

**SUBPART 245.5—MANAGEMENT OF GOVERNMENT PROPERTY IN THE
POSSESSION OF CONTRACTORS**

(Revised May 19, 2006)

See DoD Class Deviation [99-O0008](#), Federal Acquisition Regulation (FAR) Part 45, issued on July 13, 1999. This deviation is effective until incorporated into the FAR.

245.505 Records and reports of Government property.

245.505-3 Records of material.

If adequate controls are in place to meet the requirements of the clause at 252.242-7004, Material Management and Accounting System, the contractor's material control system may physically commingle inventories that may include materials for which costs are charged or allocated to fixed-price, cost-reimbursement, and commercial contracts. Government-furnished material (GFM) may not be physically commingled with other material, nor may GFM be used on contractor's commercial work.

245.505-5 Records of plant equipment.

(a) The contractor may use DD Form 1342, DoD Property Record, as a source document for setting up prescribed records.

245.505-6 Special reports of plant equipment.

The contractor shall prepare a DD Form 1342 in accordance with instructions contained in AR 700-43/NAVSUP PUB 5009/AFM 78-9/DLAM 4215.1, Management of Defense-Owned Industrial Plant Equipment (IPE)—

(1) Upon receipt and acceptance of each item of IPE including items which, though part of a manufacturing system, would otherwise qualify as IPE;

(2) Whenever major changes occur in the data initially submitted to Defense Supply Center Richmond (DSCR) (as specified by DLAM 4215.1);

(3) When IPE, including general purpose components of special test equipment which otherwise qualify as IPE, is no longer required for the purpose authorized or provided; or

(4) When disposal is completed.

245.505-14 Reports of Government property.

(a) Use the clause at 252.245-7001, Reports of Government Property, in all solicitations and contracts containing one of the following clauses—

(1) FAR 52.245-2, Government Property (Fixed-Price Contracts);

(2) FAR 52.245-5, Government Property (Cost Reimbursement, Time-and-Material, or Labor-Hour Contracts);

(3) FAR 52.245-7, Government Property (Consolidated Facilities);

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- (4) FAR 52.245-10, Government Property (Facilities Acquisition); or
- (5) FAR 52.245-11, Government Property (Facilities Use).