



ACQUISITION,  
TECHNOLOGY  
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

ACTION MEMO

December 16, 2003, 3:00 PM

FOR: ACTING UNDER SECRETARY OF DEFENSE (AT&L)

FROM: DIRECTOR, DEFENSE PROCUREMENT AND ACQUISITION POLICY

*D. G. [Signature]*  
12/17/03

SUBJECT: Defense Federal Acquisition Regulation Supplement (DFARS); Unique Item Identification and Valuation

- Request USD(AT&L) approve publication of the interim DFARS rule at TAB A.
- The DFARS rule implements DoD policy on unique identification and valuation of tangible items, and replaces an interim DFARS rule published on October 10, 2003. As a result of comments received in response to publication of the first interim rule, we made significant changes to streamline and clarify the DFARS procedures. These changes include--
  - Clarification of the method for determining the Government's unit acquisition cost;
  - Use of existing material inspection and receiving report requirements to convey the Government's unit acquisition cost, thereby eliminating the need for a separate contract line item structure; and
  - Clarification of the treatment of embedded subassemblies, components, and parts with respect to unique identification and valuation.

RECOMMENDATION: Approve publication of the interim DFARS rule.

COORDINATION: None.

DECISION: *[Signature]* Approve

\_\_\_\_\_ Disapprove

\_\_\_\_\_ Other: \_\_\_\_\_

Prepared by: Steven Cohen, 602-0293

