

those used in microfabrication, whether or not they are tangible.

**§ 37.1315 Nonprofit organization.**

(a) Any corporation, trust, association, cooperative or other organization that:

(1) Is operated primarily for scientific, educational, service, or similar purposes in the public interest.

(2) Is not organized primarily for profit; and

(3) Uses its net proceeds to maintain, improve, or expand the operations of the organization.

(b) The term includes any nonprofit institution of higher education or nonprofit hospital.

**§ 37.1320 Participant.**

A consortium member or, in the case of an agreement with a single for-profit entity, the recipient. Note that a for-profit participant may be a firm or a segment of a firm (*e.g.*, a division or other business unit).

**§ 37.1325 Periodic audit.**

An audit of a participant, performed at an agreed-upon time (usually a regular time interval), to determine whether the participant as a whole is managing its Federal awards in compliance with the terms of those awards. Appendix C to this part describes what such an audit may cover. A periodic audit of a participant differs from an award-specific audit of an individual award (as defined in § 37.1235).

**§ 37.1330 Procurement contract.**

A Federal Government procurement contract. It is a legal instrument which, consistent with 31 U.S.C. 6303, reflects a relationship between the Federal Government and a State, a local government, or other recipient when the principal purpose of the instrument is to acquire property or services for the direct benefit or use of the Federal Government. See the more detailed definition of the term "contract" at 48 CFR 2.101.

**§ 37.1335 Program income.**

Gross income earned by the recipient or a participant that is generated by a supported activity or earned as a direct result of a TIA. Program income in-

cludes but is not limited to: income from fees for performing services; the use or rental of real property, equipment, or supplies acquired under a TIA; the sale of commodities or items fabricated under a TIA; and license fees and royalties on patents and copyrights. Interest earned on advances of Federal funds is not program income.

**§ 37.1340 Program official.**

A Federal Government program manager, scientific officer, or other individual who is responsible for managing the technical program being carried out through the use of a TIA.

**§ 37.1345 Property.**

Real property, equipment, supplies, and intellectual property, unless stated otherwise.

**§ 37.1350 Real property.**

Land, including land improvements, structures and appurtenances thereto, but excluding movable machinery and equipment.

**§ 37.1355 Recipient.**

An organization or other entity that receives a TIA from a DoD Component. Note that a for-profit recipient may be a firm or a segment of a firm (*e.g.*, a division or other business unit).

**§ 37.1360 Research.**

Basic, applied, and advanced research, as defined in this subpart.

**§ 37.1365 Supplies.**

Tangible property other than real property and equipment. Supplies have a useful life of less than one year or an acquisition cost of less than \$5,000 per unit.

**§ 37.1370 Termination.**

The cancellation of a TIA, in whole or in part, at any time prior to either:

(a) The date on which all work under the TIA is completed; or

(b) The date on which Federal sponsorship ends, as given in the award document or any supplement or amendment thereto.