45.105 Contractors' property management system compliance.

(a) The agency responsible for contract administration *shall* conduct an analysis of the contractor's *property* management policies, procedures, practices, and systems. This analysis *shall* be accomplished as frequently as conditions warrant, in accordance with agency procedures.

(b) The *property administrator shall* notify the contractor *in writing* when the contractor's *property* management system does not comply with contractual requirements, *shall* request prompt correction of deficiencies, and *shall* request from the contractor a corrective action plan, including a schedule for correction of the deficiencies. If the contractor does not correct the deficiencies in accordance with the schedule, the *contracting officer shall* notify the contractor, *in writing*, that failure to take the required corrective action(s) *may* result in-

(1) Revocation of the Government's assumption of risk for *loss of Government property*; and/or

(2) The exercise of other rights or remedies available to the *contracting officer*.

(c) If the contractor fails to take the required corrective action(s) in response to the notification provided by the *contracting officer* in accordance with paragraph (b) of this section, the *contracting officer shall* notify the contractor *in writing* of any Government decision to apply the remedies described in paragraphs (b)(1) and (b)(2) of this section.

(d) When the *property administrator* determines that a reported case of *loss of Government property* is a risk assumed by the Government, the *property administrator shall* notify the contractor *in writing* that it is granted relief of stewardship responsibility and liability in accordance with [52.245-1](f)(1)(vii). Where the *property administrator* determines that the risk of *loss of Government property* is not assumed by the Government, the *property administrator shall* request that the *contracting officer* hold the contractor responsible and liable.

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