

## **#20-7 Example Documentation Required for Disposal Action Worksheet**

### **Introduction**

Abandonment is when the Government relinquishes title to Government Property in possession of a contractor. A written determination by the Plant Clearance Officer (PLCO) is required for abandonment to a contractor. If a PLCO determines that abandonment is in the best interest to the government, they should provide an explanation for it in their plant clearance case file. A PLCO can justify their rationale for abandonment with a DD1641 Disposal Determination Approval form.

### **Objective**

This job aid worksheet was designed to help PLCOs understand the required documentation, a DD Form 1641 Disposal Determination Approval when the property needs to be abandoned or destroyed.

### **References**

Use the following references when performing this process:

- FAR 45.603
- FAR 52.245-1(k) Abandonment of Government property
- 245.7001-5 DD Form 1641 Disposal Determination/Approval
- FAR 52.245-1(j) Government identification (markings shall be removed or obliterated)

## Example Documentation Required for Disposal Action.

Example Documentation to Abandon Non-Reutilized Surplus Contract Government Property	Examples
<p>1. A sample of an email notifying the contractor of the intent to abandon the property and request consent.</p>	<p>To: <a href="mailto:Anthony_Williams@abccorp.com">Anthony_Williams@abccorp.com</a>            From: <a href="mailto:Sharron_Wilson@dcma.mil">Sharron_Wilson@dcma.mil</a>            Subject: Abandonment Instructions</p> <p>Good morning, Anthony! I have determined that the large capacity fuel tank requires abandonment in place. The government would like your consent for abandonment.</p> <p>Thank you,</p> <p>Sharron Wilson            DCMA PLCO</p>
<p>2. A sample of an email from the contractor providing consent.</p>	<p>To: <a href="mailto:Sharron_Wilson@dcma.mil">Sharron_Wilson@dcma.mil</a>            From: <a href="mailto:Anthony_Williams@abccorp.com">Anthony_Williams@abccorp.com</a>            RE: Subject: Abandonment Instructions</p> <p>Hi, Sharron. ABC Corp consents to abandonment of the property by the Government.</p> <p>Thank you,</p> <p>Anthony Williams            ABC Corp.</p>

Example Documentation to Abandon Non-Reutilized Surplus Contract Government Property	Examples
<p>3. A sample of an email notifying the contractor that the property is abandoned in place IAW FAR 45.603(a)(2).</p>	<p>To: <a href="mailto:Anthony.Williams@abccorp.com">Anthony.Williams@abccorp.com</a>  From: <a href="mailto:Sharron.Wilson@dcma.mil">Sharron.Wilson@dcma.mil</a>  Subject: Abandonment Instructions</p> <p>Good morning, Anthony! I have determined that the gas meter that is affixed to the building requires abandonment. It will be costly to remove and is a commercial item. The government is abandoning this item in accordance with IAW FAR 52.245-1(k).</p> <p>Thank you!</p> <p>Sharron Wilson  DCMA PLCO</p>
<p>4. Completed (redacted) DD Form 1641 Disposal Determination Approval.</p>	<p>See the <a href="#">sample document</a> on page 6.</p>
<p>5. Completed (redacted) SF 1424 Inventory Disposal Report.</p>	<p>See the <a href="#">sample document</a> on page 7.</p>

Example Documentation to Destroy Non-Reutilized Surplus Contract Government Property	Examples
<p>1. A sample of an email notifying the contractor to destroy the property and provide documentation when the action is completed.</p>	<p>To: Anthony_Williams@abccorp.com  From: Sharron_Wilson@dcma.mil  Subject: Abandonment/Destruction Instructions</p> <p>Good morning, Anthony! Please have the plastic mold destroyed and abandon the residual. Please provide certification that the mold was demil'd.</p> <p>Thank you!</p> <p>Sharron Wilson  DCMA PLCO</p>
<p>2. A sample of an email from the contractor with <a href="#">documentation</a> that the property was destroyed. Select the link to view the example documentation.</p>	<p>To: Sharron_Wilson@dcma.mil  From: Anthony_Williams@abccorp.com  RE: Subject: Abandonment/Destruction Instructions</p> <p>Hi, Sharron. The plastic mold was demil'd this morning. Please see the attached demil cert.</p> <p>Thank you,</p> <p>Anthony Williams  ABC Corp.</p>

## Sample Contractor Demilitarization (DEMIL) Documentation



DEFENSE CONTRACT MANAGEMENT AGENCY  
 DCMA BUSINESS OPERATIONS CENTER  
 PLANT CLEARANCE DIVISION AQBPB  
 1222 Spruce Street, St. Louis, MO 63103-2812

### CERTIFICATION OF DEMILITARIZATION

Contractor: ABC Corporation Contract Number: N55555 55 G N555  
 Plant Clearance Case Number: S0602A-0448

Inventory Schedule Number	Line Item Number(s)
55555-SCHEDULE1	0002-5

It has been determined that the Government has no requirements for the items identified on the subject Plant Clearance Case, and the Plant Clearance Officer acting under the authority delegated to him hereby authorizes demilitarization without further cost to the government unless previously authorized by the contracting officer. It is understood and agreed that the Government will be held harmless for any damage or injury to persons or property arising from the property that is being destroyed.

I CERTIFY THAT THE ITEM(S) LISTED HEREON HAS/HAVE BEEN DEMILITARIZED IN ACCORDANCE WITH DoD MANUAL 4160.28, VOLUME 3, "DEFENSE DEMILITARIZATION: PROCEDURAL GUIDANCE," CATEGORY XI, PARAGRAPH a.

Anthony Williams 05/15/2018  
 Contractor Signature Date

Anthony Williams / Project Manager  
 Printed Name / Title

Sharron Wilson 05/18/2018  
 Government Representative Signature Date

Sharron Wilson / PLCO  
 Printed Name / Grade / Rank

***False certification has potential for criminal action under 18 USC 1001.***

## Sample Completed DD Form 1641

<b>DISPOSAL DETERMINATION APPROVAL</b>				1. PLANT CLEARANCE CASE NO. S0602A-0179		2. DATE (YYMMDD) 07 Mar 2019	
3. TYPE OF CONTRACT (X one)		a. FIXED PRICE	<input checked="" type="checkbox"/>	b. COST TYPE		4. INVENTORY SCHEDULE NO. (Attach copy) see below	
c. FACILITY		d. LEASE		e. BALMENT			
5. TYPE OF INVENTORY (X one)		a. TERMINATION	<input checked="" type="checkbox"/>	b. RESIDUAL TO CONTRACT			
c. CHANGE ORDER		d. EXCESS GFP		e. PRODUCTION EQUIPMENT			
6.a. NAME OF PRIME CONTRACTOR ABC Corp.				7.a. NAME OF SUBCONTRACTOR			
b. ADDRESS OF PRIME CONTRACTOR (Include ZIP code) 555 Sunny St. Denver, CO 80123				b. ADDRESS OF SUBCONTRACTOR (Include ZIP code)			
c. PROCUREMENT INSTRUMENT ID NUMBER				c. SUBCONTRACT NUMBER			
8. DISPOSAL RATIONALE CODES (Select alpha and numeric codes that apply and insert in the "Code(s)" column below.)							
<b>CATEGORY A</b> Rationale For Scrap or Salvage			<b>CATEGORY B</b> Rationale For Abandonment			<b>CATEGORY C</b> Rationale For Sale Without Competitive Bids (Enter sale price)	
<ol style="list-style-type: none"> <li>1. Beyond economical repair/estimated cost of repair in excess of 65% of acquisition.</li> <li>2. Without value except for basic content.</li> <li>3. Obsolete.</li> <li>4. Specialized design.</li> <li>5. Incomplete condition.</li> <li>6. No reasonable prospect of sale or use as serviceable property without major repairs or alterations.</li> <li>7. Other (Specify).</li> </ol>			<ol style="list-style-type: none"> <li>1. No commercial value.</li> <li>2. Donation is not feasible.</li> <li>3. Estimated cost of continued care and handling exceeds estimated proceeds of sale.</li> <li>4. Offered for sale and no bids received.</li> <li>5. Value so little and cost of continued care and handling so great advertising for sale not justified.</li> <li>6. Abandonment required by considerations of health, safety, or security.</li> <li>7. Other (Specify).</li> </ol>			<ol style="list-style-type: none"> <li>1. Sale price equals (or exceeds) current market value.</li> <li>2. Sale price is fair and reasonable based on (a) test of market or (b) recent sale price of similar property.</li> <li>3. Sale price equals (or exceeds) that which could be realized through competitive sale, cost of sale, and/or additional storage costs; would more than offset any potential increased return.</li> <li>4. Other (Specify).</li> </ol>	
						<b>CATEGORY D</b> Other Disposal Action(s) Requiring Documentation (Attach rationale)	
CODE(S) a.	ITEM NUMBER(S) b.	ACQUISITION COST c.	CODE(S) a.	ITEM NUMBER(S) b.	ACQUISITION COST c.		
A1	22233-SCHEDULE1 0001	5,000.00					
d. SUBTOTAL (This column) →		\$5,000.00	SUBTOTAL (This column) →		N/A		
					e. TOTAL COST	\$5,000.00	
9. PLANT CLEARANCE OFFICER				10. REVIEW BOARD CHAIRMAN APPROVAL (if required)			
a. TYPED NAME (Last, First, Middle initial) Wilson, Sharon				a. TYPED NAME (Last, First, Middle initial)			
b. SIGNATURE				b. SIGNATURE		c. DATE SIGNED	

DD FORM 1641, JAN 88 (EF)

Previous editions are obsolete.

# Sample Completed Standard Form 1424

INVENTORY DISPOSAL REPORT (See FAR 45.605)		PLANT CLEARANCE CASE NUMBER	
		S0602A-0448	
TO: (Include ZIP Code)		FROM: (Include ZIP Code)	
		WILSON, SHARON A. DCMA-AQB 1222 Spruce Street St. Louis, MO 63103	
1. DATE PLANT CLEARANCE CASE OPENED	2. DATE PLANT CLEARANCE CASE CLOSED	3. NUMBER OF DAYS BETWEEN OPENING AND CLOSING	
03 Aug 2018	14 Feb 2019	195	
4. NAME AND ADDRESS OF CONTRACTOR/SUBCONTRACTOR (Include ZIP Code)		5. IF SUBCONTRACTOR, STATE NAME AND ADDRESS OF PRIME CONTRACTOR (Include ZIP Code)	
ABC Corporation 555 Sunny St. LITTLETON, CO 80127			
6. LOCATION OF PROPERTY (City and State)		7. CONTRACT NUMBER	8. DOCKET NUMBER (Termination only)
Littleton COLORADO		N7777-14-C-0222	
		9. SUBCONTRACT NUMBER	10. CONTRACTOR REFERENCE NUMBER
			55555-SCHEDULE1
DISPOSITION OF PROPERTY			
ITEM DESCRIPTION	LINE ITEMS	ACQUISITION COST	PROCEEDS
11. TOTAL INVENTORY AS SUBMITTED	1	\$5100.00	
12. ADJUSTMENTS (Pricing errors, shortages, etc.)			
13. ADJUSTED INVENTORY (Line 11 + or - Line 12)	0	\$0.00	
14. PURCHASE OR RETENTION AT COST	0	\$0.00	
15. RETURN TO SUPPLIERS (Net Proceeds)	0	\$0.00	
16. REDISTRIBUTIONS			
A. WITHIN OWNING AGENCY	0	\$0.00	
B. OTHER AGENCIES	0	\$0.00	
TOTAL	0	\$0.00	
17. DONATIONS	0	\$0.00	
18. SALES	0	\$0.00	
19. SALES - SCRAP PROCEEDS TO OVERHEAD	1	\$0.00	
20. TRANSFER TO DRMO	0	\$0.00	
21.			
22. TOTAL PROCEEDS CREDIT (Total Lines 14, 15, and 18)	0	\$0.00	
23. ABANDONED	1	\$100.00	
24. DESTROYED/ABANDONED	4	\$5000.00	
25. DESTROYED/SCRAPPED	0	\$0.00	
26. OTHER (Explain in Item 28, Remarks)	0	\$0.00	
27. TOTAL DISPOSITIONS	1	\$5100.00	
28. REMARKS (Identify contract number in which proceeds were applied, or disbursing office where proceeds were deposited)			
Line item one abandoned since it's affixed to a building. Remaining line items destroyed and residual abandoned. Please see further justification in case file.			
To the best of my knowledge, disposition of all property on this case has been effected in accordance with existing regulations, all property has been accounted for and all disposal credits properly applied.			
CONTRACT ADMINISTRATION OFFICE (Authorized signature and title)		DATE	
OSCAR, AMBER R. Plant Clearance Officer		14 Feb 2019	
AUTHORIZED FOR LOCAL REPRODUCTION Previous edition is not usable		STANDARD FORM 1424 (REV. 5/2004) Prescribed by GSA - FAR (48 CFR) 53.245(d)	