

3.10.3-14 Inventories (February 2003)

(a) Monthly Inventories

(1) The Contractor shall provide to the TSA's Property Administrator a quarterly (or other time frame as agreed to by the Contractor and the Contracting Officer) listing of all Government property in their possession (this includes GFP and CAP).

(2) The Contractor may electronically reproduce standard inventory schedule forms provided no change is made to the name, content or sequence of the data elements. All essential elements of data must be included and the form must be signed.

(3) The Contractor shall use inventory schedule to report all transaction of Government property in Contractor's possession or control and shall cause subcontractors to do likewise.

(b) Physical Inventories.

The Contractor shall periodically physically inventory all Government property (except materials issued from stock for manufacturing, research, design, or other services required by the contract) in its possession or control and shall cause subcontractors to do likewise. The Contractor, with the approval of the Property Administrator, shall establish the type, frequency, and procedures. These may include electronic reading, recording and reporting or other means of reporting the existence and location of the property and reconciling the records. Type and frequency of inventory shall be based on the Contractor's established practices, the type and use of the Government property involved, or the amount of Government property involved and its monetary value, and the reliability of the Contractor's property control system. Type and frequency of physical inventories normally shall not vary between contracts being performed by the Contractor, but may vary with the type of property being controlled. Personnel who perform the physical inventory should not be the same personnel who prepare the monthly inventories.

(c) Inventories upon termination or completion.

(1) General. Immediately upon termination or completion of a contract, the Contractor shall perform and cause each subcontractor to perform a physical inventory, adequate for disposal purposes, of all Government property applicable to the contract, unless the requirement is waived as provided in paragraph (2) below.

(2) Exception. The requirement for physical inventory at the completion of a contract may be waived by the Property Administrator when the property is authorized for use on a follow-on contract; provided, that:

(i) Experience has established the adequacy of property controls and an acceptable degree of inventory discrepancies; and

(ii) The Contractor provides a statement indicating that record balances have been transferred in lieu of preparing a formal inventory list and that the Contractor accepts responsibility and accountability for those balances under the terms of the follow-on contract.

(3) Listings for disposal purposes. (Note: This paragraph (3) applies only to nonprofit organizations.)

(i) Standard items that have been modified may be described on listings for disposal purposes as standard items with a general description of the modification.

(ii) Items that have been fabricated, such as test equipment, shall be described in sufficient detail to permit a potential user to determine whether they are of sufficient interest to warrant further inspection.

(d) Reporting results of inventories. The Contractor shall, as a minimum, submit the following to the TSA Property Administrator promptly after completing the physical inventory:

(1) A listing that identifies all discrepancies disclosed by a physical inventory.

(2) A signed statement that physical inventory of all or certain classes of Government property was completed on a given date and that the official property records were found to be in agreement except for discrepancies reported.

(e) Quantitative and monetary control. When requested by the Property Administrator, the Contractor's reports of results of physical inventory shall be prepared on a quantitative and monetary basis and segregated by categories of property.

(End of clause)

PRESCRIPTION

Shall be used in all RFI/RFPs and contracts that include Government property.