

provisions of part 101-45. The GSA regional office will inform the State agency of the items to be sold and will work closely with the State agency in the preparation and prompt completion of the sale. Property available for sale may be turned in by a State agency to a GSA property or sales center with the approval of the GSA regional office which operates the center.

(j) *Reimbursement.* Reimbursement for costs of care and handling to a State agency with respect to the transfer or disposal of donable property in its possession will be authorized by GSA as follows:

(1) When a State agency acquires donable property by transfer from another State agency, reimbursement of costs incurred by the releasing State agency in acquiring the property, including packing, handling, and transportation costs, shall be established by mutual agreement between the two State agencies.

(2) When a Federal activity requests property from a State agency, costs incurred by the State agency in acquiring the property, including packing, handling, and transportation costs, shall be reimbursable at the time the property is transferred to the Federal activity. The SF 122 used in effecting the transfer must show the amount of reimbursement claimed by the releasing State agency.

(3) When donable property in the possession of a State agency is required for disaster assistance, reimbursement to the State agency will be governed by the provisions of § 101-44.105.

(4) When disposing of undistributed property in the possession of a State agency by public sale, GSA may authorize reimbursement to the State agency for expenses related to care and handling incurred by the State agency in acquiring the property from within or outside the United States. Certification by the State agency of costs incurred is required and must be supported by documentation if requested by GSA. Reimbursement must not exceed the proceeds from the sale of the property. No reimbursement may be made to the State agency for actions subsequent to the receipt of property by the State agency from any source, including unloading, moving, repair-

ing, preserving, or storing. Reimbursement will not be authorized by GSA for property acquired from any source if the property has been in the possession of the State agency for a period of 2 years from the date it was received by the State agency until the date it was reported to GSA for disposal. Costs of transporting property to a location outside a State agency distribution facility are not reimbursable unless transportation was specifically required by GSA. The sale of property at a location outside the State distribution facility, however, does not preclude authorized reimbursement to the State agency. Reimbursement is limited to:

(i) Direct costs incurred by the Federal holding agency and billed to and paid by the State agency, including but not limited to packing, preparation for shipment, and loading; and

(ii) Transportation costs paid or otherwise incurred by the State agency and not reimbursed by a donee to the State agency for initially moving the property from the Federal holding agency to the State agency distribution facility or other point of receipt designated by the State agency.

(k) *Abandonment or destruction.* When a GSA regional office finds that a State agency has property in its possession that is unusable, the State agency may be instructed to proceed promptly with the abandonment or destruction of such property in accordance with the findings and the processes prescribed in subpart 101-45.9.

[42 FR 56003, Oct. 20, 1977, as amended at 53 FR 16114, May 5, 1988]

§ 101-44.206 Cooperative agreements.

This section provides policies and procedures for the establishment of cooperative agreements between GSA (or the head of any Federal agency designated by the Administrator of General Services) and a State agency for the use of property, facilities, personnel, and services, with or without payment or reimbursement and under the provisions of a cooperative agreement, for the use by the State agency of any surplus personal property in its possession subject to conditions imposed by the Administrator.

(a) *Authority.* Section 203(n) of the Federal Property and Administrative Services Act of 1949, as amended, provides that the Administrator (or the head of any Federal agency designated by him), for the purpose of carrying into effect the provisions of section 203(j) of the act, is authorized to enter into cooperative agreements with State surplus property distribution agencies designated in conformity with that section.

(b) *Use of property, facilities, personnel, and services.* (1) GSA may enter into a cooperative agreement with a State agency to furnish to the State agency available property, facilities, personnel, or services of GSA that are found by GSA and the State agency to be necessary and useful in assisting the State agency to distribute and use surplus donable personal property and otherwise to carry out the purposes of the act. Assistance may include furnishing Federal Telecommunications System (FTS) service on a reimbursable basis. It may also include furnishing available office space and related support such as office furniture and typewriters in GSA regional offices, property centers, or field offices to State agency screeners or administrative clerical employees to assist them in screening and processing donable property for donation. Assistance will be provided by GSA, to the extent possible, without reimbursement; however, any extraordinary costs incurred by GSA in providing assistance shall be on a reimbursable basis.

(2) GSA may enter into a cooperative agreement with a State agency for the purpose of the State agency furnishing available property, facilities, personnel, or services that are found by GSA and the State agency to be necessary and useful in assisting GSA to screen, transfer, and allocate surplus donable personal property and otherwise to carry out the purposes of the act. The provision of property, facilities, personnel, or services may be with or without payment or reimbursement to the State agency.

(3) When a Federal agency designated by GSA wishes to enter into a cooperative agreement with a State agency (or a State agency with a Federal agency) for the provision of property, facilities,

personnel, or services to carry into effect the donation provisions of the act, and the Federal agency and the State agency are mutually agreeable to an arrangement, GSA may concur in the establishment of a cooperative agreement and assist in its development. Payment or reimbursement shall be a matter for resolution between the Federal agency and the State agency.

(c) *Use of surplus property by a State agency.* A State agency may enter into a cooperative agreement with GSA providing for the retention by the State agency of items of surplus personal property transferred to it for distribution that are needed for the State agency in performing its donation functions. The State agency shall submit a listing of needed property from time to time to the appropriate GSA regional office. GSA will review the list to ensure that it is of the type and quantity of property which is reasonably needed and useful to the State agency in performing its function. Unless GSA disapproves the retention of the property within 30 days of receipt of the listing, title to the property shall vest in the State agency. Separate records shall be maintained by the State agency for the property.

(d) *Interstate cooperative distribution agreements.* GSA may concur in a cooperative agreement between two States which have contiguous boundaries whereby one State agency agrees to distribute donable surplus property to certain specified donees in the adjoining State. Agreements may be considered when the donees, because of their geographic proximity to the property distribution centers of the adjoining State, could be more efficiently and economically serviced than by their own State surplus property facilities. The payment or reimbursement of service charges by the donee shall be a matter for the mutual agreement between the State agencies. By entering into an interstate cooperative distribution agreement, the State agreeing to service donees in an adjoining State shall agree, as agent for the adjoining State agency, to:

- (1) Make certifications and agreements required by §101-44.204; and
- (2) Require the donee to execute the distribution of documents of the State

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agency in which the donee is located. Copies of distribution documents shall be forwarded to the adjoining State agency.

(e) *Termination of agreements.* Cooperative agreements entered into between GSA and a State agency may be terminated by either party upon 60 days written notice to the other party. Termination of an agreement between a Federal agency designated by GSA and a State agency, and interstate cooperative distribution agreements, shall be as mutually agreed to by the parties.

[42 FR 56003, Oct. 20, 1977, as amended at 53 FR 16115, May 5, 1988]

§ 101-44.207 Eligibility.

This section sets forth the standards, guidelines, and procedures for determination of eligibility for public agencies and eligible nonprofit tax-exempt activities in each State to participate in the surplus personal property donation program, to receive surplus property through a State agency, and to use this property for the purposes authorized by the Federal Property and Administrative Services Act of 1949, as amended, and by section 213 of the Older Americans Act of 1965, as amended (42 U.S.C. 3020d).

(a) *Definitions.* For the purposes of this section, the following terms shall have the meanings set forth in this section:

(1) *Accredited* means approval by a recognized accrediting board or association on a regional, State, or national level, such as a State board of education or health; the American Hospital Association; a regional or national accrediting association for universities, colleges, or secondary schools; or another recognized accrediting association.

(2) *Approved* means recognition and approval by the State department of education, State department of health, or other appropriate authority where no recognized accrediting board, association, or other authority exists for the purpose of making an accreditation. For an educational institution or an educational program, approval must relate to academic or instructional standards established by the appropriate authority. An educational institution or program may be considered

approved if its instruction and credits therefor are accepted by three accredited or State-approved institutions, or if it meets the academic or instructional standards prescribed for public schools in the State; i.e., the organizational entity or program is devoted primarily to approved academic, vocational (including technical or occupational), or professional study and instruction, which operates primarily for educational purposes on a full-time basis for a minimum school year as prescribed by the State and employs a full-time staff of qualified instructors. For a public health institution or program, approval must relate to the medical requirements and standards for the professional and technical services of the institution established by the appropriate authority. A health institution or program may be considered as approved when a State body having authority under law to establish standards and requirements for public health institutions renders approval thereto whether by accreditation procedures or by licensing or such other method prescribed by State law. In the absence of an official State approving authority for a public health institution or program or educational institution or program, the awarding of research grants to the institution or organization by a recognized authority such as the National Institutes of Health, the National Institute of Education, or by similar national advisory council or organization may constitute approval of the institution or program provided all other criteria are met.

(3) *Child care center* means a public or nonprofit facility where educational, social, health, and nutritional services are provided to children through age 14 or as prescribed by State law, and which is approved or licensed by the State or other appropriate authority as a child day care center or child care center.

(4) *Clinic* means an approved public or nonprofit facility organized and operated for the primary purpose of providing outpatient public health services and includes customary related services such as laboratories and treatment rooms.

(5) *College* means an approved or accredited public or nonprofit institution