



DEPARTMENT OF THE NAVY
ASSISTANT SECRETARY OF THE NAVY
(RESEARCH DEVELOPMENT AND ACQUISITION)
ASSISTANT SECRETARY OF THE NAVY
(FINANCIAL MANAGEMENT AND COMPTROLLER)
WASHINGTON, DC 20350-1000

MAY 4 2015

ASN (FM&C)
4340

ASN (RD&A)
4340

JOINT MEMORANDUM

From: Assistant Secretary of the Navy (Research Development and Acquisition)
Assistant Secretary of the Navy (Financial Management and Comptroller)

To: Distribution

Subj: GOVERNMENT-FURNISHED PROPERTY COMPLIANCE WITH
REGULATORY AND POLICY REQUIREMENTS

Ref: (a) OUSD(AT&L) memo, "Standard Equipment Data Elements for Government-Furnished Property Baseline Establishment," of January 7, 2012
(b) FAR 52.245-1 Government Property
(c) FAR 52.245-9 Use and Charges
(d) DFARS 252.245-7001 Tagging, Labeling and Marking of Government-Furnished Property
(e) DFARS 252.245-7002 Reporting Loss of Government-Furnished Property
(f) DFARS 252.245-7003 Contractor Property Management System Administration
(g) DFARS 252.245-7004 Reporting, Reutilization, and Disposal
(h) DFARS 252.211-7007 Reporting of Government-Furnished Property
(i) DoDI 5000.64, "Accountability and Management of DoD Equipment and Other Accountable Property," of May 19, 2011
(j) DoDI 4161.02, "Accountability and Management of Government Contract Property," of April 27, 2012
(k) DoDI 4140.01, "DoD Supply Chain Material Management Policy," of December 14, 2011
(l) FAR 52.245-2 Government Property Installation Operation Services
(m) DFARS 252.245-7000 Government-Furnished Mapping, Charting and Geodesy Property

Encl: (1) Government-Furnished Property Compliance Checklist

Subj: GOVERNMENT-FURNISHED PROPERTY COMPLIANCE WITH
REGULATORY AND POLICY REQUIREMENTS

1. Strong stewardship of the resources entrusted to the Department of Navy (DON) is the foundation for achieving and sustaining effective and efficient war fighting readiness in our Naval forces. A core expectation is that Navy and Marine Corps activities will maintain high levels of property management, accountability, auditability and transparency. As the DON approaches the Congressionally-mandated full financial audit in 2017, increased scrutiny is being applied to accountability, reporting and regulatory compliance for Government-Furnished Property (GFP). In reference (a), the Under Secretary of Defense (Acquisition, Technology, and Logistics) directed all Department of Defense (DoD) Components to establish a validated Government-Furnished Equipment baseline. While local efforts may be underway to identify existing GFP, systemic and Department-wide changes must be implemented to ensure all future contracts account for GFP properly to ensure continued accountability and visibility.

2. Effective immediately, Contracting Officers (KOs), Program Managers (PMs) and requirements personnel must ensure all mandatory requirements for GFP, found in references (b) through (k), are addressed for every new cost reimbursement, time-and-material, or any other contract or modification that includes GFP. Furthermore, KOs, PMs and requirements personnel shall ensure requirements in references (l) and (m) are included when required. For purposes of this memo, requirements personnel are hereinafter included with PM responsibilities. It is important to note that none of these requirements are new. Heads of Contracting Activity (HCAs) and Program Executive Officers (PEOs) are directed to review and validate all new cost reimbursement, time-and-material, or labor-hour type contracts or any other contracts or modifications that have GFP include these mandatory elements. A checklist is provided to download this policy memo at <http://www.secnv.navy.mil/rda/Pages/Policy-Memos.aspx> to assist KOs, PMs, PEOs and HCAs with documenting these reviews. A sample of this checklist is provided as enclosure (1). A revision to the Navy Marine Corps Acquisition Regulation Supplement is in process that will require the use of the checklist as part of the contract business clearance memorandum, making it part of the official contract file.

3. HCAs and PEOs shall also ensure all existing contracts with base periods of performance which extend beyond 30 September 2017 are reviewed for compliance with GFP requirements. In addition, HCAs and PEOs shall ensure that contract modifications are executed for existing contracts that are not fully compliant with GFP requirements to bring them into compliance.

Subj: GOVERNMENT-FURNISHED PROPERTY COMPLIANCE WITH
REGULATORY AND POLICY REQUIREMENTS

The checklist identified above shall be used to assist with documenting these reviews of existing contracts and shall also be included in the official contract file.

4. HCAs are directed to provide Assistant Secretary of the Navy (Research Development and Acquisition) (ASN (RD&A)) with a Plan of Action and Milestones (POAM) that addresses completing the reviews of existing contracts and respective contract modifications no later than 1 July 2015. The POAM shall be submitted via email, using the subject "(HCA Activity Name) GFP Compliance POAM," to RDAPolicy@navy.mil with copies to the points of contact listed below. The POAM shall include a target date for completing all reviews and related contract modifications. When developing the POAM, HCAs should consider that compliance reviews conducted while issuing a contract modification will meet the requirement of reviewing that existing contract.

5. Checklists shall be provided to ASN (RD&A) and/or Assistant Secretary of the Navy (Financial Management and Comptroller) (ASN (FMC)) upon request, and will be used to measure compliance with the mandatory requirements cited herein. Compliance will be assessed jointly by ASN (RD&A) and ASN (FM&C) and reported to the Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics).

6. Our points of contact are ASN (RD&A),
who may be reached at (703) 614-8000 or ASN (FM&C), who may be
reached at (202) 685-6064


S. J. RABERN


SEAN J. STACKLEY

Subj: GOVERNMENT-FURNISHED PROPERTY COMPLIANCE WITH
REGULATORY AND POLICY REQUIREMENTS

Government-Furnished Property Compliance Checklist

Instructions:

This checklist is designed to enable both pre- and post-award review of compliance with existing GFP requirements as found in FAR, DFARS and DoD Policy.

Lines 1 - 7: Enter information as appropriate.

Lines 8-17: KO/HCA select from the pull-down list after validating that the clause/list is included in the contract.

Lines 18-20: PM*/PEO select Yes, No, or N/A from the pull-down list after validating material is listed in IUID Registry, Contractor's system and APSR.

Line 21: PM*/PEO identify the Government APSR used to track the GFP.

Lines 22-25: Initial as appropriate and enter date of review.

NOTE: For multiple contracts, add columns to the right (columns C, D, E, etc).

* PM includes Program Manager, requirements personnel or personnel assigned to track compliance

1	Contract Number
2	Modification/Delivery Order/Task Order # (if applicable)
3	Program Name
4	Contracting Officer (KO) Name
5	Program Manager (PM) Name
6	Period of Performance Start date
7	Period of Performance End date
8	FAR clause 52.245-1 Government Property with Alternate I or II
9	FAR clause 52.245-9 Use and Charges
10	DFARS clause 252.245-7001 Tagging, Labeling and Marking of GFP
11	DFARS clause 252.245-7002 Reporting Loss of Government Property
12	DFARS clause 252.245-7003 Contractor Property Management System Administration
13	DFARS clause 252.245-7004 Reporting, Reutilization and Disposal
14	DFARS clause 252.211-7007 Reporting of GFP
15	FAR clause 52-245-2 Government Property Installation Operation Services (if applicable)
16	DFARS clause 252.245-7000 Government-Furnished Mapping, Charting and Geodesy Property (if applicable)
17	Validate all GFP is listed on SGFP/RGFP attachments Use forms available at http://dodprocurementtoolbox.org/site/detail/id/26
18	Validate all GFP is reported to IUID Registry
19	Validate all material is captured in Contractor's Property Management System
20	Validate all GFP is captured in APSR
21	Identify APSR
22	KO Initials
23	PM Initials
24	PEO Review Date
25	HCA Review Date