

## § 101-27.209-1

shall be utilized or distributed in accordance with this section.

[35 FR 5010, Mar. 24, 1970]

### § 101-27.209-1 GSA stock items.

Shelf-life items that meet the criteria for return under the provisions of subpart 101-27.5 of this part may be offered for return to GSA.

[35 FR 12721, Aug. 11, 1970]

### § 101-27.209-2 Items to be reported as excess.

Shelf-life items which do not meet the criteria in subpart 101-27.5 of this part, which would, if returned to GSA, adversely affect the GSA nationwide stock position, or which are returned to GSA and are determined unsuitable for issue, will be reported as excess under the provisions of part 101-43 of this chapter.

[35 FR 12721, Aug. 11, 1970]

### § 101-27.209-3 Disposition of unneeded property.

If no transfer is effected and no donation requested, the property shall be assigned for sale, abandonment, or destruction in accordance with part 101-45 of this chapter.

[32 FR 6493, Apr. 27, 1967]

## Subpart 101-27.3—Maximizing Use of Inventories

SOURCE: 32 FR 13456, Sept. 26, 1967, unless otherwise noted.

### § 101-27.300 Scope.

This subpart prescribes policy and procedures to assure maximum use of inventories based upon recognized economic limitations.

### § 101-27.301 [Reserved]

### § 101-27.302 Applicability.

The provisions of this subpart are applicable to all civil executive agencies.

### § 101-27.303 Reducing long supply.

Through effective interagency matching of material and requirements before the material becomes excess, unnecessary procurements and investment losses can be reduced. Timely ac-

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tion is required to reduce inventories to their normal stock levels by curtailing procurement and by utilizing and redistributing long supply. (The term *long supply* means the increment of inventory of an item that exceeds the stock level criteria established for that item by the inventory manager, but excludes quantities to be declared excess.) In this connection, requirements for agency managed items should be obtained from long supply inventories offered by agencies rather than by procurement from commercial sources. Because supply requirements usually fluctuate over a period of time, a long supply quantity which is 10 percent or less of the total stock of the item is considered marginal and need not be reduced.

[41 FR 3858, Jan. 27, 1976]

### § 101-27.303-1 Cancellation or transfer.

When the long supply of an item, including quantities due in from procurement, is greater than 10 percent of the total stock of that item, the inventory manager, or other appropriate official, shall cancel or curtail any outstanding requisitions or procurements on which award has not been made for such items, and may also cancel contracts for such items (if penalty charges would not be incurred) or transfer the long supply, if economical, to other offices within the agency in accordance with agency utilization procedures. In such cases, acquisition of long supply items shall not be made from other sources such as requirements contracts.

### § 101-27.303-2 Redistribution.

If the long supply of an item remains greater than 10 percent of the total stock of an item despite efforts to cancel or transfer the long supply as provided in § 101-27.303-1, the inventory manager shall offer the long supply to another agency or other agencies in accordance with this § 101-27.303-2. Before offering a long supply to any agency, the inventory manager shall determine whether the item to be offered is a centrally managed item or an agency managed item. A centrally managed item is an item of supply or equipment which