

## Federal Property Management Regulations

## § 101-27.205

provisions of § 101-27.501 and for inventories for which an economic retention limit has been established in accordance with the provisions of subpart 101-27.3 of this part, inventory levels may be adjusted upward when items of stock are to be acquired from excess sources. Such adjustments should be tempered by caution and arrived at after careful consideration. Generally, acquisitions of items for inventory from excess sources shall not exceed a 2-year supply except when:

(a) A greater quantity is needed to meet known requirements for an authorized planned program.

(b) The item is not available without special manufacture and a predictable requirement exists.

(c) Administrative determination has been made that in application of the EOQ principle of stock replenishment within an agency an inventory level in excess of 2 years is appropriate for low dollar-volume items.

(d) The items are being transferred into authorized stock funds for resale to other Government agencies.

[34 FR 200, Jan. 7, 1969, as amended at 41 FR 3858, Jan. 27, 1976]

### Subpart 101-27.2—Management of Shelf-Life Materials

#### § 101-27.201 Scope of subpart.

This subpart provides for the identification, designation of useful life, and establishment of controls for shelf-life items to minimize loss and insure maximum use prior to deterioration. A shelf-life item is any item possessing deteriorative or unstable characteristics to the degree that a storage period must be assigned to assure the issuance of material that will perform satisfactorily in service.

[32 FR 6493, Apr. 27, 1967]

#### § 101-27.202 Applicability.

This subpart 101-27.2 is applicable to all executive agencies except the Department of Defense. The principles and objectives prescribed in this subpart are in consonance with those adopted by the Department of Defense

in the establishment of shelf-life procedures for use by military activities.

[32 FR 6493, Apr. 27, 1967]

#### § 101-27.203 Program objectives.

In order to assure maximum use of shelf-life items, each executive agency shall:

(a) Identify shelf-life items, including any new items to be placed in inventory, which have a limited shelf-life period.

(b) Establish the shelf-life period of such items and procedures for controlling their procurement, storage, and issue.

(c) Inspect or test certain shelf-life items prior to deterioration to determine if the shelf-life period can be extended.

(d) Conduct inventory management analyses to determine if shelf-life stocks are expected to be utilized prior to the expiration of the original or any extended shelf-life period, and, if not, arrange for transfer of such stock in sufficient time to permit usage prior to deterioration.

(e) Make available for Government-wide distribution, through excess property channels, any stocks which cannot be utilized through normal supply channels.

[32 FR 6493, Apr. 27, 1967]

#### § 101-27.204 Types of shelf-life items.

Shelf-life items are classified as non-extendable (Type I) and extendable (Type II). Type I items have a definite storage life after which the item or material is considered to be no longer usable for its primary function and should be discarded. Type II items are those for which successive reinspection dates can be established when the items have a continued usability as determined by examination based upon criteria that have been agreed upon. Examples of Type I items are drugs and medicines with certain characteristics. Examples of Type II items are paint and ink.

[40 FR 59595, Dec. 29, 1975]

#### § 101-27.205 Shelf-life codes.

Shelf-life items shall be identified by use of a one-digit code to provide for uniform coding of shelf-life materials by all agencies.