

Federal Property Management Regulations

§ 101-27.102-3

- 101-27.304-2 Factors affecting the economic retention limit.
101-27.305 Disposition of long supply.

Subpart 101-27.4—Elimination of Items From Inventory

- 101-27.400 Scope of subpart.
101-27.401 [Reserved]
101-27.402 Applicability.
101-27.403 General.
101-27.404 Review of items.
101-27.405 Criteria for elimination.
101-27.406 Disposition of stock.

Subpart 101-27.5—Return of GSA Stock Items

- 101-27.500 Scope and applicability of subpart.
101-27.501 Eligibility for return.
101-27.502 Criteria for return.
101-27.503 Allowable credit.
101-27.504 Notice to GSA.
101-27.505 Notice to activity.
101-27.506 Determination of acceptability for credit.
101-27.507 Transportation and other costs.

AUTHORITY: Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).

§ 101-27.000 Scope of part.

This part provides policies, principles, and guidelines to be used in the management of Government-owned inventories of personal property.

[29 FR 15997, Dec. 1, 1964]

Subpart 101-27.1—Stock Replenishment

§ 101-27.101 General.

Each agency shall establish and maintain such control of personal property inventories as will assure that the total cost involved will be kept to the minimum consistent with program needs. For purposes of stock replenishment, inventories may be considered to be composed of active inventory which is that portion carried to satisfy average expected demand, and safety stock which is that portion carried for protection against stock depletion occurring when demand exceeds average expected demand, or when leadtime is greater than anticipated.

(a) In establishing active inventory levels, consideration shall be given to the average demand of individual items, space availability, procurement

costs, inventory carrying costs, purchase prices, quantity discounts, transportation costs, other pertinent costs, and statutory and budgetary limitations.

(b) In establishing safety stock levels, consideration shall be given to demand and leadtime fluctuations, essentiality of items, and the additional costs required to achieve additional availability.

[29 FR 15997, Dec. 1, 1964]

§ 101-27.102 Economic order quantity principle.

The economic order quantity (EOQ) principle is a means for achieving economical inventory management. Application of the EOQ principle reduces total variable costs of procurement and possession to a minimum.

[41 FR 3858, Jan. 27, 1976]

§ 101-27.102-1 Applicability.

All executive agencies, except the Department of Defense, within the United States, excluding Alaska and Hawaii, shall replenish inventories of stock items having recurring demands, except items held at points of final use, in accordance with the economic order quantity (EOQ) principle.

[29 FR 15997, Dec. 1, 1964]

§ 101-27.102-2 Guidelines.

Guidelines for implementing the EOQ principle of stock replenishment are in the GSA Handbook, The Economic Order Quantity Principle and Applications, issued by the Federal Supply Service, GSA. The handbook is identified under national stock number 7610-00-543-6765 in the GSA Supply Catalog, and copies may be obtained by agencies in the same manner as other items in that catalog. The public may purchase the handbook from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

[41 FR 3858, Jan. 27, 1976]

§ 101-27.102-3 Limitations on use.

(a) When there are no limiting factors which preclude its application, such as space or budgetary limitations, the basic EOQ techniques shall be used.