

COMPANY Part Marking and Valuation Guidance (Part A and Potentially Part D)

UID MARKING AND VALUATION GUIDANCE.

The following provides Business areas and units guidance based on the interim DFARS 211.274-1 and DFARS 252.211-7003. For marking and valuation, an “item” is defined as a single hardware article or unit formed by a grouping of subassemblies, components or constituent parts required to be delivered, under a Contract Line Item Number (CLIN), Subline Item Number (SLIN) or Exhibit Line Item Number (ELIN), in accordance with the terms and conditions of a contract.

UID Marking Requirements:

- All items for which the Government’s unit acquisition cost is \$5,000 or more. In order to qualify as an item, it must be a contract deliverable under a contract line item, sub-line item or exhibit line item number.
- Items for which the Government’s unit acquisition cost is less than \$5,000, but for which the contract requires unique item identification. The items to be marked must be a deliverable under a contract line item, sub-line item or exhibit-line item number, but they must also be listed in subparagraph (c)(1)(ii) of the DFARS clause 252.211-7003.
- Subassemblies, components, and parts embedded within items if specified in a CDRL or other exhibit specifically listed in subparagraph (c)(1)(iii) of the clause.

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UID Valuation Requirements:

- **When submitting a Material Inspection and Receiving Report for an “item,” contractors must report the Government’s unit acquisition cost (also known as the item’s valuation). However, the Material Inspection and Receiving Report does not require reporting of the Government’s unit acquisition cost (valuation) for embedded subassemblies, components, and parts requiring unique item identification.**
- **COMPANY’s common approach to establishing the appropriate value for the UID items is as follows:**
 - ***For fixed-price type line, subline, or exhibit line items, use the unit price identified in the contract at the time of delivery.***
 - ***For cost-type line, subline, or exhibit line items, where the estimated cost and fee are discretely provided, use that value as our estimate of the fully burdened unit cost to the Government for the item at the time of delivery. If the estimated cost and fee are not discretely identified, use only the recurring cost plus a proportional share of the estimated fee for the item (unless the non-recurring costs cannot be segregated from the recurring costs) as our estimate of the fully burdened unit cost to the Government for each item at the time of delivery.***
 - ***The Government’s unit acquisition cost of embedded subassemblies, components, and parts in delivered items need not be identified.***