



ACQUISITION  
AND SUSTAINMENT

## OFFICE OF THE UNDER SECRETARY OF DEFENSE

3060 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3060

MEMORANDUM FOR COMMANDER, UNITED STATES CYBER  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES SPECIAL OPERATIONS  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES TRANSPORTATION  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING)  
DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Compliance with Government Property Clauses and Use of the Government  
Furnished Property Module

Identification and tracking of government-furnished property (GFP) remains a critical focus area for the Department. Accountability of property in the possession of contractors has a direct impact on operational military readiness. By maintaining complete and accurate property inventories, we ensure warfighting and other equipment are available in the right place at the right time. In addition, our responsibility to effectively manage hundreds of billions of dollars in government furnished property is paramount to the Department achieving its financial audit objectives. This memorandum serves as a reminder of the critical role our contracting officers perform in this regard.

Accountability starts by ensuring the correct government property clauses are included in our contracts. Contracting officers are required to include Federal Acquisition Regulation (FAR) clause 52.245-1 in all solicitations and contracts when government property will be provided to the contractor (see FAR 45.107 and DFARS 245.107). When FAR 52.245-1 is included, the following additional clauses are also required to be included in solicitations and contracts: FAR clause 52.245-9, and DFARS clauses 252.245-7001, 252.245-7002, 252.245-7003, 252.245-7004, and 252.211-7007. We monitor adherence to proper inclusion of required clauses in new contract awards with the scorecards posted on the Defense Pricing & Contracting (DPC) website at: <https://www.acq.osd.mil/asda/dpc/ce/cap/contract-scorecards.html>. These scorecards show that compliance with clause inclusion has been inconsistent over the past several years. Contracting Officers must ensure the required property clauses are included in new awards and, as appropriate, modify existing contracts that do not include all the required property clauses.

We published proposed DFARS rule 2020-D029, "Consolidation of DoD Government Property Clauses," in the Federal Register on April 27, 2023. This rule seeks to consolidate four of the five DFARS property clauses into a single clause to clarify and streamline contractor

requirements for managing and reporting government property. Clauses proposed for consolidation are: DFARS 252.245-7001, 252.245-7002, 252.245-7004, and 252.211-7007. We anticipate publishing the final rule in the first quarter of FY 2024.

The proposed DFARS rule includes explicit requirements for use of the GFP Module in the Procurement Integrated Enterprise Environment (PIEE), <https://piee.eb.mil/>. The GFP Module consolidates GFP management into a single automated platform that enables data reuse throughout the property's lifecycle. By using the GFP Module, we will improve data accuracy and reduce manual data input by contractors. This capability directly supports the Department's Financial Improvement and Audit Remediation priorities. DFARS Procedures, Guidance, and Information (PGI) subpart 245.103-72 requires contracting officers to create a GFP Attachment in the GFP Module when GFP is anticipated in performance of a contract.

Currently, DFARS clause 252.211-7007(f), requires contractors to use the GFP Module to report receipt and shipment of GFP. DFARS 252.245-7002 requires contractors to use of the GFP Module to report property loss. Class deviation 2022-O0006 amended DFARS clause 252.245-7004, Reporting, Reutilization, and Disposal, to require contractors to use the GFP Module to complete the Plant Clearance Inventory Schedule. Given these requirements are addressed in various clauses, the proposed rule seeks to amend DFARS to delineate contractor requirements more succinctly.

For more about GFP policy and the GFP Module, see the information and training posted on the DoD Procurement Toolbox at <https://dodprocurementtoolbox.com/site-pages/general-gfp-information>. Please submit comments or questions regarding this memo to [osd.pentagon.ousd-a-s.mbx.dpc-cb@mail.mil](mailto:osd.pentagon.ousd-a-s.mbx.dpc-cb@mail.mil).

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