

periodicals in their libraries not needed for permanent use or other books and periodicals.

13. Replacement standards

Minimum replacement standards to be used by Navy activities desiring to replace specific types of property are indicated in this paragraph.

(a) Motor vehicles: Replacement standards for motor vehicles are set forth in SECNAV (Secretary of the Navy) Instruction 11240.8A of April 17, 1963.

(b) Materials handling equipment: Replacement standards for materials handling equipment are set forth in NAVSUP Publication 289.

(c) Furniture: Furniture will not be replaced unless the estimated cost of repair or rehabilitation (based on GSA term contracts), including transportation expenses, exceeds 75 percent of the cost of a new item of the same type and class. The cost of the new items should be based on current GSA catalogs, schedules or market prices. An exception to the 75 percent criterion is authorized when the rehabilitation cost would not proportionately extend the useful life of the item. This latter determination may be made by the requesting activity head or his designee.

(d) Office machines: The acquisition cost of comparable machines may be obtained from applicable Federal supply schedules, providing consideration is given to prices obtainable when the quantities involved exceed the maximum order limitation. In such instances, price information, if not available within the activity, will be obtained from the appropriate GSA contracting office. Estimated repair or overhaul costs, including transportation costs, will be obtained from contractors providing services to GSA under contract or at the lowest rate available from other sources.

(1) Electrically (not electronically) operated office machines under 12 years of age and manually operated office machines under 15 years of age will not be replaced unless (i) the estimated one-time repair or overhaul cost of a machine under 8 years of age exceeds 50 percent of the replacement cost for a comparable new item without regard to trade-in or sale value; or (ii) the estimated one-time repair or overhaul cost of a machine 8 years of age and over exceeds 25 percent of the replacement cost for a comparable new item without regard to trade-in or sale value.

(2) Notwithstanding the limitations prescribed in subparagraph (1) above, office machines may be replaced under the following conditions, providing a written justification supporting the replacement is approved by the commanding officer or his designee and is retained in the transaction files: (i) Where there is a record of breakdowns and productivity loss, judgments may be made based on repair records; (ii) where machines lack essential features required to perform a specific task of a continuing nature and substitute machines are not available. However, this condition will not be used to support or justify typewriter replacements.

(e) Limitations: Notwithstanding the provisions of subparagraphs (c) and (d) above, the acquisition of new office furniture and typewriters and the replacement of correspondence filing cabinets are governed by other applicable Navy regulations which may be in existence.

14. Reports

As soon as practicable after the close of each fiscal year quarter, but in no event later than 40 days thereafter, the Navy activity, using exchange/sale authority (i.e., the activity effecting the trade-in or sale), will submit a report of transactions as indicated below. Purchasing activities will submit the report in letter form to NAVSUPSYSCOM (SUP 0463). PDO's will include this data in the "Remarks Section" of the Report of Excess and Surplus Materiel at Holding Activities (DD Form 1143) RCS DD I. & L. (Q) 496 (4570). Reference (c) is modified accordingly.

FSC Group (two-digit group) :

Total acquisition cost of property exchanged during the quarter reported (nearest dollar).

Total acquisition cost of property sold during the quarter reported (nearest dollar).

(a) Books and periodicals transactions will not be reported.

(b) Property originally designated for exchange/sale but transferred for further Federal use will not be reported.

(c) Negative reports are not required.