

<p>VOLUME 10</p> <p>“FURNISHING GOVERNMENT PROPERTY TO EXTERNAL ORGANIZATIONS”</p> <p>SUMMARY OF VOLUME 10 CHANGES</p> <p>Hyperlinks are denoted by <i><u>bold, italic, blue and underlined font.</u></i></p> <p>The original publication date of this Marine Corps Order (right header) will not change unless/until a full revision of the MCO has been conducted.</p> <p>The date denoted by blue font (left header) will reflect the date this Volume was last updated.</p> <p>All Volume changes denoted in blue font will reset to black font upon a <u>full revision</u> of this Volume.</p>			
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VOLUME 10: FURNISHING GOVERNMENT PROPERTY TO EXTERNAL
ORGANIZATIONS

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- (a) DLM 4000.25-1, "Military Standard Requisitioning and Issue Procedures (MILSTRIP)," June 13, 2012
- (b) Federal Acquisition Regulations (FAR)
- (c) DFARS PGI 245 "Government Property"
- (d) Navy Marine Corps Acquisition Regulation Supplement (NMCARS)
- (e) Marine Corps Acquisition Procedures Supplement (MAPS)
- (f) Joint Memorandum, "Government-Furnished Property Compliance with Regulatory and Policy Requirements," May 4, 2015
- (g) DoD Manual 4140.01, "DoD Supply Chain Materiel Management Procedures," February 10, 2014
- (h) DoD Instruction 5000.64, "Accountability and Management of DoD Equipment and Other Accountable Property," May 19, 2011
- (i) DoD Instruction 4161.02, "Accountability and Management of Government Contract Property," April 27, 2012
- (j) DLM 4000.25, "Defense Logistics Management System (DLMS)," June 5, 2012
- (k) DoD FMR 7000.14-R, "Department of Defense Financial Management Regulation (DoD FMR)," Volumes 1-15, dates vary by volume
- (l) MCO 4410.28
- (m) DoD Instruction 8320.04, "Item Unique Identification (IUID) Standards for Tangible Personal Property," September 3, 2015
- (n) DLM 4000.25-2, "Military Standard Transaction Reporting and Accountability Procedures (MILSTRAP)," June 13, 2012
- (o) DoD Directive 3025.18, "Defense Support of Civil Authorities (DSCA)," September 21, 2012
- (p) DoD Directive 3025.13, "Support of the U.S. Secret Service (USSS), Department of Homeland Security (DHS)," October 8, 2010
- (q) DoD Instruction 3025.21, "Defense Support of Civilian Law Enforcement Agencies," February 27, 2013
- (r) DSCA 5105.38-M, "Security Assistance Management Manual," October 3, 2003
- (s) MCO 5710.6C
- (t) DoD Instruction 1225.06, "Equipping the Reserve Forces," May 16, 2012
- (u) DoD Instruction 3025.20, "Defense Support of Special Events," April 6, 2012
- (v) DoD Instruction 7230.08, "Leases and Demonstrations of DoD Equipment," January 2, 2009
- (w) DoD Instruction 4140.57, "DoD Replenishment Parts Purchase or Borrow (DoD RPPOB) Program," May 30, 2008
- (x) DoD Directive 5230.25, "Withholding of Unclassified Technical Data from Public Disclosure," August 18, 1995
- (y) MCO P4790.10B
- (z) DoD Instruction 5000.2, "Operation of the Defense Acquisition System," January 7, 2015
- (aa) MCO 4600.41

VOLUME 10: CHAPTER 1

“GENERAL OVERVIEW”

SUMMARY OF SUBSTANTIVE CHANGES

Hyperlinks are denoted by *[bold, italic, blue and underlined font.](#)*

The original publication date of this Marine Corps Order (MCO) Volume (right header) will not change unless/until a full revision of the MCO has been conducted.

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CHAPTER VERSION	PAGE PARAGRAPH	SUMMARY OF SUBSTANTIVE CHANGES	DATE OF CHANGE

CHAPTER 1

GENERAL OVERVIEW

0101 GENERAL

010101. Historically, the Marine Corps has furnished many categories of government property (material, equipment, test equipment, special test equipment, etc.) to external organizations. Examples include furnishing military equipment to Space and Naval Warfare Systems Command (SPAWAR) for retrofitting with Supply System Responsibility Item equipment before being fielded to fleet units, or furnishing military equipment to a coalition force (CF).

010102. To comply with Titles 10 and 31 of United States Code and Department of Defense (DoD) policies, this Volume redefines the process for the management of government property furnished to external organizations and addresses the transfer of tangible government property in the form of materiel and equipment to external organizations.

010103. In this Volume, “government property” means all property owned or leased by the government (i.e., Marine Corps). Government property includes both government-furnished property (GFP) and contractor-acquired property (CAP). Government property includes material, equipment, special tooling, special test equipment, and real property. Government property does not include intellectual property and software. The use of the term government property in this Volume is synonymous with Marine Corps property.

010104. In this Volume, “government-furnished property” means property in the possession of, or directly acquired by the government and subsequently furnished to the contractor for performance of a contract. GFP includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification. GFP can also include CAP if the CAP is a deliverable under a cost contract and accepted by the government for continued use under the contract.

010105. This Volume does not cover real property, documents and information, or intangible government property because control over these types of property require different considerations which are addressed by separate DoD, Department of the Navy (DON), and Marine Corps policies and procedures. This Volume also addresses interservice transfers of Marine Corps equipment or material to other military services. This Volume establishes policies and procedures to maintain proper accountability of government property furnished to external organizations.

0102 ROLES AND RESPONSIBILITIES

Effective management of government property furnished to external organizations is a shared responsibility across several organizations. The following roles and responsibilities are pertinent to ensure clarity with coordination.

010201. Deputy Commandant, Installations and Logistics (DC I&L)

DC I&L is responsible to the Commandant of the Marine Corps for establishing logistics policy. DC I&L exercises oversight for all issues pertaining to logistics, strategic mobility,

purchasing and contracting, facilities, and installations. Though developed collaboratively across all functional stakeholders, the policy for accountability of GFP and external loans, leases, and bailments is published on behalf of Headquarters Marine Corps (HQMC) by DC I&L.

A. Logistics Plans, Policy, and Strategic Mobility Division (LP)

1. Maintain and provide current policy guidance for the management of GFP to external organizations in accordance with current DoD guidance and directives.

2. Coordinate with Office of the Secretary of Defense, Defense Procurement Acquisition Policy to ensure that DoD automated information systems support this policy and adequately capture Marine Corps requirements.

3. Serve as the principal Marine Corps representative in the joint community for policy matters pertaining to government property furnished to external organizations.

4. Establish, collect, and maintain metrics for monitoring government property furnished to external organizations.

5. When applicable, serve as the approving authority for requests to loan/lease government property to an external organization.

6. Provide approval/disapproval to source using unit property to fill an external organization's requirements when no property is available within the Marine Corps Logistics Command (MARCORLOGCOM) inventory. For garrison property and garrison mobile equipment (GME), Marine Corps Installations Command (MCICOM) is this approval authority. Refer to paragraph 010409.

7. Maintain and update DoD Activity Address Codes (DoDAACs) in accordance with reference (a).

8. Coordinate with the Deputy Commandant, Plan, Policies, and Operations (DC PP&O) on all requests to furnish government property to an external organization. If necessary, forward requests to MARCORLOGCOM or MCICOM (for garrison property and GME) for determination of property availability.

9. Provide tasking guidance to key stakeholders to include identification of a lead Marine Corps liaison if applicable.

10. Assign a unique Routing Identifier Code (RIC) and Distribution Code for MARCORLOGCOM, MCICOM, and Marine Corps Systems Command (MARCORSYSCOM) to allow the Management Control Activity (MCA) to validate government furnished material (GFM) requisitions.

11. Chair the Central Property Office Working Group that oversees the implementation of property policies and addresses materiel weakness in property accounting. These material weaknesses include, but are not limited to: Marine Corps equipment off property records (EOPR); contracts that include GFP, but lack the required clauses; unaccounted for GFP; and failures to properly screen contractor requisitions for materiel through the DoD supply system.

B. Contracts Division (LB)

1. Oversee on behalf of DC I&L, as Head of the Contracting Activity, the operations of all Marine Corps Field Contracting System contracting offices, in accordance with Federal, DoD, DON, and Marine Corps acquisition policies and procedures.

2. Ensure supporting contracting offices are compliant with reference (b), Part 245 of (c), and references (d), (e), and DoD and DON acquisition related policy documents, instructions, and guides addressing government property and the contents of this Volume when government property is provided to contractors.

3. Coordinate with the Director of Defense Procurement and Acquisition Policy and the Deputy Assistant Secretary of the Navy for Acquisition Policy on all proposed changes to Federal, DoD, and Navy acquisition policies, procedures, and regulations relating to the use of government property by contractors.

4. Ensure compliance with reference (f).

5. Participate in the monthly Central Property Office Working Group.

010202. Deputy Commandant, Plans, Policies, & Operations (DC PP&O)

In coordination with DC I&L (LP), provide the strategic and political-military (Pol-Mil) value and /or Service operational risk analysis for all requests to furnish Marine Corps government property to partner nations.

A. DC PP&O (PLU) will provide the strategic and Pol-Mil value to DC I&L (LP) for requests that would result in the furnishing of government property to a partner nation.

B. DC PP&O (POG) will provide the Service operational risk analysis to DC I&L (LP) for requests that would result in the furnishing of government property to an external organization.

010203. Commanding General, MARCORLOGCOM

A. Serve as the MCA responsible for the control, accountability, and administration of government property furnished to external organizations from Marine Corps inventory (i.e., existing stock or newly accepted property as a result of new acquisitions which require no further assembly/modification). This responsibility includes accountability/management of GFP requirements where a Marine Force (MARFOR) level command or Marine Expeditionary Force (MEF) is providing equipment for repair, modification, overhaul, warranty, or other contractor logistics support (CLS) under a maintenance support contract (e.g., secondary reparable). MCA responsibilities are identified in paragraph 010208.

B. Manage and track all government property issued to an external organization when sourced from existing Marine Corps inventory (i.e., existing stock or newly accepted material as a result of new acquisitions which required no further assembly/modification). Examples include:

1. Property pulled from existing stocks to satisfy the requirement.
 2. Property redistributed from a using unit to a contractor to satisfy the requirement.
 3. Any cataloged equipment where the Marine Corps is a registered user, whether or not the equipment was previously established on government property records.
 4. Contractor requested and MCA approved material requisitioned through the DoD supply system in accordance with Volume 9 of reference (g) for all MARCORLOGCOM generated contracts.
- C. As a requestor, provide requirements for Marine Corps contractual documents to the supporting contracting officer prior to Request for Proposal (RFP)/Request for Bid (RFB) which involve the furnishing of government property to a contractor.
- D. When required, determine property availability and provide recommended sourcing solution of all requests to furnish government property to external organizations. Forward all requests to MARCORSYSCOM when sourcing is not available from existing Marine Corps inventory. Additionally, forward all requests from partner nations where the foreign military sales (FMS) process will be used to provide the equipment, services, or support to MARCORSYSCOM.
- E. If necessary, request and establish Naval Surface Warfare Center (NSWC), Crane, Indiana sub-accounts to establish small arms/light weapons accountability for government property loaned to a CF.
- F. In coordination with the lead Marine Corps liaison, coordinate validation and renewal of requirements, assist in accountability verification when required, coordinate return of property, and report discrepancies for all CF loans.
- G. In cooperation with MARCORSYSCOM, assist in the execution of the Replenishment Parts Purchase or Borrow (RPPOB) Program in accordance with this Volume.
1. Execute, promote, and monitor the use of the RPPOB program in accordance with this Volume.
 2. Provide programming and policy guidance for the RPPOB program.
- H. Initiate, via the comptroller, a special disbursing account to maintain security deposits from external organizations in support of loan/lease agreements.
- I. Ensure supporting contracting offices are familiar with this Volume.
- J. Provide representatives to the monthly Central Property Office Working Group.
- K. Appoint in writing an accountable property officer (APO) or officers to account for all property in accordance with Volume 3 of this Order and reference (h).

- L. Ensure compliance with reference (f).
- M. Manage maintenance support contracts for GFP requirements where the MARFORs/MEFs provide equipment for repair, modification, overhaul, warranty, or other CLS support.
- N. Ensure all MARCORLOGCOM contracts for GFP (to include maintenance support contracts) are compliant with the references in paragraph 010209.C and include the items listed in the applicable GFP attachment (see paragraph 020201.A).
- O. Provide the MARFORs and supporting establishment (SE) with a copy of all maintenance support contracts (or make available electronically) where the MARFOR or SE may be required to send GFP to a contractor for repair, modification, overhaul, warranty, or other CLS repair. Ensure MARFORs and SE are provided a copy of the corresponding GFP attachment (or make available electronically) for each maintenance support contract (see paragraph 020201.A).
- P. Use Invoicing, Receipt, Acceptance, and Property Transfer (iRAPT) in the Wide Area Workflow e-Business Suite, citing the contract number, to transfer property to and from the custody of a contractor as a basis for custodial accountability in accordance with reference (i).

010204. Commander, MARCORSYSCOM

- A. Serve as the MCA responsible for the control, accountability, and administration of GFP to external organizations as a result of new acquisitions in support of Research Development Test and Evaluation (RDT&E) efforts or new acquisitions in support of final end item assembly/delivery. This responsibility includes accountability/management of GFP requirements where the MARFORs/MEFs are providing government property in support of MARCORSYSCOM's RDT&E efforts. MCA responsibilities are identified in paragraph 010208. For accountability/management of a Depot Maintenance Interservice Support Agreement (DMISA), MARCORLOGCOM is the MCA. For garrison property and GME, MCICOM is the MCA.
- B. MARCORSYSCOM will manage and track government property issued to an external organization when it involves new acquisitions in support of RDT&E efforts or new acquisitions in support of final end item assembly/delivery. Examples include:
 - 1. Non-system property purchased and subsequently provided as GFP to an external organization for the purposes of RDT&E.
 - 2. Property received under one contract (not fielded) and provided to another contractor or non-contractor external organization (i.e., SPAWAR) to be included in the final end item assembly.
 - 3. All assets awaiting assignment of a National Stock Number (NSN) that would otherwise be transferable to MARCORLOGCOM for property accountability.
 - 4. Contractor requested and MCA approved material requisitioned through the DoD supply system in accordance with Volume 9 of reference (g) for all MARCORSYSCOM generated contracts.

C. By 1 November of each year, MARCORSYSCOM will provide MARCORLOGCOM and MCICOM with a reconciled annual report of government property furnished by MARCORLOGCOM and MCICOM in support of MARCORSYSCOM programs. MARCORLOGCOM and MCICOM require this information to maintain accountability. Report Control Symbol DD-4400-52 (External Report Control Symbol DD-AT&L (Q) 1575)) is assigned to this reporting requirement. Appendix B of this Volume provides reporting procedures.

D. Coordinate with the respective Program Executive Officer (PEO) to ensure consistent and accurate reporting of government property furnished to external organizations.

E. As a requestor, provide requirements for Marine Corps contractual documents to the supporting contracting officer prior to RFP/RFB which involves the furnishing of government property to a contractor.

F. As a requestor, provide sourcing requirements to MARCORLOGCOM or MCICOM (for garrison property and GME) for determination of government property availability prior to the establishment of any binding agreements that involve furnishing government property to a non-contractor external organization, when property requested falls under MARCORLOGCOM or MCICOM purview.

G. When required, determine property availability and provide recommended sourcing solution of all requests to furnish government property to an external organization.

H. When applicable, execute contract action for the purchase of government property that will be furnished to an external organization.

I. Notify DC I&L (LP) in advance if, during the course of an agreement, government property becomes the subject of FMS.

J. Notify the responsible MCA of contract or binding agreement modifications that impact the type, quantity or duration of government property furnished to an external organization, to include modifications to the information identified in PGI 245.1 of reference (c).

K. As the Marine Corps Ground Equipment Lifecycle Manager, serve as the lead agency for the RPPOB program.

1. Execute, promote, and monitor the use of the RPPOB program in accordance with this Volume.

2. Provide programming and policy guidance for the RPPOB program.

3. Initiate via the comptroller a special disbursing account to maintain security deposits from potential suppliers.

L. Initiate via the comptroller a special disbursing account to maintain security deposits from external organizations in support of loan/lease agreements.

M. Ensure supporting contracting offices are compliant with this Volume.

N. Provide participants to the monthly Central Property Office Working Group.

O. Appoint in writing APOs to account for all property in accordance with Volume 3 of this Order and reference (h).

P. Ensure compliance with reference (f).

Q. Ensure all MARCORSYSCOM contracts for GFP (to include maintenance support contracts) are compliant with the references in paragraph 010209.C and include the items listed in the applicable GFP attachment (see paragraph 020201.A).

R. Ensure MARFORs and SE are provided with a copy of contracts (or make available electronically) where the MARFOR or SE may be required to send GFP in support of MARCORSYSCOM's RDT&E efforts. Provide the MARFOR and SE with a copy of the corresponding GFP attachment (or make available electronically) for each maintenance support contract (see paragraph 020201.A).

S. Use iRAPT, citing the contract number, to transfer property to and from the custody of a contractor as a basis for custodial accountability in accordance with reference (i).

010205. Program Executive Officer (PEO)

A. As a requestor, provide requirements for Marine Corps contractual documents to the supporting contracting officer prior to RFP/RFB that involves the furnishing of government property to a contractor.

B. As a requestor, provide sourcing requirements to MARCORLOGCOM or MCICOM (for garrison property or GME) for determination of government property availability prior to the establishment of any binding agreements which involve furnishing government property to a non-contractor external organization when property requested falls under MARCORLOGCOM or MCICOM purview.

C. Coordinate government property support requirements for external organizations with the appropriate MCA (in accordance with paragraphs 010402, 010203.B, and 010204.B) to ensure consistent and accurate reporting of GFP.

D. When applicable, facilitate contract execution for the purchase of government property that will be furnished to an external organization.

E. Notify the appropriate MCA of contract or binding agreement modifications that impact the type, quantity or duration of government property furnished to an external organization, to include modifications to the information identified in PGI 245.2 of reference (c).

F. Ensure supporting contracting offices are familiar with this Volume.

G. Participate in the monthly Central Property Office Working Group.

H. Ensure compliance with reference (f).

010206. Commanding General, MCICOM

A. Serve as the MCA responsible for the control, accountability, and administration of government property furnished to external organizations for garrison property and GME. This responsibility includes accountability/management of GFP requirements where the MARFORs/MEFs are providing equipment for warranty repair and/or other CLS repair for garrison property and GME. MCA responsibilities are identified in paragraph 010208.

B. Manage and track government property issued to an external organization when it involves garrison property or GME. Examples include:

1. Property pulled from existing stocks to satisfy the requirement.
2. Property redistributed from a using unit to a contractor to satisfy the requirement.
3. Any cataloged equipment where the Marine Corps is a registered user, whether or not the equipment was previously established on government property records.
4. Contractor requested and MCA approved material requisitioned through the DoD supply system in accordance with Volume 9 of reference (g) for all MCICOM generated contracts.

C. As a requestor, provide requirements for Marine Corps contractual documents to the supporting contracting officer prior to RFP/RFB which involve the furnishing of government property to a contractor.

D. When required, determine property availability and provide recommended sourcing solution of all requests to furnish government property to external organizations.

E. Ensure supporting contracting offices are familiar with this Volume.

F. Provide participants to the monthly Central Property Office Working Group.

G. Appoint in writing APOs to account for all property in accordance with Volume 3 of this Order and reference (h).

H. Ensure compliance with reference (f).

I. Manage maintenance support contracts for GFP requirements where the MARFORs/MEFs provide equipment for repair, modification, overhaul, warranty, or other CLS support.

J. Ensure all MCICOM contracts for GFP (to include maintenance support contracts) are compliant with the references in paragraph 010209.C and include the items listed in the applicable GFP attachment (see paragraph 020201.A).

K. For garrison property and GME, provide the MARFORs and SE with a copy of all maintenance support contracts (or make available electronically) where the MARFOR or SE may be required to send GFP to a contractor for repair, modification, overhaul, warranty, or other CLS repair. Ensure to provide the MARFOR and SE with a copy of the corresponding GFP attachment (or make available electronically) for each maintenance support contract (see paragraph 020201.A).

L. Use iRAPT, citing the contract number, to transfer property to and from the custody of a contractor as a basis for custodial accountability in accordance with reference (i).

010207. MARFORs and SE Commanders

A. As a requestor, provide requirements to MARCORLOGCOM or MCICOM (for garrison property or GME) for determination of government property availability prior to the establishment of any binding agreements which involve furnishing government property to a non-contractor external organization.

B. As a requestor, provide requirements for Marine Corps contractual documents to the supporting contracting officer prior to RFP/RFB which involves furnishing government property to a contractor.

C. Forward all government property requests from non-contractor external organizations to DC I&L (LP) or MCICOM (for garrison property or GME).

D. When authorized by DC I&L (LP) or MCICOM (for garrison property or GME), execute MARFOR/SE external temporary loans in accordance with Chapter 4 of this Volume.

E. MARFORs and SE are not authorized to not perform MCA functions, as outlined in paragraphs 010203, 010204, 010206, and 010208, or enter into any contractual relationships that involved furnishing government property to a contractor.

F. When providing government property to a contractor for repair, modification, overhaul, warranty, and/or other CLS support under a maintenance support contract, use iRAPT, citing the contract number, to transfer property to and from the custody of a contractor as a basis for custodial accountability in accordance with reference (i). Once transferred, iRAPT will send a notification to the MCA for accountability and management.

G. When applicable, serve as the lead Marine Corps liaison for CF loans in accordance with Chapter 7 of this Volume. Responsibilities include:

1. Act as the single focal point for coalition loans within an Area of Responsibility (AOR).
2. Serve as the communications link with the combatant command (COCOM) when they are the authorizing agency.
3. Assist in resolving accountability and visibility disputes.

4. In coordination with MARCORLOGCOM or MCICOM (for garrison property or GME), task appropriate subordinate elements in the execution of the transfer of government property on temporary loan to CFs within your respective AOR.

5. In coordination with MARCORLOGCOM or MCICOM (for garrison property or GME), coordinate validation and renewal of requirements, assist in accountability verification when required, coordinate return of property, and report discrepancies.

6. Report to MARCORLOGCOM or MCICOM (for garrison property or GME) all combat losses, replacement-in-kind for combat losses, and/or return of property on temporary loan to CFs.

7. Ensure compliance with applicable directives and instructions.

8. Provide assistance in the creation and proper management of the lead Marine Corps liaison coalition DoDAAC.

H. Ensure supporting contracting offices are familiar with this Volume.

I. Initiate follow-up action when an external organization has not reported materiel receipt acknowledgement of transferred government property within prescribed reporting time after the expected time of arrival in accordance with reference (j).

010208. Management Control Activities (MCAs)

A. Manage and maintain a record of accountability for government property furnished to external organizations, with the exception of DC I&L (LP) approved MARFOR/SE external temporary loans. If required, billing and payment procedures will be per reference (k) and as covered by binding agreements.

B. Conduct random sampling of chain of custody documentation for validation of property records for all government property in the possession of external organizations.

C. By 1 December each year and in accordance with Volumes 9 and 10 of reference (g), reference (h), and Chapter 4, Volume 4 of reference (k), provide an annual consolidated financial value inventory of all government property in the possession of external organizations to DC I&L (LP). Report Control Symbol DD-4400-52 (External Report Control Symbol DD-AT&L (Q) 1575) is assigned to this reporting requirement. Appendix B of this Volume provides reporting procedures.

D. Administer the government property in the possession of external organizations program within the Marine Corps per the references and maintain item accountability within an approved accountable property system of record (APSR) through final disposition.

E. Notify the requesting agency immediately when government property shipments will not meet the required delivery date assigned to a request for support requirements.

F. Investigate discrepancy reports related to government property furnished to an external organization submitted by the contractor/Defense Contract Management Agency (DCMA)/external agency and forward the results of the investigation to the appropriate requesting agency with recommended corrective action within 10 days of discrepancy notification.

G. Initiate follow-up action when the external organization has not reported materiel receipt acknowledgement of government property within prescribed reporting time after the expected time of arrival in accordance with reference (j).

H. Thirty days prior to expiration of a binding agreement, notify the requesting agency to review disposition instructions for the return of government property.

I. Validate all requisitions from external organizations for property to be provided via the DoD supply system to ensure they are contractually authorized.

J. Per Volume 9 of reference (g), maintain control over all requisitions submitted to the DoD wholesale supply system by contractors and by DoD component activities when such requisitions indicate shipment to a contractor. The MCA shall carry out the procedures per references (a) and (j).

K. For contractor access to government supply sources, ensure compliance with Volume 9 of reference (g) and, on a quarterly basis, provide a list of approved or denied requisitions to the appropriate contracting officer.

L. Use iRAPT, citing the contract number, to electronically transfer property to and from the custody of a contractor or external organization, as a basis for custodial accountability in accordance with reference (i).

010209. Contracting Officers

A. Screen all requests for contract actions to identify the intent to provide GFP during the course of the contract, and ensure the requestor identifies specific items required.

B. Verify with the MARCORLOGCOM MCA or MCICOM MCA (for garrison property and GME) that potential government property furnished to a contractor is available prior to initiation of a contract.

C. Adhering to references (b), (c), (d), (e), (k), (l), (m), and Volume 9 of reference (g), create the contract that provides government property to a contractor and ensure that the applicable Federal Acquisition Regulation (FAR) clauses, Defense Federal Acquisition Regulation Supplement (DFARS) clauses, and instructional language identified in Appendix A are included in the contract.

D. Identify in the contract the government property authorized for furnishing to the contractor in accordance with reference (c).

E. As provided by the requesting activity, ensure "ship to/mark for" instructions for return of government property are provided. If return designation is uncertain at the time of issue, the contractor should be instructed to contact the contracting officer or their appointed representative who will coordinate with the appropriate MCA for disposition instructions. The binding agreement will be modified when applicable.

F. Notify the appropriate MCA of binding agreement modifications that impact the type, quantity or duration of government property furnished to an external organization.

G. Per Volume 9 of reference (g), identify in the contract a list of authorized GFM items and quantities approved for requisitioning from DoD supply sources to support contractor requirements.

H. In accordance with Part 45 of reference (b), appoint a property administrator responsible for administering the contract requirements and obligations relating to government property in the possession of a contractor.

I. Ensure compliance with reference (f).

010210. Accountable Property Officer (APO)

The APO is an individual responsible for establishing and maintaining an organization's formal property records, systems and supporting financial records that effectively control and manage government property. Also, the APO possesses the responsibility for ensuring all transactions involving government property accurately reflect the life cycle activities and can be audited in their entirety. Per Volume 1 of this Order, APO is synonymous with supply officer. APOs will be appointed by the commanding officer/accountable officer in writing and will ensure compliance with reference (h).

0103 PROCESS OVERVIEW

Effective management of government property furnished to an external organization is a five step process, identified in Figure 1-1.

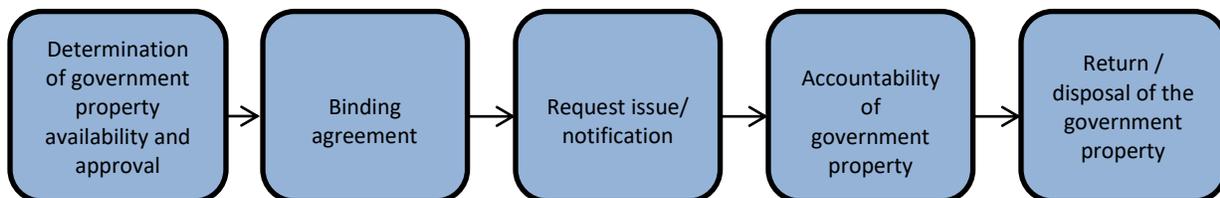


Figure 1-1. Five Step Process to Furnish Government Property to an External Organization

010301. Determination of Government Property Availability and Approval

The first step provides the Marine Corps' feasibility of support, appropriate sourcing solution, and approval to fill the requested government property requirement.

010302. Binding Agreement

The second step is the formal agreement committing the Marine Corps to provide government property to an external organization.

010303. Request Issue/Notification

The third step provides the coordination required between the requestor (i.e., non-USMC external organization or Marine Corps liaison entity) and the sourcing agency. The requestor provides the applicable information, such as contract number, binding agreement, requested delivery date, shipping address and points of contact required by the sourcing agency to coordinate and execute the contract requirements. In some cases, there will not be an issue request, but rather a notification to the appropriate MCA that a new item that has been procured, received, and must be reported as GFP to the MCA.

010304. Accountability of Government Property

The fourth step is the establishment and maintenance of property accountability and visibility in an approved APSR throughout the terms of the agreement.

010305. Return/Disposal of the Government Property

The final step is the return of the sourced government property to the Marine Corps inventory (as the end item or component to an end item) or the disposal of the government property in accordance with Marine Corps' disposition instructions.

0104 FURNISHING GOVERNMENT PROPERTY

010401. The Marine Corps will maintain a uniform, standardized process for requesting, approving, managing, and returning government property furnished to external organizations. Accountability will migrate from being managed by an existing manual process on local databases to an automated process using a DoD approved APSR with DoD mandated Defense Logistics Management System transactions in accordance with references (a) and (n).

010402. Requests to initiate the furnishing of government property to an external organization will be routed and approved in accordance with this Volume. Once approved, a binding agreement will be established detailing the terms associated with the furnishing of the property to the external organization. Details and types of binding agreements are provided in the enclosure. The binding agreement is then provided to the sourcing activity and supporting MCA to initiate the transfer of the property and establishment of accountability.

010403. The Marine Corps will utilize MCAs who will be responsible for the control, accountability, and administration of government property furnished to external organizations. Each MCA will be tasked with the responsibility to administer and account for material and equipment provided by the Marine Corps as government property to external organizations for the purposes of development, manufacture, modernization, modification, repair, overhaul, bailment, or operational necessity. This responsibility includes accountability/management of GFP requirements where the MARFORs/MEFs provide equipment for repair, modification, overhaul, warranty, and/or other CLS under a maintenance support contract (e.g., secondary reparable) or in support of MARCORSSYSCOM's RDT&E efforts.

010404. MARCORLOGCOM, MARCORSYSCOM, and MCICOM have each been designated as MCAs for the Marine Corps. Paragraphs 010203, 010204, and 010206 of this chapter delineate the roles and responsibilities for MARCORLOGCOM, MARCORSYSCOM, and MCICOM, respectively.

010405. On an annual basis, property in the custody of external organizations will be validated and reported to DC I&L using the procedures identified in Appendix B.

010406. Loans of government property are not to be encouraged or promoted.

010407. Government property will not be furnished to an external organization for contracts that include acquisition, repair, overhaul, modification, or reconditioning if providing the government property necessitates procuring new equipment that will result in exceeding the Approved Acquisition Objective (AAO).

010408. With the exception of GFP, government property will not be transferred if consumed in use, resulting in the unnecessary disposition of government property without reimbursement, as could be the case with batteries, petroleum products, and other expendable items.

010409. Government property will not generally be sourced from the MARFOR's inventory (i.e., from a using unit) to meet contract or binding agreement requirements; however, it may be required to source certain requirements from MARFOR units to meet unique or critical low-density equipment requirements, to support equipment repair/modification/overhaul/warranty, or to support CF loan requirements within a contingency environment. In these situations, DC I&L (LP) or MCICOM (for garrison property or GME) approval is required.

A. If required, MARCORLOGCOM will contact DC I&L (LP) for permission to redistribute property from a using unit for loan requirements. For garrison property or GME, MCICOM is the approval authority to redistribute property from a using unit for loan requirements.

B. DC I&L (LP) will initiate a feasibility of support (FOS) with respective MARFOR/SE to determine supportability prior to authorizing redistribution. For garrison property or GME, MCICOM will initiate the FOS with the MARFOR/SE.

C. When redistribution from a using unit is approved by DC I&L (LP) or MCICOM (for garrison property and GME), the using unit will transfer accountability of the property to MARCORLOGCOM or MCICOM, respectively; however, physical delivery of the property may go directly to the contractor. MARCORLOGCOM or MCICOM (for garrison property and GME) will provide the authorization for transfer and shipping. The transfer documentation will identify the document directing the transfer. Upon shipment, the using unit will use iRAPT to electronically transfer property to the contractor and send a notification to the appropriate MCA in accordance with reference (i). The using unit will also adjust the property records accordingly.

010410. The MARFORs and SE will only issue GFP to a contractor for repair, modification, overhaul, warranty, and/or other CLS repair under a maintenance support contract or as directed by DC I&L (LP) or MCICOM (for garrison property or GME) (see paragraph 010409.C).

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The MARFOR/SE will use iRAPT, citing the contract number, to electronically transfer property to and from the custody of the contractor as a basis for custodial accountability in accordance with reference (i). Once entered, iRAPT will send a notification to the appropriate MCA for accountability and management.

0105 PROPERTY FURNISHED TO AN EXTERNAL ORGANIZATION

Although the DoD may not have physical custody, in order to maintain effective property accountability and for financial reporting purposes, DoD Components shall establish and maintain records and accountability for property (of any value) furnished to external organizations in accordance with reference (h).

010501. In accordance with references (d), (e), and (i), government property may be furnished to contractors under the circumstances described in references (b) and (c), and only for the performance of a specific contract or contracts. Refer to Chapter 2 for additional information.

010502. In accordance with reference (k), government property may be lent as a temporary loan or leased to various external organizations, to include but not limited to, DoD funded customers, state and local agencies, and foreign governments. Refer to Chapters 3 through 7 for additional information.

0106 EXTERNAL ORGANIZATIONS THAT POSSESS GOVERNMENT PROPERTY

External organizations that possess authorized government property have stewardship responsibility, consistent with the terms and conditions of the contract or binding agreement.

010601. An external organization's property management or accountability systems, such as custodial systems, will not replace the responsibility for the Marine Corps to manage property in a Marine Corps APSR.

010602. These policies and procedures apply to accounting for GFP issued within the provisions of other military services/agencies' contracts and are to be coordinated by MARCORSSYSCOM Program Managers (PMs) and managed by MARCORLOGCOM or MCICOM (for garrison property and GME).

VOLUME 10: CHAPTER 2

“PROVIDING GOVERNMENT FURNISHED PROPERTY (GFP) TO CONTRACTORS”

SUMMARY OF SUBSTANTIVE CHANGES

Hyperlinks are denoted by *bold, italic, blue and underlined font*.

The original publication date of this Marine Corps Order (MCO) Volume (right header) will not change unless/until a full revision of the MCO has been conducted.

All Volume changes denoted in *blue font* will reset to black font upon a full revision of this Volume.

CHAPTER VERSION	PAGE PARAGRAPH	SUMMARY OF SUBSTANTIVE CHANGES	DATE OF CHANGE

CHAPTER 2

PROVIDING GOVERNMENT FURNISHED PROPERTY (GFP) TO CONTRACTORS

0201 GENERAL

020101. It is Marine Corps policy that contractors will furnish all materiel and equipment required for the performance of government contracts; however, government property may be furnished to the contractor as GFP only when it is determined in accordance with Part 45 of reference (b) and PGI 245.103-70 of reference (c).

020102. MARCORLOGCOM, MCICOM, and MARCORSYSCOM will not furnish government property to a contractor unless it is authorized by a GFP binding agreement (i.e., contract, Purchase Order (PO), modification to current contract, or bailment) signed by an authorized government contracting officer. The MARFORs and SE will only issue GFP to a contractor for repair, modification, overhaul, warranty, and/or other CLS repair under a maintenance support contract or as directed by DC I&L (LP) or MCICOM (for garrison property and GME). Failure to do so is a violation of Part 45 of reference (b), Part 245 of reference (c), Volume 9 of reference (g), reference (h), reference (i), and this Volume. The APO will forward a copy of each contract, contract modification, and PO that requires the furnishing of government property to a contractor as GFP to the appropriate MCA to maintain control and accountability of government property.

020103. Contractor Access to Government Supply Sources - Government Furnished Material (GFM)

When the requiring activity determines in writing that it is in the best interest of the Marine Corps to provide materials to DoD contractors, the preferred method is to push those materials directly from existing stock. When a direct “push” of materials is not feasible, DoD contractors may be allowed access to DoD supply stores when the following conditions are met:

- A. The contract file must contain the required authorization to include a list of the authorized items and quantities in accordance with Part 51 of reference (b) and PGI 251.102 of reference (c).
- B. Contractors will be assigned a unique DoDAAC for each contract at each contractor location, and this DoDAAC will not be reassigned until that contract has been closed.
- C. For contractor access to government supply sources, the MCA will ensure compliance with Volume 9 of reference (g) and, on a quarterly basis, provide a list of approved or denied requisitions to the appropriate contracting officer.
- D. The MCA establishes a management reporting system to complete the GFM status report that abides by the provisions outlined in Volume 9 of reference (g).

020104. With the exception of GFP that a MARFOR/SE provides to a contractor for repair, modification, overhaul, warranty, and/or other CLS repair under a maintenance support contract; MARFORs and SEs are not authorized to furnish government property as GFP to contractors without prior approval from DC I&L (LP) or MCICOM (for garrison property and GME)

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and coordination through MARCORLOGCOM or MCICOM (for garrison property and GME). Upon approval from DC I&L (LP) or MCICOM (for garrison property and GME), the MARFOR/SE may ship the items directly to the contractor per the binding agreement. Upon shipment to a contractor, the MARFOR/SEs will decrement property records and MARCORLOGCOM or MCICOM (for garrison property and GME) will assume responsibility for accounting for the furnished property.

020105. Accountable property records shall not be established for CAP until delivery to the DoD has occurred.

020106. Marine Corps equipment that is covered by warranty will be processed in accordance with procedures established by the respective program manager; however, the requirement to track and account for assets as GFP being repaired by a contractor under warranty still exists. The original contract is considered the binding agreement and satisfies the requirements set forth in this Volume. For all GFP, to include requirements where the MARFOR/SE provides property to a contractor for repair, modification, overhaul, warranty, and/or other CLS repair under a maintenance support contract, MARCORLOGCOM or MCICOM (for garrison property and GME) will maintain accountability in an APSR. The MARFOR/SE will use the iRAPT, citing the contract number, to electronically transfer property to and from the custody of the contractor as a basis for custodial accountability in accordance with reference (i). iRAPT will send a notification to the MCA for accountability and management.

0202 DETERMINATION OF GOVERNMENT PROPERTY AVAILABILITY

020201. Upon identification of a potential GFP requirement, the requiring Marine Corps agency (i.e., activity with the GFP support requirement) will submit a NAVMC 4400/2, “Request for Marine Corps Materiel – Government Furnished Property” to MARCORLOGCOM or MCICOM (for garrison property and GME). To support the overall GFP process, a NAVMC 4400/2 will be submitted prior to both the initial solicitation and final contract award. NAVMC 4400/2 is not required when a MARFOR/SE furnishes property to a contractor for repair, modification, overhaul, warranty, and/or CLS repair under a maintenance support contract (e.g., Secondary Repairables); however, prior to issue, the MARFOR/SE must have a copy of the maintenance support contract on file (or electronic access) so the MARFOR/SE can cite the contract number when electronically transferring the property to the contractor via iRAPT. Furthermore, the maintenance support contract must be compliant with the references in paragraph 010209.C and include the items listed in the applicable GFP attachment (see paragraph 020201.A).

A. The Scheduled GFP (SGFP) or Requisitioned GFP (RGFP) attachment must be submitted in conjunction with the NAVMC 4400/2. The SGFP/RGFP attachments required by PGI 245.103-72 identify the GFP that is to be provided to the contractor in performance of the contract. The SGFP/RGFP attachment is provided in the DoD procurement toolbox, at www.dodprocurementtoolbox.com. The following describes the SGFP and RGFP attachments:

1. The SGFP attachment identifies GFP that the DoD will provide to a contractor. SGFP is categorized by Serially Managed (“Serialized Items List”) GFP which indicates that all events identified in DFARS 252.211-7007 are reportable by the contractor, or Not Serially Managed (“Non-Serialized Items List”) which indicates that only the event of GFP receipt is required.

2. The RGFP attachment identifies items that the contractor has authority to requisition from the DoD Supply System. The RGFP attachment identifies those items that the DoD will pay for in the “Non-Reimbursable List.” Items that the contractor has authority to requisition, but which will be paid for by the contractor, are identified in the “Reimbursable List.”

B. Sourcing determination for new acquisitions in support of RDT&E will be decided by MARCORSYSCOM and do not need to be forwarded to MARCORLOGCOM.

020202. MARCORLOGCOM or MCICOM (for garrison property and GME) will conduct a FOS assessment, to include the screening of all DoD inventories, to source the requirement. MARCORLOGCOM or MCICOM (for garrison property and GME) will respond to all NAVMC 4400/2 requests with the appropriate and/or recommended sourcing solution.

A. When government property is available from within existing MARCORLOGCOM inventory stores or MCICOM’s available inventories (for garrison property and GME), the NAVMC 4400/2 response will be returned to the requesting agency.

B. When government property is not available from within existing MARCORLOGCOM inventory stores or MCICOM’s available inventories (for garrison property and GME), it will not normally be redistributed from using units to satisfy the requirement. However, to meet specific GFP requirements as identified in paragraph 010409 of Chapter 1, MARCORLOGCOM may recommend to DC I&L (LP) the redistribution of property from a using unit. In these situations, the NAVMC 4400/2 response will be forwarded to DC I&L (LP). For garrison property and GME, MCICOM is the approval authority.

C. When government property is not available under the conditions identified in paragraphs 020202.A and 020202.B of this chapter, the request is deemed not supportable and the NAVMC 4400/2 will be forwarded to MARCORSYSCOM for a recommendation on procurement action.

020203. When warranted, MARCORSYSCOM will conduct a FOS assessment to determine if new procurement is a valid option to source the requirement. MARCORSYSCOM will respond to all NAVMC 4400/2 requests with the appropriate recommendation regarding procurement (e.g., new procurement or no procurement action) and return to the requesting agency.

020204. When warranted, DC I&L (LP) will coordinate actions identified in paragraph 010409.B of Chapter 1 prior to approving or denying a MARCORLOGCOM recommendation for using unit redistribution. Upon determination, the NAVMC 4400/2 will be returned to the requesting agency.

020205. The determination that government property is available for transfer does not in itself authorize providing the property.

020206. The requesting Marine Corps agency's supporting contracting office will execute solicitation and final contract award that provides GFP based on the requesting agency's documentation provided to the contracting officer in accordance with PGI 245.103-70.

0203 BINDING AGREEMENT

020301. References (b), (c), and (k) require that a valid GFP binding agreement (i.e., contract, PO, modification to current contract, or bailment) be in place with the authorized government property properly identified as GFP at the time of issue. The response to the requestor's NAVMC 4400/2 (paragraph 0202 of this chapter) must correspond to the government property identified in the contract.

020302. All contracts must adhere to the provisions of references (b), (c), (d), Volume 9 of reference (g), and reference (k). All contracts must meet the requirements identified in PGI 245.103 of reference (c) and include the clauses and instructional language identified in Appendix A.

020303. The contractor receiving the GFP must have a valid DoDAAC to execute GFP custody accountability. Request for new contractor DoDAAC assignment is the responsibility of the requiring activity. Refer to Volume 2 of this Order for additional information regarding DoDAAC assignment.

0204 REQUEST ISSUE/NOTIFICATION

020401. When GFP assets are sourced from Marine Corps inventory per paragraph 020202 or 020204 of this chapter and upon completion of the GFP binding agreement (i.e., contract), requests for the issue of GFP are to be submitted to the supporting MCA utilizing NAVMC 4400/4, "Request for Marine Corps Materiel – Issue Request." NAVMC 4400/4 must include the applicable GFP contract number.

A. MARCORLOGCOM will coordinate all issue actions with the appropriate contractor when sourced from MARCORLOGCOM inventory. For garrison property and GME, MCICOM will coordinate all issue actions.

B. MARCORLOGCOM or MCICOM (for garrison property and GME) will coordinate redistribution actions with the appropriate MARFOR and issue actions with the appropriate contractor when MARFOR sourcing is approved by DC I&L (LP) or MCICOM (for garrison property and GME). MARCORLOGCOM or MCICOM (for garrison property and GME) will assume responsibility for accounting items transferred per paragraphs 010409.C.

020402. When GFP assets are sourced from a new procurement (per paragraph 020203 of this chapter) the requesting agency will contact the appropriate MCA upon completion of the GFP binding agreement (i.e., contract) and upon delivery and acceptance of the asset. NAVMC 4400/4 must include the applicable contract number which should not be confused with the procurement contract number.

020403. When GFP will be incorporated into another end item or when the item will not be recovered, appropriate identification of this fact will be made on the NAVMC 4400/4.

0205 ACCOUNTABILITY OF GOVERNMENT FURNISHED PROPERTY - GFP

020501. Per reference (h), the MCA will use an APSR to track and account for all government property under their cognizance furnished as GFP to contractors. The MCA will also

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track GFP that the MARFOR/SE provides to a contractor for repair, modification, overhaul, warranty, and/or other CLS repair under a maintenance support contract.

A. Contractors receiving GFP will be assigned an “L” DoDAAC for tracking purposes. NAVMC 11718, “USMC DoDAAC / RIC Request,” will be used to request an “L” DoDAAC and will be submitted as supporting documentation to NAVMC 4400/4 when requesting issuance of GFP assets per the contract. Requests for “L” DoDAACs must include a completed GFP checklist.

B. MCAs and MARFORs/SE (as applicable in paragraphs 010207 and 010410) will use the invoice and receipt forms in iRAPT, citing the contract number, to electronically transfer property to and from the custody of the contractor as a basis for custodial accountability in accordance with reference (i). Once entered, iRAPT will send a notification to the MCA.

C. Contractors will electronically receipt in iRAPT for the GFP in accordance with the instructions outlined in the binding agreement and reference (i). Instructional language for this requirement is outlined in Appendix A.

D. Contractors are responsible for establishing stewardship responsibility and providing the MCA and MARFORs/SE (as applicable in paragraph 020501) with the necessary copies of the receipt forms.

E. Contractors will maintain accountability of GFP in a DCMA approved APSR and in accordance with reference (h).

020502. Per reference (b), PGI 245.103-71 of reference (c), and reference (m), electronic transfers that document accountability transactions via iRAPT will cite the contract number and unique item identification (UII) (as applicable).

A. These transfers include the initial furnishing to and receipt by the contractor, subsequent transfers between contractors, or return to the government.

B. For GFP transactions, iRAPT will electronically update the DoD Item Unique Identification (IUID) Registry to reflect the transfer of custody of government property between the government and the contractor.

020503. Upon shipment of the GFP, either by the government to a contractor or a contractor to the government, an electronic notification via iRAPT will be made to the receiving organization (i.e., government or contractor) indicating a property transfer.

020504. When in their possession, contractors have stewardship responsibility of GFP. If a contractor furnishes GFP in which they have stewardship responsibility to one of their sub-contractors (i.e., GFP was furnished to the contractor in accordance with a GFP binding agreement), stewardship responsibility remains with the contractor in which the government property was furnished.

020505. When redistribution from a using unit to a contractor is approved by DC I&L (LP) or MCICOM (for garrison property or GME), the using unit will transfer accountability of the

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property to MARCORLOGCOM or MCICOM; however, physical delivery of the property may go directly to the contractor. Upon shipment, the using unit will use iRAPT, citing the contract number, to electronically transfer the property to the contractor and send a notification to the MCA. The using unit will also adjust the property records accordingly. Coordination for the transfer and shipping instructions will be provided by MARCORLOGCOM or MCICOM per paragraph 020401.B of this chapter.

0206 RETURN/DISPOSAL OF GOVERNMENT PROPERTY

GFP may be returned to the Marine Corps in a variety of ways depending on the item and what has happened to the item during the time in which it has been in the contractor's custody. Examples include GFP embedded in new item delivery; GFP embedded in reparables; GFP returned as issued; or GFP returned modified per contract requirements. As a result, the appropriate return/disposal instructions will be provided in the GFP binding agreement. If return/disposal instructions are unknown at the time of the awarding of the GFP binding agreement and subsequently not provided, the external organization will contact the approving agency (i.e., awarding contracting officer) who will coordinate with the MCA for appropriate disposition instructions. The binding agreement will be modified when necessary to document final return/disposal instructions.

VOLUME 10: CHAPTER 3

“EXTERNAL TEMPORARY LOANS AND LEASES”

SUMMARY OF SUBSTANTIVE CHANGES

Hyperlinks are denoted by *bold, italic, blue and underlined font*.

The original publication date of this Marine Corps Order (MCO) Volume (right header) will not change unless/until a full revision of the MCO has been conducted.

All Volume changes denoted in *blue font* will reset to black font upon a full revision of this Volume.

CHAPTER VERSION	PAGE PARAGRAPH	SUMMARY OF SUBSTANTIVE CHANGES	DATE OF CHANGE

CHAPTER 3

EXTERNAL TEMPORARY LOANS AND LEASES

0301 GENERAL

030101. Throughout this chapter, “external temporary loans” will be referred to as “loans.”

030102. Formal requests for the loan or lease of government property will be sent to DC I&L (LP) through the non-contractor external organization or requiring Marine Corps activity (i.e., Marine Corps activity with the requirement to loan property to a non-contractor external organization) chain of command using NAVMC 4400/3, “Request for Marine Corps Materiel – Loan, Lease, or Bailment.” Requests will be submitted at least 90 days prior to the date the loan is desired, when practical. All formal requests will receive a determination of property availability assessment and an appropriate DC I&L (LP) or MCICOM (for garrison property or GME) response/approval. Those requests from a partner nation which would use the FMS process should be sent to MARCORSYSCOM.

030103. Formal requests for the loan or lease of government property to DoD agencies initiated by MARCORSYSCOM to support a previously established Marine Corps requirement for RDT&E efforts are not required to be routed to DC PP&O and DC I&L (LP) or MCICOM (for garrison property or GME).

030104. Government property will not be furnished to non-contractor external organizations unless it is authorized by a binding agreement documented on a NAVMC 4400/5, “Agreement for the Loan of US Marine Corps Materiel,” NAVMC 4400/6, “Agreement for the Lease of US Marine Corps Materiel,” or upon direction by DC I&L (LP). NAVMC 4400/5 and 4400/6 are not required to release assets in support of DMISA.

030105. All binding agreements that require the furnishing of government property to a non-contractor external organization will be forwarded to the appropriate MCA as indicated in paragraph 010402 of Chapter 1, in order to maintain control and accountability of government property.

030106. MARFORs and SEs are not authorized to furnish government property to external organizations unless authorized by DC I&L (LP) or MCICOM (for garrison property or GME). When authorized, MARFORs and SEs will execute the furnishing of government property in accordance with the procedures identified in Chapter 4 of this Volume.

030107. Loans and leases will not cause the lender (i.e., the Marine Corps) to purchase a replacement item or report table of equipment (T/E) deficiencies.

030108. Loans and leases are not applicable to the following situations.

A. Loans to Marine Corps units or activities from MARCORLOGCOM inventory stores are not authorized. A temporary issue to Marine Corps units and activities will be accomplished in accordance with Volume 3 of this Order.

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B. The lease or bailment of facilities or the use of government production and research property by contractors, nonprofit organizations, foreign governments, or international organizations are not authorized. Refer to Chapter 2 (GFP) and Chapter 5 (bailment) for additional guidance.

C. Temporary issues or loans of materiel for special tooling, special test equipment, Class V materiel, or software (technical manuals, drawings, etc.) to contractors are not authorized. Refer to Chapter 1 for additional guidance.

030109. In accordance with reference (k), the following additional information is provided regarding the lending or leasing of property to other Federal agencies.

A. State and Local Governments

An item may be lent to civil authorities for a maximum of 120 days during domestic crises, emergencies, or civil disturbances as prescribed in reference (o). Under no circumstances will emergency issues be treated as a loan. Reference (o) provides amplifying guidance.

B. U.S. Secret Service

An item may be lent to the U.S. Secret Service for a maximum of 120 days in performance of their duties as prescribed in reference (p). Reference (p) provides amplifying guidance.

C. Civilian Law Enforcement

An item may be lent to a civilian law enforcement activity for a maximum of 120 days for law enforcement purposes as prescribed in reference (q). Reference (q) provides amplifying guidance.

D. DoD Funded Customers

An item may be lent to a DoD funded customer for a maximum of 120 days to support an approved training exercise, a military emergency, or natural disaster. For any other reason not previously addressed, loans to DoD funded customers will not exceed 365 days and will be determined by the approval authority based on valid justification.

E. Humanitarian Relief

Under the authority of 10 U.S.C. § 2557, nonlethal excess supplies (not a weapon, ammunition, or other equipment designed to inflict bodily harm or death) may be transferred to the Department of State for its distribution in support of humanitarian relief.

030110. In accordance with reference (k), the following additional information is provided regarding the lending or leasing of property to civil authorities and special activities.

A. National Veterans' Organizations

Under the authority of 10 U.S.C. § 2551, an item (e.g., cots, blankets, pillows, mattresses, bed sacks, and other supplies) may be lent to recognized national veterans' organizations for a maximum of 120 days to support national/state convention or regional youth athletic or recreational tournament sponsored by veterans' organizations. A bond equal to the value of the property is required for the care and safekeeping of the property before the items are loaned.

B. American National Red Cross

Under the authority of 10 U.S.C. § 2552, an item may be lent to an organization formed by National Red Cross for a maximum of 120 days for the purpose of instruction and practice needed to aid Army, Navy, or Air Force in time of war. A bond equal to twice the value of the property is required for the care and safekeeping of the property before the items are loaned.

C. Inaugural Committee

Under the authority of 10 U.S.C. § 2553, an item may be lent to the Inaugural Committee to support an inauguration of the President of the United States for period not to exceed nine days beyond the ceremony. A bond equal to the value of the property is required for the care and safekeeping of the property before the items are loaned.

D. Boy Scout Jamborees

Under the authority of 10 U.S.C. § 2554, cots, blankets, commissary equipment, flags, refrigerators, and other property may be lent to the Boy Scouts of America for the use of Scouts and officials who attend any national or world Boy Scout Jamboree. In addition, services and expendable medical supplies, as may be necessary or useful to the extent that items are in stock and items or services are available may be furnished without reimbursement. Items may be lent for a maximum of 120 days. A bond equal to the value of the property is required for the care and safekeeping of the property before the items are loaned.

E. Shelter for the Homeless, Incidental Services

Under the authority of 10 U.S.C. § 2556, the Secretary of a Military Department may provide without reimbursement bedding for support of shelters that are operated by entities other than DoD, but only to extent the Secretary determines that the provisions will not interfere with military requirements. In addition, incidental services and other items (such as medical supplies) may be provided without reimbursement to the extent that the provisioning does not interfere with military preparedness or ongoing military functions. To support these requirements, a service may issue only property declared excess to the needs of DoD.

F. Foreign Countries or International Organizations

An item may be loaned to eligible foreign countries or international organizations under an Acquisition and Cross-Servicing Agreement (ACSA). Weapon systems may not be loaned to partner nations. References (r) and (s) provide amplifying guidance and details on what may and may not be loaned.

G. Other Leases

Under the authority of 10 U.S.C. § 2667, non-excess items may be leased to an organization when the Secretary of Defense or the Secretary of the Military department has determined that the item is not needed for DoD during the proposed lease and the lease will promote the national defense or otherwise be in the public interest.

030111. Reserve Component

Reference (t) contains special provisions regarding loaning equipment from Reserve Component assets. The Memorandum of Agreements (MOA) requirement in this reference is satisfied by the completion of NAVMC 4400/5 or NAVMC 4400/6 in this Volume. Reference (t) provides amplifying guidance.

030112. Special Events

DoD capabilities may be used to provide support for international and domestic special events as authorized by law and DoD policy. DoD resources in support of special events may be provided only after the resources of all other relevant governmental and non-governmental entities are determined not to be available, unless there is a statutory exception or the DoD is the only source of specialized capabilities. DoD support should not be provided if use of commercial sources would be more appropriate. Reference (u) establishes policy, assigns responsibilities, and provides procedures for support to civil authorities and qualifying entities during the conduct of special events.

030113. Leases and Demonstrations

Per reference (v), DoD Components may participate directly in international trade shows or trade exhibitions, when it is determined to be in the national security interest. Additionally, when foreign sales of U.S. manufactured defense equipment would contribute to U.S. national security and foreign policy interests, the Secretaries of the Military Departments or their designees may lease DoD equipment to a defense contractor or industrial association for demonstration to foreign governments or for display or demonstration at international trade shows or trade exhibitions. Reference (v) provides amplifying guidance.

030114. Inter-service transfer requests for excess Marine Corps equipment will be processed following the same procedures identified in this chapter and in accordance with Volume 9 of reference (g). Hence the property, title, and accountability responsibility will be transferred, thus there is no coordination required for the return of the property to the Marine Corps.

0302 DETERMINATION OF GOVERNMENT PROPERTY AVAILABILITY AND APPROVAL

030201. All requests for the loan/lease of government property to a non-contractor external organization, either initiated by a non-contractor external organization or a requiring Marine Corps activity, will be processed utilizing NAVMC 4400/3. These requests will be forwarded to MCICOM (for garrison property or GME) or MARCORLOGCOM and MARCORSYSCOM, when applicable, for a determination of property availability.

A. NAVMC 4400/1, "Military Property of the United States" must be submitted in conjunction with NAVMC 4400/3; however, if a previous agreement has been established which details the pedigree data normally collected on the NAVMC 4400/1, then that agreement can be referenced instead of providing NAVMC 4400/1 (e.g., modification instruction or tech manual).

B. In accordance with paragraph 030102 of this chapter, requests initiated by an external organization or a requiring Marine Corps activity will be routed to MARCORLOGCOM via DC I&L (LP) and coordinated with DC PP&O as appropriate. For garrison property and GME, the external organization or requiring activity will route the request to MCICOM.

C. In accordance with paragraph 030103 of this chapter, requests initiated by MARCORSYSCOM will be routed directly to MARCORLOGCOM.

030202. MARCORLOGCOM or MCICOM (for garrison property or GME) will conduct an FOS assessment, to include the screening of all DoD inventories, to determine the most cost-effective method to source the requirement. MARCORLOGCOM or MCICOM will respond to all NAVMC 4400/3 requests with the appropriate and/or recommended sourcing solution.

A. When government property is available from within existing MARCORLOGCOM inventory stores, NAVMC 4400/3 response will be forwarded to DC I&L (LP), unless the request is to support RDT&E (see paragraph 030103 of this chapter) in which case NAVMC 4400/3 will be returned to the requesting activity. For garrison property and GME, MCICOM will determine the inventory availability and provide a response.

B. When government property is not available from within existing MARCORLOGCOM inventory stores or MCICOM's available inventories (for garrison property and GME), it will not normally be redistributed from using units to satisfy the requirement; however, to meet specific loan requirements as identified in paragraph 010409 of Chapter 1, MARCORLOGCOM may recommend the redistribution of property, from a using unit, to DC I&L (LP). In these situations, NAVMC 4400/3 response will be forwarded to DC I&L (LP). For garrison property and GME, redistributions from a using unit will be approved and coordinated by MCICOM. See paragraph 030505 for additional information pertaining to the accountability of property redistributed from a using unit to satisfy an external temporary loan or lease.

C. When government property is not available under the conditions identified in paragraphs 030202.A and 030202.B of this chapter, the request is deemed not supportable and NAVMC 4400/3 will be forwarded to MARCORSYSCOM for a recommendation on procurement action.

030203. When warranted, MARCORSYSCOM will conduct an FOS assessment to determine if new procurement is a valid option to source the requirement. MARCORSYSCOM will respond to all NAVMC 4400/3 requests with the appropriate recommendation regarding procurement (e.g., new procurement or no procurement action) and return to DC I&L (LP).

030204. When warranted, DC I&L (LP) will coordinate actions identified in paragraph 010409.B of Chapter 1 prior to approving or denying a MARCORLOGCOM recommendation for using unit redistribution.

030205. Request initiated by an External Organization

DC I&L (LP), in coordination with DC PP&O, will make the final approval determination. The final NAVMC 4400/3, if approved, will be provided to MARCORLOGCOM or MARCORSYSCOM, as appropriate, for the establishment of the binding agreement (i.e., NAVMC 4400/5 or NAVMC 4400/6), in accordance with paragraph 0303 of this chapter. For garrison property and GME, MCICOM will make the final determination.

030206. Request initiated by Marine Corps Activity

DC I&L (LP), in coordination with DC PP&O, will make the final approval determination. The final NAVMC 4400/3, if approved, will be provided to MARCORLOGCOM or MARCORSYSCOM, as appropriate, for the establishment of the binding agreement (i.e., NAVMC 4400/5 or NAVMC 4400/6), in accordance with paragraph 0303 of this chapter. For garrison property and GME, MCICOM will make the final determination.

A. DC I&L (LP), in coordination with DC PP&O, will make the final approval determination. The final NAVMC 4400/3 will be returned to the requesting Marine Corps Activity. If approved, the requesting Marine Corps Activity is responsible for establishing the binding agreement (i.e., NAVMC 4400/5 or NAVMC 4400/6) in accordance with paragraph 0303 of this chapter.

B. Requests in support of RDT&E (see paragraph 030103 of this chapter) will be returned to the requesting MARCORSYSCOM activity whom is responsible for establishing the binding agreement (i.e., NAVMC 4400/5 or NAVMC 4400/6), in accordance with paragraph 0303 of this chapter.

030207. The determination that government property is available for transfer does not in itself authorize provision of the assets.

0303 BINDING AGREEMENT

030301. A valid binding agreement, with the government property authorized for loan or lease properly identified, is required to be in place prior to the physical execution of the loan. The listing of authorized government property will be provided on NAVMC 4400/1 attached to the approved NAVMC 4400/3 or provided via appropriate reference listing as described in paragraph 030201.A of this chapter.

030302. The binding agreement directing the loan/lease must be in the form of a NAVMC 4400/5 or NAVMC 4400/6 as indicated in paragraph 030104 of this chapter. In no case will an external organization's document/agreement be substituted for NAVMC 4400/5 or NAVMC 4400/6. DoD approved requests and binding agreements and other lease agreements (to include FMS) such as those captured in a Letter of Offer and Acceptance may be attached to the NAVMC 4400/5 or NAVMC 4400/6 as supporting documentation. Refer to Chapter 6 for additional information regarding binding agreements.

0304 REQUEST ISSUE/NOTIFICATION

030401. When property is sourced from Marine Corps inventory per paragraph 030202 or 030204 of this chapter and upon completion of the binding agreement, requests for the issue of assets are to be submitted to the supporting MCA utilizing NAVMC 4400/4. NAVMC 4400/4 must include the applicable binding agreement.

A. MARCORLOGCOM will coordinate all issue actions with the appropriate non-contractor external organization when sourced from MARCORLOGCOM inventory. For garrison property and GME, MCICOM will coordinate all issue actions.

B. MARCORLOGCOM will coordinate redistribution actions with the appropriate MARFOR and issue actions with the appropriate non-contractor external organization when MARFOR sourcing is approved by DC I&L (LP). For garrison property and GME, MCICOM will coordinate all redistribution actions.

030402. When property is sourced from new procurement per paragraph 030203 of this chapter and upon completion of the binding agreement, the requesting activity will contact the appropriate MCA upon delivery and acceptance of the asset. NAVMC 4400/4 must include the applicable binding agreement which should not be confused with the procurement contract number.

030403. When property will be incorporated into another end item or when the item will not be recovered, appropriate identification of this fact will be made on the NAVMC 4400/4.

030404. As indicated in paragraph 030108 of this chapter, certain civil authorities are required to provide a bond prior to the loan or lease of government property. The posting of the bond by the borrowing activity is required prior to the issue of the loaned/leased government property; refer to Chapter 6 for additional procedures regarding surety bonds.

0305 ACCOUNTABILITY OF GOVERNMENT PROPERTY – LOANS AND LEASES

030501. The MCA will track and account for all government property under their cognizance furnished as a loan/lease to external organizations, unless directed otherwise by DC I&L (LP) (i.e., external temporary loans by the MARFOR/SE) using an APSR.

A. External organizations receiving government property will use their assigned DoDAAC for tracking purposes. In the event a DoDAAC is unable to be assigned (e.g., a non-DoD agency), another government tracking identification such as a Data Universal Numbering System (DUNS) number must be used.

B. MCAs will use iRAPT to electronically transfer property to and from the custody of the external organization as a basis for custodial accountability.

C. The external organization will be responsible for establishing stewardship responsibility and providing the MCA the necessary copies of the receipt forms.

030502. When applicable, electronic transfers which cite the binding agreement and UII will be used to document accountability transactions. These transfers include the initial furnishing to and receipt by the external organization, subsequent transfers between external organizations, or return to the government.

030503. Upon shipment of the loaned/leased government property, either by the government to an external organization or an external organization to the government, an electronic notification will be made to the receiving organization (i.e., government or external organization) indicating a property transfer.

030504. When in their possession, external organizations will have stewardship responsibility of loaned government property. If an external organization with stewardship responsibility (i.e., government property was furnished to the external organization in accordance with a binding agreement) transfers the government property to another external organization (e.g., subordinate agency), stewardship responsibility remains with the external organization in which the government property was furnished.

030505. When redistribution from a using unit is approved by DC I&L (LP) or MCICOM (for garrison property and GME) (per paragraph 030202.B), the using unit will transfer accountability of the property to MARCORLOGCOM or MCICOM, respectively; however, the physical delivery of the property may go directly to the external organization. Coordination for the transfer and shipping instructions will be provided by MARCORLOGCOM or MCICOM per paragraph 030401.B of this chapter. These situations do not include the DC I&L (LP) or MCICOM authorized external temporary loans by MARFOR/SE discussed in Chapter 4.

0306 RETURN/DISPOSAL OF GOVERNMENT PROPERTY

030601. Loaned government property may be returned to the Marine Corps in a variety of ways depending on the item and what has happened to the item during the time of the loan. Examples include government property embedded in new item delivery, government property embedded in higher assembly, or government property returned as issued. As a result, the appropriate return/disposal instructions will be provided in the binding agreement. If return/disposal instructions are unknown at the time of the awarding of the binding agreement and are subsequently not provided, the external organization will contact the approving agency who will coordinate with MARCORLOGCOM or MCICOM (for garrison property and GME) for appropriate disposition instructions.

030602. Under normal circumstances, the loan of Stores Account Code (SAC) 1 materiel will not be made to another U.S. Navy activity. Intra-DON movement of SAC 1 materiel will be either an issue to end use or a permanent issue (transfer) to that unit. Exceptions include inter-service requests for Marine Corps specific assets (i.e., Individual Combat Clothing and Equipment) that are required to support Marine Corps operations and exercises.

030603. Consumable items will be treated as an issue to an end user in accordance with Volume 3 of this Order.

VOLUME 10: CHAPTER 4

“EXTERNAL TEMPORARY LOANS BY THE MARFOR/SE”

SUMMARY OF SUBSTANTIVE CHANGES

Hyperlinks are denoted by *bold, italic, blue and underlined font*.

The original publication date of this Marine Corps Order (MCO) Volume (right header) will not change unless/until a full revision of the MCO has been conducted.

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CHAPTER VERSION	PAGE PARAGRAPH	SUMMARY OF SUBSTANTIVE CHANGES	DATE OF CHANGE

CHAPTER 4

EXTERNAL TEMPORARY LOANS BY THE MARFOR/SE

0401 GENERAL

040101. Authority

In accordance with Chapters 1 through 3 of this Volume, MARFORs and SEs are not authorized to furnish government property to external organizations unless authorized by DC I&L (LP) or MCICOM (for garrison property or GME). In certain situations, DC I&L (LP) or MCICOM may determine it is in the Marine Corps' best interest to source and execute the furnishing of government property to a non-contractor external organization by a MARFOR or SE unit/activity. Only in these situations will the MARFOR or SE unit/activity be responsible for the establishment of accountability management for government property furnished to a non-contractor external organization.

040102. Items to be Loaned

Government property, with the exception of property cataloged as classified, sensitive, or pilferable in the Federal Logistics Information Service, is eligible for furnishing to a non-contractor external organization by the MARFOR/SE upon approval by DC I&L (LP) or MCICOM (for garrison property or GME). Examples include, but are not limited to, cots, mattresses, mattress covers, blankets, pillows, folding chairs, and tentage.

040103. Formal requests by non-contractor external organizations for the loan of government property will be submitted in accordance with paragraph 030102 of Chapter 3.

040104. Geographically co-located commanders may assist the external organization in the completion and routing of NAVMC 4400/3 as necessary.

040105. Government property will not be furnished to non-contractor external organizations unless it is authorized by a binding agreement documented on NAVMC 4400/5 or NAVMC 4400/6. DoD-approved requests and binding agreements and other lease agreements (to include FMS) such as those captured in a Letter of Offer and Acceptance may be attached to the NAVMC 4400/5 or NAVMC 4400/6 as supporting documentation.

040106. Refer to paragraphs 030108 through 030111 of Chapter 3 for additional guidance regarding the loan and lease of government property to other Federal agencies, civil authorities, and special activities.

0402 DETERMINATION OF GOVERNMENT PROPERTY AVAILABILITY AND APPROVAL

040201. Requests for the loan/lease of government property to a non-contractor external organization that meet the criteria identified in paragraph 040102 of this chapter may be forwarded to a MARFOR or SE unit/activity in accordance with paragraph 040101 of this chapter for

an FOS assessment. Requests that do not meet criteria identified in paragraph 040102 of this chapter are executed in accordance with the procedures identified in Chapter 3.

040202. MARFOR and SE unit/activities will respond to all requests, using the original NAVMC 4400/3, with their determination of availability. The determination that government property is available for transfer does not authorize provision of the assets.

040203. Requests submitted with support of a geographically co-located commander may include their determination of availability on NAVMC 4400/3 prior to routing to DC I&L (LP) or MCICOM (for garrison property or GME).

040204. DC I&L (LP) or MCICOM (for garrison property or GME) will review the request for loan of government property and the MARFOR/SE determination of availability. Utilizing NAVMC 4400/3, DC I&L (LP), in coordination with DC PP&O, will approve as an authorized external temporary loan by the MARFOR/SE and identify the sourcing agency or deny the request. The final NAVMC 4400/3, if approved, will be used for the creation of the binding agreement in accordance with paragraph 0403 of this chapter.

040205. Determination of Non-availability

A determination of non-availability is made by DC I&L (LP), in coordination with DC PP&O, when the requested government property is not capable of being sourced by the MARFOR/SE, and is not capable of being sourced or is not cost beneficial to source via MARCORLOGCOM. For garrison property and GME, MCICOM will make the determination of non-availability.

0403 BINDING AGREEMENT

040301. When authorized as an external temporary loan by the MARFOR/SE, the sourcing activity will ensure a valid binding agreement, with the government property authorized for loan properly identified and in place prior to the physical execution of the loan. The listing of authorized government property will be provided on the approved NAVMC 4400/3.

040302. The binding agreement directing the loan must be in the form of NAVMC 4400/5 or NAVMC 4400/6 as indicated in paragraph 040105 of this chapter. In no case will an external organization's document/agreement be substituted for NAVMC 4400/5 or NAVMC 4400/06. Refer to Chapter 6 for additional information regarding binding agreements.

0404 REQUEST ISSUE/NOTIFICATION

040401. The authorization by DC I&L (LP) or MCICOM (for garrison property and GME) will identify the sourcing solution as internal to the MARFOR/SE to support the furnishing of government property. As a result, there is no requirement for the supporting Marine Corps activity to submit a request to a sourcing activity (i.e., MARCORLOGCOM or MCICOM). The MARFOR/SE will coordinate the issuing of the property to the external organization.

040402. As indicated in paragraph 030110 of Chapter 3, certain civil authorities are required to provide a bond prior to the loan or lease of government property. The posting of the bond

by the borrowing activity is required prior to the issue of the loaned/leased government property. Refer to Chapter 6 for additional procedures regarding surety bonds.

0405 ACCOUNTABILITY OF GOVERNMENT PROPERTY – EXTERNAL TEMP LOANS

For external temp loans to non-contractor external organizations (see Chapter 3 paragraph 0301), the supporting MARFOR/SE (i.e., unit/activity tasked with support) will maintain accountability of all property furnished to the requesting organization using established internal temporary loan procedures described in Chapter 4, paragraph 040801 of Volume 3 of this Order. The sourcing unit/activity will be responsible for conducting a joint inventory with the external organization and obtaining the necessary copies of property transfer documents. In addition, the sourcing unit/activity is further responsible for maintaining liaison with the external organization during the period of utilization of the loaned government property.

0406 RETURN/DISPOSAL OF GOVERNMENT PROPERTY

The supporting MARFOR/SE unit/activity is responsible for the following:

040601. Ensuring all loaned government property is shipped at the close of the event at the expense of the external organization to the agreed to location.

040602. Preparing a joint inventory of returned government property in cooperation with a representative of the external organization. This will be the basis for a final receipt at the expiration of the loan. The supply officer or APO of the supporting unit/activity and the external organization representative with whom the government property is loaned will certify all copies for correctness.

040603. Determining the cost of and making formal restitution demand upon the external organization for bond forfeitures in accordance with Chapter 6 of this Volume.

VOLUME 10: CHAPTER 5

**“BAILMENT PROGRAM (REPLENISHMENT PARTS PURCHASE OR
 BORROW (RPPOB))”**

SUMMARY OF SUBSTANTIVE CHANGES

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CHAPTER 5

**BAILMENT PROGRAM (REPLENISHMENT PARTS PURCHASE OR BORROW
(RPPOB))**

0501 GENERAL

This chapter establishes policy in accordance with reference (w) for the Marine Corps RPPOB Program to provide domestic business concerns an opportunity to purchase or borrow replenishment parts from the government for:

050101. Design replication or modification.

050102. Subsequent submission of offers to sell items of supply replenishment parts to the government.

050103. Enhancing competition, lowering costs, and improving lead times by developing and locating alternative sources of supply and manufacturing.

0502 POLICY

050201. Replenishment part costs shall be lowered through competition and product simplification. Therefore, sample parts shall be made available to domestic business concerns when MARCORSSYSCOM or MCICOM (for garrison property or GME) determines that such action is in the best interest of the government. That determination shall include economic considerations as well as national security requirements, inventory needs, the probability of future purchases of parts, and any additional restrictions required by law.

050202. No domestic business concern in good standing (i.e., not on the excluded party list) shall be denied the opportunity to participate in the Marine Corps RPPOB Program. The availability of sample parts shall be limited to quantities adequate to meet the program's objectives. Controls shall be established within the Marine Corps to prevent exploitative ordering of sample parts and later depletion of DoD supply system stocks.

A. Alternate sources of supply may be developed through this program when appropriate under Subpart 6.202 of reference (b).

B. The Marine Corps need not delay ongoing or planned purchase actions of spare parts to allow potential suppliers (i.e., external organization) to participate in the program.

C. Government inspection of parts for compliance to performance criteria, based on existing technical data, shall be conducted, when appropriate, before the bailment or sale of parts to potential suppliers.

050203. Only domestic businesses may participate in the RPPOB Program. The transfer of parts or technical data by the domestic business participating in the RPPOB Program to other parts or firms within the United States or to foreign firms or foreign governments is forbidden.

050204. Through the RPPOB Program, the Marine Corps shall make sample parts available to domestic businesses for the purpose of design replication, modification, or development and submission of a data package to obtain approval to sell like replenishment parts to the government.

050205. To provide the maximum incentive for industry to participate in the RPPOB Program, the Marine Corps shall assure all qualified companies are provided the opportunity to compete for parts they have made competitive under the RPPOB Program. Accordingly, no part shall be procured under requirements so strict as to eliminate the firm that moved the part from noncompetitive to competitive status through a successful RPPOB action.

050206. The Marine Corps must be the Primary Inventory Control Agency of the part to approve requests from potential suppliers to view or obtain sample parts on a bailment or purchase basis.

050207. MARCORSSYSCOM will determine which sample parts are eligible for reverse engineering under the RPPOB program, during the full screen breakout/exploded view (e.g., diagram, picture, schematic or technical drawing) review performed per the DFARS.

A. Items requested for RPPOB sale or bailment that has not undergone a full screen breakout review shall be expeditiously scheduled for a review (limited or full) to determine the items' eligibility for the RPPOB program.

B. Once the breakout review process is completed and a part is determined eligible for the RPPOB program, the Marine Corps shall ensure the criteria identified in paragraph 050402 of this chapter are met prior to approving the part for bailment.

050208. There are three methods that the Marine Corps may use to make parts available to the potential suppliers:

A. Direct purchase of the part by the potential supplier

This is the preferred method as it minimizes the management and administrative impact to the government. Pricing policies for this method shall be in accordance with Volume 11A of reference (k). The potential supplier will also pay administrative and accessorial charges such as packing, crating, and handling costs. The potential supplier shall make payment prior to delivery of the material to the potential supplier. There is no limitation on the dollar value of parts that may be purchased. This option will follow the procedures identified below, however title and accountability responsibility will transfer, thus there is no coordination required for the return of the property to the Marine Corps.

B. Bailment of the part to the potential supplier

MARCORSSYSCOM shall prepare a bailment agreement with the provisions agreed upon by both parties. Parts shall not be subjected to destruction or irreversible disassembly. Parts shall not be loaned to potential suppliers unless such parts can be re-inspected and validated by the government. The government will need to have visibility of the bailed property's material condition and location status in the event the property is required by the government (e.g., emergency need for

the last item on the shelf). Bailments shall be assessed costs in accordance with Volume 11A of reference (k).

C. Inspecting the part

Potential suppliers may inspect parts for the purpose of familiarization. The parts will be displayed in Marine Corps-designated display areas. The Marine Corps will determine what parts are put on display. Viewing of a part is encouraged to eliminate unneeded purchase or bailment agreements. This option will follow the procedures below; however, government property will not physically be transferred. MARCORSYSCOM will coordinate with MARCORLOGCOM to coordinate the inspecting process.

0503 REQUESTS

050301. Potential suppliers must be from a domestic business concern and shall submit requests to purchase or borrow a part utilizing NAVMC 4400/3 to MARCORSYSCOM. NAVMC 4400/1 must be submitted in conjunction with NAVMC 4400/3.

050302. In the NAVMC 4400/3 justification, the potential supplier must:

A. State that the intent of purchasing or borrowing the part is for replication and/or modification and subsequent offer of sale of the item of supply replenishment parts to the government.

B. Specify the improvement to be offered by any proposed modifications.

0504 DETERMINATION OF GOVERNMENT PROPERTY AVAILABILITY AND APPROVAL

050401. Upon receipt of request to purchase or borrow a part by a potential supplier, an applicable MARCORSYSCOM agent will be identified as the lead Marine Corps point of contact on NAVMC 4400/3. This agent will have liaison responsibility with the potential supplier. NAVMC 4400/3 will be forwarded to MARCORLOGCOM or MCICOM (for garrison property and GME) for a determination of government property availability. MARCORLOGCOM or MCICOM (for garrison property and GME), in coordination with MARCORSYSCOM, will conduct an FOS assessment, to include the screening of all DoD inventories, to determine the most cost-effective method to source the requirement; and ensure compliance with the criteria below for making sample parts available to potential suppliers. The determination that government property is available for transfer does not in itself authorize providing the assets.

050402. Criteria for identifying potential replenishment parts

Per reference (m), the Marine Corps shall make sample parts available to potential suppliers only when the following criteria are met:

A. The part has limited or reduced sources for supply due to non-availability of a technical data package (TDP), an incomplete TDP, or a TDP that contains limited rights data. Any technical data that contains limited rights shall not be released to potential suppliers.

B. The annual buy value of the part exceeds thresholds developed by DoD Components based on guidance in PGI Subpart 217.7506 of reference (c). The DoD Components may lower the dollar value to accommodate their program.

C. Loan or sale of the part does not adversely affect or deplete required supply quantities.

D. Potential life-cycle savings exceed the cost (including evaluation and testing) of making the part available. The economic evaluation phase of reference (c) shall be used to determine cost savings.

E. Critical safety items, engineering safety items, and engineering critical or unstable parts shall be made available only upon approval by DoD Components that have the technical cognizance of the part. Subpart 209.2 of reference (c) prescribes the qualification requirements for aviation critical safety items.

F. A part's TDP, once developed, would not disclose critical technology with military or space applications. This determination shall be made in accordance with the provisions of reference (x).

G. Loaning, viewing, or selling of the part is not prevented by law (i.e., patent rights or security classification).

H. If the part is engineering critical or unstable, it may be made available only upon approval of the acquisition project officer for the end item.

I. Once developed, the TDP for the part will not disclose critical military technology.

J. A potential supplier may not borrow items under warranty. The government will not sell items under warranty unless the same item not under warranty is not available. In the instance where a warranted item is sold, the warranty does not transfer with the sale. A warranted item shall not be precluded from being viewed.

K. The Marine Corps shall not bail or sell a part for the purpose of modification without considering the following:

1. The proposed modification must improve performance, reliability, maintainability, interchangeability, product quality, safety, productivity, or decreases life-cycle costs.

2. The probability of future purchases of the proposed improved part.

3. If the proposed modification is, or should be, considered under the existing DoD Value Engineering Program under Part 48 of reference (b), or other in house product improvement, or preplanned product improvement.

4. The potential supplier must not be currently debarred, suspended, or otherwise prohibited from engaging in government procurement.

5. The potential supplier must demonstrate ability to duplicate the sample item. This demonstration may be accomplished by referencing past performance.

6. The potential supplier must not have previously been awarded a contract to provide the requested item to the government.

050403. When government property is not available from within MARCORLOGCOM inventory stores or MCICOM's available inventories (for garrison property and GME), or does not meet the criteria identified in the preceding paragraph, it will not normally be redistributed from using units to satisfy the requirement and the request may be deemed not supportable; however, to meet specific requirements as identified in paragraph 010409 of Chapter 1, MARCORLOGCOM may request approval to redistribute property from a using unit from DC I&L (LP). For garrison property and GME, MCICOM is the approval authority.

050404. MARCORLOGCOM will respond to all requests, using the original NAVMC 4400/3, with the appropriate and recommended sourcing solution or indicate the Marine Corps inability to support the request.

050405. A MARCORSYSCOM contracting officer will make final approval determination and notify the potential supplier utilizing NAVMC 4400/3 if their request for bailment or purchase is denied or delayed. The final NAVMC 4400/3, if approved, will be used for the creation of the binding agreement in accordance with paragraph 0505 of this chapter.

0505 BINDING AGREEMENT

050501. Approved Sales

Requests approved as a sale will use the approved NAVMC 4400/3 as source documentation for the sale. The sale price must be identified on NAVMC 4400/3 upon approval. MARCORSYSCOM will be responsible for coordination of funds transfer with the external organization.

050502. Approved Bailments

A valid binding agreement, with the government property authorized for bailment with the government property authorized for loan properly identified, is required to be in place prior to the physical execution of the loan. The listing of authorized government property will be provided on the approved NAVMC 4400/1 attached to the approved NAVMC 4400/3. The binding agreement directing the bailment must be in the form of a NAVMC 4400/7, "Agreement for the Bailment of US Marine Corps Materiel." In no case will an external organization's document/agreement be substituted for NAVMC 4400/7. For unique situations that merit negotiation of specific bailment provisions, attach supporting documentation to NAVMC 4400/7.

050503. Approved Display

Request approved as a display will use the approved NAVMC 4400/3 as source documentation for the display of government property.

0506 REQUEST ISSUE/NOTIFICATION

050601. Approved Sales

The issue of government property in support of approved bailment sales will be submitted to MARCORLOGCOM or MCICOM (for garrison property and GME) utilizing NAVMC 4400/4.

A. MARCORLOGCOM or MCICOM (for garrison property and GME) will coordinate the physical issue of the loaned/leased government property requirements with the external organization.

B. The government property will be supplied in Condition Code “A” with a copy of all associated unclassified data.

C. The gaining organization is responsible for transportation costs to and from the Marine Corps designated point and will ensure in-transit visibility.

050602. Approved Bailments

Upon completion of the binding agreement, requests for issue of government property are to be submitted to MARCORLOGCOM or MCICOM (for garrison property and GME) utilizing NAVMC 4400/4.

A. MARCORLOGCOM or MCICOM (for garrison property and GME) will coordinate the physical issue of the loaned/leased government property requirements with the external organization.

B. Government property will be supplied in Condition Code “A” with a copy of all associated unclassified data.

C. The gaining organization is responsible for transportation costs to and from the Marine Corps designated point and will ensure in-transit visibility.

050603. Approved Display

MARCORSYSCOM will coordinate the display time and location with MARCORLOGCOM. For garrison property and GME, MARCORSYSCOM will coordinate with MCICOM.

0507 ACCOUNTABILITY OF GOVERNMENT PROPERTY – RPPOB PROGRAM

050701. The MCA will track and account for all government property under their cognizance furnished as bailment loans to external organizations.

A. In the event a DoDAAC is unable to be assigned (e.g., a non-DoD agency), another government tracking identification such as a DUNS number must be used.

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B. MCAs will use iRAPT to electronically transfer property to and from the custody of the external organization as a basis for custodial accountability.

C. The external organization will be responsible for establishing stewardship responsibility and providing to MARCORLOGCOM or MCICOM (for garrison property and GME) the necessary copies of the receipt forms.

050702. When applicable, electronic transfers which cite the bailment agreement and the UII will be used to document accountability transactions. These transfers include the initial furnishing to and receipt by the external organization, or return to the government.

050703. Upon shipment of the government property, either by the government to an external organization or an external organization to the government, an electronic notification will be made to the receiving organization (i.e., government or external organization) indicating a property transfer.

050704. When in their possession, external organizations will have stewardship responsibility of loaned government property.

0508 RETURN/DISPOSAL OF GOVERNMENT PROPERTY

050801. Appropriate return/disposal instructions will be provided in NAVMC 4400/7. If return/disposal instructions are unknown at the time of the completion of NAVMC 4400/7 and are subsequently not provided, the external organization will contact MARCORSYSCOM who will coordinate with MARCORLOGCOM or MCICOM (for garrison property and GME) for appropriate disposition instructions.

050802. The borrower must return parts in the same condition as they were received. The government agency receiving the returned materiel is responsible for conducting a joint inventory of returned government property in cooperation with a representative of the external organization. This will be the basis for a final receipt at the expiration of the bailment. The supply officer or APO of the supporting unit/activity and the external organization representative with whom the government property was loaned will certify all copies for correctness.

VOLUME 10: CHAPTER 6

OTHER AGREEMENTS AND BOND REQUIREMENTS

SUMMARY OF SUBSTANTIVE CHANGES

Hyperlinks are denoted by *bold, italic, blue and underlined font*.

The original publication date of this Marine Corps Order (MCO) Volume (right header) will not change unless/until a full revision of the MCO has been conducted.

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CHAPTER VERSION	PAGE PARAGRAPH	SUMMARY OF SUBSTANTIVE CHANGES	DATE OF CHANGE

CHAPTER 6

OTHER AGREEMENTS AND BOND REQUIREMENTS

0601 GENERAL

As indicated in the previous chapters, non-contractor external organizations will be required to enter into a binding agreement prior to the issuance of government property. This agreement will be in the form of NAVMC 4400/5, NAVMC 4400/6, or NAVMC 4400/7. For requests from a CF or ally that would use the FMS process, the signed LOA will be attached to the NAVMC 4400. In addition, certain external organizations (as identified in Chapter 3) are required to post and provide evidence of a bond to ensure the safe return of the borrowed materiel or reimbursement for any loss of or damage to the materiel. The information in this chapter is to provide assistance in the execution of these binding agreements and surety bonds.

0602 LOAN, LEASE, AND BAILMENT AGREEMENTS

060201. The approving authority for NAVMC 4400/3 will indicate on the form, as part of its approval, the requirement to complete a binding agreement with any additional supporting documentation, requirements, and identifying the appropriate agency responsible for document execution before shipment or issue of government property.

060202. The approving authority for non-contractor external organization requests are:

- A. CDR, MARCORSYSCOM – MARCORSYSCOM supported RDT&E loans or leases.
- B. CDR, MARCORSYSCOM – bailment requests.
- C. DC I&L or MCICOM (for garrison property or GME) – all other requests for loans or leases. In these situations MARCORLOGCOM, MARCORSYSCOM, or MARFOR/SE unit/activities will be directed to establish the appropriate binding agreements as indicated in Chapters 3 and 4 of this Volume.

060203. Loan, lease, or bailment agreements are mutually developed by the Marine Corps agency and the chief of the borrowing activity (or their designee). The agreements identify the responsibilities of all parties and include terms and conditions of the loan, lease, or bailment. NAVMC 4400/5, NAVMC 4400/6, and NAVMC 4400/7 are standardized forms that will be used to enter the respective binding agreements.

060204. The Marine Corps activities authorized to establish a loan, lease, or bailment agreement, upon direction from the approving authority identified in paragraph 060202 above, are:

- A. MARCORSYSCOM – RDT&E leases and bailment agreements.
- B. MARCORSYSCOM – MARCORSYSCOM supported RDT&E or DC I&L (LP) directed loan agreements.

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- C. MARCORLOGCOM – DC I&L (LP) directed loan agreements.
- D. MARFOR/SE Appointed Supply Officer – DC I&L (LP) authorized MARFOR/SE external temporarily loans as discussed in Chapter 4 of this Volume.
- E. MARCORSYSCOM for leases to CF or allies under the FMS process.
- F. MCICOM for loans, leases, and bailments of garrison property and GME.

060205. The loan, lease, and bailment agreement must be signed by the chief of the borrowing activity (or their designee). In order to protect the government and to ensure the correct representative of the borrowing activity is entering into the agreement, borrowing activities that are private parties or non-DoD parties must notarize the agreement to make it binding. DoD agencies do not require notarization.

060206. Loan, lease, and bailment agreements will be held by the Marine Corps agency and a copy will be provided to the issuing activity, with NAVMC 4400/1, until termination and final settlement of each loan, lease, or bailment.

060207. Loan and lease agreements with civil authorities or private entities, to support special events outline in Chapter 3 require the borrower to post and provide evidence of a bond prior to the delivery of government property. Refer to paragraph 0603 of this chapter for applicable guidance.

060208. When necessary, the binding agreement will include supporting documentation. Examples include, but are not limited to, PO, Military Interdepartmental Purchase Requests, ACSA, Inter-Service Support Agreements, Statements of Work (SOW), Government Task Orders or MOAs.

060209. For specific guidance regarding Foreign Military Leases (Security Assistance) see paragraph 0604 below. For specific guidance on Coalition Loans see Chapter 7.

0603 BONDS

060301. The borrower shall assume the risk of loss or liability for damage to the borrowed property. That risk shall be covered either by insurance or the posting of a bond on the replacement value of the property being loaned or leased. Per the requirements in Chapter 3, Marine Corps policy requires the borrowing activity to post and provide evidence of a bond; however, DC I&L (LP) or MCICOM (for garrison property or GME) may waive this requirement in lieu of the borrower's self-insurance, if proof is provided and validated by a warranted contracting officer.

060302. Bonds ensure safe return of the borrowed materiel or reimbursement for any loss of or damage to the materiel. To document the bond, the borrowing activity will be required to use NAVMC 4400/8, "Checklist for Surety Bond and Power of Attorney." This will ensure that their bond instrument of choice contains all necessary information that provides for the Safekeeping of Public Property by Guaranteeing Reimbursement to the Government for Expenses incident to the Loan, Lease, or Bailment of US Marine Corps materiel. A warranted contracting officer will receive, review, and document evidence of the bond on NAVMC 4400/8. As applicable, general counsel will

receive, review, and document evidence of the power of attorney on NAVMC 4400/8. The bond and power of attorney (if applicable) will be returned with the corresponding binding agreement to the following Marine Corps activities prior to delivery of government materiel:

- A. MARCORSYSCOM – All bailment agreements.
- B. MARCORLOGCOM or MCICOM (for garrison property and GME) – All loan and lease agreements with the exception of MARFOR/SE external temp loans authorized by DC I&L (LP) discussed in Chapter 4 of this Volume.
- C. MARFOR/SE Appointed Supply Officer or APO – MARFOR/SE external temp loans authorized by DC I&L (LP) discussed in Chapter 4 of this Volume.

060303. The bond will consist of:

- A. A properly executed bond with a certified bank check, cash, or negotiable U.S. Treasury bonds.

- B. A notice of bond by a reputable bonding company deposited with the appropriate Marine Corps activity identified above. Bonds will equal the total price of the borrowed items as indicated on NAVMC 4400/1 submitted in conjunction with the approved NAVMC 4400/3, and will be referenced in NAVMC 4400/5 or NAVMC 4400/6. A “double” bond (bond equal to twice the value of the borrowed item(s)) will be required when indicated in Chapter 3 of this Volume.

060304. Bonds do not have to be posted by the borrowing agency itself. The source of originating agency for the bond is immaterial if the bond is valid. For example, to secure a lease, a state may post bond on behalf of a city, county, or other governmental body or authority within the State.

060305. In an emergency, when posting a bond would delay issue of property for an urgent release, DC I&L (LP) may approve the issue prior to the posting of the bond. The bond must be posted within five days.

060306. Bond forfeitures will be made in accordance with the applicable loan, or lease agreements. Exceptions to mandatory forfeitures can only be made with the approval of DC I&L (LP). Forfeitures do not release the borrowing agency from returning borrowed materiel or affect ownership. Bonds normally are forfeited under the following conditions:

- A. Materiel is not returned at the end of a lease period or when the Marine Corps has directed return.
- B. The borrowing agent refuses to pay for damages or other Marine Corps expenses.

060307. Evidence of bonds will be held by the Marine Corps agency identified in paragraph 060302 of this chapter until the loan or lease is ended and final settlement is made. At that time, the evidence of the bond will be returned to the borrower.

060308. If US Treasury Bonds are posted as surety bond, the borrowing agency must provide evidence of a power of attorney. This will enable cashing of the treasury bonds if forfeiture is required as a result of a default on the loan or lease.

060309. Restitution will be conducted in accordance with Chapter 4 of with Volume 3 of this Order and Volume 5 of reference (k). If payment is not received within a reasonable time (i.e., a sensible length of time in which payment is possible or achievable), the matter will be referred to the next higher command for appropriate action. All restitutions under the provisions for loan/lease of government property will be credited to the applicable Marine Corps general fund receipt account whenever permitted by reference (k). Consult the legal advisor if the situation is not covered by reference (k). In some situations, the miscellaneous receipt transaction will require deposit into the United States Treasury per 31 U.S.C. § 3302.

0604 FOREIGN MILITARY LEASES (SECURITY ASSISTANCE)

References (r) and (s) provide policy, procedures, and guidance for the lease of government property to foreign countries. For clarification purposes, the following information is provided:

060401. Use of leases

Normally, the U.S. Government makes defense articles available to foreign governments by FMS under the Arms Export Control Act (AECA); however, there may be exceptional instances in which a lease agreement would be the most appropriate method whereby U.S. Defense article can be made available to foreign countries or international organizations. Such arrangements are authorized under the AECA, Chapter 6, when it is determined that there are compelling foreign policy and national security reasons for providing such articles on a lease rather than a sales basis, and the article is not needed, at this time, for public use. For example, a foreign government may desire to obtain a defense article for a short period under a lease for testing purposes to assist it in determining whether to procure the article in quantity. As another example, the U.S. Government may only be able to respond to an urgent foreign requirement for defense article by making it available from inventory but for national defense reasons cannot sell the article and must require its return to inventory after a specified term. Leases of defense articles to foreign countries or international organizations will be concluded under the AECA, Chapter 6; leases to foreign countries or international organizations under 10 U.S.C. § 2667 are not authorized.

060402. The country or international organization must pay in U.S. dollars all costs incurred by the U.S. Government in leasing such property, including reimbursement for depreciation of such property while leased (the rental payment). The charge for depreciation will be based on the current procurement value, actual acquisition cost (if known), or latest procurement cost. If there is a current procurement contract in effect for the DoD component for an item which is identical to the property to be leased, the current procurement price will be applied, adjusted as appropriate for condition; otherwise, the actual or latest procurement cost will apply, adjusted as appropriate for condition and market value. An administrative charge will not be applied to rental payments collected under the lease.

060403. As indicated in references (r) and (s), leases to partner nations are controlled. For this reason, the CMC, in reference (s) has tasked MARCORSYSCOM with the responsibility of

executing this program. All requests from a foreign government for a lease of government property must be forwarded to MARCORSYSCOM for appropriate action.

060404. Per reference (s), DC I&L (LP), in coordination with DC PP&O, will review all lease requests prior to final execution.

060405. If HQMC approves the lease, MARCORLOGCOM and MARCORSYSCOM will be notified to release the property, as appropriate. Accountability will be executed as a coalition loan which is discussed in Chapter 7 of this Volume. For garrison property and GME, MCICOM is the approval authority.

0605 DEPOT MAINTENANCE INTERSERVICE SUPPORT AGREEMENTS (DMISA)

DMISAs are governed by references (y) and (z). The DMISA is a formal agreement similar to a contract whereby one military Service (the Agent) agrees to provide depot maintenance support for another Service (the Principal). It may also be used when a Service is the Agent and another federal department agency or element thereof is the Principal. Typically, DMISAs are established to cover depot maintenance and related support functions for weapon systems, equipment end items, systems, subsystems, components, or commodity groups. DMISAs, which should be used only to assign workload, are normally established for five year periods with mandatory annual reviews, except for Service workload competition assignments. Each Military Service and DoD agency is responsible for programming, budgeting, and funding to support its respective interservice arrangements. For clarification purposes regarding the DMISA, the following information is provided:

060501. Policy

MARCORLOGCOM and MARCORSYSCOM will not furnish government property to an agent for the performance of depot maintenance unless it is authorized by a DMISA that is signed by an authorized government contracting officer. A copy of the DMISA that requires the furnishing of government property to an agent will be forwarded to the appropriate MCA in order to maintain control and accountability of government property.

060502. Determination of Government Property Availability and Approval

All requests for the furnishing of government property to an agent for the performance of depot maintenance will be processed utilizing NAVMC 4400/4. A copy of the DMISA, which serves as the binding agreement, will be attached to the NAVMC 4400/4 as supporting documentation. These requests will be forwarded to MARCORLOGCOM and MARCORSYSCOM, when applicable, for a determination of property availability.

A. NAVMC 4400/1 must be submitted in conjunction with NAVMC 4400/4; however, if the DMISA details the pedigree data normally collected on NAVMC 4400/1, then the DMISA can be referenced instead of providing NAVMC 4400/1.

B. Per paragraph 030102 of Chapter 3, requests initiated by an external organization or a requiring Marine Corps activity will be routed to MARCORLOGCOM via DC I&L (LP) and coordinated with DC PP&O as appropriate.

C. Per paragraph 030103 of Chapter 3, requests initiated by MARCORSYSCOM will be routed directly to MARCORLOGCOM.

D. MARCORLOGCOM will conduct an FOS assessment, to include the screening of all DoD inventories, to determine the most cost-effective method to source the requirement. MARCORLOGCOM will respond to all NAVMC 4400/4 requests with the appropriate and/or recommended sourcing solution.

E. When government property is available from within existing MARCORLOGCOM inventory stores, NAVMC 4400/4 response and NAVMC 4400/1 (as applicable per paragraph 060502.A) will be forwarded to DC I&L (LP).

F. When government property is not available from within existing MARCORLOGCOM inventory stores, it will not normally be redistributed from using units to satisfy the requirement; however, to meet specific depot maintenance requirements as identified in the DMISA, MARCORLOGCOM may recommend the sourcing of property from a using unit to DC I&L (LP). In these situations, NAVMC 4400/4 response and NAVMC 4400/1 (as applicable per paragraph 060502.A) will be forwarded to DC I&L (LP).

G. When warranted, DC I&L (LP) will coordinate actions identified in paragraph 010409.B of Chapter 1 prior to approving or denying a MARCORLOGCOM recommendation for using unit redistribution.

H. When government property is not available under the conditions identified in paragraphs 060502.F and 060502.G of this chapter, the request is deemed not supportable and NAVMC 4400/4 and NAVMC 4400/1 (as applicable per paragraph 060502.A) will be forwarded to MARCORSYSCOM for a recommendation on procurement action.

I. When warranted, MARCORSYSCOM will conduct an FOS assessment to determine if new procurement is a valid option to source the requirement. MARCORSYSCOM will respond to all NAVMC 4400/4 requests with the appropriate recommendation regarding procurement (e.g., new procurement or no procurement action) and return to DC I&L (LP).

060503. Request Initiated by an External Organization

DC I&L (LP), in coordination with DC PP&O, will make the final approval determination. The final NAVMC 4400/4 (with the DMISA attached as the binding agreement), if approved, will be provided to MARCORLOGCOM or MARCORSYSCOM, as appropriate, for execution of the NAVMC 4400/4, in accordance with paragraph 060505 of this chapter. The determination that government property is available for transfer does not in itself authorize provision of the assets.

060504. Request Initiated by Marine Corps Activity

DC I&L (LP), in coordination with DC PP&O, will make the final approval determination. The final NAVMC 4400/4 (with the DMISA attached as the binding agreement), if approved, will be provided to MARCORLOGCOM or MARCORSYSCOM, as appropriate, for execution of the NAVMC 4400/4, in accordance with paragraph 060505 of this chapter. The determination that government property is available for transfer does not in itself authorize provision of the assets.

060505. Binding Agreement

A valid DMISA serves as the binding agreement. The DMISA, with the government property authorized for depot maintenance properly identified, is required to be in place prior to the physical execution of the DMISA. The listing of authorized government property will be provided on the NAVMC 4400/1 attached to the approved NAVMC 4400/4 or provided via appropriate reference listing as described in paragraph 060502.A of this chapter.

060506. Request Issue/Notification

When property is sourced from Marine Corps inventory per paragraph 060502.D or 060502.G of this chapter and upon completion of the binding agreement, requests for the issue of assets are to be submitted to the supporting MCA utilizing NAVMC 4400/4 and NAVMC 4400/1 (as applicable per paragraph 060502.A). NAVMC 4400/4 must include the applicable binding agreement.

A. MARCORLOGCOM will coordinate all issue actions with the agent when sourced from MARCORLOGCOM inventory.

B. MARCORLOGCOM will coordinate redistribution actions with the appropriate MARFOR and issue actions with the appropriate agent when MARFOR sourcing is approved by DC I&L (LP).

C. When property is sourced from new procurement per paragraph 060502.I of this chapter, the requesting activity will contact the appropriate MCA upon delivery and acceptance of the asset. NAVMC 4400/4 must include the applicable DMISA that serves as the binding agreement.

D. When property will be incorporated into another end item or when the item will not be recovered, appropriate identification of this fact will be made on the NAVMC 4400/4.

060507. Accountability of DMISA Items

The MCA will track and account for all government property under their cognizance furnished as DMISA items to an agent, unless directed otherwise by DC I&L (LP) (i.e., external temporary loans by the MARFOR/SE) using an APSR.

A. Agents receiving government property will use their assigned DoDAAC for tracking purposes.

B. MCAs will use iRAPT to electronically transfer property to and from the custody of the agent as a basis for custodial accountability.

C. The agent will be responsible for establishing stewardship responsibility and providing the MCA the necessary copies of the receipt forms.

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D. When applicable, electronic transfers which cite the DMISA and UII will be used to document accountability transactions. These transfers include the initial furnishing to and receipt by the agent, subsequent transfers between agents, or return to the Marine Corps.

E. Upon shipment of the DMISA item, either by the Marine Corps to an agent or an agent to the Marine Corps, an electronic notification will be made to the receiving organization (i.e., Marine Corps or agent) indicating a property transfer.

F. When in their possession, agents will have stewardship responsibility of government property furnished as a DMISA item. If an agent with stewardship responsibility transfers the government property to an external organization (e.g., sub-contractor or subordinate agency), stewardship responsibility remains with the agent to which the government property was furnished.

G. When a DMISA issue from a using unit is approved by DC I&L (LP), the using unit will transfer accountability of the property to MARCORLOGCOM; however, physical delivery of the property may go directly to the agent. Coordination for the transfer and shipping instructions will be provided by MARCORLOGCOM per paragraph 060506.B of this chapter.

060508. Return/Disposal of Government Property

DMISA items may be returned to the Marine Corps in a variety of ways depending on the item and what has happened to the item during the time in which it has been in the external organization's custody. Examples include government property embedded in new item delivery, government property embedded in higher assembly, or government property returned as issued. As a result, the appropriate return/disposal instructions will be provided in the DMISA. If return/disposal instructions are unknown at the time of the establishment of the DMISA and are subsequently not provided, the external organization will contact the approving agency who will coordinate with MARCORLOGCOM for appropriate disposition instructions.

0606 PERMANENT INTERSERVICE TRANSFERS OF GOVERNMENT PROPERTY

Interservice transfers involve the permanent transfer of ownership and accountability of government property to another military Service within DoD. All permanent interservice transfers of government property must be approved by DC I&L (LP). All requests for permanent interservice transfers of government property will be sent to MARCORLOGCOM or MCICOM (for garrison property and GME) via naval message. Upon receipt of a request for the permanent interservice transfer of government property, MARCORLOGCOM or MCICOM (for garrison property and GME) will conduct a feasibility of support to determine asset availability. Regardless of the AAO, Net Asset Posture, or disposal plan, a FOS is required for all permanent interservice transfers to maintain an audit trail and ensure accountability of transferred items. If deemed unsupportable, MARCORLOGCOM or MCICOM (for garrison property and GME) will notify the requesting activity via naval message. If deemed supportable, MARCORLOGCOM will endorse and forward the request with the feasibility of support results to DC I&L (LP) via naval message. DC I&L (LP) will coordinate a risk assessment with DC PP&O (for SAC 3 items). If the risk is deemed acceptable, DC I&L (LP) will release a naval message authorizing the interservice transfer of government property. For garrison property and GME, MCICOM is the approval authority and will release the naval message authorizing the interservice transfer of government property. The naval

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message, FOS, DD 1348-1A, "Issue Release/Receipt Document," and DD 1149, "Requisition and Invoice/Shipping Document" serve as key supporting documentation for permanent interservice transfers of government property. Key supporting documentation for permanent interservice transfers will be retained for 10 years. Upon permanent interservice transfer of government property, the transferring organization will coordinate with MARCORSYSCOM to update the IUID Registry and Military Equipment Valuation tables to reflect the permanent change in ownership.

VOLUME 10: CHAPTER 7

“COALITION LOANS”

SUMMARY OF SUBSTANTIVE CHANGES

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CHAPTER 7

COALITION LOANS

0701 GENERAL

This chapter governs accountability and visibility of government property temporarily loaned to CFs. This chapter does not grant the legal authority to transfer or temporarily loan property; rather, this chapter governs the processes to facilitate the transfer after legal authority has been obtained. Reference (s) provides information regarding security assistance and legal authority to enter into loan agreements.

0702 POLICY

070201. Government property authorized and approved for temporary loan to CFs will be accounted for at the Marine Corps level to establish accountability and maintain visibility. When applicable, Marine Corps elements may be tasked to execute the physical transfer on behalf of the Marine Corps, but accountability will remain a Marine Corps responsibility. In addition, management of requirements to include pending request, sourcing, tasking to support, renewal of agreements, coordination for the return of loaned property will be a Marine Corps responsibility. Responsibilities may be delegated or tasked to lower echelons to assist with the overall management of specific loans, but Marine Corps unit/activities will not loan property to CFs.

070202. All requests for coalition loans will be forwarded to DC I&L (LP) for coordination with DC PP&O (PLU) and appropriate actions. Requests from the COCOM, whom have been given authority to enter into loans directly with MARFOR commanders, will be expeditiously forwarded to DC PP&O and DC I&L (LP) for determination of property availability. Subsequent response will be forwarded to the MARFOR commander for official response to the COCOM.

070203. MARFORs and SE commanders may be tasked to serve as the lead Marine Corps liaison with the CF and COCOM within their respective AOR during the period of utilization of the loaned government property, as applicable. These commanders will provide support as required within the scope of this Volume and maintain liaison with the CF, HQMC, MARCORLOGCOM, MCICOM, MARCORSYSCOM, and COCOM.

0703 DETERMINATION OF GOVERNMENT PROPERTY AVAILABILITY AND APPROVAL

070301. Upon identification of a potential CF loan requirement, a request for determination of government property availability will be made to MARCORLOGCOM or MCICOM (for garrison property and GME).

070302. MARCORLOGCOM or MCICOM (for garrison property and GME), in coordination with MARCORSYSCOM, will conduct an FOS assessment, to include the screening of all DoD inventories, to determine the most cost-effective method to source the requirement. MARCORSYSCOM will screen the requirement to ensure compliance with International Trafficking in Arms Regulations (22 CFR 120) and any National Disclosure Policy restrictions that may pertain

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to the requested items. The determination that government property is available for transfer does not in itself authorize provision of those assets. Consideration for determination of property availability by the MARCORLOGCOM or MCICOM (for garrison property and GME) includes:

- A. Adverse effects on readiness posture.
- B. Adequate asset positions.
- C. Prescribed timeframe for the loan period.
- D. Readily replacing stocks when war reserve assets are required.
- E. Compliance with International Trafficking in Arms Regulations and National Disclosure Policy restrictions.

070303. When government property is not available from within MARCORLOGCOM inventory stores or MCICOM's available inventories (for garrison property and GME) and has been deemed not cost effective to source through new procurement, it will not normally be redistributed from using units to satisfy the requirement and the request may be deemed not supportable; however, to meet specific requirements as identified in paragraph 010409 of Chapter 1, MARCORLOGCOM may request approval to redistribute property from a using unit through DC I&L (LP).

070304. DC I&L (LP), in coordination with DC PP&O, will provide a coordinated response to the requesting agency (e.g., Joint Chief of Staff or COCOM via MARFOR Commander). For garrison property or GME, MCICOM will provide the response.

0704 BINDING AGREEMENT

The Marine Corps will be tasked to loan property to a CF by either the Joint Chiefs of Staff or COCOM with delegated authority. DC I&L (LP) or MCICOM (for garrison property and GME), in coordination with DC PP&O, will endorse the tasking and provide appropriate execution coordination and guidance. Minimum requirements in the endorsed tasking include:

070401. State the requirement and justification for the loaned government property to include the start and expiration date of the loan. A loan will not exceed one year without a requirement to request extension.

070402. Identify MARCORLOGCOM or MCICOM (for garrison property and GME) as responsible for accountability management of the CF loan.

070403. Identify authorized government property to be loaned to include sourcing unit. If redistribution is required from a using unit, in accordance with paragraph 070303 of this chapter, appropriate instructions will be provided.

070404. Identify the lead Marine Corps liaison (i.e., MARFOR), if applicable.

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070405. Identify a valid DoDAAC for the agency receiving or providing Marine Corps oversight of the loaned government property, refer to paragraph 070602 below regarding DoDAAC assignment.

070406. Identify the requirement for a signature by the CF upon receipt of government property.

070407. The expected condition of the government property upon issue and return, to include reimbursement mechanism for damaged or lost government property. If a reimbursement mechanism is unknown at that time of tasking endorsement, indicate procedures to report damages to DC PP&O and DC I&L (LP) or MCICOM (for garrison property and GME).

070408. The shipment of loaned government property will be conducted in accordance with reference (aa).

0705 REQUEST ISSUE/NOTIFICATION

070501. Applicable information required for MARCORLOGCOM or MCICOM (for garrison property and GME) to execute the tasked CF loan will be provided in the endorsed tasking statement identified in paragraph 0704 of this chapter.

070502. If government property is sourced from a using unit to meet requirements, MARCORLOGCOM will coordinate the accountability transfer and issue in accordance with paragraph 010409 of Chapter 1. For garrison property and GME, MCICOM will coordinate the accountability and issue.

0706 ACCOUNTABILITY OF GOVERNMENT PROPERTY – COALITION LOAN

070601. The MARCORLOGCOM MCA or MCICOM MCA (for garrison property and GME) will maintain and account for all government property furnished to CFs using an APSR.

A. To establish accountability within an APSR, MARCORLOGCOM or MCICOM (for garrison property and GME) will administratively issue the government property as on loan using the lead Marine Corps liaison's CF DoDAAC. Only one "ship to only" DoDAAC will be created to administratively account for all property loaned to CFs within the lead Marine Corps liaison's AOR that is separate and distinct from their regular DoDAAC. This DoDAAC does not establish the lead Marine Corps liaison as the accountable officer, rather it provides MARCORLOGCOM or MCICOM (for garrison property and GME) with visibility of loaned government property within an APSR (i.e., it identifies property as on CF loan within a MARFOR commander's AOR). The following Type of Address Codes (TAC) will be used.

1. TAC 1 will be identified by MARCORLOGCOM or MCICOM (for garrison property and GME).

2. TAC 2 will be identified by the MARFOR/SE commander (lead Marine Corps liaison).

3. TAC 3 will be HQMC.

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B. In coordination with the lead Marine Corps liaison, MARCORLOGCOM will use iRAPT to electronically transfer property to and from the physical custody of the CF as a basis for custodial accountability.

C. The CF will be responsible for establishing stewardship responsibility and provide the lead Marine Corps liaison (who will provide copies to MARCORLOGCOM) the necessary copies of the receipt forms.

070602. Electronic transfers will be used to document all issue transactions of government property. Upon shipment of the government property, a notification will be made to the lead Marine Corps liaison indicating a property transfer is being processed. The lead Marine Corps liaison will acknowledge receipt of property that will ultimately establish administrative accountability. The lead Marine Corps liaison will not receive property until the CF has acknowledged receipt of government property as indicated in paragraph 070601 of this chapter.

070603. If necessary, MARCORLOGCOM or MCICOM will request and establish NSWC, Crane, Indiana sub-accounts to establish small arms/light weapons accountability for government property loaned to CFs.

070604. MARCORLOGCOM or MCICOM (for garrison property and GME), in coordination with the lead Marine Corps liaison, will coordinate and prepare a joint inventory of property being issued in cooperation with a representative of a requesting organization. This will be the basis for the final condition determination at the expiration of the loan.

070605. Where and when possible, combat losses and/or return of any government property on temporary loan to CFs will be reported to MARCORLOGCOM or MCICOM (for garrison property and GME) by the lead Marine Corps liaison.

070606. Where and when possible, replacement-in-kind for combat losses of government property on temporary loan to CFs will be reported to MARCORLOGCOM or MCICOM (for garrison property and GME) by the lead Marine Corps liaison.

070607. Any physical movement and/or transfer of sourced property to/from CFs will be communicated via Automated Message Handling System to all agencies identified in the tasking message addressed in paragraph 0704 of this chapter.

070608. MARCORLOGCOM or MCICOM (for garrison property and GME) will initiate a request for validation of requirements, and accountability verification, when required.

070609. Sustainment

Separate contracted maintenance and supply support for the specific purpose of supporting government property temporarily loaned to CFs is not authorized. If a CF requires sustainment of government property on temporary loan to them, support will be limited to the following and sustainment costs will be captured and reported for reimbursement.

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A. Situations where providing supply or maintenance support to the CF does not impact or interfere with Marine Air Ground Task Force (MAGTF) operations or exceed logistical capabilities/capacity.

B. Pre-existing maintenance services, to include field support representatives, ordinarily available to the MAGTF.

C. Items requisitioned through the Marine Corps supply system and ordinarily available to the MAGTF.

0707 RETURN/DISPOSAL OF GOVERNMENT PROPERTY

070701. MARCORLOGCOM or MCICOM (for garrison property and GME) is responsible for providing appropriate disposition instructions and ensuring the APSR is updated accordingly for all returns of loaned government property.

070702. Upon conclusion of the loan, all property will be shipped to an agreed location at the expense of the CF. MARCORLOGCOM or MCICOM (for garrison property and GME), in coordination with the lead Marine Corps liaison, will determine the best location for the physical receipt of the property. Acceptable return locations include:

A. Return to lead Marine Corps liaison.

B. Return to MARCORLOGCOM or MCICOM (for garrison property and GME).

070703. MARCORLOGCOM or MCICOM (for garrison property and GME), in coordination with the lead Marine Corps liaison, will prepare a joint inventory of returned property in cooperation with a representative of a requesting organization. This will be the basis for a final receipt at the expiration of the loan. The receiving agency (i.e., as dictated by Marine Corps liaison) and the organization representative with whom the inventory is loaned will certify all copies for correctness.

070704. Electronic transfers will be used to document all return transactions of government property. Upon shipment of the government property, the lead Marine Corps liaison will notify MARCORLOGCOM or MCICOM (for garrison property and GME) that the transfer of property is being processed using iRAPT. The lead Marine Corps liaison will initiate the iRAPT transaction upon physical receipt of the property from the CF per paragraph 070702.A of this chapter or upon the verification of physical shipment to MARCORLOGCOM or MCICOM (for garrison property and GME) per paragraph 070702.B of this chapter. MARCORLOGCOM or MCICOM (for garrison property and GME) will acknowledge receipt of property in iRAPT which will remove the administrative accountability from the lead Marine Corps liaison.

070705. If applicable, MARCORLOGCOM or MCICOM (for garrison property and GME), in coordination with the lead Marine Corps liaison, will initiate investigative action for missing, damaged, or destroyed CF loaned property. DC PP&O and DC I&L (LP) or MCICOM (for garrison property and GME) will be notified of such actions.

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070706. If applicable, MARCORLOGCOM or MCICOM (for garrison property and GME), in coordination with the lead Marine Corps liaison, will determine the cost of and forward restitution demands to DC I&L (LP) or MCICOM (for garrison property and GME). DC I&L (LP) or MCICOM (for garrison property and GME), will forward restitution demands to the approving agency (i.e., Joint Chief of Staff or COCOM). Restitution demands are applicable for the following:

- A. Items lost, destroyed, or damaged beyond prospect of economical repair.
- B. Renovations or repairs accomplished at the government expense. Expense estimates will be obtained as soon as practical for the purpose of making demand for restitution.

**VOLUME 10: APPENDIX A
 “FAR & DFARS CLAUSES AND INSTRUCTIONAL LANGUAGE”**

SUMMARY OF SUBSTANTIVE CHANGES

Hyperlinks are denoted by *bold, italic, blue and underlined font*.

The original publication date of this Marine Corps Order (MCO) Volume (right header) will not change unless/until a full revision of the MCO has been conducted.

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CHAPTER VERSION	PAGE PARAGRAPH	SUMMARY OF SUBSTANTIVE CHANGES	DATE OF CHANGE

APPENDIX A

FAR & DFARS CLAUSES AND INSTRUCTIONAL LANGUAGE

- FAR Clause(s): 52.245-1, Government Property
52.245-2, Government Property Installation Operation Services
52.245-9, Use and Charges
- DFARS Clause(s): 252.245-7000, Government-Furnished Mapping, Charting, and Geodesy Property
252.245-7001, Tagging, Labeling, and Marking of Government Furnished Property
252.245-7002, Reporting Loss of Government Property
252.245-7003, Contractor Property Management System Administration
252.245-7004, Reporting, Reutilization and Disposal
252.211-7007, Reporting of Government Furnished Property
252.225-7040, Contractor Personnel Authorized to Accompany U.S. Armed Forces Deployed Outside the United States (For Organizational Clothing and Individual Equipment/Individual Combat Clothing and Equipment (ICCE) support requirements only)
Instructional Language:

- Contractors will utilize the DoD iRAPT government property transfer system for GFP receipt acknowledgement, subsequent transfer of GFP to other contracts/contractors (if authorized in the contract), or return of GFP to the Marine Corps to ensure government property transfers are conducted in accordance with the Defense Logistics Manuals 4000.25-1 MILSTRIP, and 4000.25-2 MILSTRAP; and applicable FAR/DFARS clauses.

- Contractors will report GFP deficiencies in quantity, quality, or failure to the contracting officer or their appointed representative.

- Contractor generated DoD supply system requisitions must be submitted to the contracting officer or their appointed representative for subsequent MCA approval.

- Contractors will contact the contracting officer or their appointed representative for appropriate disposition instructions if not previously identified in the contract. When applicable, the contract will be modified.

- Contractors will mark all containers utilized to return government property with the UIIs (if applicable), issue document number, Procurement Instrument Identification Number (PIIN), and project code.

- Contractors are required to register as a Property Receiver and Property Shipper in the iRAPT in order to acknowledge receipt of GFP and notify the Marine Corps of intent to return GFP. These actions ensure that the DoD IUID Registry is updated with the lifecycle event which property reflects current possession status.

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- Contractors can register for access to iRAPT via <https://wawf.eb.mil/>. The iRAPT website provides registration instructions. In applying for access, the contractor's government sponsor will need to provide the contractor's contract number and contract expiration date so that the system administrator can activate the contractor's account.

Note: The requesting Marine Corps agency (i.e., agency with the requirement) is responsible to coordinate these requirements with the supporting contracting office.

VOLUME 10: APPENDIX B

**“GOVERNMENT FURNISHED PROPERTY (GFP) AND LOANED
 PROPERTY, PLANT, & EQUIPMENT (PP&E) REPORTING FORMAT”**

SUMMARY OF SUBSTANTIVE CHANGES

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CHAPTER VERSION	PAGE PARAGRAPH	SUMMARY OF SUBSTANTIVE CHANGES	DATE OF CHANGE

APPENDIX B

GOVERNMENT FURNISHED PROPERTY (GFP) AND LOANED PROPERTY, PLANT, & EQUIPMENT (PP&E) REPORTING FORMAT

Report Control Symbol DD-4400-53 (External Report Control Symbol DD-AT&L(Q)1575)

1. As outlined in this Volume, the provisions of a contract or an approved loan agreement may direct Marine Corps PP&E to be delivered or acquired by contractors or to be delivered to an external agency. In both cases, the PP&E remains government property. Under the provisions of this Volume, MARCORLOGCOM (MCA), MARCORSYSCOM (MCA), MCICOM (MCA) will create and maintain the GFP/loaned PP&E asset listing in the APSR for Marine Corps accountability and fiduciary reporting purposes.

2. By 1 December each year (but no earlier than 1 November), each MCA will report a listing of GFP/loaned PP&E inventory and financial value to DC IL (LP) in accordance with this Volume; Chapter 4, Volume 4 of [DoD 7000.14-R, "Department of Defense Financial Management Regulation,"](#) Volume 9 of [DoDM 4140.01, "DoD Supply Chain Materiel Management Procedures,"](#) and [DoDI 5000.64, "Accountability and management of DoD Equipment and Other Accountable Property."](#)

3. In the case of GFP/loaned PP&E administered by the MARCORLOGCOM MCA or MCICOM MCA that is satisfying a MARCORSYSCOM requirement, MARCORSYSCOM will certify to MARCORLOGCOM or MCICOM that these assets have been inventoried and that the requirement is still current, prior to MARCORLOGCOM certification to DC I&L (LP). Appendix C can be used for this purpose.

4. The annual report will include:
 - a. GFP and Loaned PP&E Inventory Report. A cover letter providing certification to the annual GFP and loan PP&E inventory submission. Enclosures include the items discussed in paragraphs 4b and 4c below. An example is provided in Appendix C.

 - b. GFP and Loaned PP&E Inventory Listing. An itemized consolidated listing of GFP in the custody of a contractor or loaned PP&E in the custody of an external agency. Reporting requirements and instructions are identified in Appendix D.

 - c. GFM Summary Report. A financial summary report of GFM as identified in the GFP and Loaned PP&E Inventory Listing. Reporting requirements and instructions are identified in Appendix E.

VOLUME 10: APPENDIX C

**“GOVERNMENT FURNISHED PROPERTY (GFP) AND LOANED
 PROPERTY, PLANT, & EQUIPMENT (PP&E) INVENTORY REPORT”**

SUMMARY OF SUBSTANTIVE CHANGES

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APPENDIX C

**GOVERNMENT FURNISHED PROPERTY (GFP) AND LOANED PROPERTY, PLANT, &
EQUIPMENT (PP&E) INVENTORY REPORT**

Report Control Symbol DD-4400-53 (External Report Control Symbol DD-AT&L(Q)1575)

Appropriate Letter Head

4400
Code/Serial
Date

From: Commanding General (or Commander if from MARCORSYSCOM)
To: Commandant of the Marine Corps, (DC I&L/LP) (or CG MARCORLOGCOM or CG MCICOM)

Subj: GOVERNMENT FURNISHED PROPERTY (GFP) INVENTORY REPORT

Ref: (a) MCO 4400.201-V-10
(b) DoDM 4140.01
(c) DoDI 5000.64
(d) DoD 7000.14-R

Encl: (1) Government Furnished Property (GFP) and loaned PP&E Inventory Summary Report (see Appendix D for format)
(2) Government Furnished Material (GFM) Inventory Report Summary (see Appendix E for format)

1. In accordance with the references, I certify that all GFP is accounted for. Additionally, I have verified that all GFM retained past 24 months without an issue for use was reviewed for necessity of retention.

2. The following Department of Defense Activity Address Code(s) (DoDAAC) was/were reviewed as part of this report:

(Insert applicable DoDAACs and date data was pulled for inventory)

3. GFM inventory balance variances of 10% or more and out of balance inventory as reported in enclosure (2), have been reviewed, adequately justified, and adjusted by authorized approval authority.

4. The point of contact regarding this certification is (name, code, email, phone number).

Signature
Typed Name

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Copy to:
Retention File

VOLUME 10: APPENDIX D

**“GOVERNMENT FURNISHED PROPERTY (GFP) AND LOANED
 PROPERTY, PLANT, & EQUIPMENT (PP&E) INVENTORY LISTING”**

SUMMARY OF SUBSTANTIVE CHANGES

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CHAPTER VERSION	PAGE PARAGRAPH	SUMMARY OF SUBSTANTIVE CHANGES	DATE OF CHANGE

APPENDIX D

**APPENDIX E GOVERNMENT FURNISHED PROPERTY (GFP) AND LOANED
PROPERTY, PLANT, & EQUIPMENT (PP&E) INVENTORY LISTING**

Report Control Symbol DD-4400-53 (External Report Control Symbol DD-AT&L(Q)1575)

The information provided and described below will be provided in a spreadsheet type format and be included as an enclosure to the GOVERNMENT FURNISHED PROPERTY (GFP)/LOANED PLANT, PROPERTY, AND EQUIPMENT (PP&E) INVENTORY REPORT, Appendix C. The information in bold capital letters identifies the requirement followed by a brief description of the required input.

1. **ITEM NUMBER** - Sequential count beginning with first entry.
2. **DATE PULLED** - Date the data for the inventory report was pulled from the APSR.
3. **COMMAND & DoDAAC** – Provide the DoDAAC and command name of the accountable officer.
4. **PROGRAM MANAGER** - Program Manager Code (*ex. PEO LS, PM ICCE*).
5. **POC NAME** – Provide the First Name, MI, Last Name (rank if applicable) of the command's Point of Contact (POC).
6. **POC PHONE NUMBER** – Provide the phone number (commercial and DSN) of the Command's POC.
7. **POC EMAIL** – Provide the e-mail address of the command's POC.
8. **NATIONAL STOCK NUMBER (NSN)/MARINE CORPS STOCK NUMBER (MCSN)** - Provide the NSN/MCSN of the GFP/loaned PP&E item (*ex. 1240004597780*).
9. **NOMENCLATURE AND DESCRIPTION** - Provide the nomenclature and description of the GFP/loaned PP&E item (*ex. TELESCOPE ELBOW M16*).
10. **PART/MODEL NUMBER** - Provide the Part/Model Number of the GFP/loaned PP&E item (*ex. 7597780*).
11. **TYPE DESIGNATION** – Type designation is a combination of letters and numbers arranged in a specific sequence to provide a short, significant method of identification for an item (*ex. AH-1, M1114*). Type designations for major end items, assemblies and subassemblies are derived from the following documents:
 - DoD 4120.15-L, Model Designation of Military Aerospace Vehicles, May 12, 2004
 - MIL-HDBK 1812, Type Designation, Assignment and Method of Obtaining, February 14, 1997
 - MIL-STD-196E, Joint Electronic Type Designation System, February 17, 1998

- MIL-STD-1661(OS), Mark and Mod Nomenclature System, August 1, 1978
- MIL-STD-1464A(AR), Army Nomenclature System, May 15, 1987
- SECNAVINST 5030.8, Classification of Naval Ships and Craft, November 21, 2006.

12. UNIT OF MEASURE – Provide the unit of measure, AKO unit of issue, of the GFP/loaned PP&E item (*ex. EA, ST, RL, etc.*).

13. QUANTITY – Provide quantity of unit of measure of the GFP/loaned PP&E item.

14. UNIT ACQUISITION COST – Provided the unit acquisition cost of the GFP/loaned PP&E item (*ex. \$1,313.00*).

15. POSTING REFERENCE (I.E., PIIN) – Provide the receiving report number, contract number, purchase order, other PIIN, or invoice number which placed the GFP/loaned PP&E item into the Marine Corps inventory.

16. DUNS OR CAGE CODE - Manufacture DUNS is a unique nine-digit identification number to better identify organizations. Commercial and Government Entity (CAGE) code is a five-character data element assigned by Defense Logistics Information Service to identify a commercial or Government entity. Provide the appropriate DUNS/CAGE code for the manufacturer of the GFP/loaned PP&E item.

17. ACCEPTANCE DATE – Provide the date the GFP/loaned PP&E item was placed into service at the Marine Corps.

18. ACCEPTANCE LOCATION – Provide the location of acceptance or DoDAAC of accepting agency which accepted the GFP/loaned PP&E item into service at the Marine Corps.

19. UNIQUE ITEM IDENTIFIER (UII) - Provide the UII of the GFP/loaned PP&E item as it appears on the UII data plate. Required for all serialized assets. Leave blank if non-serialized asset.

20. OEM SERIAL NUMBER - Provide Original Equipment Manufacturer (OEM) Serial Number of the GFP/loaned PP&E item as it appears on the GFP/loaned PP&E item. Required for all serialized assets. Leave blank if non-serialized asset.

21. MARINE CORPS SERIAL NUMBER - Provide the MCSN of the GFP/loaned PP&E item as it appears on the asset, if applicable (*ex. USMC10002512*). Leave blank in non-serialized asset.

22. CATEGORY CODE - Provide the category code of the GFP/loaned PP&E item. Input “E” for Equipment (GFE) or “M” for Material (GFM).

NOTE: Entries of “M” are used for the completion of the Government-Furnished Material Inventory Summary Report.

23. OM&S CLASSIFICATION (GFM ONLY) - Provide appropriate operating materials and supplies (OM&S) classification for all GFM items. These are those items with a category code of “M” entered in column 22. OM&S classifications are as follows:

HFU - Held For Use
HFFU - Held in Reserve for Future Use
HFR - Held for Repair
E - Excess
O - Obsolete
U - Unserviceable.

NOTE: Refer to Chapter 4, Volume 4 of the DoD Financial Management Regulation for descriptions.

NOTE: These entries are used for the completion of the Government-Furnished Material Inventory Summary Report.

24. CONDITION CODE - Respective material or equipment condition code. Condition codes are as follows:

- A - Serviceable Issuable Without Qualification
- B - Serviceable Issuable With Qualification
- C - Serviceable Priority Issue
- D - Serviceable Test/Modification
- E - Unserviceable Repairable (Limited Cost to Restore)
- J - Suspended (In Stock)
- K - Suspended (Returns)
- L - Suspended (In Litigation)
- Q - Suspended (Quality Deficient Exhibits)
- F - Unserviceable Repairable
- G - Unserviceable Incomplete
- M - Suspended (In Work)
- R - Suspended (Reclaimed Items, Awaiting Condition Determination)
- P - Unserviceable Reclamation/Salvage
- H - Condemned Unserviceable
- S - Condemned Scrap
- V - Condemned Waste Military Munitions (WMM)

NOTE: These entries are used for the completion of the Government-Furnished Material Inventory Summary Report.

25. CUSTODIAL CONTRACT NUMBER - The custodial contract number is the corresponding contract number or date time group (DTG) of the message approving the loan of PP&E which identifies the asset as a GFP/loaned PP&E requirement. Input for GFP will include the contract number and the most recent modification number when applicable (ex. M6700411C1111, MOD #2). Input for loaned PP&E will be the DTG of the message approving the loan of PP&E (ex. 121524Z AUG 10).

26. CLIN/SLIN/ELIN- All GFP items must be delivered on a contract line item (CLIN) or subline item (SLIN). Exhibit line items (ELINs) may be used on the contract to provide additional

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information. Provide the appropriate CLIN/SLIN/ELIN identifying the delivery of GFP from the custodial contract number. Leave blank if loaned PP&E.

27. PERIOD OF PERFORMANCE START DATE – Provide the period of performance start date as identified in the custodial contract/approval to the loan PP&E message (*ex. 20120501*).

28. PERIOD OF PERFORMANCE END DATE – Provide the period of performance end date as identified in the custodial contract/approval to the loan PP&E message (*ex. 20130501*).

29. CONTRACTOR DoDAAC – Provide the DoDAAC of the contractor/external agency receiving GFP/loaned PP&E as it appears on the custodial contract/approval to the loan PP&E message.

30. CONTRACTOR NAME – Provide the name of contractor/external agency receiving GFP/loaned PP&E as it appears on the custodial contract/approval to the loan PP&E message.

31. CONTRACT POC – Provide the name of the contractor/external agency POC as it appears on the custodial contract/approval to the loan PP&E message.

32. SENT DATE – Provided the date of physical delivery of the GFP/loaned PP&E item to the receiving agency.

33. RECEIVED DATE – Provide the date of physical receipt of the GFP/loaned PP&E by the receiving agency.

34. AS IS - At its option, the Government may, furnish government property in an “as-is” condition. In such cases, the Government makes no warranty. Identify “as is” conditions with a “Yes.” Identify non “as is” conditions with a “No.”

VOLUME 10: APPENDIX E

“GOVERNMENT FURNISHED MATERIAL (GFM) SUMMARY REPORT”

SUMMARY OF SUBSTANTIVE CHANGES

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APPENDIX E

GOVERNMENT FURNISHED MATERIAL (GFM) SUMMARY REPORT

Report Control Symbol DD-4400-53 (External Report Control Symbol DD-AT&L(Q)1575)

The information provided and described below will be provided in a spreadsheet type format and be included as an enclosure to the GOVERNMENT FURNISHED PROPERTY (GFP)/LOANED PLANT, PROPERTY, AND EQUIPMENT (PP&E) INVENTORY REPORT, Appendix C. The information in bold capital letters identifies the requirement followed by a brief description of the required input.

SECTION I - INVENTORY VALUE

- 1. REPORTING DoDAAC** – Enter the reporting agency’s DoDAAC.

- 2. LEDGER ACCOUNT** - DoD FMR Volume 4, Chapter 4 describes the ledger accounts in which OM&S must be reported in the financial statements as required by the Treasury and for other reporting requirements mandated by Congress and Office of Management and Budget. Each account must be updated based on applicable source documents. Source documents includes contracts, invoices, receiving reports, payment vouchers, material-return documents, transfer documents, inventory documents, issue and shipping documents, sales records, and documented gains and losses. Detailed posting transactions are outlined in the Standard Financial Information Structure (SFIS) transaction library at United States Standard General Ledger SFIS Transaction Library. Descriptions of the U.S. Standard General Ledger (USSGL) accounts for operating materials and supplies are provided below.

- 3. CONDITION CODES** - Supply condition codes classify material in terms of readiness for issue and use or identify action underway to change the status of material. Supply condition codes currently in use within the DoD are defined in DoD 4000.25-2-M, “Military Standard Transaction Reporting and Accounting Procedures.” OM&S recorded in financial records should be identifiable to OM&S recorded in APSR and vice versa. The relationship of APSR condition codes USSGL financial inventory accounts is provided below.

Operating Materials and Supplies Held for Use (Account 1511). Used to record the value of materials and supplies held for use in normal operations. Materials and supplies should not exceed the amount expected to be used within normal business operations unless documentation justifying an excess supply is developed and maintained for review. This account is used to record the initial acceptance of materials and supplies in transit when title has passed but the items have not been received and accepted. Items in transit between DoD accounting entities must be kept under financial accounting control at all times. As such, this account is intended to be used by any DoD Component that maintains supplies and materials. Use this account to record amounts for OM&S with Condition Codes A-D up to the AAO. **[Excludes Excess, Economic Retention and Contingency Retention OM&S]**

- A - Serviceable Issuable Without Qualification
- B - Serviceable Issuable With Qualification
- C - Serviceable Priority Issue
- D - Serviceable Test/Modification

Operating Materials and Supplies Held in Reserve for Future Use (Account 1512). Account is used to record the value of stocks of materials and supplies maintained because they are not readily available in the market and there is more than a remote chance that they will eventually be needed, although not necessarily in the normal course of operations. Use this account to record amounts for OM&S with Condition Codes A-D, E, J, K, L, and Q that is above the AAO and is retained for economic or contingency purposes. **[Excludes Excess OM&S]**

- E - Unserviceable Repairable (Limited Cost to Restore)
- J - Suspended (In Stock)
- K - Suspended (Returns)
- L - Suspended (In Litigation)
- Q - Suspended (Quality Deficient Exhibits)

Operating Materials and Supplies Held for Repair or Remanufacturing (Account 1514). Account is used to record the value of materials and supplies that are not in usable condition, but can be economically repaired. The objective is to rebuild items as an alternative and rotating source of supply. Once rebuilt, the items will be returned to Operating Materials and Supplies Held for Use. Use this account to record amounts for all OM&S with Condition Codes F, G, M, and R. **[Excludes Excess OM&S]**

- F - Unserviceable Repairable
- G - Unserviceable Incomplete
- M - Suspended (In Work)
- R - Suspended (Reclaimed Items, Awaiting Condition Determination)

Operating Materials and Supplies – Excess, Obsolete and Unserviceable (Account 1513). Account is used to record the value of operating materials and supplies (serviceable or unserviceable) that exceed the amount expected to be used in normal operations and do not meet management's criteria to be held in reserve for future use. Obsolete operating materials and supplies include stocks that are no longer needed due to changes in technology, laws, customs or operations. Unserviceable operating materials and supplies are items that are physically damaged and cannot be consumed in operations. Use this account to record amounts for OM&S that is NOT reportable in USSGL accounts 1511, 1512, or 1514. The OM&S reported using this account must be valued at its Net Replacement Value. **[Includes Serviceable and Unserviceable Excess OM&S]**

- P – Unserviceable Reclamation/Salvage
- H – Condemned Unserviceable
- S – Condemned Scrap
- V – Condemned Waste Military Munitions (WMM)

4. CURRENT SEMI-ANNUAL VALUE (\$ VALUE) – Input dollar value for current semi-annual inventory value per respective *LEDGER ACCOUNT/CONDITION CODE* combination.

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5. PRIOR SEMI-ANNUAL VALUE (\$ VALUE) - Input dollar value for prior semi-annual inventory value per respective *LEDGER ACCOUNT/CONDITION CODE* combination. This value should correspond with the *CURRENT SEMI-ANNUAL VALUE* from the most recently submitted inventory report for respective *LEDGER ACCOUNT/CONDITION CODE* combinations.

6. VARIANCE (%) – Calculate the percentage variance between the *CURRENT SEMI-ANNUAL VALUE* and *PRIOR SEMI-ANNUAL VALUE*. Equation for calculation is $(CURRENT SEMI-ANNUAL VALUE - PRIOR SEMI-ANNUAL VALUE) / PRIOR SEMI-ANNUAL VALUE$.

7. DATE PULLED (YYYYMMDD) – Input the date (YYYYMMDD format) the data was pulled.

8. TOTAL VALUE OF INVENTORY – Input the total value of all *LEDGER ACCOUNT/CONDITION CODE* combination input for each column heading.

SECTION II - VARIANCE EXPLANATION

9-12. Explain any variances of plus or minus (+/-) of 10% for the reporting period for each *LEDGER ACCOUNT/CONDITION CODE* combination as determined in the VARIANCE (all block 6) calculations of **SECTION I – INVENTORY VALUE**.

SECTION III - SOURCE SYSTEM AND TRANSACTION SUMMARY

13. TOTAL RECEIPTS – Enter the total dollar value of the receipts that increased the dollar value of the inventory for the reporting semi-annual report. This normally includes Document Identifier Codes starting with D6; iRAPT receipts; or receipts reported by the MCA.

14. TOTAL ISSUES - Enter the total dollar value of the issues that decreased the dollar value of the inventory for the reporting semi-annual report. This normally includes Document Identifier Codes starting with D7; or part of a contractor consumption report.

15. TOTAL GAINS - Enter the dollar value of transactions that had a financial impact on the value of the inventory. Do not include gains that had no monetary impact on the value of the inventory. This normally includes Document Identifier Codes starting with D8; or contractor acquired property now classified as GFM.

16. TOTAL LOSSES - Enter the dollar value of transactions that had a financial impact on the value of the inventory. Do not include losses that had no monetary impact on the value of the inventory. This normally includes Document Identifier Codes starting with D9 reported on Lost, Theft, Damaged, and Destroyed or Plant Clearance Automated Reutilization Screening System.

17. BALANCE VERIFICATION - The calculated balance that uses the previously reported total value of inventory value provided by the reporting activity (block 8b) and adds and subtracts the sum of the transactions that affected the inventory values during the reporting period as reported by the reporting command (blocks 13-16). If there is a difference between the calculated inventory balance (block 17f) and the current total value of inventory (block 8a), the reporting activity must provide a detail explanation of why the previous inventory values plus the transactions totals do not equal what is being reported for the current reporting period..

17a. PRIOR SEMI-ANNUAL BALANCE - Value calculated in block 8b - *TOTAL VALUE OF INVENTORY - PRIOR SEMI-ANNUAL VALUE*.

17b. TOTAL RECEIPTS – Value input in block 13 - *TOTAL RECEIPTS*.

17c. TOTAL ISSUES – Value input in block 14 - *TOTAL ISSUES*.

17d. TOTAL GAINS – Value input in block 15 – *TOTAL GAINS*.

17e. TOTAL LOSSES – Value input in block 16 - *TOTAL LOSSES*.

17f. CALCULATED CURRENT S/A INVENTORY – Calculated current Semi-Annual Inventory Value. Equation for calculation is (block 17a + block 17b - block 17c + block 17d - block 17e).

17g. REPORTED INVENTORY - Value calculated in block 8a - *TOTAL VALUE OF INVENTORY – CURRENT SEMI-ANNUAL VALUE*.

17h. OUT OF BALANCE CONDITION – Calculated difference between the *CALCULATED CURRENT S/A INVENTORY* value and *REPORTED INVENTORY* Value. Equation for calculation is (block 17g - block 17f).

18. SYSTEM OF SOURCE DATA ORIGINATION - Enter the system from which the data was provided (e.g., DPAS, GCSS-MC, CAV-II).

19. OUT OF BALANCE EXPLANATION - Required if the *OUT OF BALANCE CONDITION* is not equal to 0.

NOTE: For current values, report the latest acquisition cost or unit of issue cost.

SECTION IV - DATA CALL CERTIFICATIONS

To comply with reporting requirements, reporting information must be reviewed to ensure financial information is reported accurately. This section provides assurance to the Fiscal Director of the Marine Corps that the financial information being reported has been reviewed and is being reported accurately. Certification by the verifying official must be provided. Reports used to obtain the financial information being provided must be retained in accordance with the financial records retention requirements and be made available upon request by auditors or other reviewing officials.

20. PREPARED BY – Individual preparing the summary report is required to certify the report this section.

20a. NAME - Name of individual preparing summary report.

20b. RANK - Rank of individual preparing summary report.

20c. DATE - Date individual preparing summary report provided signature.

20d. SIGNATURE - Signature of individual preparing summary report.

21. VERIFIED BY – Individual verifying the summary report is required to certify the report in this section.

21a. NAME - Name of individual verifying summary report.

21b. RANK - Rank of individual verifying summary report.

21c. DATE - Date individual verifying summary report provided signature.

21d. SIGNATURE - Signature of individual verifying summary report