

## 45.107 Contract clauses.

(a)

(1) Except as provided in paragraph (d) of this section, the *contracting officer shall* insert the clause at [52.245-1](#), *Government Property*, in-

(i) All cost-reimbursement and time-and-material type *solicitations* and contracts, and labor-hour *solicitations* when *property* is expected to be furnished for the labor-hour contracts.

(ii) Fixed-price *solicitations* and contracts when the Government will *provide Government property*.

(iii) Contracts or modifications awarded under FAR [part 12](#) procedures where *Government property* that exceeds the *simplified acquisition threshold*, as defined in FAR [2.101](#), is furnished or where the contractor is directed to acquire *property* for use under the contract that is titled in the Government.

(2) The *contracting officer shall* use the clause with its *Alternate I* in contracts other than those identified in FAR [45.104](#)(a), *Responsibility and Liability for Government Property*.

(3) The *contracting officer shall* use the clause with its *Alternate II* when a contract for the conduct of basic or applied research at nonprofit institutions of higher education or at nonprofit organizations whose primary purpose is the conduct of scientific research (see [35.014](#)) is contemplated.

(b) The *contracting officer shall* also insert the clause at [52.245-2](#), *Government Property* (Installation Operation Services), in fixed-price service contracts to be performed on a Government installation when *Government-furnished property* will be provided for initial provisioning only and the Government is not responsible for repair or replacement.

(c) The *contracting officer shall* insert the clause at [52.245-9](#), *Use and Charges*, in *solicitations* and contracts when the clause at [52.245-1](#) is included.

(d) *Purchase orders* for *property* repair need not include a *Government property* clause when the *unit acquisition cost* of *Government property* to be repaired does not exceed the *simplified acquisition threshold*, unless other *Government property* (not for repair) is provided.

**Parent topic:** [Subpart 45.1 - General](#)