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REMARKS

cc: DIRECTOR OF LOGISTICS *done 2/4/86*

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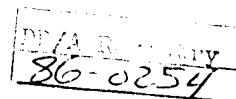
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OPTIONAL FORM 41 (Rev. 7-76)
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FPMR (41 CFR) 101-11.906



Administrator
General Services Administration
Washington, DC 20405



January 30, 1986

60-2

MEMORANDUM FOR ASSISTANT SECRETARIES FOR MANAGEMENT AND
ADMINISTRATIVE DIRECTORS

FROM: TERENCE C. GOLDEN *TCG*
ADMINISTRATOR

SUBJECT: GSA Regulatory Review--Progress Report

Your representatives to the Interagency Advisory Committee on Regulatory Review (Enclosure 1) and its Supply Sources and Related Programs Subcommittee (Enclosure 2) have completed their review of the Federal Property Management Regulations (FPMR) Subchapter E.

I have accepted their report, approved their recommended revisions, and authorized publication of a 60-day notice of proposed rule-making in the Federal Register. I have enclosed for your information an advance copy of the proposed revised FPMR Subchapter E (Enclosure 3) which will be announced in the Federal Register.

Please convey to your representatives on the committee and subcommittee my appreciation for their participation in this cooperative endeavor to improve the FPMR. Their active support has contributed not only to regulatory reform but also to better communication between GSA and its customer agencies.

Enclosures

INTERAGENCY ADVISORY COMMITTEE ON REGULATORY REVIEW

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Robert Wilson	DOE
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GENERAL SERVICES ADMINISTRATION
Washington, DC 20405

FEDERAL PROPERTY MANAGEMENT REGULATIONS
AMENDMENT

TO: Heads of Federal agencies

SUBJECT: Change to Subchapter E -- Supply and Procurement

1. Purpose. This amendment transmits revised Subchapter E -- Supply and Procurement -- Part 101-25, General; Part 101-26, Procurement Sources and Programs; and Part 101-27, Inventory Management.

2. Effective Date. The regulation transmitted by this amendment is effective upon publication in the Federal Register.

3. Background. The Interagency Advisory Committee on Regulatory Review was established on October 5, 1982, to assist GSA in reviewing and recommending revision to the Federal Property Management Regulations (FPMR). A subcommittee of the interagency committee was subsequently established to review and recommend changes to Part 101-26, Procurement Sources and Programs. The work of the subcommittee has now been completed and the attached revised Part 101-25, Part 101-26, and Part 101-27 reflect the changes that were recommended.

4. Explanation of changes. The revised Part 101-25, Part 101-26, and Part 101-27 transmitted by this amendment will accomplish the following:

- a. Eliminate unnecessary text;
- b. Rearrange the remaining text to provide better continuity;
- c. Rewrite portions of the text to clarify the content;
- d. Eliminate requirements that are a burden on the agencies;
- e. Reflect current GSA organization structure, titles, and addresses; and
- f. Provide current references.

Specific changes are as follows:

- a. Subpart 101-25.1--General Policies
 - (1) Section 101-25.100 is redesignated as § 101-25.100-1.
 - (2) Section 101-43.302(a)(1) is redesignated as new § 101-25.100-2.
 - (3) The resultant Section 101-25.100 is recaptioned "Agency responsibilities."
- b. Subpart 101-25.3--Use Standards
 - (1) Section 101-25.303 is deleted and the text included in § 101-38.401-1.

(2) Sections 101-25.304, 101-25.304-1, and 101-25.304-2 are deleted and the text included in § 101-38.104-2.

c. Subpart 101-25.4--Replacement Standards

Section 101-25.402 is revised to update a reference to Part 101-38.

d. Subpart 101-26.1--General

(1) Section 101-26.000 is revised to condense the text and to replace a reference to the Federal Procurement Regulations (FPR) with a reference to the Federal Acquisition Regulation (FAR).

(2) Section 101-26.100 is deleted to eliminate unnecessary text.

(3) Section 101-26.100-1 is redesignated as §101-26.102 and the text revised to eliminate explanatory material that is not considered necessary.

(4) Section 101-26.100-2 concerning waiver requests is replaced by §101-26.103 which contains new provisions on waiver requests issued in FPMR Temp. Reg. E-82, Federal Register, January 15, 1986.

(5) Section 101-26.100-3 is deleted to eliminate text relating to warranties that is not essential.

(6) Section 101-26.101 is deleted to eliminate text relating to utilization of long supply and excess personal property that is already covered in Subpart 101-27.3 and Part 101-43.

(7) Sections 101-26.102 thru 101-26.102-3 are deleted and the text formerly contained therein condensed to clarify the content and redesignated as §101-26.104.

(8) Section 101-26.102-4 is deleted to eliminate a nonessential reference to Subpart 101-2.1.

(9) Sections 101-26.103, 101-26.103-1, and 101-26.103-2 are redesignated as §§101-26.105, 101-26.105-1, and 101-26.105-2 and the text is condensed.

(10) Section 101-26.104 is redesignated as §101-26.106 and most of the text transferred to the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)."

(11) Section 101-26.105 is redesignated as §101-26.107, recaptioned, and the text revised to describe information needed by GSA contracting offices.

(12) Section 101-26.106 is redesignated as §101-26.108 and the text slightly modified to clarify the content.

(13) Section 101-26.107 is redesignated as §101-26.101, and the text augmented to include FAR references and to cite Federal Supply Service Bureaus as a source of assistance from GSA.

e. Subpart 101-26.2--Federal Requisitioning System, and Subpart 101-26.3--Procurement of GSA Stock Items

(1) Subparts 101-26.2 and 101-26.3 are combined and redesignated as Subpart 101-26.2--Obtaining GSA Stock or Special Order Items.

(2) Sections 101-26.200 and 101-26.300 are replaced by a new §101-26.200 that describes the scope of the Subpart 101-26.2.

(3) Section 101-26.201 is condensed, modified, and redesignated as §101-26.202.

(4) Section 101-26.202 is deleted to eliminate text that is not considered necessary.

(5) Section 101-26.203 is revised to delete text that is not considered necessary.

(6) Section 101-26.206 is deleted to eliminate text that is not considered necessary.

(7) Section 101-26.301 is redesignated as §101-26.201 and the text condensed and modified to clarify the content. (8) Section 101-26.301-1 is redesignated as §101-26.204 and the text is revised to eliminate unnecessary material.

(9) Section 101-26.301-2 is redesignated as §101-26.206 and the text condensed.

(10) Section 101-26.302 is redesignated as §101-26.205 and the text condensed to eliminate specific details that are not considered necessary.

(11) Section 101-26.303 is redesignated as §101-26.207 and the text condensed to eliminate specific details that are not considered necessary.

(12) Section 101-26.304 is redesignated as §101-26.208 and the text revised to eliminate material that is not considered necessary.

(13) Section 101-26.305 is deleted to eliminate text that is not considered necessary and the text in par. (c) is redesignated as §101-26.210.

(14) Section 101-26.306 is redesignated as §101-26.209, the title recaptioned, and the text modified to broaden the applicability and clarify the content.

(15) Section 101-26.307 is redesignated as §101-26.211 and the text revised to eliminate portions that are not considered necessary.

(16) Section 101-26.308 is deleted to eliminate text that is not considered necessary.

(17) Section 101-26.309 is redesignated as §101-26.212, the title recaptioned, and the section revised to delete unnecessary text and to add references to Subpart 101-27.5 and GSA Handbook, "Discrepancies or Deficiencies in GSA or DOD Shipments, Material or Billings (FPMR 101-26.8)."

(18) Section 101-26.310 is redesignated as §101-26.214 and the text revised to include minor changes to clarify the content.

(19) Section 101-26.311 is redesignated as §101-27.508.

(20) Subpart 101-26.3 is reserved.

f. Subpart 101-26.4--Purchase of Items from Federal Supply Schedule Contracts

(1) The title of Subpart 101-26.4 is changed to read "Ordering from Federal Supply Schedules."

(2) Section 101-26.401 is revised to delete text that is not considered necessary or which appears in FAR 8.4, to transfer text to revised §101-26.401-7, and to include text from §101-26.401-1.

(3) Sections 101-26.401-1 and 101-26.401-2 are reserved.

(4) Section 101-26.401-3 is deleted, that portion of the text relating to features of schedule items placed in §101-26.401-6 and the remaining text eliminated.

(5) Section 101-26.401-4 is deleted to eliminate material that is now in FAR 8.404, establish par. (c) as §101-26.401-4, and establish par. (d) as §101-26.401-3.

(6) Section 101-26.401-5 is revised to consolidate and simplify the text and to delete material now in FAR 8.404-2.

(7) Section 101-26.402-1 is revised to eliminate text that is not considered necessary and to add text on the types of Federal Supply Schedules.

(8) Section 101-26.402-2 is deleted.

(9) Section 101-26.402-3 is recaptioned and revised to clarify the content.

(10) Section 101-26.402-4 is deleted to eliminate text that is not considered necessary.

(11) Section 101-26.402-5 is redesignated as 101-26.402-4.

(12) Section 101-26.403 is deleted to eliminate text covered in FAR 8.405.

(13) Sections 101-26.404 thru 101-26.405 are deleted to eliminate text that is not considered necessary.

(14) Sections 101-26.406 thru 101-26.406-6 are deleted and the text transferred to Part 101-38.

(15) Sections 101-26.406-7 thru 101-26.407-4 are deleted to eliminate text that is not considered necessary.

(16) Section 101-26.408-1 is revised to delete material appearing in the FAR.

(17) Section 101-26.408-2 is consolidated with Section 101-26.408-3, revised to delete text not considered necessary, and the whole transferred to 101-26.102.

(18) Section 101-26.408-3 is transferred to 101-26.102 to broaden the requirement for justification of purchases at other than lowest price, and revised to delete material appearing in FAR 8.405.

(19) Sections 101-26.408-4 and 101-26.408-5 are deleted to eliminate text covered by FAR 8.405.

g. Subpart 101-26.5--GSA Procurement Programs

(1) Section 101-26.500 is revised to exclude procurement of motor vehicles from the scope of subpart to reflect transfer of material to Part 101-38.

(2) Sections 101-26.501 thru 101-26.501-8 are deleted and the text transferred to Part 101-38.

(3) Sections 101-26.505 thru 101-26.506-5 are deleted to remove text that is not considered necessary.

(4) Section 101-26.507 is redesignated as §101-26.501 and an unnecessary reference deleted.

- (5) Section 101-26.507-1 is redesignated as §101-26.501-1 and unnecessary text is eliminated.
 - (6) Section 101-26.507-2 is redesignated as §101-26.501-2.
 - (7) Section 101-26.507-3 is redesignated as §101-26.501-3, recaptioned, and minor changes made to the text to clarify and update the content.
 - (8) Section 101-26.507-4 is redesignated as §101-26.501-4.
 - (9) Sections 101-26.508 thru 101-26.509-3 are deleted to eliminate text that is not considered necessary.
 - (10) Section 101-43.303-1 is redesignated as §101-26.502 to reflect transfer of text from Part 101-43.
- h. Subpart 101-26.6--Procurement Sources Other Than GSA
- (1) Subpart 101-26.6 is incorporated into Subpart 101-26.5.
 - (2) Section 101-26.600 is deleted to eliminate the description of the scope and applicability of Subpart 101-26.6 which is no longer necessary.
 - (3) Section 101-26.602 is redesignated as §101-26.503 and the text condensed.
 - (4) Section 101-26.602-1 is redesignated as §101-26.503-1 and par. (d) is deleted to eliminate text that is not considered necessary.
 - (5) Section 101-26.602-2 is redesignated as §101-26.503-2 and par. (a) is revised and par. (c) is deleted to eliminate coverage that is included in the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)."
 - (6) Section 101-26.602-3 is redesignated as §101-26.503-3, paragraphs (g) and (h) are deleted, and the text is revised to clarify the content.
 - (7) Section 101-26.602-4 is redesignated as §101-26.503-4, paragraph (e) is deleted, and the text is revised to clarify the content.
 - (8) Section 101-26.603 is redesignated as §101-26.504, the title of the section changed, and the text revised to eliminate unnecessary material.
 - (9) Section 101-26.605 is redesignated as §101-26.505 and the text condensed.
 - (10) Section 101-26.606 is redesignated as §101-26.506 and the text revised to clarify and condense the content.
 - (11) Sections 101-26.607 thru 101-26.607-3 are deleted to eliminate text that is not considered necessary.
- i. Subpart 101-26.7--Procurement Sources other than GSA and the Department of Defense
- (1) Subpart 101-26.7 is incorporated into Subpart 101-26.5.
 - (2) Section 101-26.700 is deleted to eliminate the description of the scope and applicability of Subpart 101-26.7 which is no longer necessary.
 - (3) Section 101-26.701 is redesignated as §101-26.507.
 - (4) Section 101-26.702 is redesignated as §101-26.508, recaptioned, and the text reorganized.

(5) Section 101-26.703 is redesignated as §101-26.509 and the text is revised to condense and clarify the content.

(6) Section 101-26.704 is redesignated as §101-26.510, recaptioned, and revised to clarify the content.

(7) Section 101-26.511 is added to the material formerly contained in Subpart 101-26.7 and provides for the purchase of medical items.

(8) Section 101-26.512 is added to the material formerly contained in Subpart 101-26.7 and provides for the purchase of gas and liquid helium.

j. Subparts 101-26.6 and 101-26.7 are reserved.

k. Subpart 101-26.8--Discrepancies or Deficiencies in GSA or DoD Shipments, Material, or Billings

(1) Section 101-26.803-1 is revised to eliminate unnecessary text and replace it with a reference to the GSA Handbook, "Discrepancies or Deficiencies in GSA or DoD Shipments, Material, or Billings (FPMR 101-26.8)."

(2) Section 101-26.803-2 is redesignated as §101-26.513 and text is deleted that is not considered necessary.

l. Subparts 101-26.9 thru 101-26.47 are not changed. Subpart 101-26.48 is deleted and the motor vehicle text transferred to §§ 101-38.104-5 and 101-38.104-6; the remaining procurement leadtime text is transferred to the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)."

m. Subpart 101-26.49--Illustrations of Forms

(1) Sections 101-26.4901 thru 101-26.4901-149 are deleted and the text transferred to Part 101-38.

(2) Sections 101-26.4902-1424 and 101-26.4902-2891 are deleted to eliminate forms made obsolete by the FAR. Section 101-26.4902-1398 is redesignated as § 101-38.4909. Section 101-26.4902-1781 is redesignated as § 101-38.4910.

(3) The remaining text is not changed.

GENERAL SERVICES ADMINISTRATION

41 CFR Part 101-25, Part 101-26, and Part 101-27

(FPMR AMENDMENT E -

SUPPLY AND PROCUREMENT

AGENCY: Federal Supply Service, GSA.

ACTION: Final rule.

SUMMARY: This regulation is a revision of Part 101-25, Part 101-26, and Part 101-27 of FPMR Subchapter E that provides policy and procedures by which Federal agencies obtain personal property and nonpersonal services. This regulation was developed by a subcommittee of the Interagency Advisory Committee on Regulatory Review and is designed to clarify the content, eliminate duplication, and remove obstacles in obtaining personal property and nonpersonal services.

FOR FURTHER INFORMATION CONTACT: Emily Karam, Office of Acquisition Policy, (202) 566-1177.

SUPPLEMENTARY INFORMATION: The General Services Administration has determined that this rule is not a major rule for the purposes of Executive Order 12291 of February 17, 1981, because it is not likely to result in an annual effect on the economy of \$100 million or more; a major increase in costs to consumers or others; or significant adverse effects. The General Services Administration has based all administrative decisions underlying this rule on adequate information concerning the need for, and consequences of, this rule; has determined that the potential benefits to society from this rule outweigh the potential costs and has maximized the net benefits; and has chosen the alternate approach involving the least net cost to society.

Subjects in 41 CFR 101-25, 101-26, and 101-27 are:

Sources of supply, procurement programs, shipments and billings, inventory management, and reporting requirements.

1. The table of contents for Part 101-25 is amended to:
 - a. Recaption the entry for Section 101-25.100 and to add entries for Sections 101-25.100-1 and 101-25.100-2;
 - b. Delete the entry for Section 101-25.303; and,
 - c. Delete the entries for Sections 101-25.304, 101-25.304-1, and 101-25.304-2 as follows:
 - 101-25.100 Agency responsibilities.
 - 101-25.100-1 Use of Government personal property and nonpersonal services.
 - 101-25.100-2 Utilization of excess.

2. The authority citation for Part 101-25 reads as follows:

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

SUBPART 101-25.1--GENERAL POLICIES

3. Subpart 101-25.1 is amended to redesignate Section 101-25.100 as §101-25.100-1, to redesignate Section 101-43.302(a)(1) as new §101-25.100-2, and to recaption the resultant Section 101-25.100 as "Agency responsibilities."

§ 101-25.100 Agency responsibilities.

§ 101-25.100-1 Use of Government personal property and nonpersonal services.

Except in emergencies, Government personal property and nonpersonal services shall be used only for those purposes for which they were obtained or contracted for or other officially designated purposes. Emergency conditions are those threatening loss of life and property. As used in this section "nonpersonal services" means those contractual services, other than personal and professional services (as defined in 40 U.S.C. 472). This includes property and services on interagency loan as well as property leased by agencies. Agency heads shall ensure that the provisions of this § 101-25.100-1 are enforced to restrict the use of Government property/services to officially designated activities.

§ 101-25.100-2 Utilization of excess.

Before procuring new property, careful and receptive consideration shall be given to the use of known usable excess property of a similar type, including the possibility of substitution or adaptation of excess items not identical with requested items, whether the excess items are unused, rehabilitated, or in used condition, and regardless of whether the intended new procurement would be from GSA stock or other sources of supply. Executive agencies shall accept, to the fullest extent practicable, the reasonable substitution of such excess property instead of new procurement. See Part 101-43.

4. Section 101-25.402 is revised to update a reference to Part 101-38.

§ 101-25.402 Motor vehicles.

Replacement of motor vehicles shall be made in accordance with the standards prescribed in Subpart 101-38.4.

5. The table of contents for Part 101-26 is revised to read as follows:

Sec.

101-26.000 Scope of part.

SUBPART 101-26.1--GENERAL

101-26.101 Priorities for use of supply sources.
101-26.102 Obtaining the lowest cost item.
101-26.103 Request for waivers.
101-26.104 Special buying services.
101-26.105 Establishing essentiality of requirements.
101-26.105-1 Policy for personal property.
101-26.105-2 Restriction of personal convenience items.
101-26.106 End-of-year submission of requisitions for action by GSA.
101-26.107 Information needed by GSA contracting offices.
101-26.108 Consolidation of requirements.

SUBPART 101-26.2--OBTAINING GSA STOCK OR SPECIAL ORDER ITEMS

101-26.200 Scope of subpart.
101-26.201 Applicability.
101-26.202 Federal Standard Requisitioning and Issue Procedures (FEDSTRIP).
101-26.203 Activity address codes.
101-26.204 Similar items.
101-26.205 Standard and optional forms.
101-26.206 Issue of used, repaired, and rehabilitated items in serviceable condition.
101-26.207 Out-of-stock items.
101-26.208 Substitution policy.
101-26.209 Consolidation of requirements.
101-26.210 Export surcharge.
101-26.211 Processing overages, shortages, and damages.
101-26.212 Cancellation, errors, and returns of GSA stock items.
101-26.213 [Reserved]
101-26.214 Ordering errors.

SUBPART 101-26.3--[Reserved]

SUBPART 101-26.4--ORDERING FROM FEDERAL SUPPLY SCHEDULES

101-26.401 Applicability.
101-26.401-1--101.26.401-2 [Reserved]
101-26.401-3 Legislative and judicial agencies.
101-26.401-4 Maximum order limitations.
101-26.401-5 Non-mandatory use provisions.
101-26.401-6 Additional features.
101-26.401-7 Lower priced similar and suitable products.
101-26.402 General.
101-26.402-1 Schedule method of contracting.
101-26.402-2 [Reserved]
101-26.402-3 Obtaining Federal Supply Schedules.
101-26.402-4 Contract provisions.
101-26.403--101.26.407 [Reserved]
101-26.408 Multiple-award contracts.

101-26.408-1 Description.
101-26.408-2--101.26.408-5 [Reserved]

SUBPART 101-26.5--SPECIAL PROCUREMENT PROGRAMS

101-26.500 Scope and applicability of subpart.
101-26.501 Security equipment.
101-26.501-1 Submission of requisitions.
101-26.501-2 Procurement time schedule.
101-26.501-3 Ordering from Federal Supply Schedules.
101-26.501-4 Quantities in excess of the maximum order
limitation.
101-26.502 Acquisition of mercury.
101-26.503 Fuels and packaged petroleum products obtained from
or through the Defense Logistics Agency.
101-26.503-1 Procurement of lubricating oils, greases, and gear
lubricants.
101-26.503-2 Procurement of packaged petroleum products.
101-26.503-3 Procurement of gasoline, fuel oil (diesel and
burner), kerosene, and solvents.
101-26.503-4 Procurement of coal.
101-26.504 Electronic items.
101-26.505 Other items.
101-26.506 Supply support available from the inventory control
points of the military departments.
101-26.507 Purchase of products and services from the blind and
other severely handicapped persons.
101-26.508 Products manufactured by the Federal Prison
Industries, Inc.
101-26.509 Marginally punched continuous forms.
101-26.510 Nonperishable subsistence (NPS) items.
101-26.511 Medical items.
101-26.512 Helium - gas or liquid.
101-26.513 Adjustments.

SUBPARTS 101-26.6--101-26.7--[Reserved]

SUBPART 101-26.8 DISCREPANCIES OR DEFICIENCIES IN GSA OR DOD
SHIPMENTS, MATERIAL, OR BILLINGS

101-26.800 Scope of subpart.
101-26.801 Applicability.
101-26.802 Exclusions.
101-26.803 Discrepancies or deficiencies in shipments, material,
or billings.
101-26.803-1 Reporting discrepancies or deficiencies.

SUBPARTS 101-26.9--101-26.48--[Reserved]

SUBPART 101-26.49--ILLUSTRATIONS OF FORMS

101-26.4900 Scope of subpart.
101-26.4901 [Reserved]
101-26.4902 GSA forms.

101-26.4902-457 GSA Form 457, FSS Publications Mailing List Application.
101-26.4904 Other agency forms.
101-26.4904-416 DD Form 416: Purchase Request for Coal, Coke, or Briquettes.

6. The authority citation for Part 101-26 reads as follows:

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

7. Part 101-26 is revised to read as follows:

PART 101-26 SUPPLY SOURCES AND RELATED PROGRAMS

§ 101-26.000 Scope of part.

This part prescribes policies and procedures by which Federal agencies obtain personal property and nonpersonal services from established Government supply sources. Specific subparts or sections prescribe the extent to which the sources of supply are to be used by Government agencies. Certain civilian and military commissaries and nonappropriated fund activities are also eligible to use GSA supply sources for their own use, not for resale unless otherwise authorized by the individual Federal agency and concurred in by GSA. Policies and procedures pertaining to purchasing of property or contracting for services from commercial sources, not covered by established Government agency supply sources, are provided in the Federal Acquisition Regulation (FAR).

SUBPART 101-26.1--GENERAL

§ 101-26.101 Priorities for use of supply sources.

(a) Except as required by Federal Acquisition Regulation (FAR) 8.002, or as otherwise provided by law, agencies shall satisfy requirements for supplies and services from or through the sources and publications listed below in descending order of priority:

- (1) Supplies.
 - (i) Agency inventories;
 - (ii) Excess from other agencies (see FAR 8.1);
 - (iii) Federal Prison Industries, Inc. (see FAR 8.6);
 - (iv) Procurement lists of products available from the Committee for Purchase from the Blind and Other Severely Handicapped (see FAR 8.7);
 - (v) Wholesale supply sources, such as stock programs of the General Services Administration (GSA) (see § 101.26.2), the Defense Logistics Agency (see § 101-26.5), the Veterans Administration (see § 101-26.510), and military inventory control points (see § 101-26.506);
 - (vi) Mandatory Federal Supply Schedules (see FAR 8.4);
 - (vii) Optional use Federal Supply Schedules (see FAR 8.4); and
 - (viii) Commercial sources (including educational and nonprofit institutions).

(2) Services.

(i) Procurement lists of services available from the Committee for Purchase from the Blind and Other Severely Handicapped (see FAR 8.7);

(ii) Mandatory Federal Supply Schedules (see FAR 8.4) and mandatory GSA term contracts for personal property rehabilitation (see Subpart 101-42.1);

(iii) Optional use Federal Supply Schedules (see FAR 8.4) and optional use GSA term contracts for personal property rehabilitation (see Subpart 101-42.1); and

(iv) Federal Prison Industries, Inc. (see FAR 8.6) or other commercial sources (including educational and nonprofit institutions).

(b) Sources other than those listed in paragraph (a) may be used as prescribed in § 101-26.201 and in an unusual and compelling urgency as prescribed in FAR 6.302-2 and 101-25.101-5 of this title.

(c) Agencies may obtain assistance in resolving a problem or in determining the applicable source for obtaining a product or service by contacting the Federal Supply Service Bureau in the applicable GSA region.

§ 101-26.102 Obtaining the lowest cost item.

GSA provides lines of similar items to meet particular end-use requirements under its stock, special order, and Federal Supply Schedule programs. Agencies shall utilize the sources from which the lowest cost item can be obtained which will adequately serve the functional end-use purpose and which can be obtained within the time required.

(a) The ordering office shall fully justify in its delivery order file, or other appropriate file, any orders over \$500 per line item placed at other than the lowest price.

(b) Justification for purchases made at prices other than the lowest delivered price available should be based on specific or definitive needs which are clearly associated with the achievement of program objectives. Mere personal preference cannot be regarded as an appropriate basis for a justification. Justifications should be clear and fully expressed. Examples of factors that may be used in support of justifications when used with assertions that are fully set forth and documented appear in FAR 8.405-1(a). Mere recital or reference to factor(s) set forth in that subpart is not sufficient.

(c) Justifications which incorporate features of the following examples must be based on objective factors which adequately establish the advantages inherent in purchase of the higher priced item when:

(1) Probable life of the item selected as compared with that of a comparable item at a lower cost is sufficiently greater so that the additional purchase price is economically warranted;

(2) Warranty conditions of a higher priced item are sufficiently advantageous to justify the added cost;

(3) Greater maintenance availability, lower overall maintenance costs, or the elimination of problems anticipated

with respect to machines or systems, especially at isolated use points, will produce long run savings greater than the difference in purchase prices.

(d) When an agency, pursuant to an agreement with GSA, submits a request for GSA to purchase an item under a Federal Supply Schedule which is other than the lowest priced item on the schedule, the request shall be accompanied by a complete justification to support the procurement. Justification for such purchases need not accompany requests from overseas activities for overseas deliveries. However, GSA will construe such requests to mean that the justification is in fact in the ordering installation's file.

§ 101-26.103 Request for waivers.

(a) When an item or service provided by GSA stock, Federal Supply Schedules, or the GSA-managed-NSN special order program will not serve the required functional end-use purpose, a request for waiver of the requirement to use a GSA supply source shall be submitted to GSA. The waiver process protects the integrity of competitive bidding for Governmentwide contracts and makes it possible to monitor requirements for items not currently available from GSA. Personal preference, subjective evaluation, and lower cost are not sufficient justification for waiver. Agencies need not submit a request for waiver when:

(1) The required item is available from another GSA supply program as set forth in § 101-26.102; or

(2) The agency has entered into an interagency agreement (IA) with GSA establishing policy and procedures to enable that agency to make its own waiver determinations. At a minimum, the IA shall require the agency to reimburse GSA for any cost arising out of a breach of contract by the agency authorized to grant waivers.

(b) All requests for waiver shall be submitted to the Commissioner (F), Federal Supply Service, General Services Administration, Washington, DC 20406. If the request contains all necessary information and is properly justified, it will be granted. Whether granted or denied, the requesting office will be so notified. Requests for waiver shall contain the following information.

(1) A complete description of the item requested. Descriptive literature such as cuts, illustrations, drawings, and brochures which show the characteristics or construction of the item or explain its operation shall be provided wherever possible in satisfaction of this requirement.

(2) The noun description, including the specific common name and the national stock number and/or schedule item number when available, of the GSA item being compared.

(3) A comparison of price and pertinent technical differences between the item requested and the GSA item, including statements covering the inadequacies of the GSA item in performing required functions, and the advantages (such as technical, economic, or other) of the item requested.

(4) The quantity required. State whether the demand is recurrent (if so, include estimated annual usage), non-recurrent, or unpredictable.

(5) The name, telephone number, and location of the person to be contacted when questions arise concerning the request.

(6) Any other pertinent data.

(c) When GSA enters into an IA authorizing another agency to effect its own waiver decisions, GSA will provide policy and procedural guidance to ensure that the agency has a thorough knowledge of items and services available from GSA and a complete understanding of the proper conditions for a waiver. Agencies entering into IAs to process their own waivers shall provide quarterly reports to GSA describing all waiver requests in terms of the number of requests, item names, Federal supply classes, quantities, unit prices, and dispositions of the requests. The reports shall be sent to the General Services Administration, Federal Supply Service (FCM), Washington, DC 20406.

(d) Except for the conditions provided for in paragraph (a) of this section, agencies shall not initiate action to procure similar items from non-GSA sources until a waiver has been granted by GSA. Premature action to procure from a non-GSA supply source will not influence GSA action on a request for waiver.

(e) When an urgent requirement exists, the submitter first should check the provisions of FAR 6.302-2 and FPMR 101-26.201(c), because a waiver is not required under the circumstances provided for therein. If a waiver is required because neither regulation can be applied, urgent requests may be telephoned to GSA. Such requests shall provide all the information required by paragraph (b) of this section. Telephone requests shall be followed, within 5 work days, by a written copy of the request sent to GSA.

(f) A waiver shall be requested whenever the item or service needed will serve a similar (but not identical) functional end-use purpose as a GSA stock item, a Federal Supply Schedule item or service, or a GSA-managed NSN special order item. "Similar," in this context, is defined broadly, to include a resemblance to the GSA item or service in many respects, a general likeness or sameness in most essential particulars, and/or having the same specific common name (e.g., room air conditioner).

(g) When it is not clear whether a waiver request should be submitted, the agency shall submit a request so that GSA can determine on a case-by-case basis whether a waiver is required and appropriate.

(h) When the requested item has a lower unit cost than the most similar GSA item, GSA will vigorously seek technical justification for a waiver, beginning with the comparisons provided by the submitting agency under paragraph (b) of this section. Although lower cost by itself is not sufficient justification because a waiver would violate the competitive nature of the original GSA contract, a large difference in unit cost often signifies an important difference in technical or economic (e.g., trade-in value or life cycle cost) characteristics, which might justify granting a waiver.

(i) When a waiver is granted, it will specify a limited quantity and/or a date on which the waiver will expire. This requirement permits GSA to monitor use of the waiver procedures and ongoing agency requirements.

(j) GSA will respond in writing to every request for waiver within 5 work days of receipt in the evaluating GSA office.

§ 101-26.104 Special buying services.

(a) GSA is a nonmandatory source of supply for activities of executive agencies in the United States (including Hawaii and Alaska) for nonstock centrally procured items managed by GSA when the total value of the line item requirement is less than \$100. Agencies shall not divide orders to avoid requisitioning items from GSA.

(b) Upon request, GSA will perform purchasing services in addition to those specified in this Part 101-26. Any Federal agency, mixed-ownership corporation, the government of the District of Columbia, the Senate, the House of Representatives, or the Architect of the Capitol, and any non-Federal agency, when the function of a Federal agency authorized to procure for it is transferred to GSA, may arrange for these special buying services to be performed by GSA.

(c) Military activities shall utilize the buying services of GSA when:

(1) GSA has agreed with the Secretary of Defense, or with the Secretary of a military department in connection with the requirements of that department, to perform such buying services; and

(2) The items involved are not obtainable from GSA stock or Federal Supply Schedules.

(d) When GSA performs the purchasing services for other agencies, calculation of the delivery dates should be based on the procurement leadtime table illustrated in the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)."

(e) Special buying services shall be performed in compliance with FAR Parts 5 and 6.

§ 101-26.105 Establishing essentiality of requirements.

§ 101-26.105-1 Policy for personal property.

To obtain maximum benefit from Government funds available for personal property, each executive agency shall:

(a) Ensure that personal property currently on hand is being utilized to the fullest extent practical and provide supporting justification prior to effecting new procurement for similar type property. (When the proposed procurement is for similar items from non-GSA sources, the provisions of § 101-26.103 also apply.)

(b) Obtain the minimum quantity and quality of property which is required to support the mission of the agency and to satisfy the function for which the property is required.

(c) Limit procurement of different varieties, types, sizes, colors, etc., of required items to those essential in satisfying

the functional end-use purpose. To this end the quantity, quality, and variety of personal property required to adequately perform the end-use function should be determined prior to initiation of procurement processes.

§ 101-26.105-2 Restriction of personal convenience items.

Government funds may be expended for pictures, objects of art, plants, or flowers (both artificial and real), or any other similar type items when such items are included in a plan for the decoration of Federal buildings approved by the agency responsible for the design and construction. Government funds shall not be expended for pictures, objects of art, plants, flowers (both artificial and real), or any other similar type items intended solely for the personal convenience or to satisfy the personal desire of an official or employee. These items fall into the category of "luxury items" since they do not contribute to the fulfillment of missions normally assigned to Federal agencies.

§ 101-26.106 End-of-year submission of requisitions for action by GSA.

Requisitions submitted on or before the last day of the fiscal year may be chargeable to appropriations expiring on that date provided the ordering agency is required by law or GSA regulation to use GSA supply sources. Requests for nonstocked items or special buying services which require GSA to award a contract not later than the last day of the fiscal year, in order to obligate the appropriation of funds of the ordering agency, shall be so identified.

§ 101-26.107 Information needed by GSA contracting offices.

The Federal Acquisition Regulation (FAR) requires the contracting officer to prepare determinations and findings or justifications to support certain actions; e.g., to solicit on the basis of other than full and open competition or full and open competition after exclusion of a source, thereby restricting competition so that fewer than all responsible sources are permitted to compete. (See FAR Subparts 6.2 and 6.3.)

It may be necessary to support these types of actions with information from the requesting agency; e.g., input regarding the Government's minimum needs from technical or requirements personnel which is certified as to accuracy and completeness. The agency shall promptly supply such specific information as may be requested by the GSA contracting officer. The contracting officer will suspend the procurement action pending receipt of the needed information.

§ 101-26.108 Consolidation of requirements.

Full consideration shall be given to the consolidation of individual small volume requirements to enable the Government to benefit from lower prices normally obtainable through volume procurements. This policy pertains to procurement from commercial sources, either via schedules or direct, and does not apply to GSA stock items or small volume requirements normally obtained from a GSA self-service store or customer supply center. Each agency shall establish procedures that will permit planned requirements consolidation on an agency-wide basis. When it is impractical to plan requirements on an agency-wide consolidated basis, the requirements consolidation effort may be limited to a bureau, to other agency segments, or to a program, if such limited consolidation will provide significant price advantages when procurement is effected on a volume basis. Requisitions for items requirements exceeding maximum order limitations in Federal Supply Schedule contracts shall be submitted to GSA in accordance with the applicable instructions in the respective schedules. Special buying services desired by agencies for procurement of other consolidated item requirements shall be requested from GSA in accordance with § 101-26.104.

SUBPART 101-26.2--OBTAINING GSA STOCK OR SPECIAL ORDER ITEMS

§ 101-26.200 Scope of subpart.

This subpart prescribes policy and procedures for obtaining items of supply and equipment from GSA.

§ 101-26.201 Applicability.

All executive agencies within the United States (including Hawaii and Alaska) shall requisition from GSA needed stock items available from GSA supply distribution facilities. This includes items needed by activities located outside of the United States which are required, by agency instruction or otherwise, to be requisitioned in the United States. Federal agencies not required to requisition stock items from GSA are encouraged to do so.

(a) Except for standard and optional forms, the Department of Defense (DOD) will use this source of supply for all items which have been identified as GSA supply support items pursuant to GSA/DOD agreements. DOD requirements for standard and optional forms are obtained as provided in § 101-26.205.

(b) GSA is a nonmandatory source of supply for items listed in the GSA Supply Catalog when the total value of the line item requirement is less than \$25, except for requirements for standard and optional forms (see § 101-26.205), items produced by the Federal Prison Industries, Inc., or items listed in the Procurement List published by the Committee for Purchase from the Blind and Other Severely Handicapped. Agencies shall not divide orders to avoid the requirement to requisition from GSA. GSA will process all requisitions for stock items, regardless of value.

(c) Procurement of items from other sources may be made in case of an unusual and compelling urgency. (See FAR 6.302-2.)

(d) Small purchases as specified in (b) above, other than those made as a result of an unusual and compelling urgency, may be made at the site of work or point of need in satisfaction of immediate requirements that cannot be foreseen. Such purchases shall be made in accordance with FAR Part 13 and the quantities procured shall not exceed immediate needs.

(e) For marginally punched forms, agencies may utilize contracts issued by the Government Printing Office (GPO). However, marginally punched standard forms must be ordered from GSA in accordance with § 101-26.205. Blank paper and envelopes used for printing may be ordered from the GPO catalog for delivery in the District of Columbia.

(f) Procurement from Federal Supply Schedule contracts shall be made in accordance with Subpart 101-26.4 and FAR Subpart 8.4.

§ 101-26.202 Federal Standard Requisitioning and Issue Procedure (FEDSTRIP).

FEDSTRIP is the requisitioning and issue system to be used by civilian agencies in obtaining support from GSA's stock and special order programs. FEDSTRIP is compatible with the Military Standard Requisitioning and Issue Procedures (MILSTRIP) and enables GSA and other supply sources to automate the processing of requisitions. Detailed instructions for implementing FEDSTRIP are in the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)."

§ 101-26.203 Activity address codes.

To obtain items from GSA and other Government supply sources, each ordering activity is required to have an activity address code which has been assigned by GSA through coordination with a central contact in each agency. Details on obtaining these codes are contained in the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)."

§ 101-26.204 Similar items.

Agencies shall requisition items listed in the GSA Supply Catalog in lieu of procuring similar items from other sources when the GSA items will adequately serve the required functional end-use purpose. When an agency determines that items available from GSA stock will not serve the required functional end-use purpose, the waiver procedures in 101-26.103 shall be followed.

§ 101-26.205 Standard and optional forms.

Agencies shall obtain standard and optional forms from GSA unless the Joint Committee on Printing (JCP) has granted authority for direct procurement or unless the forms have been approved by GSA to be stocked and distributed by the promulgating agency.

(a) The content or construction of standard and optional forms shall not be altered or modified, except for planning purposes, without the written approval of the promulgating agency in accordance with Subpart 101-11.8.

(b) Agencies shall not reproduce or reprint standard and optional forms without the approval of the JCP except for limited quantities required for forms management purposes.

(c) Forms or form assemblies which deviate in any manner from those listed in the GSA Supply Catalog are not stocked or distributed by GSA. Agencies requiring such nonstock forms shall prepare and transmit a Standard Form 1, Printing and Binding Requisition, or Standard Form 1-C, Printing and Binding Requisition for Specialty Items, to General Services Administration (WFSI), Washington, DC 20407, for review and submission to GPO.

(d) Whenever GSA has granted approval to a promulgating agency to stock and distribute standard forms, printing requisitions for stock replenishment of these items shall be transmitted to the address shown in § 101-26.205(c) on Standard Form 1 or 1-C for review and submission to GPO.

(e) Certain standard and optional forms are serially numbered and are required to be accounted for to prevent possible fraudulent use. The receiving agency shall verify to GSA the serial numbers of forms contained in the shipment by completing the verification card and returning the card to the address preprinted on the face of the card.

(f) Standard and optional forms which are excess to the needs of an agency shall be reported to GSA in the same manner as other excess personal property pursuant to Part 101-43.

(1) Reports by the military services of excess standard and optional forms, with samples of these forms, may be made to the address shown in § 101-26.205(c) by consolidated letter report or submission of Standard Form 120, Report of Excess Personal Property.

(2) Obsolete forms should not be reported but should be determined to be surplus and disposed of under the provisions of Part 101-45.

§ 101-26.206 Issue of used, repaired, and rehabilitated items in serviceable condition.

Stock items returned to GSA under the provisions of Subpart 101-27.5 will be reissued at the current GSA selling price to all requisitioning activities without distinction between new, used, repaired, or rehabilitated items in serviceable condition.

§ 101-26.207 Out-of-stock items.

Generally, it is more advantageous to agencies if GSA backorders out-of-stock items rather than cancels requisitions. Unless otherwise notified by the agency that a backorder is unacceptable, the backorder is established and the agency notified. Ordering activities may prevent a backorder by entering the appropriate FEDSTRIP advice code in the requisition.

§ 101-26.208 Substitution policy.

GSA may substitute items with similar characteristics without prior notification. A notice of substitution will be provided by FEDSTRIP status code to the ordering agency when an item is substituted for the item requisitioned. Ordering activities may prevent substitution by entering the appropriate FEDSTRIP advice code.

§ 101-26.209 Consolidation of requirements.

In preparing requisitions for items, agencies shall follow schedules or cyclical plans for replenishment of stocks so as to reduce the number of requisitions required while adjusting ordering frequency to comply with the economic order quantity principle (See § 101-27.102).

§ 101-26.210 Export surcharge.

GSA will assess a surcharge on all material ordered and delivered to customers in certain overseas areas. The surcharge is a percentage of the value of the material shipped. Information on the specific areas and the current percentage of surcharge is included in the GSA Handbook, "Discrepancies or Deficiencies in GSA or DOD Shipments, Material, or Billings (FPMR 101-26.8)."

§ 101-26.211 Processing overages, shortages, and damages.

(a) Transportation-type discrepancies shall be processed in accordance with Subpart 101-40.7.

(b) Reporting discrepancies or deficiencies in material or shipments and processing requests pertaining to documenting adjustments in GSA billings shall be in accordance with the GSA Handbook, "Discrepancies or Deficiencies in GSA or DOD Shipments, Material, or Billings (FPMR 101-26.8)."

§ 101-26.212 Cancellation, errors, and returns of GSA stock items.

(a) GSA will accept requests for cancellation of requisitions if the items ordered have not been shipped or if items have been ordered, shipped and the value is greater than \$25. If unable to cancel, the agency will be so notified by status code.

(b) GSA may authorize agencies to return for credit material that is in long supply or for which no current or future requirements are anticipated by the agency. If an agency elects to offer the material to GSA for credit, via the Material Returns Program (MRP), Subpart 101-27.5 shall apply.

(c) Material shipped in error is subject to the provisions of the GSA Handbook, "Discrepancies or Deficiencies in GSA or DOD Shipments, Material, or Billings (FPMR 101-26.8)."

(d) Material ordered in error by an agency is subject to the provisions of §101-26.214.

(e) Frustrated shipments of GSA stock items are subject to the provisions of §101-27.508.

§ 101-26.213 [Reserved]

§ 101-26.214 Ordering errors.

In accordance with the provisions of this § 101-26.214, GSA may authorize agencies to return for full credit material that has been ordered in error by the agency. Credit for material processed under the Merchandise Return Authorizations (MRA's) will be based on the selling price billed the agency at the time shipment was made to the agency, with the adjustment reflected in future billings. GSA will credit the agency with the selling price billed for the shipment. Material shall not be returned until appropriate documents are received from the GSA Discrepancy Reports Center (DRC).

(a) The return of material by an agency, to correct ordering errors, may be authorized and later accepted by GSA, provided:

(1) The value of the material exceeds \$25 per line item based on the selling price billed the customer;

(2) Authorization to return material is requested from the GSA DRC within 30 days (60 days for overseas points) after receipt of the shipment. Requests should always contain a complete explanation of the reasons for the return of the material;

(3) Each item is in "like-new" condition and is identified by a National Stock Number (NSN) in the current edition of the GSA Supply Catalog;

(4) Each item is identified with a specific purchase order or requisition number;

(5) The condition of the material is acceptable on inspection by GSA. When it is not acceptable, disposition, without credit, will be made by GSA. However, when the condition is attributable to carrier negligence, subsequent credit allowed by GSA will be reduced by the amount to be paid the agency by the carrier for damages incurred;

(6) The merchandise to be returned will not adversely affect the GSA nationwide inventory situation; and

(7) The return transportation costs are not excessive in relation to the cost of the material.

(b) Transportation costs on material specifically authorized for return by GSA will be paid by the customer activity. Claims against carriers for discrepancies in shipment will also be the responsibility of the customer activity in accordance with the provisions of Subpart 101-40.7. When appropriate, GSA will prepare initial documentation to support claim actions.

SUBPART 101-26.3-- [Reserved]

SUBPART 101-26.4--ORDERING FROM FEDERAL SUPPLY SCHEDULES

§ 101-26.401 Applicability.

All executive agencies shall order needed articles and services from Federal Supply Schedule contracts in accordance with the provisions of Parts 8 and 38 of FAR and the appropriate Federal Supply Schedule. Each schedule contains detailed information on its use, such as whether it is optional or mandatory, maximum order limitations, etc. Federal Supply Schedules are mandatory to the extent specified in each schedule.

§§ 101-26.401-1--101-26.401-2 [Reserved]

§ 101-26.401-3 Legislative and judicial agencies.

Except as may be provided by law or by authorized agreement with responsible officials of any agency in the legislative or judicial branches of the Federal Government, no Federal Supply Schedule will include any such agency as subject to its mandatory use provisions.

§ 101-26.401-4 Maximum order limitations.

(a) Federal Supply Schedules stipulate maximum dollar limitations above which agencies may not submit orders and contractors may not accept orders.

(b) Unless specified otherwise in the schedules, agencies required to use Federal Supply Schedules, including the Department of Defense (DOD) where the requirement falls within DOD-GSA Interagency Purchase Assignments, shall forward to the GSA support region MILSTRIP/FEDSTRIP requisitions for items included in the schedule which exceed the schedule's applicable maximum order limitations. Non-mandatory users of Federal Supply Schedules, including authorized non-appropriated funded activities and other activities for which GSA is authorized by law to procure, may, at their option, forward MILSTRIP/FEDSTRIP requisitions to the appropriate GSA support region.

§ 101-26.401-5 Non-mandatory use provisions.

(a) Agencies not subject to the mandatory use provisions of Federal Supply Schedules are encouraged to use the schedule contracts as primary sources of supply.

(b) When an executive agency determines that one or more non-mandatory schedules are suitable for use by the agency as mandatory sources of supply, the agency should notify the GSA office issuing the schedule.

§ 101-26.401-6 Additional features.

Agencies shall not request Federal Supply Schedule contractors to furnish items under the contract having characteristics exceeding those specifically covered by the contract.

§ 101-26.401-7 Lower priced similar and suitable products.

Whenever an agency finds that the price of a product listed in a Federal Supply Schedule is higher than a similar and fully suitable product available from a noncontract source, the agency should notify the Commissioner, Federal Supply Service (mailing address: General Services Administration (F), Washington, DC 20406) as soon as practicable. This section does not authorize the purchase of similar and fully suitable products in place of products quoted in Federal Supply Schedules.

§ 101-26.402 General.

§ 101-26.402-1 Schedule method of contracting.

(a) The schedule method of contracting is used to simplify the purchase processes for commonly used items which are readily available without the necessity of definite quantity consolidated buying or handling through a Government warehouse system. Federal Supply Schedule contracts are entered into and schedules are prepared and issued by, or under assignment from, GSA.

(b) The term "GSA office issuing the schedule" as used in this subpart includes another executive agency identified in the schedule as the preparing and issuing office.

(c) There are three types of Federal Supply Schedules:

- (1) Single Award Schedules;
- (2) Multiple Award Schedules; and
- (3) New Item Introductory Schedules.

§ 101-26.402-2 [Reserved]

§ 101-26.402-3 Obtaining Federal Supply Schedules.

Agency offices desiring to receive current copies of Federal Supply Schedules and catalogs or to be placed on distribution lists for Federal Supply Schedules and catalogs shall execute GSA Form 457, FSS Publications Mailing List Application (illustrated at §101-26.4902-457), and forward the completed GSA Form 457 to General Services Administration, Centralized Mailing List Services, Building 41, Denver Federal Center, Denver CO 80225. Copies of GSA Form 457 may be obtained from the above address or from GSA regional offices.

§ 101-26.402-4 Contract provisions.

Each Federal Supply Schedule provides information as to the contractual provisions with which agencies should be familiar in order to properly administer orders with contractors. Special provisions pertinent to a particular schedule and any necessary exceptions to the general provisions are printed in the schedule.

§§ 101-26.403--101-26.407 [Reserved]

§ 101-26.408 Multiple-award contracts.

§ 101-26.408-1 Description.

Federal Supply Schedule contracts are made on a multiple-award basis when doing so is to the advantage of the Government in providing effective utilization of industry production and distribution facilities or in providing selectivity from among comparable items when there are no prescribed standards or specifications.

§§ 101-26.408-2--101-26.408-5 [Reserved]

SUBPART 101-26.5--SPECIAL PROCUREMENT PROGRAMS

§ 101-26.500 Scope and applicability of subpart.

(a) This subpart prescribes policies and procedures relating to special procurement programs other than the GSA stock and the Federal Supply Schedule programs. Also excluded are the policies and procedures relating to the procurement of automatic data processing equipment and services set forth in the Federal Information Resources Management Regulation (FIRMR) and the procurement of motor vehicles set forth in Part 101-38.

(b) The policies and procedures in this Subpart 101-26.5 are applicable to executive agencies. Federal agencies other than executive agencies may participate in these programs and are encouraged to do so.

§ 101-26.501 Security equipment.

Procurement of security equipment for executive agencies shall be accomplished in accordance with the provisions of this § 101-26.501. Government contractors and subcontractors eligible to purchase security equipment (see FAR 51.1) and other Federal agencies may participate in this program.

§ 101-26.501-1 Submission of requisitions.

Requisitions for security equipment covered by the latest edition of Federal specifications AA-F-357, AA-F-358, AA-F-363, AA-S-1518, and AA-D-600, and interim Federal specifications AA-F-00364 and AA-C-001697 shall be submitted in FEDSTRIP format. GSA will consolidate requisitions for these items for procurement on a definite quantity basis.

§ 101-26.501-2 Procurement time schedule.

Requisitions for security equipment will be consolidated by GSA on January 31, April 30, July 31, and October 31 of each year. The consolidated requisitions will be used in executing definite quantity contracts. To ensure inclusion in the invitation for bids, requisitions shall be submitted to GSA on or before January 1, April 1, July 1, or October 1, as appropriate. Requisitions received after any of these dates normally will be carried over to the subsequent consolidation date. Approximately 180 calendar days following the consolidation dates should be allowed for initial delivery.

Requisitions shall include a required delivery date which reflects anticipated receipt under the time schedule.

§ 101-26.501-3 Ordering from Federal Supply Schedules.

To ensure that a readily available source exists to meet unforeseen demands for security equipment, indefinite quantity Federal Supply Schedule contracts will remain in effect to satisfy urgent requirements which are not appropriate for consolidated procurement and do not exceed the maximum order limitations. Items of security equipment are available through Federal Supply Schedule, FSC group 71, part III, section E, for agencies to order direct from the contractor. These sources may also be used by Government contractors and subcontractors (at any tier) meeting the requirements of FAR 51.1 for purchases within the specified maximum order limitation.

§ 101-26.501-4 Quantities in excess of the maximum order limitation.

Quantities exceeding the maximum order limitation on Federal Supply Schedules will also be consolidated and procured by GSA pursuant to § 101-26.501-2. Where quantities are required to be delivered before the time frames established for the quarterly consolidated procurement, the requisition must indicate the earlier required delivery. As necessary, separate procurement action will be taken by GSA to satisfy the requirements.

§ 101-26.502 Acquisition of mercury.

(a) Executive agencies of the Federal Government are prohibited from purchasing mercury in quantities of 76 pounds or more from commercial sources without prior clearance from GSA.

(b) Mercury, which is at least 99.9 percent pure (not triple distilled), is available for transfer from GSA stocks at fair market value. Requests for mercury by an agency for direct use or for use by its cost-reimbursement-type contractors shall be made to the General Services Administration (DSD), Washington, DC 20405. The Program Manager, Stockpile Disposal Division, will furnish the current fair market value to the requesting agency, which then submits a request to the Program Manager for the transfer of the quantity required. The unit of issue is a 76-pound flask.

(c) Requests for clearance to purchase quantities of 76 pounds or more from sources other than GSA must be accompanied by a statement of the reasons that make the available mercury unsuitable for the purposes of the requesting agency. Requesting agencies will be notified as to the approval or disapproval of such requests.

(d) From time to time mercury, in quantities of less than 76 pounds and in lesser degrees of purity, may become excess to the needs of a Federal agency. Upon advice of the availability of such mercury, GSA will offer it for utilization without reimbursement in the same manner as other property is offered.

§ 101-26.503 Fuels and packaged petroleum products obtained from or through the Defense Logistics Agency.

(a) Civilian agencies shall be governed by the provisions of this section in satisfying requirements of coal, petroleum fuels, and certain petroleum products from or through the Defense Logistics Agency (DLA).

(b) The Defense Logistics Agency has been assigned the supply responsibility for fuel and certain petroleum products. These items will be available either from contracts (or contracts summarized in contract bulletins) issued by the Defense Fuel Supply Center, Alexandria, VA or through FEDSTRIP requisitions placed on the Defense General Supply Center, Richmond, VA in accordance with instructions contained in the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)." Agencies submitting estimates of requirements which are summarized in the Defense Fuel Supply Center contract bulletins are obligated to satisfy such requirements from these contracts. Estimates submitted shall not include requirements normally obtained through service station deliveries utilizing the U.S. Government National Credit Card.

§ 101-26.503-1 Procurement of lubricating oils, greases, and gear lubricants.

(a) The Defense Fuel Supply Center will make annual procurements of lubricating oils, greases, and gear lubricants for ground type (nonaircraft) equipment and of aircraft engine oils on an annual program basis. Estimates of requirements for items covered by these programs will be solicited annually from agencies on record with the Defense Fuel Supply Center in time for the requirements to arrive at the Center on the following schedule:

	Purchase program	Due on or before
Lubricating oils (nonaircraft)	4.1	November 15
Aircraft engine oils.....	4.2	June 15
Grease and gear oils.....	4.4	October 15

(b) Activities not on record but requiring procurement support shall submit requests to: Commander, Defense Fuel Supply Center, Attn: DFSC-PG, Cameron Station, Alexandria, VA 22314, on or before the requirement due dates specified in §101-26.503-1(a). Submission of requirements is not required if:

- (1) The maximum single order is less than the minimum quantity obtainable under the bulletin;
- (2) Container sizes are smaller than those available under the bulletin; or
- (3) Purchase without regard to existing Defense Fuel Supply Center contracts is otherwise authorized.

(c) Agency requirements will be consolidated and solicited for procurement by the Defense Fuel Supply Center. Contractual action to obtain coverage for these programs will be summarized in a contract bulletin for program 4.1 and 4.4. Copies of the bulletins (copies of contracts for program 4.2) will be distributed to addressees provided by the agencies or contract bulletins.

§ 101-26.503-2 Procurement of packaged petroleum products.

(a) Packaged petroleum products listed in the Federal Supply Catalog for Civil Agencies shall be obtained by submitting requisitions prepared in accordance with the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)."

(b) Activities may effect local purchase of any DLA-managed, centrally procured item, commercially available, provided the purchase:

(1) Is limited to immediate-use requirements generated by emergency conditions (e.g., work stoppage, etc.); or

(2) Is to satisfy a routine requirement having a total line value not in excess of \$25 and is determined to be the most economical method of supply.

(c) DGSC may return requisitions for local purchase action citing FEDSTRIP/MILSTRIP status code CW with the concurrence of the requisitioning activity when it is deemed that a local purchase action would be the most economical method of supply. A determination will be based on recognition of excessive costs (procurement, transportation/shipping, and special packaging considerations) as compared to those costs associated with local purchase action. Requisition priorities, backorder situations, procurement and required delivery dates (PDD/RDD), and requisition line item dollar values shall not be a basis or consideration for a Status Code CW reject action. Requisitions from overseas activities will not be returned to overseas activities for a local purchase action.

§ 101-26.503-3 Procurement of gasoline, fuel oil (diesel and burner), kerosene, and solvents.

(a) Estimates of annual requirements will be solicited annually by the Defense Fuel Supply Center from agencies on record so as to reach that activity approximately 45 calendar days before the due date shown in the Defense Fuel Supply Center geographic alignment of States set forth in § 101-26.503-3(d) and (e). The requirements call will be accomplished by mailing a computer-produced record of the file data for each delivery point that has been identified to each submitting addressee; instructions for validation and return will be included. Activities not on record but requiring procurement support shall prepare and submit estimates on DFSC Form 15:18 to the Defense Fuel Supply Center, Cameron Station, Alexandria, VA 22314. Forms may be obtained on request from: Commander, Defense Fuel Supply Center, Attention: DFSC-OD, Cameron Station, Alexandria, VA 22314.

(1) Estimated annual requirements for any delivery point which total less than the following minimums shall not be submitted to the Defense Fuel Supply Center, unless the activity does not have authority or capability to procure locally.

Item	Minimum annual requirement (gallons)
Gasoline.....	10,000
Burner fuel oil.....	10,000
Diesel oil.....	10,000
Kerosene.....	10,000
Solvents.....	500

(2) Estimates shall not be submitted when the minimum quantities to be delivered to any one point on a single delivery are less than the following minimums, unless the activity does not have the authority or capability to procure locally.

Delivery method	Minimum quantity furnished on a single delivery
Drums.....	4 drums (200-220 gallons).
Tank wagon.....	50 gallons.
Transport truck.....	Full truckload (5,200-7,500 gallons).
Tank car.....	Full carload (8,000-12,000 gallons).

(b) Agency requirements will be solicited for procurement by the Defense Fuel Supply Center. Contracts resulting from these solicitations will be summarized (separately for each Defense Fuel Supply Center geographic region) in contract bulletins and will be distributed to agencies on record. Activities requiring additional contract bulletins shall submit requests to: Commander, Defense Fuel Supply Center, Attention: DFSC-OD, Cameron Station, Alexandria, VA 22314.

(c) The items covered in contract bulletins issued by the Defense Fuel Supply Center are in accordance with the latest issues of the applicable Federal specification. Agency requirements submitted for products not under a Federal specification must include accurate and complete product laboratory analysis.

(d) The following illustrates the Defense Fuel Supply Center geographic alignment of the States, the delivery periods covered for each region, the identification of purchase programs, and the due dates for submission of requirements for motor gasoline, fuel oil (diesel and burner), and kerosene.

MOTOR GASOLINE, FUEL OILS (DIESEL AND
HEATING), AND KEROSENE

State	Delivery period	Requirements due date
Alaska-Purchase Program 3.9 ¹ .	July 1 to June 30	Jan. 1

Hawaii-Purchase Program 3. ¹ .	Jan. 1 to Dec. 31	July 1
DFSC Region 1-Purchase Program 3.21:		
Connecticut	Sept. 1 to Aug. 31	Mar. 1
Maine	do	Do.
Massachusetts	do	Do.
New Hampshire	do	Do.
Rhode Island	do	Do.
Vermont	do	Do.
DFSC Region 2-Purchase Program 3.22:		
New Jersey	Oct. 1 to Sept. 30	Apr. 1
New York	do	Do.
Pennsylvania	do	Do.
DFSC Region 3-Purchase Program 3.23:		
Delaware	Aug. 1 to July 31	Feb. 1
District of Columbia	do	Do.
Indiana	do	Do.
Kentucky	do	Do.
Maryland	do	Do.
Ohio	do	Do.
Tennessee	do	Do.
Virginia	do	Do.
West Virginia	do	Do.
DFSC Region 4-Purchase Program 3.24:		
Alabama	Apr. 1 to Mar. 31	Oct. 1
Arkansas	do	Do.
Florida	do	Do.
Georgia	do	Do.
Louisiana	do	Do.
Mississippi	do	Do.
Missouri	do	Do.
North Carolina	do	Do.
South Carolina	do	Do.
Puerto Rico	do	Do.
Virgin Islands	do	Do.
DFSC Region 5-Purchase Program 3.25:		
Illinois	May 1 to Apr. 30	Nov. 1
Iowa	do	Do.
Michigan	do	Do.
Minnesota	do	Do.
Wisconsin	do	Do.
DFSC Region 6-Purchase Program 3.26:		
Colorado	June 1 to May 31	Dec. 1
Kansas	do	Do.
Nebraska	do	Do.
New Mexico	do	Do.
North Dakota	do	Do.
Oklahoma	do	Do.
South Dakota	do	Do.
Texas	do	Do.
Wyoming	do	Do.
DFSC Region 7-Purchase Program 3.27:		
Arizona	Nov. 1 to Oct. 31	May 1
California	do	Do.

Nevada	do	Do.
Utah	do	Do.DFSC
Region 8-Purchase Program 3.28:		
Idaho	July 1 to June 30	Jan. 1
Montana	do	Do.
Oregon	do	Do.
Washington	do	Do.

1 Includes solvents.

NOTE: Program 3.23 does not include requirements for those activities supported by the GSA Region 3 Fuel Yard.

(e) Estimates of requirements for solvents to be delivered in the continental United States, Puerto Rico, and the Virgin Islands during the period January 1 through December 31 shall be submitted to arrive at the Defense Fuel Supply Center by the preceding July 1. The purchase program identification is 3.11.

(f) Estimates of requirements for aviation fuels for delivery in the United States shall be submitted in accordance with Section II, Chapter 1, of DOD 4140.25-M, Procedures for the Management of Petroleum Products.

§ 101-26.503-4 Procurement of coal.

(a) Federal agencies desiring to participate in the Defense Fuel Supply Center coal contracting program for carload delivery outside the District of Columbia and vicinity may obtain coal through this program by submitting estimates as provided in this § 101-26.503-4.

(b) Estimates of coal requirements shall be prepared on DD Form 416, Requisition for Coal, Coke, or Briquettes (illustrated as § 101-26.4904-416), clearly marked "Estimate Only", and submitted in original and one copy to arrive at the Defense Fuel Supply Center, Cameron Station, Alexandria, VA 22314, before the following requirement due dates:

Purchase program	For activities located in	Reqts. due in DFSC by	For delivery beginning
5.5	Indiana, Illinois, Iowa, Kansas, Missouri, South Dakota, West Tennessee, West Kentucky, Wisconsin.	June 1	December 1
5.9 (Lignite)	North Dakota	June 1	December 1
5.3	Alabama, East Kentucky, East Tennessee, Ohio, Georgia, North Carolina, South Carolina, West Virginia	August 15	April 1
5.8 (Anthracite)	Connecticut, District of Columbia, Maryland, Massachusetts, New Jersey,	November 1	May 1

	New York, Pennsylvania, Virginia, South Carolina		
5.4	Michigan, Minnesota, North Dakota, Wisconsin	November 1	May 1
5.7	Alaska	November 1	May 1
5.2	District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia	January 15	August 1
5.1	Connecticut, Maine, Massachusetts, New Hampshire, New York, Vermont	April 1	October 1
5.6	Arizona, California, Colorado, Idaho, Montana, New Mexico, Oregon, Utah, Washington, Wyoming	April 1	October 1

NOTE: Except for purchase programs 5.8 and 5.9, all programs refer to requirements for bituminous coal.

(1) A separate requirement form shall be prepared for each delivery point and for each size and kind of coal, such as bituminous, anthracite, or lignite. The purchase program number is to be entered in the upper right hand block of DD Form 416.

(2) The section of DD Form 416 entitled "Analytical Specifications Required" shall reflect minimum requirements based on heating engineering data applicable to the particular equipment in which the coal will be used.

(c) Contractual information covering these requirements will be furnished each participating agency by the Defense Fuel Supply Center after contracts are awarded. As shipments of coal are required, each activity shall direct the contractor to make delivery. Payment for deliveries shall be arranged for by the ordering activity directly with the contractor. Should estimated requirements not be needed due to changes or conversions in heating equipment or other reasons, activities shall notify the Defense Fuel Supply Center of such changes as soon as possible.

(d) Copies of DD Form 416 may be obtained from: Commander, Defense Fuel Supply Center, Attention: DFSC-PE, Cameron Station, Alexandria, VA 22314.

(e) Each participating agency may elect to collect coal samples, for analysis purposes. Coal samples shall be forwarded by the agency to the Department of Energy, Pittsburgh Energy Technology Center, P.O. Box 10940, Pittsburgh, PA 15236. A charge for each sample submitted will be assessed by the Department of Energy for performing such analysis, or agencies may enter into an agreement with the Department of Energy for services and testing on an annual flat rate basis. Agencies shall furnish the Department of Energy laboratory complete billing instructions at the time samples are submitted. Copies of the results of each analysis will be furnished by the Department of Energy to offices responsible for payment for comparison with the analytical limits guaranteed by the contractor. In the event that the sample does not meet the minimum requirements of the analytical limits specified in the contract, the using agency

shall compute the amount, if any, to be deducted from the contract price.

§ 101-26.504 Electronic items.

Executive agencies shall satisfy their requirements for electronic items listed in the Federal Supply Catalog for Civil Agencies (FSC Group 59, except classes 5940, 5970, 5975, 5977, and 5995) from the Defense Electronics Supply Center (DESC), DLA. Items listed in classes 5940, 5970, 5975, 5977, and 5995, unless managed as exceptions by GSA, shall be obtained from the Defense General Supply Center (DGSC), DLA. Requisitions shall be prepared in accordance with the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)." Electronic items may be obtained from local purchase sources when such action is authorized under the provisions of 101-26.503-2(b). DESC may return requisitions for local purchase under the same condition governing the return of requisitions by DGSC set forth in § 101-26.503-2(c).

§ 101-26.505 Other items.

Agencies required to use GSA supply sources should also use Defense supply centers (DSC's) as sources of supply for items listed in the Federal Supply Catalog for Civil Agencies, Identification and Management Data List, published by DLA. The catalog will contain only those items in Federal supply classification classes which are assigned to them for Government-wide integrated management, or exception items in other classes similarly assigned. A list of DSC's and their corresponding commodity areas along with requisitioning instructions are published in the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)." As additional items are assigned to managers other than GSA for Government-wide integrated material management, GSA will announce the changes through the Federal Catalog System and GSA's regular supply publications.

§ 101-26.506 Supply support available from the inventory control points of the military departments.

Federal civil agencies may obtain items of supply which are procured and managed by the inventory control points (ICP) of the Army, Navy, and Air Force and are available in the United States, provided that a national stock number has been assigned to the items. Agencies should refer to the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)" for information on ICP's and related commodity areas as well as information concerning supply support from the ICP's and instructions on obtaining items from these sources.

§ 101-26.507 Purchase of products and services from the blind and other severely handicapped persons.

(a) Purchases by executive agencies of products produced by workshops for the blind or other severely handicapped persons which are carried in GSA supply distribution facilities must be made as provided in Subpart 101-26.2.

(b) Purchase by all Federal agencies of products and services offered for sale by workshops for the blind and other severely handicapped persons which are not carried in GSA supply distribution facilities, and purchases by executive agencies under exceptions set forth in § 101-26.201, must be made in accordance with the Procurement List published by the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped. Products and services offered by the blind shall be given precedence over those offered by other severely handicapped persons.

(c) Products produced by workshops for the blind and other severely handicapped persons which are available from GSA supply distribution facilities are designated by an asterisk (*) preceding the national stock number in the Procurement List identified in paragraph (b) of this section.

§ 101-26.508 Products manufactured by the Federal Prison Industries, Inc.

(a) Purchases by executive agencies of prison-made products carried in GSA supply distribution facilities must be made as provided in Subpart 101-26.2.

(b) Purchases by all Federal agencies of prison-made products not carried in GSA supply distribution facilities, or supply items procured under exceptions set forth in § 101-26.201, must be made in accordance with the provisions in the Schedule of Products Made in Federal Penal and Correctional Institutions. Products available from Federal Prison Industries, Inc., shall be accorded priority over products offered for sale by the workshops of the blind and other severely handicapped persons.

(c) Prison-made products which are available from GSA supply distribution facilities are designated by an asterisk (*) preceding the national stock number in the product schedule referred to in paragraph (b) of this section.

§ 101-26.509 Marginally punched continuous forms.

(a) Except for those marginally punched continuous forms which GSA procures for stock, all requirements for such forms shall be ordered from GPO contracts or other established GPO sources. If an item is available from GSA stock, acquisition shall be from this source.

(b) Requirements for marginally punched continuous forms which are not available from GPO or GSA sources or which exceed the maximum monetary limitations of the GPO contract shall be submitted to GPO for appropriate action. If requirements are less than the minimum orders/shipment limitations of the GPO contract, agencies may procure them directly from commercial sources.

§ 101-26.510 Nonperishable subsistence (NPS) items.

With the exception of condiment packages in Federal supply classes 8940 and 8950, managed by the Defense Logistics Agency's Defense Personnel Support Center, all nonperishable subsistence items are in Federal supply group (FSG) 89. Subsistence items are managed by and available from the Veterans Administration (VA). These items are

listed in the Subsistence Catalog, which is available from the Director, Office of Procurement and Supply (92), Veterans Administration, Washington, DC 20420. Instructions on requisitioning these items are contained in the GSA Handbook, "FEDSTRIP Operating Guide (FPMR 101-26.2)."

§ 101-26.511 Medical items.

Except for medical items covered by Forest Service specifications that are managed by GSA, civilian agencies shall satisfy their requirements for medical items in FSG 65 from the Veterans Administration by submitting FEDSTRIP requisitions using routing identifier Code G36 or mailing them to the Director, VA Supply Depot (901E), P.O. Box 27, Hines, IL 60141.

§ 101-26.512 Helium - gas or liquid.

(a) Federal agencies are required under the provisions of P. L. 86-777 (50 USC 167a et seq) to obtain all major requirements for helium from the Secretary of the Interior, Bureau of Mines. Contractors shall also obtain from the Bureau of Mines helium required in the performance of Federal contracts.

(b) Federal agencies and their contractors shall obtain helium from:

(1) The Bureau of Mines, Division of Helium Operations, 1100 South Fillmore Street, Amarillo, Texas 79101, or

(2) Private helium distributors who are eligible to distribute helium purchased from the Bureau of Mines. A complete listing of eligible private distributors may be obtained from the above addressee.

§ 101-26.513 Adjustments.

Requests for billing adjustments should be submitted in accordance with chapter 5 of the GSA Handbook, "Discrepancies or Deficiencies in GSA or DOD Shipments, Material, or Billings (FPMR 101-26.8)."

SUBPARTS 101-26.6--101-26.7 [Reserved]

SUBPART 101-26.8 DISCREPANCIES OR DEFICIENCIES IN GSA
OR DOD SHIPMENTS, MATERIAL, OR BILLINGS

§ 101-26.800 Scope of subpart.

This subpart prescribes a uniform system for reporting discrepancies or deficiencies in material or shipments and processing requests for or documenting adjustments in billings from or directed by GSA or Department of Defense (DOD) activities.

§ 101-26.801 Applicability.

This subpart is applicable to all civilian executive agencies, including their contractors and subcontractors when authorized. DOD activities should follow the applicable DOD or military

service/agency regulations in reporting discrepancies or deficiencies in shipments or material, or requesting adjustments in billings from or directed by GSA unless exempted therefrom, in which case the provisions of this § 101-26.801 apply.

§ 101-26.802 Exclusions.

The provisions of this regulation are not applicable to shipments and billings related to the stockpile of strategic and critical material or to excess or surplus property; to billings for services, space, communications, and printing; or to purchases made from a self-service store or a customer supply center.

§ 101-26.803 Discrepancies or deficiencies in shipments, material, or billings.

§ 101-26.803-1 Reporting discrepancies or deficiencies.

Procedures for documenting discrepancies or deficiencies, including those for documenting and reporting quality deficiencies, are set forth in the GSA Handbook, "Discrepancies or Deficiencies in GSA or DOD Shipments, Material, or Billings (FPMR 101-26.8)," promulgated by the Assistant Administrator for Federal Supply and Services. Copies of this handbook may be obtained by submitting a completed GSA Form 457, FSS Publications Mailing List Application (Mail List Code ODDH-0001). GSA Form 457 may be obtained from GSA regional offices.

SUBPARTS 101-26.9--101-26.48 [Reserved]

SUBPART 101-26.49--ILLUSTRATIONS OF FORMS

§ 101-26.4900 Scope of subpart.

This subpart illustrates forms prescribed or available for use in connection with subject matter covered in other subparts of Part 101-26.

§ 101-26.4901 [Reserved]

§ 101-26.4902 GSA forms.

(a) The GSA forms are illustrated in this § 101-26.4902 to show their text, format, and arrangement and to provide a ready source of reference. The subsection numbers in this section correspond with the GSA form numbers.

(b) Agency field offices may obtain the GSA forms illustrated in this § 101-26.4902 by submitting their requirements to their Washington headquarters office which will forward consolidated annual requirements to the General Services Administration (BRO), Washington, DC 20405.

§ 101-26.4902-457 GSA Form 457, FSS Publications Mailing List Application.

Note: The form illustrated in §101-26.4902-457 is filed as part of the original document.

§ 101-26.4904 Other agency forms.

This section illustrates forms issued by other agencies which are prescribed or available for use in connection with subject matter covered in other subparts of Part 101-26. The issuing activity is also identified in the section requiring the use of such forms. The forms are illustrated to show their text, format, and arrangement and to provide a ready source of reference. The subsection numbers in this section correspond with the applicable agency form numbers.

§ 101-26.4904-416 DD Form 416: Purchase Request for Coal, Coke, or Briquettes.

Note: The form illustrated in § 101-26.4904-416 is filed as part of the original document.

8. The table of contents for Part 101-27 is amended to add the following entry:
101-27.508 Frustrated shipments.

9. The authority citation for Part 101-27 reads as follows:

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

SUBPART 101-27.5--RETURN OF GSA STOCK ITEMS

10. Subpart 101-27.5 is amended to add the following Section 101-27.508, redesignated and transferred from § 101-26.311:

§ 101-27.508 Frustrated shipments.

(a) At the request of the ordering agency, GSA may authorize diversion or return for credit of any shipment consigned to an overseas destination which, while en route, cannot be continued onward for any reason and for which the consignee or requisitioning agency cannot provide diversion instructions:

Provided, The frustration occurs at a water or air terminal and title to the material has not passed from the Government. Frustrated shipments located outside the United States are the responsibility of the consignee or ordering agency. However, GSA will assist the agency whenever possible in disposing of the material when it cannot be utilized by the overseas control area of the agency, e.g., overseas command or AID area.

(b) Requests to GSA for disposition instructions shall be directed to the GSA office which made the shipment. Data provided by the agency shall include the original requisition document number, purchase order number (if any), supplementary addresses, and present location of the frustrated shipment. In addition, the agency should furnish the Government bill of lading number or commercial bill of lading reference, and the carrier's freight or waybill number.

(c) GSA may direct disposition of such material through any of the

means listed below. Disposition instructions will include a determination by GSA as to the responsibility for payment of transportation costs.

- (1) Shipment of material to another consignee.
 - (2) Temporary storage pending further instructions.
 - (3) Return to GSA stock.
 - (4) Disposal by agency.
 - (5) Disposition through other means if deemed to be in the best interest of the Government.
- (d) GSA will provide required documentation to accomplish the desired action and will, if appropriate, initiate necessary adjustments in billing.
- (e) Frustrated shipments involving other than GSA stock items will be treated in a manner similar to that prescribed in this § 101-27.508 on a case-by-case basis.

Dated: