



## DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND  
2531 JEFFERSON DAVIS HWY  
ARLINGTON VA 22242-5160

IN REPLY REFER TO  
NAVSEAINST 4440.1  
Ser SEA 04MS4/4268  
23 OCT 95

### NAVSEA INSTRUCTION 4440.1

From: Commander, Naval Sea Systems Command

Subj: CONTROL OF CONTRACTOR ACCESS TO DOD MATERIAL INVENTORIES  
REQUIRED BY DEFENSE CONTRACTS FOR GOVERNMENT FURNISHED  
MATERIAL

Ref: (a) DOD Instruction 4100.33  
(b) NAVSUP Pub 437 (MILSTRIP/MILSTRAP) (NOTAL)  
(c) SSPINST 4441.7B  
(d) Federal Acquisition Regulation (FAR), Part 45  
(e) OPNAVINST 4440.26  
(f) SECNAVINST 4440.32A  
(g) NAVSEA Procurement Request Preparation and Processing  
Manual

Encl: (1) File Layouts for 1109 and AOA Formats  
(2) List of Management Control Activities (MCAs)  
(3) Government Furnished Material (GFM) Status Report,  
DD Form 2543

1. Purpose. To implement policy and issue procedures and responsibilities for controlling and monitoring access to Government Furnished Material (GFM) in the Department of Defense Supply System (DOD SS) inventories by Navy contractors.

2. Policy. To ensure that:

a. No GFM will be provided to a contractor unless such action is clearly in the best interest of the U.S. Government as specified in reference (a);

b. Contractor access to GFM from the DOD SS will be strictly controlled by the Management Control Activities (MCAs);

c. Any GFM that is provided to a contractor will be identified by National Stock Number (NSN) or Navy Item Control Number (NICN), or if non-standard, by Manufacturer's Part Number; the quantity or specified level in the contract or modification thereto will also be identified;

d. Requisitions for GFM will be validated to ensure that they are contractually authorized;



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e. Requisitions for GFM originated by a contractor or to be shipped to a contractor will comply with reference (b).

3. Scope. This instruction is applicable to all NAVSEA contracts whereby the contractor is authorized to obtain GFM from the DOD SS inventories. Transfers or shipments of material between NAVSEA contractors is excluded from this instruction.

#### 4. Exceptions

a. SEA 08 Nuclear Exception. The Deputy Commander, Nuclear Propulsion Directorate (SEA 08) is responsible for all technical matters pertaining to nuclear propulsion of U.S. Navy ships and craft, including all aspects of integrating the nuclear plant into the ship system. Nothing in this instruction detracts in any way from these responsibilities. Accordingly, SEA 08 will be consulted in all matters relating to, or affecting, the nuclear propulsion plant and associated nuclear support facilities. The procedures and requirements of this instruction are, therefore, not applicable to spares and repair parts under the cognizance of the Deputy Commander for Nuclear Propulsion, SEA 08. Nuclear propulsion spares and repair parts should be handled in accordance with SEA 08 instructions and directives.

b. SSBN 726 Ship Class Outfitting Program Exception. The Director, Strategic Systems Program (DIRSSP) is responsible for the SSBN 726 Ships Class Outfitting Program. Nothing in this instruction detracts in any way from these responsibilities. Reference (c) provides the program's detailed outfitting policy and guidance. DIRSSP may use this directive to supplement reference (c).

#### 5. Definitions

a. Government Furnished Material (GFM). Property provided by the government that is to be incorporated into or attached to a deliverable end item, or that will be consumed or expended in performing a contract is considered GFM. This includes assemblies, components, parts, raw and processed material, and small tools and supplies that may be consumed in normal use in performing a contract as defined in Subpart 45.301 of reference (d). GFM also includes support material as described below. GFM does not include material provided to contractors on a cash sale basis, nor does it include agency peculiar/military property that are government owned components or major end items being repaired by commercial contractors for return to the government.

b. Support Material. Consists of government-owned spare parts, tools, and test equipment provided to contractors from the DOD SS for operational or installation support of principal end items, such as weapon systems. Support material also includes items cited on Support Material Lists (SMLs) and Interim Support Items Lists (ISILs), Coordinated Shipboard Allowance List (COSAL) material awaiting loadout, and Installation and Check-Out (INCO) kits.

c. Requiring Activity (RA). A NAVSEA Headquarters or Field Activity responsible for making and justifying the decision to provide GFM and for identifying and authorizing items of GFM to be provided.

d. Management Control Activity (MCA). Applies to a DON activity that is designated by the NAVSEA Acquisition Program Office in the contract to requisition and/or validate contractor-submitted requisitions to obtain material from the DOD SS against contractually specified requirements and update the GFM data base maintained by SEA 04.

e. Government Directed (Pushed) Material. Refers to government material provided to a contractor according to specific contract terms and provisions. No formal request from the contractor is necessary to obtain delivery of these items. This material may be obtained from either Military Standard Requisitioning and Issue Procedures (MILSTRIP) or contract source where the government performs all the tasks associated with furnishing this material.

f. Contractor Requisitioned (Pulled) Material. Consists of government material requested by, and provided to, a contractor according to contract terms. The form of the request will be dictated by contract and may use such ordering methods as MILSTRIP, letter or correspondence, or telephone.

## 6. Policy

a. Contractors will provide the material required for the performance of contracts unless it is determined that having the government furnish such material would result in significant economy, standardization, expeditious production, or is otherwise in the best interest of the government as outlined in reference (e).

b. To the maximum extent possible, all GFM authorized by the contract should be pushed to the cognizant contractor as government

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furnished material. Reference (f) requires that if material is not pushed and instead the contractor attempts to pull the GFM, the MCA must validate the requisition prior to forwarding the requisition to the DOD SS.

c. SMLs, Interim Support Items Lists (ISILs), and COSALs constitute full justification, validation, and documentation of the requirement for GFM. The DOD SS will be the first source of supply for all approved GFM requirements. The use of alternate sources (other than the DOD SS) for acquiring GFM requires detailed analysis and written justification proving that such action is in the best interest of the government.

d. Material requisitions and supply directives, whether initiated by the contractor or by a government activity, must comply with contract requirements that identify the level of GFM that will be provided to the contractor. Any requisitions not validated will be canceled by the ICP. The MCA function will be performed by the NAVSEA activity designated in the contract to validate contractor requisitions.

e. Any GFM approved verbally by a Contracting Officer (CO) must be confirmed by the CO in formal written contract modifications, as required by the government property clauses.

## 7. Responsibilities

a. SEA 04 is assigned program management responsibilities for the NAVSEA GFM program and shall perform the following:

(1) Oversee the implementation of the policy established by this instruction;

(2) Consolidate information within the Command for required internal and external reports; and

(3) Verify that the MCAs are managing GFM with one of the approved systems identified in reference (e). If required, provide the Real-time Outfitting Management Information System Material Management System (ROMIS/MMS) to manage GFM requisitions.

b. NAVSEA Program Offices serving as RAs will perform the following tasks:

(1) Determine if providing GFM is in the best interest of the government and thoroughly document the rationale/justification

for this decision. Allowance lists, such as SMLs, ISILs, and COSALs that are prepared by the Navy, constitute full justification and documentation of the requirement;

(2) Screen the DOD SS material inventories to determine if contractor material requirements can be most economically provided as GFM from these sources of supply;

(3) Provide the contracting officer a detailed list of authorized GFM for inclusion in solicitations in accordance with Subpart 45.303-2 of reference (d). The list must identify GFM by NSN/NICN or Manufacturer's Part Number, and quantity or specified level. See NAVSEA Form 4205/19, Government Furnished Property/ Services, in reference (g). The list should be generated from an automated source which can also be used to produce a file on magnetic media in either 1109 or AOA format for use by the MCAs. Enclosure (1) represents the layout of the 1109 and AOA file structures; and

(4) Designate the MCA.

c. Contracting Officers (COs) will perform the following tasks:

(1) Ensure that the MCA is identified in contracts that authorize GFM. Stipulate in the contract any permitted delegation of MCA responsibility. Include the MCA on distribution for all modifications related to GFM;

(2) Ensure that the list of identifiable GFM and applicable requisitioning procedures are included in the contract;

(3) Require in the contract that requisitions for GFM from the supply system must be submitted to the MCA;

(4) Provide the contractor with Defense Finance and Accounting Service (DFAS) approved Department of Defense Activity Address Code(s) DODAAC(s) for contracts that authorize GFM. See enclosure (2);

(5) Respond to DFAS requests for periodic validation of DODAAC(s);

(6) Contact DFAS Cleveland Center to request a new or revised DODAAC and notify DFAS Cleveland when a contract closes or when GFM is no longer authorized. Requests are to be submitted to DFAS Cleveland, and include the following information: contract

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number; contract expiration date; complete contracting office mailing address; complete contractor address (mailing, shipping, and billing); name and address of the CAO and name and address of the MCAs; and

(7) Advise DFAS Cleveland Center and MCAs of contract terminations and extension of contract expiration dates.

d. The MCA will:

(1) Ensure that requisitions that furnish GFM to contractors from the supply system are screened to verify that they are within the contractually authorized levels of each contract;

(2) Pass or refer validated requisitions to the appropriate source for supply action and reject requisitions that fail validation;

(3) Respond to MILSTRIP source of supply validation inquiries, according to reference (b);

(4) Provide requisition status reports to the contract administrator and RA according to enclosure (3). The reports shall be prepared quarterly for the periods ending 31 March, 30 June, 30 September, and 31 December and submitted by the fifth day of the month following the ending quarter. Even if the status is negative, a report is required; and

(5) Maintain a data base of GFM requisitions within ROMIS/MMS. Validate requisitions and shipments for material from the DOD SS that are initiated by a contractor or to be shipped to a contractor, against contractually specified requirements according to reference (b).

8. Action. Addressees will provide an implementation plan to SEA 04MS no later than 90 days after the date of this instruction.

  
G. R. STERNER

Distribution: (page 7)

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1. DOD Single Line Item Requisition System Document (AOA Format)

POSITIONS	FIELD LEGEND	EXPLANATION/INSTRUCTION
1 - 3	Document Identifier	Enter Document Identifier A0 series
4 - 6	Routing Identifier	Enter routing identifier of activities to whom requisition is being sent
7	Media and Status Code	Enter applicable code from Appendix A6 NSUP P437
8 - 22	Stock or Part Number	Enter NSN or part number of the item required
23 - 23	Unit of Issue	Enter the 2 position alphabetic unit of issue for item requisitioned
25 - 29	Quantity	Enter the quantity of the item requisitioned to the nearest unit pack
30 - 35	Requisitioner	Enter the service code and unit identification code of chargeable activity
36	Year	Enter last digit of calendar year
37 - 39	Day	Enter Julian day request is submitted
40 - 43	Serial Number	Enter serial number of request
44	Demand Code	Enter R for recurring demand, N for non-recurring demand
45 - 50	Supplementary Address	When required to identify the Ship to/Bill to activity, enter UIC of activity; When Ship to /Bill to not required enter local control code; otherwise leave blank
51	Signal Code	Enter the appropriate signal code Appendix A12 NSUP P437
52 - 53	Fund Code	Enter applicable fund code
54	Distribution Code	Enter monitoring activity code
55 - 56	Cognizance Symbol	Enter appropriate Cog symbol as listed in ML-N
57 - 59	Project Code	Enter project code applicable to request
60 - 61	Priority	Enter authorized uniform material movement issue priority system code
62 - 64	Required Delivery Date (RDD)	When Standard Delivery Date (SDD) is satisfactory leave blank
65 - 66	Advice Code	For mandatory turn-in repairables, the 5 series advice codes must be used
67 - 69	Date of Receipt of Requisition	Leave blank on submission
70 - 72	Blank	Leave blank
73	Material Control Code	Enter appropriate material control code if assigned; otherwise leave blank
74 - 80	Blank	Leave blank

## 2. NAVSUP Form 1109 Format

COLUMN NUMBER		DATA NOTES
Punch	Interpret	
1 - 2	1 - 2	Cognizance Symbol
3	3	Material Control Code (MCC)
4 - 16	4 - 19	National Stock Number (NSN)
17 - 18	20 - 21	Special Material Identification Code (SMIC)
19 - 22	L20 - 21	Item Name
23	L33	Material Category Code
24 - 25	24 - 25	Unit of Issue
26 - 32	26 - 32	Unit Price
33	33	Unit Price Code
34	34	Allowance Note Code
35	L1	Operating Space Item Info
36 - 46	36 - 44	Repairable Identification Code (RIC)
47	45	Multi-application Code
48	46	Allowance Type Code
49 - 52	47 - 50	Quantity On Hand
53	L57	Military Essentiality Code
54 - 57	57	Julian Date
58 - 61		Serial Number
62 - 65		Required Delivery Date
66 - 71		Supplementary Address
71	51	Equipment Custody Code
72 - 75		Add-on Quantity
76 - 80	53 - 56	Unit Identification Code

NAVAL SEA SYSTEMS COMMAND

Management Control Activities

All GFM requisitions must contain the Service Code Q to denote a contractor activity. GFM requisitions received by MCAs under Naval Sea Systems Command (NAVSEA) will cite Distribution Code S. NAVSEA MCAs are as follows:

<u>DODAAC</u> *	<u>RIC</u>	<u>ACTIVITY</u>
N00024	RPA	Management Control Activity Naval Sea Systems Command Washington, D.C.
N65538	RPB	Management Control Activity Naval Sea Logistics Center Mechanicsburg, PA
N65912	RPC	Management Control Activity Naval Sea Support Center, Atlantic Portsmouth, VA
N45628	RPD	Management Control Activity Naval Sea Support Center, Pacific San Diego, CA
N65540	RPE	Management Control Activity Naval Ship Systems Engineering Station Carderock Division Naval Surface Warfare Center Naval Base Philadelphia, PA
N00164	RPF	Management Control Activity Crane Division Naval Surface Warfare Center Crane, IN
N00174	RPG	Management Control Activity Indian Head Division Naval Surface Warfare Center Indian Head, MD

\* DODAAC is synonymous with UIC for Navy addresses.

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<u>DODAAC</u>	<u>RIC</u>	<u>ACTIVITY</u>
N63394	RPP	Management Control Activity Port Hueneme Division Naval Surface Warfare Center Port Hueneme, CA
N0708A	RPQ	Management Control Activity Naval Mine Warfare Engineering Activity Port Hueneme Division Naval Surface Warfare Center Yorktown, VA
N00197	RPS	Management Control Activity Naval Ordnance Station Crane Division Naval Surface Warfare Center Louisville, KY
N00193	RPH	Management Control Activity Naval Weapons Station Charleston, SC
N60036	RPJ	Management Control Activity Naval Weapons Station Concord, CA
N60478	RPK	Management Control Activity Naval Weapons Station Earle Colts Neck, NJ
N60701	RPL	Management Control Activity Naval Weapons Station Seal Beach, CA
N00109	RPM	Management Control Activity Naval Weapons Station Yorktown, VA
N00253	RPN	Management Control Activity Naval Undersea Warfare Center Division Keyport, WA

Enclosure (2)

<u>DODAAC</u>	<u>RIC</u>	<u>ACTIVITY</u>
N64281	RPR	Management Control Activity Naval Undersea Warfare Center Detachment, Norfolk Norfolk, VA
N65227	RPT	Management Control Activity Naval Plant Representative Office Great Neck, L.I., New York
N62907	RPU	Management Control Activity Naval Plant Representative Office Laurel, MD
N68679	RPV	Management Control Activity Naval Plant Representative Office Minneapolis, MN
N62861	RPW	Management Control Activity Naval Plant Representative Office Pomona, CA
N62786	RPX	Management Control Activity SUPSHIP Bath
N62665	RPY	Management Control Activity SUPSHIP Boston
N62794	RQA	Management Control Activity SUPSHIP Brooklyn
N62673	RQB	Management Control Activity SUPSHIP Charleston
N62789	RQC	Management Control Activity SUPSHIP Groton
N62670	RQD	Management Control Activity SUPSHIP Jacksonville
N65870	RQE	Management Control Activity SUPSHIP Long Beach

Enclosure (2)

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<u>DODAAC</u>	<u>RIC</u>	<u>ACTIVITY</u>
N63124	RQF	Management Control Activity SUPSHIP New Orleans
N62793	RQG	Management Control Activity SUPSHIP Newport News
N62795	RQH	Management Control Activity SUPSHIP Pascagoula
N62678	RQJ	Management Control Activity SUPSHIP Portsmouth
N62791	RQK	Management Control Activity SUPSHIP San Diego
N62798	RQL	Management Control Activity SUPSHIP San Francisco
N62799	RQM	Management Control Activity SUPSHIP Seattle
N62990	RQN	Management Control Activity SUPSHIP Sturgeon Bay
N00102	RQP	Management Control Activity NAVSHIPYD Portsmouth
N00151	RQQ	Management Control Activity NAVSHIPYD Philadelphia
N00181	RQR	Management Control Activity NAVSHIPYD Norfolk
N00191	RQS	Management Control Activity NAVSHIPYD Charleston
N60258	RQT	Management Control Activity NAVSHIPYD Long Beach
N00221	RQU	Management Control Activity NAVSHIPYD Mare Island

Enclosure (2)

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<u>DODAAC</u>	<u>RIC</u>	<u>ACTIVITY</u>
N00251	RQV	Management Control Activity NAVSHIPYD Puget Sound
N00311	RQW	Management Control Activity NAVSHIPYD Pearl Harbor
N66604	RQX	Management Control Activity Naval Undersea Warfare Center Division Newport, RI

Enclosure (2)

**GOVERNMENT FURNISHED MATERIAL (GFM) STATUS REPORT**

REPORT CONTROL SYMBOL

1. DATE PREPARED (YYMMDD)	3. MANAGEMENT CONTROL ACTIVITY (MCA)
2. REPORTING PERIOD	
a. FROM (YYQ)	b. TO (YYQ)

PART I - SHIPMENTS OF GFM TO CONTRACTORS								
4. CONTRACT NO./ CONTRACT BASIC LINE ITEM NO.	5. CONSIGNEE	6. NSN/PART NO.	7. DOCUMENT NO. (MILSTRIP Requisition No.)	8. UNIT OF ISSUE	9. QUANTITY SHIPPED	10. DATE SHIPPED (YYMMDD)	11. UNIT PRICE	12. EXTENDED \$ VALUE

PART II - REQUISITIONS REJECTED									
13. CONTRACT NO./ CONTRACT BASIC LINE ITEM NO.	14. CONSIGNEE	15. NSN/PART NO.	16. DOCUMENT NO. (MILSTRIP Requisition No.)	17. UNIT OF ISSUE	18. QUANTITY REJECTED	19. DATE REJECTED	20. UNIT PRICE	21. EXTENDED \$ VALUE	22. REJECT STATUS CODE (MILSTRIP Status Code)