ATTACHMENT J.7

APPENDIX G

PURCHASING SYSTEM REQUIREMENTS

Applicable to the Operation of
Ernest Orlando Lawrence Berkeley National Laboratory

Contract No. DE-AC02-05CH11231

Appendix G

Purchasing System Requirements

This Appendix and Clause I.159, CONTRACTOR PURCHASING SYSTEM, sets forth DOE requirements applicable to the Purchasing System established under the Contract for the management of Ernest Orlando Lawrence Berkeley National Laboratory.

Subcontracts Not Binding on DOE

As used herein, the term "subcontracts" includes subcontracts, purchase orders, letter agreements, basic ordering agreements, consultant agreements, micro-purchases, EDI and FACNET transactions, and lower tier subcontracts under cost-type subcontracts (in an unbroken cost-type chain) that represent costs properly chargeable to the Prime Contract.

All applicable subcontracts shall be made in the name of the Contractor, shall not bind or purport to bind the Government, shall not relieve the Contractor of any obligation under the Prime Contract (including, among other things, the obligation to properly supervise and coordinate the work of subcontractors), and shall contain such provisions as are required by this Contract or as DOE may prescribe based on Federal statutes and regulations, or DOE Orders and Policies.

DOE Approval

Prior DOE written approval is required for the following actions:

1. Advance Acquisition Plans, Solicitations, and awards of subcontracts having a value of $25,000,000 or greater, or any subcontract modification which will cause the value to exceed $25,000,000.

2. Except as otherwise expressly provided or directed, in writing, by DOE Patent Counsel with notification to the Contracting Officer, actions which involve any one of, or combination of, the following intellectual property matters:

    a. Acquisition of software by negotiated lease or license;

    b. Purchase of patents or patent license rights, including the payment of royalties and permits, or license fees;

    c. Recognition of proprietary rights, including the recognition of technical data as trade secrets; or,

    d. Any restriction of DOE's use of data procured under a subcontract.

3. All Inter-Contractor Purchases (ICPs) awards.

4. The purchase of utilities defined as: steam, gas, electricity, telephone lines, water and sewage furnished to campus building space occupied by LBNL-funded personnel.

5. General Provisions (GPs). Changes to GPs, as defined in (a)-(c) below:

   a. The clause satisfies a mandatory requirement of the Prime Contract

   b. The clause is required to be included by a Standard Practice, or

   c. The change represents a higher than routine level of legal, political or other noteworthy risk.

   Other changes, such as those resulting from changes to the federal regulations or modifications to contract DE-AC02- 05CH 11231, are pre-authorized as administrative changes. All administrative changes in the GPs will be provided to the CO at least 5 business days prior to the release.

   All changes to GPs will require review by LBNL's Legal Counsel. All sets of General Provisions will be updated annually to incorporate modifications to Contract DE-AC02- 05CH 11231.

6. Standard Practices (SPs). Substantive changes to SPs. Other changes such as those resulting from changes to the federal regulations or modifications to contract DE-AC02- 05CH 11231 are pre-authorized as administrative changes. All administrative changes in the SPs will be provided to the CO at least 5 business days prior to the release.

7. Intra-University Transactions (IUT) awards expected to exceed $1,000,000.00 or exceed a 5 year period of performance, or any modification which will cause the value to exceed $1,000,000.00 or the period of performance to exceed 5 years.

The above approval requirements do not eliminate any other requirement for review, concurrence, or approval of other proposed actions specified in the subject contract or DOE's right to require consent on any single or class of purchasing actions selected for special surveillance.