1. **Policy:** The government may provide or permit purchase of property for use on a contract. All property provided or purchased on government account will be considered and accounted for as a Government Furnished Property (GFP). GFP may only be used on the contract for which it is intended unless otherwise noted in the contract. ICI Services (ICI) will maintain accurate records for property control, valuation, use, location and maintenance requirements. ICI will manage and maintain GFP in optimal condition, operate it safely, and provide good stewardship of resources to minimize costs and maximize efficiencies. All managers and employees who use, manage or administer GFP will comply with the procedures outlined herein.

2. **References:**

2.1 ICI Policy and Procedure 4.09 – Purchasing

2.2 DFARS 252.211-7007

2.3 FAR 45 Government Property

2.4 DoD 5220.22-M

2.5 DoD 5000.64

2.6 NISPOM (for reference to any classified materials or GFI)

2.7 DoD FMR Volume 4, Chapter 6

2.8 DoD 5010.40

2.9 AFARS 5145.391

2.10 AR-710-2

2.11 AR-735-5
3. **Attachments:**

3.1 ICI Form 417 - Receipt of Government Property- List of items purchased or transferred.

3.2 ICI Form 418 - Summary GFE/GFM Listing- List of all assigned GFE/GFM items.

3.3 ICI Form 419 - Summary GFI Listing- List of all assigned GFI items.

3.4 ICI Form 420 - Government Item Record

3.5 ICI Form 106 – Classified Document Control Log Sheet

3.6 ICI Form 107 – Classified Document Inventory Sheet

4. **Definitions:**

4.1 Acquisition Cost: The cost to acquire a tangible capital asset, including but not limited to: the purchase price of the asset and costs necessary to prepare the asset for use. Costs necessary to prepare the asset for use include the cost of placing the asset on location and bringing the asset to a condition necessary for normal or expected use.

4.2 Contractor-Acquired Property: Property acquired, fabricated, or otherwise provided by the contractor for performing a contract and to which the Government has title.

4.3 Contract Deliverable Requirements List (CDRL): a description of contract required reports and deliverables that may describe GFP

4.4 Government-Furnished Equipment (GFE): An all-inclusive term to define all types of equipment, including, but not limited to plant equipment, agency peculiar property, special tooling, systems hardware and software, and special test equipment.

4.5 Government-Furnished Information (GFI): An all-inclusive term to define all information (hard copy or electronic), including, but not limited to, reports, drawings, plans, databases and manuals.

4.6 Government-Furnished Property (GFP): Facilities, GFE, GFM or GFI in the possession of, or directly acquired by, the Government and subsequently furnished to the contractor for performance of a contract.

4.7 Government Property: All property owned or leased by the Government. Government property includes both Government-furnished property and contractor-acquired property.
4.8 Government-Furnished Materials (GFM): Consumable materials used in contract performance, i.e., lumber used to build crates or targets; concrete or other commodities.

4.9 Property Administrator/Property Officer: Authorized government representative of the contracting officer appointed in accordance with agency procedures, responsible for administering the contract requirements and obligations relating to Government property in the possession of a contractor.

4.10 Property Control Administrator (PCO/PCA): ICI employee who has been provided authority and responsibility for GFP on a project, task, and who will report to a Supervisor or PM.

4.11 Property Control Procedures: A detailed written description of the contractor’s operation for the control, use, and care of property while in the contractor’s possession.

4.12 Property Records: Records, logs, receipts, instructions, and data files that include all documents reflecting the status of government property.

4.13 Asset/Inventory Control Tag: Identification marker affixed to all equipment.

4.14 Authorized Purchaser (AP): ICI authorized representative responsible for purchasing equipment or material to be used in performance of a contract.

4.15 IUID: DoD Item Unique Identification: DoD mandated Program to establish registry and permanently mark GFP with value over $5,000 for life cycle management and control purposes.

4.16 UII: Unique Item Identifier – a two-dimensional barcode permanently affixed or engraved upon items required to be registered and tracked per IUID.

4.17 Signature Authority – Purchase Approval Authority for Authorized Purchasers. This is documented via letter and designates the name of the AP, the contract number, level of approval authority, and any additional details or restrictions.

5. **Responsibilities:**

5.1 Division General Manager (DGM) is responsible for ensuring that Project Managers, (PMs) comply with ICI’s GFP Policy and Procedures. The DGM will report on contract specific GFP requirements and issues at monthly business reviews.
5.2 Project Manager (PM) is responsible to:

- Effectively manage Government property assigned to or acquired for a specific contract in compliance with the terms of that contract, including adhering to maintenance and configuration requirements, records management and proper utilization of all assigned items from the time of receipt until relieved of responsibility by the Government.
- Establish and maintain procedures that safeguard against any single person’s ability to both order and receive property without oversight, approval and control.
- Establish and maintain procedures to limit and control access to inventory systems, barcode labels and devices, property records, shipping and receiving records.
- Establish and maintain a property control system for the valuation, control, use, maintenance, repair, protection, and preservation of GFP, including that assigned to subcontractors as specified IAW the FAR, DFARS, and DoD 4161.2-M.
- Conduct, validate, record and report initial GFP inventory at contract award.
- Conduct, validate, record and report annual inventory results and submit all required documentation including discrepancies, pending actions, investigation results, etc.
- Investigate GFP issues and document actions to resolve and close.
- Record all inventory adjustments including GFP additions and deletions.
- Serve as the primary onsite contact for all matters relating to GFP with the Contracting Officer’s Representative (COR), Government Program Manager or Government Task Order Leader, as specified in the contract.
- Ensure that all Government Furnished Property is used for its intended purpose, and that property is not modified, cannibalized, or altered in any way unless authorized in writing by the Government.
- Manage a GFP maintenance program that identifies routine preventive maintenance and repair procedures.
- Control GFP from initial acquisition and receipt through stewardship, custody and use until formally relieved of responsibility by authorized means such as delivery, consumption, exhaustion, disposition, or via a completed investigation, evaluation, and final determination for lost, damaged, destroyed, or stolen property.
- Recommend to DGM/OCM any delegation of authority to Supervisors, Project Property Administrators, Purchasers and other personnel for specific GFP duties and responsibilities.
- Document, investigate and report any GFP issues to OCM/DGM and government officials.

5.3 Director of Contracts is responsible for:

- Reviewing RFP, contract and CDRL requirements to assist DGM/OCMs and PMs to identify contract specific GFP requirements.
- Incorporating any applicable GFP procedures and clauses into ICI-issued subcontracts where the subcontractor will be responsible for receiving and maintaining Government-furnished property.
5.4 The Security Officer or local Security representative is responsible for:
   - Ensuring that classified GFP is properly accounted for, handled, marked and stored in accordance with all applicable policies and procedures.

5.5 Property Control Administrator, or designated supervisor is responsible for:
   - Ensuring that items received are in acceptable condition
   - Completion and submission of receipts, bills of lading, and property control forms and registries in paper or electronic form, per contract guidelines.
   - Assignment and affixing of labeling, barcodes, stenciled note and other identification required to monitor and track GFP throughout its life cycle.
   - Ensuring that Asset/Inventory Control Tags are placed on all Government property as soon as property has been received or transferred.
   - Inspecting property when received or transferred to determine quantity received, condition, and ensuring completion and accuracy of receipts, transfer records and other associated documents, in forms, formats and electronically as required per contract.
   - Inventorying all Government Furnished Property items annually or as required by contract, validating and reporting results and issues.

6. Procedures:

6.1 GFE/GFM

6.1.1 Following contract award, the PM and government representative will agree on the initial and annual inventory procedures, and on the records and systems to be used for property life cycle management and valuation thresholds for property accounting and control requirements.

6.1.2 The PM and the government representative will conduct a physical inventory of all contract specified GFE and GFM. During the inventory, they will verify GFE and GFM quantities, value, serial numbers, and item condition. If the item is part of the DoD Item Unique Identification (IUID) Registry and a Unique Item Identifier (UII) was previously established for the property, the PM shall use the previously established UII for reporting and registry purposes. The PM will complete Form 418, Summary GFE/GFM Listing, and Form 420 Item Record.

6.1.3 Validation and reconciliation of any missing or unserviceable GFE or GFM item(s) will be executed per contract guidelines. In the absence of contract guidelines, the PM will work with the government Property Officers to determine a methodology to investigate missing or damage items, and determine the course of action to remove items from inventory listing, dispose or demilitarize and surplus unserviceable items, and resolve other property issues. All decisions regarding GFP will be documented for contract files and in government
systems of record as applicable. The PM and Government Property Officer will also
determine if the GFP requires replacement and take action as agreed.

6.1.4 Effective inventory control may include bar coding GFE or GFM items for location
purposes; however, each item must be physically inventoried, inspected and serial number
verified against the item data plate or UII. Inventory systems, barcode labels, and other
inventory records will be maintained under positive control, with user access logged, labels
and records serially numbered, and safeguarded against unauthorized access/use.

6.1.5 The PM will store and maintain GFE and GFM items in accordance with prevailing
government regulations. If GFE items are damaged by ICI employees or subcontractors, an
investigation will be conducted to determine liability. If ICI is found to be liable, the PM
will immediately advise the DGM who will advise the COO. The DGM and COO will work
with the Government representative to resolve the issue.

6.1.6 When GFE is purchased by ICI or transferred from the government to ICI, the PM will
verify nomenclature, quantity, and item condition noting particulars on ICI Form 417,
Receipt of Government Goods. If any discrepancies exist, the government representative and
the PM will resolve the issue.

6.1.7 The PM will conduct an annual inventory of all government-owned property and report
inventory findings to the government representative, contract administration and company
management. When performing inventories the PM will inspect the item, verify serial
number on the item against the government recorded serial number, and inspect the condition
of the item. Any discrepancies noted will be reported to the government representative and
ICI DGM. No inventory adjustments to government property will be made without
government approval. All GFM that has been consumed or incorporated into a higher-level
assembly or end item will be identified in the inventory. When all inventory actions are
completed, the PM will report all findings to Contract Administration for recording in the
contract file per contract requirements.

6.1.8 The PM will be responsible to establish and maintain schedules, logs and records to
capture daily usage, safety inspections and maintenance of GFP. In the case of facilities, logs
should at least capture daily opening/closing times and floor walks. In the case of vehicles
and other equipment, logs should capture daily safety inspections, driver use, mileage,
fueling records, and all scheduled and unscheduled maintenance. For systems, embedded
logs should capture all user log-ons, backups, and any administrator actions that impact
system structure, functionality or access changes.

6.1.9 For contracts that invoke the DFARS 252.211-7007 clause, the PM will establish a virtual
UII or a DoD recognized unique identification for GFE items that are valued at $5,000 or
more in unit acquisition cost; or valued at less than $5,000 in unit acquisition cost and are
serially managed, mission essential, sensitive, or controlled inventory, as identified in the terms and conditions of the contract. The PM may delegate these responsibilities to a PCO/PCA or supervisor, who will update the DoD IUID Registry for changes in status, mark, custody, or disposition of these GFE items:

- Delivered or shipped under government instructions, except when shipment is to a subcontractor or other location of the contractor.
- Consumed or expended properly, or otherwise accounted for, in the performance of the contract as determined by the government property administrator, including reasonable inventory adjustments.
- Disposed of; or
- Transferred to a follow-on or other contract.

6.1.10 The PM will investigate and prepare a written report of all incidents of loss, damage, destruction, or theft of GFM or GFE to the government property administrator as soon as the facts become known or when requested by the government. The report will address the following at a minimum:

- Date of incident (if known).
- The name, commercial description, manufacturer, model number, and National Stock Number (if applicable).
- Quantity.
- Unique Item Identifier (if available).
- Accountable Contract number.
- Description of incident or malfunction and impact upon operations
- A statement indicating current or future need.
- Acquisition cost, or if applicable, estimated scrap proceeds, estimated repair or replacement costs.
- All known interests in commingled property of which the Government property is a part.
- Cause and corrective action taken or to be taken to prevent recurrence.
- A statement that the Government will receive any reimbursement covering the loss, damage, destruction, or theft, in the event the Contractor was or will be reimbursed or compensated.
- Copies of all supporting documentation.
- Last known location.
- A statement that the property did or did not contain sensitive or hazardous material, and if so, that the appropriate agencies were notified.

6.1.11 The PM will provide the government with access to ICI premises and all government property for the purposes of reviewing, inspecting and evaluating ICI’s property management plan, systems, procedures, records, and supporting documentation.
6.1.12 The PM will ensure that records of government property are readily available to authorized government personnel and are safeguarded from tampering or destruction. The PM will ensure that these records are kept separate from the government property such that the records are not lost in the case of fire, theft, or other damage.

6.1.13 Should it be determined by the government that ICI’s property management practices are inadequate or not acceptable for the effective management and/or control of government property under the contract, the PM will immediately advise the DGM. The DGM and the COO will institute corrective actions as required by the government representative.

6.1.14 The PM is responsible and accountable for all government property in the custody of subcontractors or at alternate locations. FAR 45.505 requires ICI to use the records created and maintained by a subcontractor with an approved property control system for government property provided under its own prime contracts, unless the government representative directs otherwise. Contract Administration will ensure that contract terms and conditions related to GFE/GFM/GFI flow down from the prime contract to all ICI-issued subcontracts. The PM is responsible for maintaining the accuracy of the official property records by incorporating any government-owned property changes or discrepancies that were noted on the inventory report submitted by the subcontractor.

6.1.15 The PM will ensure that subcontractors have properly documented inventory practices or that they adhere to ICI inventory practices when there are no documented subcontractor practices. The PM will conduct periodic reviews of the subcontractor’s property management system. Subcontractors are responsible for performing annual inventories on all assigned GFE, for notifying the PM when any inventory discrepancies exist, and for reporting the status of any identified discrepancy. When performing GFE inventories, each item must be physically inventoried, inspected and the serial number verified.

6.1.16 The PM will perform closeout actions at the termination of a contract. Closeout actions will include a complete inventory of all assigned GFE performed by the PM and a government representative. Inventory discrepancies must be resolved with the government representative prior to closeout. Upon completion of outstanding inventory actions, all documentation will be submitted to ICI Contract Administration.

6.1.17 The PM will comply with government directed GFE or GFM disposition instructions. All disposition instructions shall be made in writing. If the GFE or GFM is to be returned or transferred to the Government, the PM will obtain a signed receipt from the Government for all items returned as identified in the final inventory. This receipt can be a signed Requisition and Invoice/Shipping Document (DD Form 1149), ICI Form 417, Receipt of Government Goods, or other transmittal form acceptable to the Government. If the government decides to treat the GFE or GFM as scrap or intends to abandon in place the
GFE or GFM, the PM shall consult with Contract Administration to determine if the costs involved require an equitable adjustment.

6.1.18 The PM will prepare and submit a GFE closeout report to ICI Contract Administration who will forward the report to the appropriate government representatives.

6.2. GFI:

6.2.1 Following contract award, the PM and accountable government representative will agree on initial and annual inventory procedures.

6.2.2 The PM and the government representative will conduct a physical inventory of all contract specified GFI. During the inventory, they will verify GFI quantities, document numbers, and page counts. The PM will complete ICI Form 419, Summary GFI Listing, and ICI Form 420 Item Record. If any GFI item(s) are missing or found to be unusable, ICI will request that the government provide ICI with a useable version of the item or remove the item(s) from the GFI listing.

6.2.3 The PM will store and maintain unclassified GFI items in accordance with ICI Security policies and prevailing government regulations.

6.2.4 The PM will ensure that all business-sensitive, proprietary, sensitive-but-unclassified, export-controlled, or otherwise distribution-controlled GFI is stored and safeguarded to the same degree of care that the government uses. This includes taking the physical measures to safeguard the material, keeping records of the people to whom the GFI is disclosed, prohibiting making copies of the GFI, and determining whether it can be saved on portable computer media or on computer servers. If the GFI requires further distribution, the PM will obtain direction or permission from the government prior to distributing the GFI. The PM will ensure that any recipients are also tasked to comply with all handling and safeguarding requirements. If the government permits the GFI to be copied, any distribution markings will be applied to each copy.

6.2.5 All classified GFI will be logged, handled, and stored in accordance with the DoD 5220.22-M National Industrial Security Program Operating Manual, other applicable DoD and service-specific security procedures, and ICI internal security policy. The PM will assign a local ICI security representative to be responsible for recording, receipts, marking, handling and safekeeping of all classified GFI received. This security representative will ensure that classified information is properly accounted for and stored in accordance with all applicable policies and procedures. Classified GFI will be logged using ICI Form 106 “Classified Document Control Log Sheet” and inventory will be kept using ICI Form 107 “Classified Document Inventory Sheet”. All transfers of classified material will be
packaged, marked, receipted and accounted for with hand-carrying procedures, receipts and a tickler suspense file.

6.2.6 The PM will investigate and promptly prepare a written report of all incidents of loss, damage, destruction, or theft of any GFI to the government property administrator as soon as the facts become known or when requested by the government. The report shall address the following at a minimum:

- Date of incident (if known).
- The name and document number of the information
- Quantity.
- Accountable Contract number.
- Cause and corrective action taken or to be taken to prevent recurrence.
- Copies of all supporting documentation.
- Last known location.

6.2.7 The PM will provide the government with access to the ICI premises and all government property at all reasonable times, with proper notice, for the purposes of reviewing, inspecting and evaluating ICI’s property management plan, systems, procedures, records, and supporting documentation.

6.2.8 The PM will ensure that records of GFI are readily available to authorized government personnel and are safeguarded from tampering or destruction. The PM will ensure that these records are kept separate from the GFI such that the records are not lost in the case of fire, theft, or other damage.

6.2.9 The PM is responsible and accountable for all government property in the custody of subcontractors or at alternate locations. FAR 45.505 requires ICI to use the records created and maintained by a subcontractor with an approved property control system for government property provided under its own prime contracts, unless the government representative directs otherwise. Contract Administration will ensure that contract terms and conditions related to GFE/GFM/GFI flow down from the prime contract to all ICI-issued subcontracts. The PM is responsible for maintaining the accuracy of the official property records by incorporating any government-owned property changes or discrepancies that were noted on the inventory report submitted by the subcontractor. The PM will maintain records of government property that is physically located off-site.

6.2.10 The PM will ensure that subcontractors adhere to ICI or other approved inventory practices. The PM will conduct periodic reviews of the subcontractor’s property management system. Subcontractors are responsible for performing annual inventories on all assigned GFI, for notifying the PM when any inventory discrepancies exist, and for reporting the status of any identified discrepancy. When performing GFI inventories, each item must be physically inventoried, inspected and the document number verified.
6.2.11 The PM will perform closeout actions at the termination of a contract. Closeout actions will include a complete inventory of all assigned GFI performed by the PM and a government representative. Inventory discrepancies must be resolved with the government representative prior to closeout. Upon completion of outstanding inventory actions, all documentation will be submitted to ICI Contract Administration.

6.2.12 The PM will comply with government directed GFI disposition instructions. All disposition instructions will be made in writing. If the GFI is to be returned or transferred to the government, the PM will obtain a signed receipt from the government for all items returned as identified in the final inventory. This receipt can be a signed Requisition and Invoice/Shipping Document (DD Form 1149), ICI Form 417, Receipt of Government Goods, or other transmittal form acceptable to the government. If the GFI is to be destroyed, the PM will record the date and method of destruction. The PM will notify the ICI security officer of the final disposition of all classified GFI.

6.2.13 The PM will prepare and submit a GFI closeout report if required by the cognizant government agency.