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Control of Government Property in Possession of Contractors

December 1977

U.S. Department of Energy
Procurement and
Contracts Management
Directorate

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FOREWORD

This Guide, "Control of Government Property in Possession of Contractors," has been developed in order to standardize the administration of Government property provided under a DOE contract. This Guide does not apply to fixed-price supply or construction contracts, transportation contracts, grants, cooperative agreements, contracts with state and local governments, special research support agreements, or to cost reimbursement type contractors operating DOE-owned facilities (COCO's).

It is intended that this publication be furnished to applicable contractors as a guide to DOE's requirements pertaining to the management and control of Government property in their possession.

CONTROL OF GOVERNMENT PROPERTY IN POSSESSION OF CONTRACTORS

PART I

INTRODUCTION

A. Scope

This Guide sets forth the basic requirements to be observed by contractors in establishing and maintaining control over Government property, including motor vehicles, provided pursuant to a contract with the U.S. Department of Energy (DOE). In the event of any inconsistency between this Guide and the contract under which the Government property is provided, the terms of the contract shall govern.

B. Definitions (for purpose of this Guide)

1. DOE Property Administrator: The individual designated by the Contracting Officer to administer the contract requirements and obligations relative to Government property. He is an authorized representative of the Contracting Officer. When a specific individual has not been designated as the Property Administrator, the Contracting Officer is the Property Administrator.

2. Government personal property: All property provided at Government expense for performance of the contract, regardless of the method by which it is provided, including rented or leased equipment, except real property, records of the Federal Government, nuclear and special source materials, and atomic weapons and by-product materials.

(a) Government-furnished property is property in the possession of, or acquired directly by, the Government and subsequently delivered or otherwise made available to the contractor for use in performance of the contract.

(b) Contractor-acquired Government property is property procured or otherwise provided by the contractor, the cost of which is reimbursable under the contract.

3. Capital Equipment: Property items having a unit acquisition cost of generally \$500.00 or more and an anticipated service life of one (1) year or longer, are not properly chargeable to buildings or utilities, and having the potential for maintaining their integrity as capital items, i.e., not expendable due to use.

4. Materials: Property which may be incorporated into or attached to an end item to be delivered under a contract or which may be consumed in the performance of a contract. It includes, but is not limited to, raw and processed material, parts, components, assemblies, or supplies.

5. Sensitive Items: Property items which, regardless of acquisition cost, are of the type most easily appropriated for personal use, or can be readily converted to cash, and therefore are subject to record control and special safeguards at all times. Examples are cameras, binoculars, radios, power hand tools, calculators, typewriters, and similar items.

6. Accessory Item: An item which facilitates or enhances the operation of equipment but which is not essential for its operation, such as remote control devices.

7. Auxiliary Item: An item without which the basic unit cannot operate, such as motors for pumps and machine tools.

8. Salvage: Personal property that has some value in excess of its basic material content but which is in such condition that it has no reasonable prospect of use for any purpose as a unit and its repair or rehabilitation for use is clearly impracticable. Repairs or rehabilitation estimated to cost in excess of 65 percent of acquisition cost would be considered "clearly impracticable."

9. Scrap: Material that has no value except for its basic material content.

PART II

PROPERTY MANAGEMENT

Subpart 1--Contractor's Responsibility

A. Scope

This subpart covers, to the extent not otherwise provided in the contract, the duties and responsibilities of the contractor with respect to the control of Government property, both physically and administratively, and the liability of the contractor for Government property lost, damaged, destroyed, or for which the contractor is otherwise unable to account.

B. General

The contractor shall be responsible for all Government property in his possession or control in accordance with the provisions of the contract, including property provided under such contract which may be in the possession or control of a subcontractor. The contractor shall establish and maintain a system (in accordance with the provisions of this Guide) to control, protect, preserve and maintain all Government property. This system shall be reviewed and, if satisfactory, approved in writing by the Property Administrator. The contractor shall maintain and make available such records as are required by Part II, Subpart 2, of this Guide and must account for all Government property until relieved of responsibility in accordance with procedures set forth in this subpart. Liability for loss, damage, or improper use of property in a given instance will necessarily depend upon all the circumstances surrounding the particular case and will be determined in accordance with the provisions of the contract. The contractor shall furnish all data necessary to substantiate any request for discharge from responsibility.

1. The contractor shall require any of his subcontractors who have been provided Government property to comply with the provisions of this Guide. Procedures for assuring subcontractor compliance shall be included in the contractor's approved property control system.

2. In the event any portion of the contractor's property control system is found to be inadequate upon review by the DOE Property Administrator, necessary corrective action will be accomplished by the contractor prior to approval of the system. When agreement as to adequacy of control or corrective action can not be reached between the contractor and the Property Administrator, the matter will be referred to the Contracting Officer.

3. The property records and the premises where any Government property is located must be accessible to the Property Administrator or other authorized representatives at all reasonable times. The contractor's property control system is subject to audit by the Government as often as circumstances warrant, during the contract's performance, at its completion or termination, or at any time thereafter while the contractor is required to retain the contract records. All these records, including related correspondence, shall be made available to the auditors.

C. Assumption of Responsibility

The contractor becomes responsible for Government furnished property upon its delivery into the contractor's custody. For contractor-acquired Government property, the contractor assumes responsibility in accordance with the property provisions of the contract.

All Government-furnished property must be inspected and checked promptly. At the time of receipt, any visible or other external evidence of damage or error in quantity should be noted on the waybill with the signature of the carrier's agent. As soon as possible, the contractor must send the Contracting Officer a full report of the damage or quantity error, including extent, apparent

cause, and the estimated cost of repairs. The Contracting Officer will advise the contractor of the action to be taken.

It is the contractor's responsibility to inspect, at the time of receipt, all property not furnished by the Government that is acquired in the performance of the contract, and to take any necessary action with the vendor and/or carrier if there should be any damage or error in quantity.

D. Contractor's Liability

Subject to the terms of the contract, the contractor may be liable when shortages of Government property are disclosed, when Government property is lost, damaged, destroyed, or stolen, or when there is evidence of improper or unreasonable use or consumption of Government property.

The contractor is required to promptly report to the Property Administrator any loss, damage, or destruction to Government property in his possession or control, or in the possession or control of any subcontractor, together with all the facts and circumstances of the case. See Retirement of Property, Subpart 6 E.

Any loss that may be due to theft must be reported by the contractor immediately to the local police and/or the Federal Bureau of Investigation and the Property Administrator.

E. Segregation of Government-owned Property

Ordinarily, provisions shall be made by the contractor to keep Government property segregated from contractor-owned property. Commingling of Government-and contractor-owned property may be allowed only when the segregation of the property would materially hinder the progress of the work, (e.g., segregation is not feasible for reasons such as quantities, lack of space, or costs caused by additional handling), and where control procedures are adequate, i.e., the Government property is identified as being

Government property. Commingling must be approved in advance by the Property Administrator.

F. Physical Protection of Property

Controls such as property pass systems, memorandum records, marking of tools, regular or intermittent gate checks and perimeter fencing shall be implemented, recognizing the value of the property, to prevent loss, theft, or unauthorized movement of property from the premises on which such property is located.

Classified property will be handled in accordance with instructions of the Contracting Officer.

G. Control of Sensitive Items of Property

The contractor shall assure that effective procedures and practices are established for the administrative and physical control of sensitive property items before and after issuance. Each contractor shall prepare a list of the types of property considered to be sensitive. This list, together with control procedures, shall be provided to the Property Administrator for review and approval.

As a minimum, controls on sensitive property shall include memorandum receipts, bin or tool check systems, or combinations thereof. Procedures shall provide for physical inventories at least once each year, and methods for adjustment of inventory levels due to losses, thefts and damages. Such procedures and practices shall be subject to review by the Property Administrator.

H. Disposition

The contractor is responsible for disposing of Government property as provided for in the contract or as directed by the Contracting Officer. It is also the duty of the contractor to promptly advise the Property Administrator of any Government property that becomes excess to requirements for contract performance and to take such action for its disposition as directed.

I. Relief from Responsibility

Subject to instructions of the Contracting Officer and the terms of the contract, the contractor may be relieved of responsibility for Government property as follows:

1. Property consumed or expended in contract performance--to the extent the Contracting Officer has determined that its consumption or expenditure was for proper purposes and in reasonable quantity for performance of the contract;
2. Property removed from contractor's possession--when removed as directed by the Property Administrator or Contracting Officer;
3. Property lost, damaged, destroyed, etc., (including property consumed or expended in excess of reasonable requirements, and non-severable Government-owned property which has been connected to contractor-owned property for the performance of the contract and cannot be removed without destroying its serviceability)--when the Contracting Officer has determined the contractor's liability, if any, the Government has been reimbursed to the extent required by the Contracting Officer's determination, and proper disposition has been made of any property rendered unserviceable by damage.

Subpart 2--Records

A. Scope

This subpart establishes minimum requirements for records to be established and maintained by the contractor for Government property in his possession or control.

B. General

1. The contractor shall establish and maintain adequate detailed property records, either manual or mechanized and consistent with the requirements of this Guide, for all Government property provided under a contract, including property provided under such contract as may be in the possession or control of a subcontractor.

2. The property records shall indicate the status of Government property at any state of completion of the work under a contract.

3. If a contractor has multiple contracts with DOE, separate property records for each contract are desirable; however, a consolidated property record may be maintained if it provides the pertinent information set forth in this subpart.

4. Property records of component equipment items which would have been established if they had been acquired separately shall be established for such usable components which are replaced or removed as a result of modification or otherwise.

5. The contractor's property control system shall include an adequate locator system or technique for locating each item of Government property.

C. Pricing

The unit cost of each item of Government property must be contained in the contractor's property control

system. Unless the contractor's quantitative inventory record contains unit cost, the supplementary records containing this information must be identified and recognized as a part of the official property records. For Government-furnished property, copies of documents needed for record purposes, including pricing, will be furnished to the contractor by the Property Administrator.

For property record purposes, original transportation and installation costs are to be considered as part of the unit cost of an item. Subsequent costs incurred in transporting and/or installing transferred or relocated property should not be added to the original acquisition cost.

D. Records of Capital Equipment

For each item of capital Government-owned equipment (as defined in Part I of this Guide), the contractor is required to maintain an individual item record containing the following information as a minimum:

1. contract number,
2. name of item or nomenclature,
3. U.S. Government identification tag number,
4. manufacturer's name,
5. manufacturer's model number,
6. serial number,
7. acquisition document reference and date,
8. location,
9. unit cost, including transportation and installation.

Accessory and auxiliary items that are attached to, part of, or acquired for use with a specific item of capital equipment must be recorded on the record of the basic item. Any accessory or auxiliary item that is not attached to, part of, or acquired for use with a specific item of capital equipment must be recorded separately. Useable accessory and auxiliary items that are removed from items of Government equipment must also be separately recorded, and the cost of the basic item reduced proportionally.

E. Records of Materials Maintained in Stock

Records of material maintained by the contractor in stocks, or stores, and held under inventory control, shall contain the following information:

1. Contract number
2. Nomenclature or description of item
3. Quantity received
4. Quantity issued
5. Balance on hand
6. Posting reference and date of transaction
7. Unit cost
8. Disposition

Subpart 3--Identification

A. Scope

This subpart establishes minimum requirements for the identification and marking of capital Government equipment in the possession or control of the contractor.

B. General

The contractor shall identify, mark, and record all capital equipment promptly upon receipt, except leased or rented equipment, and shall maintain this identification as long as it remains in the custody, possession, or control of the contractor. Property identification numbers will be recorded on all applicable receiving, shipping, and disposal documents, and any other documents pertaining to the property control system where practicable. Marking and numbering shall be accomplished by etching, stamping, painting, attaching metal or plastic tags or decalcomanias. Information on property numbers will be furnished by the Property Administrator. If practicable, such markings shall be removed or obliterated from the property involved when Government ownership is terminated. Leased or rented equipment shall be identified with tags which will not damage the property. Property which by its nature or size cannot be marked shall not be commingled with contractor-owned property unless approved by the Property Administrator. Where items are not susceptible to marking, they shall be subject to other specific control measures, such as custodial receipts.

Subpart 4--Physical Inventories

A. Scope

This subpart establishes minimum requirements for the physical inventory of Government property in the possession or control of the contractor and subcontractor.

B. General

The contractor is required to physically inventory Government property in his possession or control and to require such inventories of property held by subcontractors. The physical inventory shall be consistent with approved contractor procedures and generally accepted accounting principles. Procedures that are limited solely to a check-off of a listing of recorded property do not meet the requirements of a physical inventory.

C. Frequency

Physical inventories of capital equipment are to be taken not less frequently than every 2 years, except that inventories of sensitive items shall be taken annually. Substantial quantities of material (stores) held under inventory control shall be inventoried annually. Small quantities of material representing bench stock need not be inventoried.

D. Reporting Results of Inventories

The contractor shall, as a minimum, submit to the Property Administrator a listing of all discrepancies disclosed by a physical inventory, and a signed statement that the physical inventory of all Government property was completed on a certain date and that the official property records were found to be in agreement with the physical inventory, except for the discrepancies reported. The listing and signed statement shall be furnished with a minimum of delay after completion of the physical inventory.

E. Records and Reports

Inventory procedures shall include a requirement that inventory personnel note and report equipment items obviously unserviceable, not being used, or cannibalized. The procedures should also provide for use of such reports as the basis for a follow-up review when necessary.

Appropriate inventory records and reports shall be maintained and will serve as a basis for (1) effecting maximum utilization of available property, including excess, (2) prompt identification and reporting of excess property, (3) effective physical protection of property, and (4) the preparation of special and recurring reports. Full use will be made of accounting records and reports to avoid duplication.

F. Inventories Upon Termination or Completion

Immediately upon termination or completion of a contract, the contractor shall submit an inventory report adequate for determining appropriate disposal of all Government property applicable to the terminated or completed contract. Further, this report shall include an inventory report of all Government property in a subcontractor's possession or control which is also applicable to the terminated or completed contract. This inventory report will be submitted to the Property Administrator for verification and disposition action. The requirement for physical inventory of Government property at the completion of a contract may be waived by the Contracting Officer when the property applicable to the completed contract is authorized for use on a follow-on contract, provided:

1. past experience has established the adequacy of property controls, and
2. A statement is provided by the contractor indicating that transfer of record balances has been made in lieu of preparing a formal inventory list and the contractor accepts responsibility and accountability for these balances under the terms of the follow-on contract.

Subpart 5--Care and Maintenance

A. Scope

This subpart establishes minimum requirements as to care and maintenance of Government property in the possession or control of the contractor and subcontractor. See Part III for special requirements for motor vehicles.

B. General

The contractor shall be responsible for the proper care and maintenance of Government property in his possession or control from the time of receipt of the property until properly relieved of responsibility in accordance with the contract. The removal of Government property to storage, or its contemplated transfer, does not relieve the contractor of these responsibilities.

C. Contractor's Maintenance Program

The contractor's maintenance program shall be consistent with sound economic industrial practice, the manufacturer's recommendation, and the terms of the contract, including the following:

1. Preventive Maintenance: Preventive maintenance is generally performed on a regularly scheduled basis in order to detect and correct unfavorable conditions or defects before they result in breakdowns and to maximize the useful life of the equipment. An effective preventive maintenance program shall consist of, but not be limited to, the following:

(a) inspecting equipment at such periodic intervals to detect maladjustment, wear, or impending breakdown;

(b) regularly scheduled lubrication of bearings and moving parts in accordance with a lubrication chart or equivalent plan;

(c) adjustments for wear, repair, or replacement of worn or damaged parts and the elimination of causes of deterioration and associated parts;

(d) removal of sludge, chips, and cutting oils from equipment which will not be used for a period of time;

(e) taking necessary precautions to prevent deterioration from contamination and corrosion; and

(f) proper storage and preservation of accessories and special tools furnished with an item of plant equipment but not regularly used with it.

2. Major Repairs or Rehabilitation: The contractor's maintenance program shall provide for the disclosure and reporting of the need for major repairs, replacement, and other rehabilitation work on Government property in the possession or control of the contractor.

3. Records of Maintenance: The contractor's maintenance program shall provide for records sufficient to disclose the maintenance and repair performed and associated costs.

Subpart 6--Utilization, Disposal and Retirement

A. Scope

This subpart establishes minimum requirements for the utilization, disposal, and retirement of Government property in the possession or control of the contractor and subcontractor.

B. General

It is DOE's policy that all property furnished under a contract shall be utilized to the fullest extent possible. The contractor's procedures shall be adequate to assure that Government property will be utilized only for those purposes authorized in the contract, and that the Contracting Officer's approval is obtained for noncontract use.

C. Maximum Use of Property

Property and supply management practices shall assure that the maximum and best possible use is made of property. Materials and equipment shall be limited to those items essential for effective execution of work performed under the contract.

D. Disposal

Contractors having property determined to be excess, unless otherwise authorized, shall contact the Property Administrator for instructions as to the proper method of disposal. Property shall not be disposed of without prior approval of the Contracting Officer.

E. Retirement of Property

When Government property is worn out, lost, stolen, destroyed, abandoned or damaged beyond economical repair, it shall be listed on a retirement work order. A full explanation shall be made, supported by an investigation, if necessary, as to the date and circumstances surrounding loss, theft, destruction,

abandonment or damage. The retirement work order shall be signed by the responsible administrative official initiating the report and reviewed and approved by an official at least one supervisory echelon above the official initiating the report, and the Property Administrator.

Detailed information concerning the retention and/or submission of retirement work orders will be furnished by the Property Administrator.

Part III

MOTOR VEHICLE MANAGEMENT

A. Scope

The preceding parts of this Guide apply to Government owned vehicles in a general way and are not repeated in this part except where necessary to clarify differences. The following guidance applies only to Government furnished vehicles.

B. Policy

1. Government furnished motor vehicles may be DOE-owned vehicles, vehicles leased from the General Services Administration Interagency Motor Pools (GSA-IMP's), and/or vehicles leased from commercial sources. It is DOE policy to fully conform to the average fuel economy standards as promulgated by GSA in the Federal Property Management Regulations (see D. Limitations) in any selection of such Government furnished vehicles.

2. Motor vehicles will not be acquired for or furnished to fixed-price contractors except in the most unusual circumstances and then, only after the approval of the DOE Director of Procurement and Contracts Management Directorate has been obtained.

3. Use of GSA-IMP's by fixed-price contractors must be approved by the Administrator of GSA; requests, with appropriate justification, for such approvals will be submitted by the Contracting Officer to the DOE Director of Procurement and Contracts Management Directorate prior to submission to GSA.

4. Furnishing DOE-owned vehicles to contractors or DOE offices in areas served by GSA-IMP's requires GSA approval. Requests for such approval will be submitted through the Contracting Officer to the DOE Director of Procurement and Contracts Management Directorate and will be supported by a statement from the applicable GSA

Region indicating that GSA cannot provide the required service.

5. Government furnished vehicles, whether leased or owned, are to be used for official purposes only.

C. Definitions

Because of differences in controls or limitations on possession and use of government vehicles, such vehicles are classified as follows:

1. Passenger vehicles
 - a. Passenger automobiles
 - (1) sedans) small, subcompact,
compact, mid-size
and large.
 - (2) station wagons)
 - b. Ambulances
 - c. Buses
2. Trucks
 - a. 4 x 2, less than 10,000 GVWR)
light
 - b. 4 x 4, less than 10,000 GVWR)
 - c. 4 x 2, greater than 10,000 GVWR) medium and heavy
 - d. 4 x 4, greater than 10,000 GVWR)
3. Special purpose vehicles
 - a. Fire trucks
 - b. Construction vehicles
 - c. Other vehicles equipped for special purposes.

D. Limitations

1. The types of passenger automobiles which DOE may acquire generally are limited to small, subcompact, and compact types in order to meet Federally established average fuel economy standards. All purchase requisitions for such vehicles must be certified by the Procurement and Contracts Management Directorate prior to submission to GSA for procurement action. Certification also is required prior to the lease of passenger automobiles.

2. The price which DOE may pay for passenger automobiles each year is limited by statute.

3. The number of passenger vehicles (sedans, station wagons, ambulances and buses) which DOE may own and the number which it may purchase each year are also limited by statute.

4. Based on requirements submitted by DOE field organizations in their budget submissions, DOE allocates to the field organizations a specific number of authorizations for replacement or additional passenger vehicles each year.

5. Passenger vehicles acquired from excess or on loan from other agencies for more than three months, or via transfer, count as part of the limited annual allocation and as part of the limited fleet size.

6. The statutory limitations on price and quantity of passenger vehicles indicated above do not apply to trucks. The type, number, and cost of trucks which DOE may buy and furnish to a contractor depend on the terms of the contract; the same is true of special purpose vehicles.

7. When the Contracting Officer so directs, DOE-owned vehicles may be disposed of as exchange sale items, in which case the Title Transfer Instrument, Standard Form 97, must be executed by a DOE official who has been designated in writing to execute the Title Transfer Form.

E. Purchase Procedures

1. GSA has the responsibility for procurement of motor vehicles for Government agencies.

2. Depending on terms of the contract, the contractor may submit his requirement for vehicles to the Contracting Officer or, if the latter directs, may forward the requisition to GSA as indicated in Part III D.1., in which case the contractor acts as an agent of DOE.

3. Requisitions are accomplished by use of Standard Form 1781, Motor Vehicle Requisition, Delivery Order and Invoice. The appropriate GSA address is printed on the form.

(a) Federal Standard No. 122 and FSC 2310 define sedans and station wagons.

(b) Federal Standards Nos. 292 and 307, and FSC 2320 define light trucks.

4. The total time for GSA to process requisitions and to contract for acquisition and delivery of vehicles depends to some extent on when the purchase order or requisition is received by GSA. The time from purchase order to delivery of light vehicles may require as long as one year, and as long as two years for medium, heavy and special purpose vehicles.

Vehicles acquired under a GSA contract will be thoroughly examined for defects upon receipt. Any defect shall be promptly reported to GSA and repairs shall be made under terms of the warranty.

F. Use of GSA Interagency Motor Pools

1. GSA-IMP's provide the following:

- (a) motor vehicles on a trip or daily assignment
- (b) motor vehicles on indefinite (long-term) assignment
- (c) commercially rented vehicles for short-term use
- (d) shuttle, taxicab and bus services
- (e) other services including maintenance, storage and service station services for Government-owned vehicles not under GSA control.

2. Once authority is received for use of GSA-IMP vehicles, the Contracting Officer, or such other person as he designates, requests (by letter, memorandum, teletype, requisition, purchase order or similar document) the desired service from the local IMP. A complete billing address must accompany the request.

3. After the IMP agrees to provide the service, oral requests by properly identified personnel will be accepted.

4. If the local IMP cannot provide the requested services or if the services provided do not satisfy the need, a statement of the situation and a request for assistance should be sent to the GSA Regional Office with a copy to the DOE Director of Procurement and Contracts Management Directorate. If the GSA Region cannot satisfy the requirement, the Contracting Officer should consider commercial leasing, purchase or use of contractor-owned vehicles.

For purchase of vehicles for use in an area supported by an IMP, a request with justification, including a statement of GSA's inability to provide the service, should be forwarded to the DOE Director of Procurement and Contracts Management Directorate by the Contracting Officer (see B.3.) prior to submission to GSA.

G. Tags, Legend and Identification

1. Except as indicated below, DOE-owned vehicles and vehicles leased for more than 60 continuous days will have Government tags and the legend:

For Official Use Only
U.S. Government
Department of Energy

which is to be displayed as specified by the Property Administrator.

2. Security Vehicles may be exempted from the above requirements by Heads of Field Offices and the Director of Administration, Headquarters. Vehicles leased for 6 months or less for off-road usage are required to have Government tags but may be exempted from use of the legend and identification. All other exemptions require approval by the DOE Director of Procurement and Contracts Management Directorate.

H. Maintenance (see Part II, Subpart 5)

Government-owned vehicles are to be maintained according to a systematic written procedure, and in accordance with manufacturer specifications and the terms of the warranty. The "Guide for the Preventive Maintenance of Motor Vehicles," published by GSA, is available for the guidance of all those responsible for maintenance of Government-owned vehicles.

I. Official Use Only

Based on statutes, Government-owned vehicles are to be used for "Official Use Only." Work-to-home or home-to-work transportation on a continuing basis requires approval of the Heads of Field Offices or the Director of Administration, Headquarters. A Head of a Division or Office in DOE Headquarters may approve home-to-work transportation on a one-time exceptional basis. The approval responsibility cannot be delegated except for a one-trip basis. Records of the approvals for home-to-work transportation will be kept on file.

J. Reports

For DOE-owned vehicles assigned to contractors the following annual fiscal year-end reports are required as specified by the Property Administrator:

- (a) Agency Report of Motor Vehicle Data;
Standard Form 82
- (b) Agency Report of Sedan Data; Standard Form
82d
- (c) Special Purpose Vehicle Report
- (d) Age and Mileage Analysis

K. Aircraft

Acquisition of an aircraft requires statutory authority, usually a line item approval in the annual DOE appropriation act. When a lease, rental, hire, or loan of an aircraft exceeds 30 days, approval for the lease must be received from the DOE Director of Procurement and Contracts Management Directorate. The "Official Use Only" limitations for motor vehicles also apply to aircraft usage.