



OFFICE OF THE SECRETARY OF DEFENSE

WASHINGTON, DC 20301

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MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
COMMANDER, U.S. SPECIAL OPERATIONS COMMAND
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DEPARTMENT OF DEFENSE
FIELD ACTIVITIES
ASSISTANT TO THE SECRETARY OF DEFENSE
(NUCLEAR, CHEMICAL AND BIOLOGICAL DEFENSE
PROGRAMS)

SUBJECT: Military Equipment Valuation Contractor Acquired Property Business Rule

The attached business rule was developed in response to questions and issues raised by the DoD Components regarding financial accounting and property accountability for Contractor Acquired Property (CAP). The rule states that while title passes to DoD when the property is obtained by the contractor, the property will not be recorded on DoD financial statements (as other than construction in process) or in accountability systems until the property is delivered to DoD. This business rule will be incorporated into the DoD Financial Management Regulation.

Questions concerning this memorandum and the attached business rule should be directed to Mr. Richard Sylvester, Deputy Director, Acquisition Resources and Analysis (Property and Equipment Policy), Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) at 703-604-6350 x121 or richard.sylvester@osd.mil.

Tina W. Jonas
Under Secretary of Defense
(Comptroller)

John J. Young, Jr.
Under Secretary of Defense
for Acquisition, Technology and Logistics

Attachment:
As stated

