

**§ 1305.2 Definitions.**

\* \* \* \* \*

(k) *Indian Tribe* means any tribe, band, nation, pueblo, or other organized group or community of Indians, including any Native village described in section 3 (c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602 (c)) or established pursuant to such Act (43 U.S.C. 1601 *et seq.*), that is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians.

\* \* \* \* \*

(m) *Migrant family* means, for purposes of Head Start eligibility, a family with children under the age of compulsory school attendance who changed their residence by moving from one geographic location to another, either intrastate or interstate, within the preceding two years, for the purpose of engaging in agricultural work that involves the production and harvesting of tree and field crops and whose family income comes primarily from this activity.

\* \* \* \* \*

3. Section 1305.3 is amended by revising paragraph (a), redesignating current paragraphs (b) through (f) as paragraphs (c) through (g), and adding a new paragraph (b) to read as follows:

**§ 1305.3 Determining community needs.**

(a) Each grantee must identify its proposed service area in its Head Start grant application and define it by county or sub-county area, such as a municipality, town or census tract or a federally recognized Indian reservation. With regard to Indian Tribes, the service area may include Indian families living in areas designated as near-reservation by the Bureau of Indian Affairs (BIA), or in the absence of such a designation, areas within the Tribe's approved service area. A Tribe lacking a BIA near-reservation designation may propose to define its service area to include Indian children and families native to the reservation living in near-reservation areas, provided the service area is approved by the Tribe's governing council.

(b) The grantee's service area must be approved, in writing, by the responsible HHS official in order to assure that the service area is of reasonable size and, except in situations where a near-reservation designation has been approved for a Tribe, does not overlap with that of other Head Start grantees.

\* \* \* \* \*

4. Section 1305.4 is amended by revising paragraph (b) to read as follows:

**§ 1305.4 Age of children and family income eligibility.**

\* \* \* \* \*

(b)(1) At least 90 percent of the children who are enrolled in each Head Start program must be from low-income families.

(2) Except as provided in paragraph (b)(3) of this section, up to ten percent of the children who are enrolled may be children from families that exceed the low-income guidelines but who meet criteria the program has established for selecting such children and who would benefit from Head Start services.

(3) A Head Start program operated by an Indian Tribe may enroll more than ten percent of its children from families whose income exceeds the low-income guidelines when the following conditions are met:

(i) All children from Indian and non-Indian families living on the reservation that meet the low-income guidelines who wish to be enrolled in Head Start are served by the program.

(ii) All children from income-eligible Indian families native to the reservation living in near-reservation communities, if those communities are approved as part of the Tribe's service area, who wished to be enrolled in Head Start are served by the program;

(iii) The Tribe has the resources within its Head Start grant or from non-Federal sources to enroll these children, without using additional funds from HHS intended to expand Head Start services; and

(iv) At least 51 percent of the children to be served by the program are from families that meet the income-eligibility guidelines.

(4) Programs who meet the conditions of paragraph (b)(3) of this section must annually set criteria that are approved by the Policy Council and the Tribal Council for selecting over-income children who would benefit from such a program.

\* \* \* \* \*

5. Section 1305.6 is amended by revising paragraph (b) to read as follows:

**§ 1305.6 Selection process.**

\* \* \* \* \*

(b) In selecting the children and families to be served, the Head Start program must consider the income of eligible families, the age of the child, the availability of kindergarten or first grade to the child, and the extent to which a child or family meets the criteria that each program is required to establish in § 1305.3(c)(6). Migrant programs must give priority to children from families whose work required them to relocate

most frequently within the previous two-year period.

\* \* \* \* \*

6. Section 1305.7 is amended by revising paragraph (c) to read as follows:

**§ 1305.7 Enrollment and re-enrollment.**

\* \* \* \* \*

(c) If a child has been found income eligible and is participating in a Head Start program, he or she remains income eligible through that enrollment year and the immediately succeeding enrollment year. An exception to this are children who are enrolled in a program receiving funds under the authority of section 645A of the Head Start Act, programs for families with infants and toddlers. Such children remain eligible for Head Start services until such time as their family applies for enrollment in a Head Start program serving children between the ages of three to compulsory school attendance. When a child moves from a program serving infants and toddlers to a Head Start program serving children age three and older, the family's income eligibility must be reverified if it is two or more years since this has been done.

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**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION**

**48 CFR Parts 1845 and 1852**

**Revision to NASA FAR Supplement Coverage on Government Property**

**AGENCY:** Office of Procurement, Contract Management Division, National Aeronautics and Space Administration (NASA).

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This rule proposes to amend the regulations pertaining to government property reporting by contractors, due to revisions of the reporting form, to clarify and simplify the reporting requirements and instructions, and make necessary changes to affected provisions and clauses. NASA has made extensive changes to its process of financial reporting of Government-Owned/ Contractor-Held property. These changes were made necessary by the Chief Financial Officers Act of 1990, streamlining required by the National Performance Review, the need for more uniformity in reporting requirements between NASA and the Department of Defense (DOD), and changing internal management needs for information within NASA.

**DATES:** Comments must be received on or before December 26, 1995.

**ADDRESSES:** Submit comments to Larry G. Pendleton, Contract Management Division (Code HK), Office of Procurement, NASA Headquarters, Washington, DC 20546. Comments on the paperwork burden should also be addressed to the Office of Information and Regulatory Affairs of OMB, Attention: Desk Officer for NASA, Washington, DC 20503.

**FOR FURTHER INFORMATION CONTACT:** Mr. Larry G. Pendleton, (202) 358-0487.

**SUPPLEMENTARY INFORMATION:**

**Background**

The Chief Financial Officers (CFO) Act requires, among other things, that Federal agencies produce audited annual financial statements. At NASA, CFO Act audits have been performed by the Office of the Inspector General. Experience over the last three years with this process has led to changes in the reporting period and due date for receipt of contractor and grantee property reports, and identification of other necessary or desirable changes to property reporting. Other broad policy changes are being considered elsewhere, such as the work being done by the Federal Accounting Standards Advisory Board on accounting for Property, Plant and Equipment, and the rewrite of Federal Acquisition Regulation (FAR) Part 45 by a team led by the DOD. To the extent possible, these efforts have been considered in formulating changes to NASA regulations. Of primary concern has been the need to obtain timely, accurate financial information on NASA property in the custody of contractors in a way that minimizes impact on reporting entities.

**Changes Highlights**

Revisions to NASA Form (NF) 1018 and related regulations incorporate the following:

A. The Annual List of Selected Items of Space Hardware has been eliminated. The term "space hardware" is replaced by "agency-peculiar property" (APP) to be consistent with the Federal Acquisition Regulation, and contractors will report all property in their possession meeting the NASA FAR Supplement (NFS) definition of APP.

B. Schedule II, Space Hardware Reportable Items, of the current NF 1018 has been eliminated as unnecessary. The NF 1018 will be a single page, with instructions on the back, rather than the present three-page form, and instructions.

C. The NF 1018 title and format have been changed to make them more

consistent with the DD Form 1662. Use of the DD Form 1662 only was considered, but NASA information requirements precluded this option.

D. The requirement for a breakout of contractor-acquired property by funding classification has been eliminated.

E. A requirement to report quantities by property category has been added to provide necessary management information.

F. A requirement to breakout plant equipment by items over and under \$5,000 has been added. Accounting information is required for items over \$5,000 as this is the NASA capitalization threshold, consistent with General Accounting Office standards. Property management information is needed, however, for all plant equipment.

G. A category for "Construction in Progress" has been added to be consistent with the Government-wide Standard General Ledger and NASA financial statements.

H. The term "disposals" has been changed to "deletions" to be consistent with the DD Form 1662. Specific categories have been provided on the NF 1018 to make it simpler for contractors to classify the type of deletion, and for property management purposes.

I. The lower section of the form has been revised to provide better information on contact persons and on contractor property system reviews.

J. Reporting instructions on the NF 1018 have been revised to eliminate duplication with regulatory language in the NFS.

K. Regulations have been changed to eliminate the optional use of monthly or quarterly reporting in accordance with the Presidents Memorandum of April 21, 1995, on regulatory reform and reduction of reports.

L. Contract clauses have been changed to:

- (1) Make clear that NF 1018 submissions must be received by the cognizant NASA offices not later than October 31 of each reporting year; and
- (2) Provide for withholding of payment on invoices when required NF 1018 reports are not received.

**Regulatory Flexibility Act**

NASA certifies that these regulation changes will not have a significant economic impact on a substantial number of small entities under Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*).

**Paperwork Reduction Act**

This rule proposes to change the following report that was approved by

the Office of Management and Budget (OMB) and assigned OMB Control Number 2700-0017. A copy of the proposed rule has been submitted to OMB for review under section 3507(d) of the Paperwork Reduction Act.

*Title:* Report of Government-Owned/ Contractor-Held Property.

*Summary:* This report collects information on Government-owned/ contractor-held property accountable under NASA contracts.

*Description of the need for the information and proposed use of the information:* NASA is required to account for Government-owned/ contractor-held property. The NASA Form 1018 submitted by contractors provides data necessary to ensure that the Agency's assets are accurately reflected on its audited financial statements, as well as essential property management information.

*Description of the likely respondents, including the estimated number of likely respondents, and proposed frequency of response to the collection of information:* NASA contractors whose contracts contain the clause entitled "Financial Report of NASA Property in the Custody of Contractors" will be required to submit NASA Form 1018 annually. The number of respondents is estimated to be 1,900.

*Estimate of the total annual reporting and recordkeeping burden that will result from the collection of information:* FAR part 45 requires that contractors maintain the official Government property records for Government property in their possession. The NASA Form 1018 provides a means for an annual collection of summary data derived from these records. The annual recordkeeping and reporting burden related to preparation and submission of NASA Form 1018 is estimated to be 5,700 hours.

*Notice:* Comments may be submitted to the OMB address shown under **ADDRESSES**.

*Time period within which the agency is requesting OMB to approve or disapprove the collection of information:* NASA is requesting that OMB approve the proposed revisions to the collection of information within the next 60 days.

In addition, comments may be submitted to NASA and OMB in order to help NASA—

- (i) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(ii) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(iii) Enhance the quality, utility, and clarity of the information to be collected; and

(iv) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

List of Subjects in 48 CFR Parts 1845 and 1852

Government procurement.

Tom Luedtke,  
Deputy Associate Administrator for Procurement.

Accordingly, 48 CFR Parts 1845 and 1852 are proposed to be amended as follows.

1. The authority citation for 48 CFR Parts 1845 and 1852 continues to read as follows:

Authority: 42 U.S.C. 2473(c)(1).

**PART 1845—GOVERNMENT PROPERTY**

**Subpart 1845.1—General**

1. In section 1845.102-70, paragraph (a)(3) is revised to read as follows:

**1845.102-70 Procedures.**

(a) \* \* \*

(3) Requirement that additional facilities that the offeror requests to be provided by the Government be described and identified by classification such as "Land," "Buildings," and "Equipment" (see subpart 1845.71); and

\* \* \* \* \*

2. In section 1845.106-70, paragraph (d) is revised, paragraph (i) is removed and paragraphs (j) and (k) are redesignated as (i) and (j) to read as follows:

**1845.106-70 NASA contract clauses and solicitation provision.**

\* \* \* \* \*

(d) The contracting officer shall insert the clause at 1852.245-73, Financial Reporting of NASA Property in the Custody of Contractors, in all cost reimbursement contracts or in all other types of contracts when it is known at the time of award that property will be provided to the contractor or that the contractor will acquire property, title to which vests in the Government prior to

delivery of the contract products. Where all property to be provided is subject to the clause at 1852.245-71, Installation-Provided Government Property (see paragraph (b) of this section), the clause at 1852.245-73 is not required. Where the clause is not included in contracts at the time of award, if Government property is subsequently provided to a contractor, or the contractor is authorized to acquire property to which the Government takes title, the clause shall be included in the contract at that time.

\* \* \* \* \*

**1845.301 [Amended]**

3. In section 1845.301, the definition heading "Space property" is revised to read "Agency-peculiar property".

**Subpart 1845.5—Management of Government Property in the Possession of Contractors**

4. Section 1845.501 is amended as follows:

(a) The definition heading "Space property" is revised to read "Agency-peculiar property", the word "peculiar" is revised to read "unique", and the last sentence is removed.

(b) In the definition "Centrally reportable equipment (CRE)", the phrase "space property" is revised to read "agency-peculiar property."

5. In section 1845.502-1, the title of the NASA Form 1018 "Report of Government-Owned/Contractor-Held Property" is revised to read "NASA Property in the Custody of Contractors".

6. Section 1845.505-14 is revised to read as follows:

**1845.505-14 Reports of Government property.**

When required by the contract, the contractor shall submit a report of NASA Property in the Custody of Contractors, NASA Form 1018, in accordance with the instructions on the form, subpart 1845.71, and the contract clause at 1852.245-73. The contractors property control system shall distinguish Government furnished and contractor acquired property for purposes of reporting the acquisition cost in the property classifications shown in FAR 45.505-14(a) (1) through (5).

**Subpart 1845.71—Forms Preparation**

7. In § 1845.7101 the last sentence is revised to read as follows:

**1845.7101 Instructions for preparing NASA Form 1018.**

\* \* \* This report provides information for NASA financial

statements and property management; accuracy and timeliness of the report are, therefore, very important.

Contractors shall retain documents which support the data reported on NASA Form 1018 in accordance with FAR subpart 4.7, Contractor Records Retention. Classifications of property, related costs to be reported, and reporting requirements are set forth in this subpart.

8. Section 1845.7101-1 is revised to read as follows:

**1845.7101-1 Property classification.**

(a) Contractors shall report costs in the classifications required on NASA Form (NF) 1018, as described in this section. For Land, Buildings, Other Structures and Facilities, and Leasehold Improvements, contractors shall report the amount for all items with a unit cost of \$5,000 or more and a useful life of 2 years or more. For Plant Equipment, Special Tooling, Special Test Equipment and Agency-Peculiar Property, contractors shall separately report—

(1) The amount for all items with a unit cost of \$5,000 or more and useful life of 2 years or more and

(2) All items under \$5,000, regardless of useful life.

(b) Contractors shall report the amount for all Materials, regardless of unit cost.

(c) *Land*. Includes costs of land and associated costs incidental to acquiring and preparing land for use, for example; appraisal fees, clearing costs, drainage, grading, landscaping, plats and surveys, removal and relocation of the property of others as part of a land purchase, removal or destruction of structures or facilities purchased but not used, and legal expenses.

(d) *Buildings*. Includes costs of buildings, improvements to buildings, and fixed equipment required for the operation of a building which is permanently attached to and a part of the building and cannot be removed without cutting into the walls, ceilings, or floors. Examples of fixed equipment required for the functioning of a building include plumbing, heating and lighting equipment, elevators, central air conditioning systems, and built-in safes and vaults.

(e) *Other structures and facilities*. Includes costs of acquisitions and improvements of structures and facilities other than buildings; for example, airfield pavements, harbor and port facilities, power production facilities and distribution systems, reclamation and irrigation facilities, flood control and navigation aids, utility systems (heating, sewage, water and

electrical) when they serve several buildings or structures, communication systems, traffic aids, roads and bridges, railroads, monuments and memorials, and nonstructural improvements, such as sidewalks, parking areas, and fences.

(f) *Leasehold improvements.* Includes costs of improvements to leased buildings, structures, and facilities, as well as easements and right-of-way, where NASA is the lessee or the cost is charged to a NASA contract.

(g) *Equipment.* Includes costs of commercially available personal property for use in manufacturing supplies, performing services, or any general or administrative purpose; for example, machine tools, furniture, vehicles, computers, accessory or auxiliary items, and test equipment.

(h) *Construction in progress.* Includes costs for work in process for the construction of Buildings, Other Structures and Facilities, Leasehold Improvements, and Equipment to which NASA has title.

(i) *Special tooling.* Includes costs of equipment and manufacturing aids (and components and replacements of these items) that are of such a specialized nature that, without substantial modification or alteration, their use is limited to the development or production of particular supplies or parts, or to the performance of particular services. Examples include jigs, dies, fixtures, molds, patterns, taps and gauges.

(j) *Special test equipment.* Includes costs of equipment used to accomplish special purpose testing in performing a contract, and items or assemblies of equipment.

(k) *Material.* Includes costs of NASA owned property held in inventory that may become a part of an end item or be expended in performing a contract. Examples include raw and processed material, parts, assemblies, small tools and supplies. Do not include material that is part of work in process.

(l) *Agency-peculiar property.* Includes actual or estimated costs of completed items, systems and subsystems, spare parts and components and work in process unique to NASA aeronautical and space programs. Examples include aircraft, engines, satellites, instruments, rockets, prototypes and mock-ups. The amount of property, title to which vests in the Government as a result of progress payments to fixed price subcontractors, shall be included to reflect the pro rata cost of undelivered agency-peculiar property.

9. Section 1845.7101-2 is revised to read as follows:

**1845.7101-2 Transfers of property.**

The procedures in this section apply to all types of transfers. Only Government installations may furnish Government property to a contractor. Therefore, procurement, property, and financial organizations at NASA installations must effect all transfers of accountability, although physical shipment and receipt of property may be made directly by contractors. Such transfers include shipments between contractors of the same installation, contractors of different installations, a contractor of one installation to another installation, an installation to a contractor of another installation, and a contractor to another Government agency to its contractor. So that NASA may properly control and account for transfers, they shall be adequately documented. The procedures described in this section shall be followed in all cases, to provide an administrative and audit trail, even if property is physically shipped directly from one contractor to another. Contractors shipping property to NASA, another contractor, or another Government agency shall continue to be accountable for NASA Form (NF) 1018 reporting of that property, regardless of the method of shipment, until evidence of receipt is in the possession of the shipping entity. Property provided under fixed price repair contracts remains accountable to the cognizant NASA installation and is not reportable on NF 1018; property provided for repair under a cost-reimbursable contract, however, is accountable to the contractor and reportable on NF 1018.

(a) *Approval and notification.* The contractor must obtain the approval of the contracting officer or designee for transfers of property before shipment. Each shipping document must contain contract numbers, shipping references, property classifications in which the items are recorded, unit prices, and any other appropriate identifying or descriptive data. Unit prices shall be obtained from records maintained pursuant to FAR part 45 and part 1845 of this chapter. Shipping contracting shall furnish a copy of the shipping document to the cognizant property administrator. Shipping and receiving contractors shall promptly notify the financial management office of the NASA installation responsible for their respective contracts when accountability for Government property is transferred to, or received from, other contracts, contractors, NASA installations or Government agencies. Copies of shipping or receiving documents will suffice as notification in most instances.

(b) *Reclassification.* If the property is transferred to another contract or contractor, the receiving contractor shall record the property in the same property classification and amount appearing on the shipping document. For example, when a contractor receives an item from another contractor that is identified on the shipping document as equipment, but that the recipient intends to incorporate into special test equipment, the recipient shall first record the item in the equipment account and subsequently reclassify it as special test equipment. Reclassification of equipment, special tooling, special test equipment, or agency-peculiar property requires prior notification to the property administrator and approval of the contracting officer.

(c) *Incomplete documentation.* If contractors receive transfer documents having sufficient detail to properly record the transfer (e.g., omission of property classification, unit prices, etc.) they shall request the omitted data directly from the shipping contractor or through the property administrator as provided as in FAR 45.505-2. Contractors may append a Government furnished property list to the NF 1018 report when unable to obtain the required data, provided that the list includes—

- (1) A description of the property;
- (2) Quantity;
- (3) Shipping document reference;
- (4) Shippers identity;
- (5) Dates shipped or received
- (6) The dates data were requested and from whom (shipper or property administrator); and
- (7) The NF 1018 line item (classification) to be adjusted.

10. Sections 1845.7101-3, 1845.7101-4, and 1845.7101-5 are removed, and section 1845.7101-6 is redesignated as section 1845.7101-3 and is revised to read as follows:

**1845.7101-3 Computing costs of fabricated special tooling, special test equipment, and Agency-peculiar property.**

(a) Costs shall be computed in accordance with accepted accounting principles, be reasonably accurate, and be the product of any one or a combination of, the following:

- (1) Abstracts of cost data from contractor property or financial records.
- (2) Computations based on engineering and financial data.
- (3) Estimates based on NASA Form 533 reports.
- (4) Formula procedures (e.g., using a 50 percent factor for work in process items, on the basis of updated Standard Form 1411 estimates or the contractors approved estimating and pricing system).

- (5) Other approved methods.
- (b) Contractors shall report costs using records that are part of the prescribed property or financial control system as provided in this section, excluding fee. Fabrication costs shall be based on the contractors approved estimating and pricing system and should include—
  - (1) Direct labor;
  - (2) Direct materials and purchased parts (costs of purchased items shall be consistent with the contractors approved pricing methods);
  - (3) Other direct costs (e.g., computer costs, travel, and transportation);
  - (4) Burden (a percentage factor or rate applied to the direct costs or other applicable base); and
  - (5) Costs of Government furnished property applied (data available from the Government shipping document or estimated, if necessary).
- (c) The contractor shall redetermine the costs of items returned for modification or rehabilitation to include the remaining portion of original cost plus the cost of any improvements.
- (d) The computation of work in process shall include the costs of associated systems, subsystems, and spare parts and components furnished or acquired and charged to work in

process pending incorporation into a finished item. These types of items make up what is sometimes called production inventory and include programmed extra units to cover replacement during the fabrication process (production spares). Also included are deliverable items on which the contractor or a subcontractor has begun work, and materials that have been issued from inventory.

11. Sections 1845.7101-7, 1845.7101-8, and 1845.7101-9 are removed, and section 1845.7101-10 is redesignated as section 1845.7101-4.

**PART 1852—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

**1852.245-73 [Amended]**

12. In section 1852.245-73, the title, date, and paragraphs (a), (c) and (d) to the clause are revised and the introductory text, paragraph (e) and Alternates I and II to the clause are removed to read as follows:

**1852.245-73 Financial reporting of NASA property in the custody of contractors.**

As prescribed in 1845.106-70(d), insert the following clause:

**FINANCIAL REPORTING OF NASA PROPERTY IN THE CUSTODY OF CONTRACTORS (XXX 199X)**

(a) The Contractor shall submit annually a NASA Form (NF) 1018, NASA Property in the Custody of Contractors, in accordance with 1845.505-14, the instructions on the form, and subpart 1845.71. Subcontractor use of NF 1018 is not required by this clause; however, the contractor shall include data on property in the possession of subcontractors in the annual NF 1018.

\* \* \* \* \*

(c) The annual reporting period shall be from October 1 of each year to September 30 of the following year. The report shall be submitted in time to be received by October 31. Failure to submit the report when due may result in withholding of payment on invoices for the month in which reports are to be submitted, based on noncompliance with contract requirements.

(d) A final report is required within 30 days after disposition of all property subject to reporting when the contract performance period is complete.

(End of clause)

**1852.245-78 [Removed]**

13. Section 1852.245-78 is removed.

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19. TYPE OF DELETION	(1) EQUIPMENT (Item 8)	(2) SPECIAL TEST EQUIPMENT (Item 10)	(3) SPECIAL TOOLING (Item 11)	(4) AGENCY- PECULIAR (Item 12)	(5) TOTAL
a. ADJUSTED					
b. LOST, DAMAGED OR DESTROYED					
c. TRANSFERRED IN PLACE					
d. TRANSFERRED TO INSTALLATION ACCOUNTABILITY					
e. PURCHASED AT COST					
f. RETURNED FOR CREDIT					
g. TRANSFERRED TO ANOTHER NASA INSTALLATION					
h. TRANSFERRED TO ANOTHER GOV'T AGENCY					
i. DONATED					
j. SOLD AT LESS THAN COST					
k. ABANDONED/DIRECTED DESTRUCTION					
l. OTHER (DESCRIBE SEPARATELY)					
m. TOTAL					

**REPORTING INSTRUCTIONS**

**GENERAL.** This report provides financial data on Government-furnished or contractor-acquired property to which the NASA has title. Contractors shall report all NASA-owned property received, acquired or deleted during the reporting period for which they are accountable, regardless of location. Negative reports are required. Refer to NASA FAR Supplement (NFS) Subpart 18-45.71 for further information. Contractors shall submit a separate report for each contract with a Financial Reporting of NASA Property in the Custody of Contractors clause. Include all property in the possession of subcontractors. Blank forms may be obtained from the cognizant Government property administrator.

Contractors shall submit the original report, with data as of September 30, directly to the installation Financial Management Officer and three copies to the cognizant Government property administrator to be received no later than October 31 of each year. The property administrator shall sign and indicate system status. For delegated contracts, the DoD property administrator shall forward two copies to the NASA installation Industrial Property Officer within ten (10) workdays after receipt.

The following items shall not be reported: (a) items ordinarily reportable but furnished to the contractor for repair and return to NASA, unless accountability has been transferred to the contractor, (b) agency-peculiar property under firm-fixed-price contracts and subcontracts which do not provide for progress payments (see NFS 18-45.7101-1(j)), and (c) installation property made available pursuant to the Installation-Provided Government Property clause at NFS 18-52.245-71.

A final report, clearly marked "FINAL," shall be submitted within 30 days after disposition of all property subject to reporting, if the contract performance period is complete.

**REPORT AS OF 30 SEP 19\_\_.** Fill in the appropriate year (or other date).

**ITEM 1 - TO.** Enter the name and address of the cognizant (a) NASA installation Financial Management Officer and (b) delegated DoD property administrator (for nondelegated contracts, (b) is the NASA Industrial Property Officer).

**ITEM 2 - FROM.** Enter the full name and address of the reporting contractor with the Division name stated after the Corporate name.

**ITEM 3 - CONTRACT NO.** - Enter the complete prefix and serial number under which the Government property is accountable.

**ITEMS 4 - 13 - PROPERTY CLASSIFICATION ACCOUNTS** - Enter in the appropriate columns (a. through d.) amounts for each classification of

property as defined in the Federal Acquisition Regulation (FAR), Subpart 45.5 and NFS Subpart 18-45.71.

The amounts entered for item 9, Construction in Progress, shall be the incurred cost for work in process for the construction of Buildings, Other Structures and Facilities, Leasehold Improvements and Equipment to which NASA has title; construction in progress cost for these categories shall not be included in the amounts reported on lines 4 through 8. The amounts reported for Special Test Equipment, Special Tooling and Agency-Peculiar Property on lines 10 through 12, however, shall include work in process cost.

**Column a.(1) and (2) BALANCE BEGINNING OF PERIOD.** - Amounts reported will agree with amounts reported in column d., Balance End of Period, of the preceding report, except if this is an initial report.

**Column b.(1) ADDITIONS, Gov't - Furnished.** - Amounts reported shall be the acquisition cost designated by the Government for Government Furnished Property (GFP) received during the reporting period. If unable to obtain prices, the contracting officer should be immediately notified.

**Column b.(2) ADDITIONS, Acquired.** - Amounts reported shall be the acquisition cost of all NASA-owned property acquired during the reporting period.

**Column c. DELETIONS.** - Amounts reported shall be the acquisition cost of all deletions. Type of deletions shall be detailed as required in Item 19, TYPE OF DELETION. Detailed lists, including shipping document references, shall be provided if required by NASA installations.

**Column d.(1) BALANCE END OF PERIOD - Acquisition Cost.** - Report the total of columns a.(1), b.(1), and b.(2), minus c. These balances shall be maintained pursuant to FAR Subpart 45.5 and NFS Subpart 18-45.71.

**Column d.(2) BALANCE END OF PERIOD - Quantity.** - Enter the quantity for all classifications of NASA property on hand as of September 30. These will be carried forward to reflect the balance at the beginning of the following year.

**ITEM 15 - DESCRIPTION OF AGENCY-PECULIAR PROPERTY.** - Enter brief descriptions of major types of agency-peculiar property, e.g., "Orbiters," "Solid Rocket Boosters," "GOES-L," etc., with associated values and quantities. Attach extra sheets if necessary.

**ITEM 19 - TYPE OF DELETION.** - Enter dollar amounts for each type of deletion, for the classifications shown. See NFS 18-45.7101 for definitions. Totals (m.) will agree with the amounts shown in column c. on the front of the form.