

(11) Subline items structured to capture the acquisition cost of spares that will require unique item identifiers under a cost-type contract.

Item No.	Supplies/service	Quantity	Unit	Estimated cost*	Total estimated cost*
0031	Spares for Torpedo MK 45 Mod 1	50 .....	.....	.....	\$2,843,028.50
003101	Integrator Assy LD	50 EA .....	.....	.....	.....
003102	Pulse Generator Assy LD	50 EA .....	.....	.....	.....
003103	Drive Shaft Assy LD	50 EA .....	.....	.....	.....
*	*	*	*	*	*
003116	Actual Panel Assy LD	50 EA .....	.....	\$5,730.56	.....
003117	Pulse Decoder	50 EA .....	.....	\$357.00	.....

* Acquisition cost for each item shall be reported in accordance with 252.211-7003, Item Identification and Valuation.

PART 211—DESCRIBING AGENCY NEEDS

■ 5. Sections 211.274 through 211.274-3 are added to read as follows:

211.274 Item identification and valuation.

211.274-1 Item identification.

(a) Contracts shall require that all items delivered to the Government—
(1) Be delivered under a contract line item; and

(2) Contain unique item identification, or a DoD recognized unique identification equivalent (if one is not already marked), if—

(i) The Government's acquisition cost of the item is \$5,000 or more; or

(ii) The requiring activity determines that unique identification is necessary for the item (e.g., serially managed, mission essential, or controlled inventory piece of equipment or a repairable item, a consumable item or material where permanent identification is required, or a component of a delivered item).

(b) The contract shall include a requirement for commonly accepted commercial marks if it is determined that unique item identification or a DoD recognized unique identification equivalent is not required, and unique item identification is not already marked.

211.274-2 Government's acquisition cost of items.

(a) Contracts shall identify the Government's acquisition cost for all items delivered. The preferred approach for identifying the Government's acquisition cost of items is separate pricing under a contract line item or subline item.

(b) When separately priced contract line items or subline items are clearly not practicable, establish separate informational subline items (see 204.7104-1(a)) for identifying the Government's acquisition cost.

(1) Informational subline items used only for identification of the

Government's acquisition cost shall be clearly identified as such and shall not be used as a basis for payment.

(2) When the Government's acquisition costs for like items differ, use a separate informational subline item to identify the acquisition cost for those items.

(c) The Government's acquisition cost for items delivered under—

(1) Fixed-price contracts is the unit price identified at contract award, updated by any contract modifications.

(2) Cost-type contracts is the contractor's fully burdened actual cost for each item, plus a proportionate amount of the fee at the time the item is delivered to the Government.

(i) Items valued at \$5,000 or more shall be identified in a separate contract line item or subline item.

(ii) Items valued below \$5,000 may be combined under a contract line item or subline item; however, the contractor must report the Government's acquisition cost of each item.

(d) Modify the contract to establish separate contract line items or subline items prior to delivery of items that were not identified as contract deliverables at the time of contract award.

(e) The Government's acquisition cost of components delivered within end items need not be identified.

211.274-3 Contract clause.

Use the clause at 252.211-7003, Item Identification and Valuation, in solicitations and contracts that require delivery of one or more "items" as defined at 252.211-7003(a). Complete paragraph (b) of the clause with the contract line item number or subline item number and description of the item(s) requiring unique identification.

PART 212—ACQUISITION OF COMMERCIAL ITEMS

■ 6. Section 212.301 is amended by adding paragraph (f)(vii) to read as follows:

212.301 Solicitation provisions and contract clauses for the acquisition of commercial items.

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(f) * * *

(vii) Use the clause at 252.211-7003, Item Identification, as prescribed at 211.274-3.

PART 243—CONTRACT MODIFICATIONS

■ 7. Section 243.171 is amended as follows:

■ a. By redesignating the introductory text and paragraphs (a), (b), and (c), as paragraphs (a) and (a)(1), (2), and (3), respectively; and

■ b. By adding a new paragraph (b) to read as follows:

243.171 Obligation or deobligation of funds.

* * * * *

(b) When changes in the value of the contract result in changes to the Government's acquisition cost of delivered items, the contracting officer shall allocate those changes to the acquisition cost of those items.

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

■ 8. Section 252.211-7003 is added to read as follows:

252.211-7003 Item Identification and Valuation.

As prescribed in 211.274-3, use the following clause:

Item Identification and Valuation (Jan 2004)

(a) *Definitions.* As used in this clause—
Automatic identification device means a device, such as a reader or interrogator, used to retrieve data encoded on machine-readable media.

Commonly accepted commercial marks means any system of marking products for identification that is in use generally throughout commercial industry or within commercial industry sectors. Some examples of commonly accepted commercial marks are: EAN.UCC Global Trade Item Number;