Government Furnished Property (GFP) and DPAS

presented by
Amber Barber
and Mark Bergeron

OUSD (AT&L) Acquisition Resources and Analysis (ARA)
Property and Equipment Policy
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Defense Property Accountability System
Introductions

- **Presenters**
  - **Amber Barber**, CPPS, Office of the Under Secretary of Defense (Acquisition, Technology and Logistics) / Property & Equipment Policy
  - **Mark Bergeron**, CPPM, Defense Finance and Accounting Service, Technology Services Organization
Ground Rules

- Submit questions using the question pod – we will discuss them throughout the session

- Turn your volume up and let the presentation team know if you have audio problems (through the question pod)

- You can maximize the presentation pod (toggle Full Screen)


- For Technical Assistance, use the question pod
Agenda

- Government Property Basic Terminology
- Government Property Life Cycle Events and Business Processes
- System Requirements for Managing GFP Business Processes in DPAS
Government Property Definition

- Includes all property that is owned by or leased to the government. It includes personal property and real property.

  - **Personal property**: Equipment/systems, spares, and supplies
  - **Real property**: Land, buildings, and structures

- Government Furnished Property (GFP): Government property that is provided to contractors for a contract.
Equipment & Gov Furnished Equipment

- Property that is functionally complete for its intended purpose, durable, and non-expendable

- GFE is simply equipment furnished by the Government to a Contractor for the performance of a contract.

- Equipment should be recorded in the Government’s Accountable Property System of Record (APSR) by a Government employee prior to being furnished as Government Furnished Equipment (GFE).
Material & Gov Furnished Material

- Owned by the Government and furnished to a Contractor as Government Furnished Material (GFM) to use for specific contract purposes. Title to all material furnished by the Government remains with the Government.

- Examples of Material and GFM are titanium, nuts, bolts, washers, screws, and other consumable items.

- Unlike GFE, GFM is consumed, attached, or expended by the contractor during the performance of a contract.

- DODM 4140.01-M provides the most guidance for material.
Contractor Acquired Property (CAP)

- Any property **acquired, fabricated**, or otherwise provided by the contractor for use in contract **performance**.
- The only contract type that allows CAP is cost reimbursable.
- The government has title to each item acquired by the contractor.
- When the contractor delivers CAP to the government for use on the same or another contract, that CAP is then considered GFP. Property originally deemed CAP is only “CAP” for one contract. When the same property is used on subsequent projects, it will be classified as GFP.
- Property records for CAP must be created in the Government Accountable Property System of Record (APSR) when CAP is delivered via Contract Line Items (CLINs).
Question and Answer Break

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Life-Cycle Events of GP

There are four phases in the life-cycle of Government Property:

1. Determination of Need
2. Acquisition
3. Accountability & Maintenance
4. Reutilization & Disposition
(1) Determination of Need

- Determining whether or not an item is needed: can the mission be accomplished without the item?

- A determination of need should include the rationale for acquisition of assets.

- It should consider alternatives to new procurement and life cycle costs.
(2) Acquisition

- The contract process involves determining if GP will be furnished to a contractor. Contractors are typically required to furnish property to perform Government contracts, but there are times that the Government provides property to a contractor. If so, the Contracting officer (CO) must follow the guidance in FAR 45.102.

- CO can provide property to contractors only when it is clearly demonstrated that doing so is in the government’s best interest.

- Contractors may provide the necessary items on a cost reimbursement contract.

- Program managers must decide whether equipment being procured will require “marking.”

GFP Business Process

- **Required Actions**
  - **Program Manager (PM)**
    - Develop Acquisition Strategy
    - Determine Contract Type (i.e., Cost Reimbursable or Firm Fixed Price (FFP))
      - If Cost Reimbursable – CAP is Possible
      - If FFP – Determine if GFP will be provided to Contractor
    - If GFP is to be provided, coordinate with APO to identify UIIs of actual items to be provided
  - **Contracting Officer (CO or KO)**
    - Receive Purchase Requisition indicating GFP
    - Submit Solicitations and Receive Proposals maintaining GFP Identify
    - Ensure GFP acknowledgement in Solicitations
    - Award Contract
    - Ensure CLIN language identifies GFP by actual UII to be provided.
      - If actual GFP items are not known at the time of award, modify contract later when identified to add UII of the GFP shipped to contractor
      - For CAP scenarios, modify contracts to add CLINS receiving government property
Life Cycle Systems

The government uses various systems and tools throughout the life cycle of assets:

- IUID Registry
- Wide Area Workflow (WAWF)
- Accountable Property Systems of Record (DPAS)
- Commercial and Government Entity Code (CAGE)
Item Unique Identification (IUID)

- An asset identification system (replaced DD 1662)
- Items are distinguished from one another by a Unique Item Identifier (UII). The UII is housed in the IUID Registry.
- The UII is permanent, and is only assigned to a single item.
- The UII captures and maintains important data for valuation and tracking

- IUID is applicable to items:
  - Valued at more than $5000
  - Serially managed
  - Mission essential
  - Controlled inventory
  - Permanent identification needed
Wide Area Workflow (WAWF)

- Secure, Web-based system for electronic invoicing, receipt and acceptance.

  - WAWF application:
    - Enables electronic form submission of invoices, government inspection, and acceptance documents to support the DoD’s goals of moving to a paperless acquisition process.
    - Provides the capability to electronically capture and submit information in support of the shipment and the receipt of GFP by the DoD and Vendor activities.
    - Can only be used to add UIIs to the IUID Registry for new acquisitions.
Commercial and Government Entity (CAGE)

- Along with UIIs, the WAWF also uses the Commercial And Government Entity (CAGE) code to identify the destination of property.

- The CAGE code is a five-character ID number that identifies government contractors.

- This identifier serves multiple functions in the WAWF and DPAS transactions and the contracting process.
Question and Answer Break
(3) Accountability & Maintenance

- The Government must maintain accountable records of the equipment furnished to a contractor, and contractors are required to maintain property systems and records and to maintain the equipment in their possession.

- The Government can audit the contractor’s property management system as frequently as conditions warrant.

- Contractors are required by FAR 52.245-1 to maintain equipment in their possession, and keep accurate property systems and records.

**GFP Business Process**

**Required Actions**

- **Property Accountability Personnel**
  - Identifies and provides UUIs for property to CO.
  - Delivers Government Property to Contractor via Wide Area Workflow (WAFW) process
  - Acknowledges receipt of GFP by Contractor
  - Ensures GFP status in Accountable Property System of Record (APSR) updated to reflect equipment out on loan to Contractor
  - Updates GFP status in APSR upon return to Government
    - If GFP returned purchased as CAP, establishes an accountable property record (APR) in the APSR

- **Contractor**
  - Receives shipment notice via WAFW and returns acknowledgement to APO.
  - Inspects property upon receipt
  - Uses property to fulfill contract requirements
  - If Cost Type Contract, determine need to purchase property (CAP) to meet contract requirements
  - Invoice Government on charges, and UUI asset before delivery to the Government.
  - Completes Physical Inventories and maintains GFP in an APSR per guidance of the Plant Clearance Officer (PLCO)
  - Returns excess Property via the Plant Clearance Automated Reutilization Screening System (PCARSS) and/or completes final disposition transaction per the instructions of the PLCO at contract close out.
(4) Reutilization & Disposition

- When property is no longer required by the Contractor to support the contract, the property must be reported as excess to the Government under FAR 52.245-1.

- Both the Contractor and the Government have very distinct responsibilities during this phase of the life cycle.

- The legal requirements of 40 USC 546, Contractor inventories, and the regulatory requirements of FAR 45.401 prohibit a Contractor from disposing of Contractor Inventory on a DoD contract without prior Government approval.
(4) Reutilization & Disposition (Cont.)

- FAR 52.245-1 and DFARS Subpart 245.6, Reporting, Redistribution, and Disposal of Contractor Inventory prescribe these forms for reporting, redistribution, and disposal of Contractor inventory and in accounting for this property:

<table>
<thead>
<tr>
<th>Form</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>SF 120</td>
<td>Report of Excess Personal Property</td>
</tr>
<tr>
<td>SF 1423</td>
<td>Inventory Verification Survey</td>
</tr>
<tr>
<td>SF 1424</td>
<td>Inventory Disposal Report</td>
</tr>
<tr>
<td>SF 1428</td>
<td>Inventory Schedule</td>
</tr>
<tr>
<td>DD Form 1639</td>
<td>Scrap Warranty</td>
</tr>
<tr>
<td>DD Form 1149</td>
<td>Requisition and Invoice/Shipping Document</td>
</tr>
<tr>
<td>DD Form 1637</td>
<td>Notice of Acceptance of Inventory Schedules</td>
</tr>
</tbody>
</table>

- The Government’s responsibilities are contained in FAR 45.602.
Question and Answer Break
Managing GFP in DPAS

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Defense Property
Accountability System
Scope

- Identify Essential Actions Necessary to Track GFP in DPAS
  - *Will use most common GFP scenario*

- Assumption
  - *Audience has basic working knowledge of DPAS*

- Goal
  - *DPAS Users will be able to update DPAS to track GFP*
Overview

- DPAS GFP Setup Requirements
- Assigning Assets as GFP
- GFP Assets Returning
- GFP Reports & Inquiries
- Review
DPAS GFP Setup Requirements
DPAS GFP Setup Requirements

- Build Contractor Record
  - Master Data / Contractor
  - Contains Company Information

- Build Contract Record
  - Master Data / Contract
  - Contract Type = GFP

- Build Contractor Address for Shipment
  - Master Data / Address
  - LC – CAGE Type Address
- Building the Contractor record is the first step necessary in DPAS to properly track assets as GFP.
- To create a Contractor record, we must navigate to Master Data > Contractor.
To complete the Contractor Search Criteria page:
1. Verify the correct Accountable UIC is listed
2. Enter the Contractor’s CAGE code. Important! The CAGE code must be valid; you can find it on the face of the Contract.
3. Select the Add button
### Contract Setup Requirements

When completing the Contractor Add page:

1. Use the contract information to populate as much of this screen possible.
2. Select the Add button to process the record.

<table>
<thead>
<tr>
<th>Add</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Actbl UIC</td>
<td>NS1234</td>
</tr>
<tr>
<td>*CAGE Cd</td>
<td>1EFN2</td>
</tr>
<tr>
<td>Contractor</td>
<td>CHEMICAL SOLUTIONS INC</td>
</tr>
<tr>
<td>*Address 1</td>
<td>2464 DELAWARE ST</td>
</tr>
<tr>
<td>City</td>
<td>DENVER</td>
</tr>
<tr>
<td>State</td>
<td>CO-Colorado</td>
</tr>
<tr>
<td>*ZIP Cd</td>
<td>80223</td>
</tr>
<tr>
<td>Country Cd</td>
<td>US-United States of America</td>
</tr>
<tr>
<td>Remarks</td>
<td></td>
</tr>
<tr>
<td>History Remarks</td>
<td></td>
</tr>
</tbody>
</table>

[Add] [Cancel]
After creating a Contractor in DPAS, we must create the Contract record awarded for the development of the cleaning solvent.

To create a Contract record, we must navigate to Master Data > Contract.
When completing the Contract Search Criteria page:
1. Verify “G” is selected for the Contract Use Code.
2. Enter the Contract Number from the contract.
3. Select the corresponding Contractor. In this scenario, we select “Chemical Solutions Inc”
4. Select the Add button
When completing the Contract Add page:
1. Select the correct Contract Type Code.
2. Verify the Contract Number is correct.
3. Verify the correct Contractor is selected.
4. Enter the Contract Start and End Dates.
- The next step in the process to build contractor address where the asset will be delivered.
- To create an Address record, we must navigate to Master Data > Address.
When completing the Address Search Criteria page:
1. Verify the correct UIC is listed
2. Select an Address Type of LC-Loan – CAGE
3. Select the Add button
### On the Address Add page:

1. Complete as much information as possible about the contractors address.
2. Then select the Add button to process the record.
Assigning Assets as GFP
Assigning Assets as GFP

- Associate Asset w/ authorized Contract
  - Asset Management/Update
  - Use Loan Cd = C – Out to Non-Govt Activity
  - Must Have Ull Assigned/Tagged/ (ART Status)
The first step in assigning GFP is to navigate to Asset Management > Update.
On the Search Criteria page:
1. Enter the Asset Id.
2. Select the Search button to locate the asset in the system.
On the Search Results page we have located the asset and can take note of a couple of key fields.

1. Notice the Loan Code is currently “G” - This indicates the asset is currently government owned.
2. We can also see the UII Status Code is ART - This asset is ready to be assigned as GFP so we select the record and click the Continue button.
The Selected Rows page offers three actions.

- We will choose the Loan Update action and select the Continue button.
When the Asset Update – Loan Change page first displays the Loan Code is “G”
We need to update the status of the asset to “C-Out on Loan to Non-Govt Acty”
Several fields on the Asset Update – Loan Change page must be completed prior to processing the asset as GFP.
GFP Assets Returning

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We once again search on the same asset id and return to the Search Results page.

- Notice that the asset now has a Loan Code of “C”
- To process this asset back to a Loan Code of “G” we will select the asset and click the Continue button.
On the Selected Rows page we will again choose Loan Update and select the Continue button.
When the Asset Update – Loan Change page first displays, the Loan Code is “C”
When the Loan Code is changed to “G”, the page will refresh and fewer fields will be available.

Complete the page and select the Update button to process the asset back to government owned.
The next step is to update the Asset Status Code.

- We begin by returning to the Selected Rows page, choosing the Basic Update and selecting the Continue button
On the Basic Update – Accounting tab, we notice the asset remained as “T-Out on Loan”.

Select a new Asset Status Code for the asset.

Select the Update button.
GFP Reports & Inquiries
GFP Reports & Inquiries

- Custodian Asset Report
  - List Loan Cds of Assets Assigned
- Assets on Loan Report
  - By Loan Type, Contractor, or Contract
- Contract Report
  - Contractors and Associated Contracts
- Contractor Inquiry
- Contract Inquiry
There are three reports that will help manage your GFP:

- Custodian Asset Report
- Assets On Loan Report
- Contract Report
<table>
<thead>
<tr>
<th>ASST ID</th>
<th>STOCK NBR</th>
<th>SERIAL NBR</th>
<th>LOT NBR</th>
<th>INV LOC</th>
<th>SUB LOC</th>
<th>SUB LVL</th>
<th>RSU</th>
<th>ASST CD</th>
<th>ITEM DESC</th>
<th>ITEM CD</th>
<th>QTY</th>
<th>LST INV DT</th>
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<td>601910000040</td>
<td>1015010848898</td>
<td>N60191-004</td>
<td>7</td>
<td>K</td>
<td>E</td>
<td>08/04/2008</td>
<td>$3,900,000.00</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>E</td>
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<td>601910000042</td>
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<td>601910000043</td>
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<td>TEST30-002</td>
<td>U</td>
<td>K</td>
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<td></td>
</tr>
<tr>
<td>601910000047</td>
<td>702500000069</td>
<td>TEST10L2</td>
<td>U</td>
<td>K</td>
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<td>10/23/2009</td>
<td>$111,111.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Assets On Loan Report will show all of the assets out on loan listed by Accountable UIC, UIC and Contract Number.
The Contract Report will display all of the Contracts by Accountable UIC and Contract Name.
The Contractor inquiry will show all data available from the Contractor table.
The Contract inquiry displays information from the Contract table in Web DPAS. It also offers a quick reference to the Contractor information for the associated Contractor.
Review

In this segment, we discussed:

- Setup of necessary records
  - Contractor
  - Contract
  - Address
- Loaning Assets
- Returning Assets
- Viewing data via Reports and Inquiries
Summary
Responsibility Comparison

**Government Side**
- Accountable records must be in place from receipt to final disposition
- Use WAWF
- Modify a contract to add UII data (GFP)
- Use DPAS to maintain GFP info (contract, contractor, UII, loan status)

**Contractor Side**
- Must maintain Gov Property and manage in the approved property system
- Use WAWF
- Add new UII data to the registry (CAP)
- Use WAWF to send current property data to DPAS
Conclusion

- Questions / Comments
- For more Information contact:

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