

Funding Guidelines

Government funds may typically be used for labor hours, consumables, materials, special tooling and special test equipment, subcontractors, and similar expenditures. The definitions of special tooling and special test equipment are as follows:

Special Tooling: means jigs, dies, fixtures, molds, patterns, taps, gauges, and all components of these items including foundations and similar improvements necessary for installing special test equipment, and which are of such a specialized nature that without substantial modification or alteration their use is limited to the development or production of particular supplies or parts thereof or to the performance of particular services. Special tooling does not include material, special test equipment, real property, equipment, machine tools, or similar capital items.

Special Test Equipment: means either single or multipurpose integrated test units engineered, designed, fabricated, or modified to accomplish special purpose testing in performing a contract. It consists of items or assemblies of equipment including foundations and similar improvements necessary for installing special test equipment, and standard or general purpose items or components that are interconnected and interdependent so as to become a new functional entity for special testing purposes. Special test equipment does not include material, special tooling, real property, and equipment items used for general purposes or property that with relatively minor expense can be made suitable for general purpose use.

Since the principal objective of all DPA Title III investments is to strengthen and expand domestic productive capacities and to ensure Government access to critical technology items well into the future, the Government funds may be used to purchase capital equipment unless otherwise noted in the RFP. Capital equipment purchases required for the effort may also be included as part of an awardees' cost share pursuant to DPA Title III.

Proposals may include construction of new facilities or modifications to an existing facility or facilities (including adding equipment or modules) where it is economically and technically advantageous to do so. Government funds may be used to purchase equipment for use on a Title III project. **Title III funds may also be used to upgrade or expand existing facilities. Title III funds shall not be used to purchase real property such as land or buildings or the construction of new buildings; such activities shall be paid for by the awardee's cost share funds.**