

**§ 172.6**

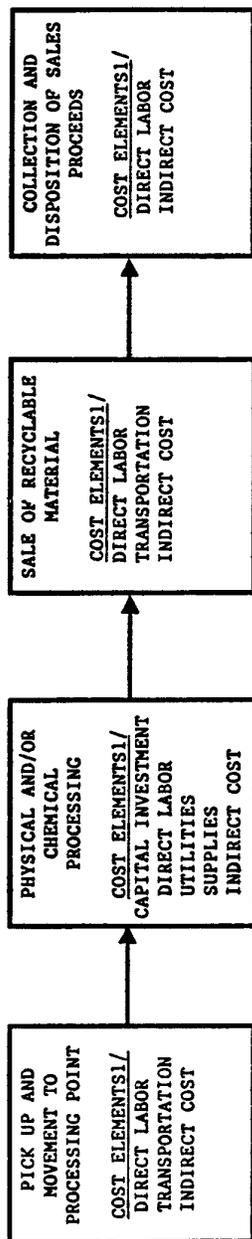
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dressed in paragraph (g)(3)(i) or (g)(3)(ii) of this section, an accounting entry shall be made to reflect the creation of reimbursable obligational authority and the use of such authority.

**§ 172.6 Information requirements.**

The reports cited in §§172.5(f)(3) (i) and (ii) of this part are exempt from licensing in accordance with paragraph E.4g. of DoD 7750.5-M.

APPENDIX A -  
**EFFORTS AND COSTS ASSOCIATED WITH  
THE DISPOSAL OF RECYCLABLE MATERIAL**



1/ The proceeds of sales of DoD-purchased materials, labor, and assets shall be recouped on the basis of a sale to "Another Federal Agency," as prescribed in DoD 7220.9-M, chapter 26 (reference (h)). This procedure excludes capital investment costs. Such costs may be paid from recyclable material sales proceeds in their entirety. Therefore, amortization of capital items is not applicable.

APPENDIX B TO PART 172—DISPOSITION OF AMOUNTS COLLECTED FROM SUCCESSFUL BIDDERS

Type of property	Disposition of:	
	(20%) bid deposit	(80%) remaining balance
1. Scrap turned in by industrial fund (IF) activities .....	IF .....	IF.
2. Usable personal property purchased by and turned in by IF activities.	IF .....	IF.
3. Property purchased with funds from trust fund __ X8420, "Surcharge Collections, Sales of Commissary Stores".	__ X8420 .....	__ X8420.
4. Automatic data processing equipment owned by the General Services Administration (GSA) and leased to DoD.	__ F3875, Budget Clearing Account (Suspense).	__ F3875. Upon receipt of the entire amount due from the bidder, a check shall be drawn on the suspense account and forwarded to GSA at the following address: General Services Administration Office of Finance (WBCRC), Collections and Securities, 7th and I Streets NW., Washington, DC 20407.
5. Section 605(d) the Foreign Assistance Act of 1965, provides that proceeds from the sale of defense articles shall be credited to the appropriation, fund or account used to procure the article or to the account currently available for the same general purpose.		
a. Pre-MAP merger (Pre FY 82) property issued under the Military Assistance Program (MAP) and returned as no longer needed, and all MAP funded personal property belong to Security Assistance Offices (SAO).	11__1082, "Foreign Military Financing Program" (Effective 1 October 1989 the 11__1080, "Military Assistance," account is no longer available for the receipt of proceeds).	11__1082.
b. Security Assistance Offices (SAO) personal property purchased with Foreign Military Sales Administrative Funds (11x8242).	978242 XDM__ S843000 .....	978242 XDM__ S843000.
6. Coast Guard property under the physical control of the Coast Guard at the time of sale.	__ F3875 .....	__ F3875. Upon receipt of the entire amount due from the bidder, a check shall be drawn on the suspense account and forwarded to the Coast Guard at the following address: Commandant, U.S. Coast Guard (GFAC), Washington, DC 20593.
7. Property owned by nonappropriated fund instrumentalities, excluding garbage suitable for animal consumption that is disposed of under a multiple-pickup contract.	__ X6874, "Suspense" .....	__ X6875. Upon receipt of the entire amount due from the bidder, a check shall be drawn on the suspense account and forwarded to the applicable instrumentality.
8. Recyclable material .....	__ F3875 <sup>1</sup> .....	__ F3875. <sup>1</sup> Upon receipt of the entire amount due from the bidder, deposit total proceeds to the accounts designated by the DoD Military Installation that gave the material up for disposal.
9. Lost, abandoned, or unclaimed privately owned personal property.	972651, "Sale of Scrap and Salvage Materials, Defense".	__ X6001, "Proceeds of Sales of Lost, Abandoned or Unclaimed Personal Property." The owner(s) of lost, abandoned, or unclaimed property may claim the net proceeds from sale of that property within 5 years of the date of the sale by providing proof of ownership to the government. After 5 years from the date of the sale, any unclaimed net proceeds shall be transferred from __ X6001 to general fund miscellaneous receipt account __1060, "Forfeitures of Unclaimed Money and Property."

APPENDIX B TO PART 172—DISPOSITION OF AMOUNTS COLLECTED FROM SUCCESSFUL BIDDERS—  
Continued

Type of property	Disposition of:	
	(20%) bid deposit	(80%) remaining balance
10. Property owned by a country or international organization.	Operation and maintenance appropriation of the DoD Component that sells the property. (This is reimbursement for selling expenses.)	— X6875. Upon receipt of the entire amount due from the bidder, a check for 80% of the sales price shall be drawn on the suspense account and forwarded to the applicable foreign country or international organization.
11. Bones, fats, and meat trimmings generated by a commissary store.	Stock Fund .....	Stock Fund.
12. Government furnished property sold by contractors.	(2) .....	(2).
13. All other property .....	972651 .....	972651.

<sup>1</sup> 10 U.S.C. 2577 limits the amounts which can be held in F3875 at the end of any fiscal year resulting from the program to \$2 million. Amounts in excess of \$2 million are to be transferred to Miscellaneous Receipts of the Treasury. This instruction provides for immediate distribution of all sales proceeds received from the recyclable program.

<sup>2</sup> See subsection D.7. of the basic instruction.

[55 FR 13903, Apr. 13, 1990]

**PART 173—COMPETITIVE INFORMATION CERTIFICATE AND PROFIT REDUCTION CLAUSE**

Sec.

173.1 Scope.

173.2 Competitive Information Certification.

173.3 Profit reduction clause.

APPENDIX TO PART 173—LIST OF CONTRACTORS FOR WHOM CERTIFICATION IS REQUIRED

AUTHORITY: 10 U.S.C. 2202.

SOURCE: 53 FR 42948, Oct. 25, 1988, unless otherwise noted.

**§ 173.1 Scope.**

(a) The purpose of the Competitive Information Certificate is to provide the Contracting Officer sufficient information and assurance to support award of a contract in those circumstances where certification is required.

(b) Although a Competitive Information Certificate provides reasonable assurance to the Government, the possibility remains that even a diligent internal review by the contractor may fail to identify illegal or improper actions. The purpose of the Profit Reduction Clause is to ensure effective protection of the Government's interest in making contract awards when a Competitive Information Certification is required. The Profit Reduction Clause is required in all competitively awarded new contracts over \$100,000 when a

Competitive Information Certificate is required prior to award.

**§ 173.2 Competitive Information Certification.**

(a) The Competitive Information Certificate is required prior to award of all competitively awarded new contracts of a value exceeding \$100,000 to contractors subject to the requirement.

(1) Corporate activities required to provide the Certificate are corporations or corporate divisions which have been the subject of search warrants, or as to which other official information indicates such certification should be required, and their subsidiaries and affiliates. A list of contractors from whom certification is required is maintained and published as required under authority of the Department of Defense Procurement Task Force.

(2) The requirement to provide the Certificate may be further limited to certain divisions or subsidiaries, contracts or programs upon the basis of official information, furnished by the contractor or otherwise, sufficient to establish to the satisfaction of the Department of Defense that the investigation is so limited. Such information may include copies of search warrants, subpoenas and affidavits from corporate officials concerning the scope and conduct of the investigation. The sufficiency of such information is solely within the discretion of the Department of Defense.