



OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

June 11, 1998

ACQUISITION AND  
TECHNOLOGY

DP (DAR)

In reply refer to  
DFARS Case: 98-D004  
D. L. 98-014

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES  
DEPUTY FOR ACQUISITION AND BUSINESS MANAGEMENT,  
ASN (RD&A) / ABM  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING), SAF/AQC  
DEPUTY ASSISTANT SECRETARY OF THE ARMY (PROCUREMENT)  
DEPUTY DIRECTOR (ACQUISITION), DEFENSE LOGISTICS AGENCY

SUBJECT: Use of Auctions, Spot Bids, or Retail Sales of Surplus  
Contractor Inventory by the Contractor

We have amended the Defense Federal Acquisition Regulation Supplement (DFARS) to lower the level of approval required for the use of auctions, spot bids, or retail sales of surplus contractor inventory, from the headquarters of the contract administration activity, to the commander of the contract administration office.

The attached final DFARS rule is effective immediately and will be published in a future Defense Acquisition Circular.

Eleanor R. Spector  
Director, Defense Procurement

Attachment

cc: DSMC, Ft. Belvoir



DFARS Case 98-D004, Use of Auctions, Spot Bids, or Retail Sales  
of Surplus Contractor Inventory by the Contractor  
Final rule

245.7301 Policy.

- (a) Screening must be completed before any surplus contractor inventory sale.
- (b) Except as provided in 245.7307, sales of surplus contractor inventory shall be competitive.
- (c) The ~~headquarters~~ [commander] of the contract administration ~~activity~~ [office] must approve the use of auctions, spot bids, or retail sales.

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