MEMORANDUM FOR DISTRIBUTION

SUBJECT: Standard Equipment Data Elements for Government Furnished Property Baseline Establishment

The Department of Defense (DoD) is making a renewed effort to identify and account for all its property as a part of establishing and validating an auditable financial statement. Accordingly, we need to identify and confirm all Government Furnished Equipment (GFE) we have provided to each contractor.

Upon release of DFARS 252.211-7007 Reporting of Government-Furnished Equipment in the DoD Item Unique Identification Registry [NOV 2008], the Defense Contract Management Agency (DCMA) modified contracts administered by its Contract Administration Office (CAO) to add this clause, requiring contractors to update GFE in the IUID registry. In conjunction with this effort, DCMA developed a list of Commercial and Government Entity (CAGE) codes for DON contracts that are administered by the DCMA CAO and contain GFE. This list included scoring of each Contractor Property Management System (CPMS). Department of the Navy (DON) contracting activities that administer contracts containing GFE should also have completed these actions for their respective contracts.

In a memorandum dated January 7, 2012, the Under Secretary of Defense (Acquisition, Technology, and Logistics) directed DoD Components to establish a validated Government Furnished Equipment (GFE) baseline for data storage in a central repository [Item Unique Identification (IUID) Registry] available to components and contractors and ensure records are updated. Subsequent direction launched a project team to plan and follow through on the implementation of a GFE baseline.

On March 2, 2012, DCMA provided a current list of CPMS with contractor scoring to DON Command personnel who comprised the project team. Commands with contracts that are not administered by DCMA must produce similar GFE contract lists and scoring of CPMS. If not already completed, the contracting officer must modify existing contracts with GFE to add DFARS 252.211-7007 prior to requesting the lists.

In order to ensure GFE accountability and auditability, including those where DCMA is the CAO, DON contracting officers shall complete the following steps:

1. Identify contracts that contain GFE.

2. Persist in ensuring contractors have updated all GFE into the IUID Registry (see Attachment for Contractor template). Note: If there is GFE provided via an alternative to a contract (e.g. bailement), craft an approach that makes sense to collect the data. The goal is to establish records and account for all GFE.
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3. Obtain contractor GFE list(s) for comparison with the DON GFE contract lists to ensure the list is complete. In addition, request the contractor email its list(s) to the following address: GFE_FMO@navy.mil

If the email exceeds 10 MB, the contractor is to contact Mr. William Aldrich via email at william.aldrich@navy.mil for further instruction.

4. Analyze data and prioritize by Contractor/CAGE code. Use a risk-based approach to stratify contractors and their data. This risk-based approach will use the current analysis rating of the CPMS.

   a. For contractors where the Property Management System Analysis (PMSA) results are adequate/approved and the Risk Assessment is “LOW,” no additional validation techniques will be required and the detailed records should be accepted as is. Contracting officers can begin reconciling details with their Accountable Property System of Record (APSR).

   b. For contractors where the PMSA results are deemed inadequate/disapproved and the Risk Assessment is “HIGH,” contracting officers should review the current status of the contractors’ corrective action plan and its effect on the CPMS to provide “reasonable assurance” that maintenance of the asset listing has improved.
      - If the contracting officer determines the corrective action plan provides reasonable assurance that the asset listing is accurate, then after completion and implementation of the corrective action plan, sampling techniques should be used to validate the accuracy of the asset listing. The contracting officer can begin reconciling details with the APSR.
      - If the contracting officer determines the corrective action plan does not provide reasonable assurance that the asset listing is accurate, then a wall-to-wall inventory to verify 100 percent of the asset listing should be coordinated and conducted.

   c. For contractors with a PMSA result showing inadequate/disapproved and a Risk Assessment of “MODERATE,” the contracting officer should review the current status of the corrective action plan.
      - If the contracting officer determines that the plan is effective at providing reasonable assurance that the asset listing is accurate, then no additional validation techniques are required and the contracting officer may begin reconciling details with the APSR.
      - If the contracting officer determines the corrective action plan is not effective at this point, the contracting officer should use sampling techniques to audit the accuracy of the detailed asset listing. Once reasonable assurance of the accuracy of the listing is determined, the contracting may begin reconciling the data with the APSR.
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5. Perform subsequent validation techniques for specific contractor/CAGE codes.

a. Use a risk-based assessment to determine which contractor and CAGE code will be
   subject to additional validation procedures.

b. Use sampling techniques for contractors with inadequate/disapproved PMSA results and
   a “MODERATE” risk assessment.

c. For contractors with inadequate/disapproved PMSA results and “HIGH” risk assessment,
   conduct a wall-to-wall inventory.

d. Coordinate the additional validation procedures with the contractor in accordance with
   the FAR and current contract terms.


a. Analyze data obtained from the IUID Registry and compare to the applicable contract.

b. Initiate contract modifications as required.

c. Ensure that the equipment is itemized using the appropriate attachment as instructed by
   PGI 245.201-71.

7. Update/reconcile APSR with validated data.

a. Obtain assets by contract number from the IUID registry using the IUID registry query
   function. Note: The IUID registry Help Desk is able to assist with data retrieval.

b. Examine interface possibilities between the APSR and the registry or other enterprise
   systems for use in future business processes (reference DoDI 5000.64).

c. Reconcile GFE assets listed in the APSR and not in the registry by performing due
diligence actions (research for reutilization, disposal, etc.).
   - For disposal action (e.g. contractor properly disposed of the asset), obtain a copy of
     supporting documentation. If no documentation is available, then the asset is
     considered lost, stolen, or destroyed.
   - For loss, theft, damaged, or destroyed (LTDD) assets, obtain a copy of the supporting
     documentation. If none is available, initiate an investigation to determine disposition.
     Maintain APSR reconciliation documentation, update the contract (as required), and
     electronically retain all support documents with the asset record wherever possible.
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8. Execute current FAR, DFARS and DoD guidance for sustainment to ensure acquisition processes align with Federal and Department guidance, with significant focus placed upon:
   • FAR 45.102
   • DFARS PGI 245.103
   • DoDI 5000.64

For DON consistency, please use the attached template to request the contractor’s compliance as stated above.

Point of contact is Molli Thacker at marlene.thacker@navy.mil or (703) 693-2936.

Attachment: As stated

Distribution:
CMC I&L (LB)
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ONR (02)
SPAWhatsApp Image 2022-06-21 at 12.06.08 PM.png
SSP (SPN)
ATTACHMENT

From: Contracting Officer
To: Contractor

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The Department of Defense is making a renewed effort to identify and account for all its property as a part of establishing and validating an auditable financial statement. Accordingly, we need to identify and confirm all Government Furnished Equipment (GFE) we have provided to each contractor.

Therefore, please provide a consolidated list of all GFE, by contract, and indicate whether the GFE is registered and current in the IUID registry. This list should be submitted to the Contracting Officer and sent to GFE_FMO@navy.mil by COB within two (2) months from the date of this memorandum or sooner. If the GFE list exceeds 10 MB, please contact William Aldrich via email at william.aldrich@navy.mil for further instruction.

Please ensure that all GFE is updated in the IUID Registry as required by DFARS 252.211-7007 no later than [insert date].

If you have any questions, please contact [name of contract specialist and/or contracting officer] at [work phone number(s) and/or [email address(es)]].

Contracting Officer
Signature block