 48 CFR 17.605(b) and 970.1706–1(b) regarding the decision to extend or compete a management and operating contract, the contracting officer shall, in accordance with internal Departmental procedures:

(1) Conduct the review required by 48 CFR 35.017–4 concerning the use and need for the FFRDC; and

(2) Recommend for Secretarial approval, the continuation or termination of the Department’s sponsorship of an FFRDC at the time authorization is required to extend or compete a management and operating contract.


970.3501–4 Contract clause.

The contracting officer shall insert the clause at 970.5235–1, Federally Funded Research and Development Center Sponsoring Agreement, in all solicitations and contracts for the management and operation of an FFRDC sponsored by the Department of Energy.


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Subpart 970.36—Construction and Architect-Engineer Contracts

970.3605 Contract clauses.

970.3605–1 Other contracts.

The clause at 48 CFR 52.236–8, Other Contracts, shall be used in all management and operating contracts.


970.3605–2 Special construction clause for operating contracts.

The clause at 48 CFR 970.5236–1, Government Facility Subcontract Approval, shall be used in management and operating contracts when the contractor will not perform covered work with its own forces but may procure construction by subcontract.


Subpart 970.37—Facilities Management Contracting

970.3706 Performance-based acquisition.

970.3706–1 General.

For policy and guidance on performance-based contracting for management and operating (M&O) contracts, see 970.1100.

[75 FR 68220, Nov. 5, 2010]

970.3770 Facilities management.

970.3770–1 Policy.

Contractors managing the Department of Energy (DOE) facilities shall be required to comply with the DOE Directives applicable to facilities management. The use of the DOE Directives is prescribed in 970.0470.

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