



**Department of Energy
Acquisition Regulation**

**No. 2009-04
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ACQUISITION LETTER

This Acquisition Letter is issued under the authority of the DOE and NNSA Procurement Executives.

Subject: Management of Excess Weapons Inventories and Selective Sensitive Equipment.

References:

41 Code of Federal Regulations (CFR) 109-1, Department of Energy (DOE) Federal Property Management Regulations
48 CFR 52.245-1, Government Property
DOE Guide 580.1-1, DOE Personal Property Management Guide
DOE Order 580.1-1, DOE Personal Property Management,
Contractor Requirements Document (CRD), Attachment 2, as set forth in the DOE O 580.1
Department of Energy Acquisition Regulation 970.5245-1, Property
Federal Acquisition Regulation Part 45, Government Property

When is this Acquisition Letter (AL) Effective?

This AL is effective upon issuance.

When Does this AL Expire?

This AL remains in effect until new property regulatory guidance is issued or it is superseded or canceled.

Who is the Point of Contact?

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What is the Purpose of this AL?

The purpose of this AL is to ensure that, Contracting Officers (CO), Organizational Property Management Officers (OPMO), Property Administrators (PA), other DOE/NNSA officials, as well as contractors effectively manage inventories of excess weapons and high risk/sensitive equipment. This AL establishes a specific timeline for placing items in the screening process once they are identified/declared excess.

What is the Background?

In fiscal year 2008, the Office of Inspector General (OIG) conducted an audit of several DOE offices. The purpose of the audit was to determine whether the Department and its contractors were properly managing excess weapons inventories and selected sensitive equipment.

While the OIG audit validated that DOE and its contractors have instituted effective accountability measures for high risk/sensitive equipment, the audit also identified issues relating to the retention of large quantities of excess weapons and the failure to identify and track sensitive items in a timely manner. Excess weapons, weapon sights, scopes, and gas masks were specifically identified. The OIG also recommended that DOE update its guidance to ensure timely identification of high risk/sensitive equipment and to clarify the types of defensive and tactical equipment that are considered high risk/sensitive.

Current guidance governing DOE and contractor obligations for managing and identifying high risk/sensitive property are contained in the following:

- Federal Property Management Regulation, 41 CFR 109-1.53, which prescribes high risk personal property as property that, because of its potential impact on public health and safety, the environment, national security interests, or proliferation concerns, must be controlled, and disposed of in other than the routine manner. The categories of high risk property are automatic data processing equipment, especially designed or prepared property, export controlled information, export controlled property, hazardous property, nuclear weapon components or weapon-like components, proliferation sensitive property, radioactive property, special nuclear material, and unclassified controlled nuclear information.
- Federal Acquisition Regulation (FAR), 48 CFR 52.245-1, Government Property, which prescribes sensitive property as property potentially dangerous to the public safety or security if stolen, lost, or misplaced, or that shall be subject to exceptional physical security, protection, control, and accountability. Examples include weapons, ammunition, explosives, controlled substances, radioactive materials, hazardous materials or wastes, or precious metals.
- DOE Personal Property Management Program, DOE Order 580, which prescribes that sensitive items are items, regardless of value, that require special control and accountability

because of susceptibility to unusual rates of loss, theft, or misuse or due to national security and export control considerations. Items include, but are not limited to, weapons, ammunition, explosives, classified property, laptops, computers, personal digital assistants, other information technology equipment and removable components with memory capability, unless the OPMO and/or CO determines, with concurrence of the property executive or designee.

- DOE Personal Property Management Guide DOE G 580.1-1, prescribes that high risk personal property should be managed and controlled in an efficient manner throughout its life cycle. In addition, high risk personal property should be managed so as to protect the public and DOE personal safety and to advance the national security and the nuclear nonproliferation objectives of the United States. The disposition of high risk personal property is subject to special considerations.

What is the Guidance Provided by this AL?

- A. Pursuant to these aforementioned requirements, CO, other responsible DOE/NNSA officials (OPMO, PA, e.g.), and DOE contractors, must ensure DOE excess personal property is screened for Departmental reutilization using the Energy Asset Disposal System (EADS). Property not selected for DOE use that is eligible for further screening is automatically screened Government-wide in GSAXcess. Excess assets will be placed in EADS as required by 48 CFR Chapter 1, part 45, subpart 45.6, not later than sixty (60) days from the date the asset is first identified as excess.
- B. All items, regardless of value, that require special control and accountability due to high susceptibility rate for loss, theft, misuse, or due to national security and export control considerations, shall be listed as high risk/sensitive property. Equipment such as gun scopes and sights, body armor and gas masks, meet these characteristics and shall be identified and listed as high risk/sensitive property.
- C. DOE offices may excess weapons to those federal agencies authorized to acquire firearms for official use and to state agencies for law enforcement purposes only. NNSA offices may only excess weapons to federal entities.
- D. The Office of Procurement and Assistance Management's Personal Property Management Division (MA-632) should be consulted regarding questions pertaining to whether certain assets are considered high risk/sensitive.