

§ 101-25.404-1

41 CFR Ch. 101 (7-1-00 Edition)

§ 101-25.404-1 Limitation.

Notwithstanding the provisions in § 101-25.404, agencies shall limit acquisition of new office furniture to essential requirements as provided in § 101-25.104. Replacement of correspondence filing cabinets will be governed by the provisions of § 101-26.308.

[61 FR 14978, Apr. 4, 1996]

§ 101-25.405 Materials handling equipment.

(a) Materials handling equipment will not be replaced unless the estimated cost of necessary one-time repair or reconditioning of each piece of equipment exceeds, at lowest available cost, the applicable percentage of acquisition cost as shown in column 3 of the following table. Equipment eligible for replacement under the criteria es-

tablished by this standard may be repaired provided the expected economical life is extended commensurate with the expenditure required. Prior to incurring repair costs for equipment eligible for replacement, consideration should be given to the continuing availability of repair parts.

(1) Years in use shall be determined in accordance with the following:

(i) An operating month is considered equal to 100 operating hours. For materials handling equipment in storage, one month in storage equals 50 hours of operation.

(ii) The number of years in use is determined by dividing the number of operating months by 12. The fractional years in use resulting from this computation will be rounded to the nearest full year.

Column 1—Type of unit	Column 2—Expected years of economical use	Column 3—Maximum allowable "one-time repair limits" as percentage of acquisition costs (years in use)														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
GASOLINE																
Fork truck (2000 pounds to 6000 pounds)	8	50	45	40	30	25	20	15	10	.....	.....	.....	.....	.....	.....	.....
Fork truck (over 6000 pounds)	10	50	45	40	35	30	25	20	15	10	10	.....	.....	.....	.....	.....
Tractor	8	50	45	40	30	25	20	15	10	.....	.....	.....	.....	.....	.....	.....
Crane	12	50	50	45	45	40	40	35	30	25	20	15	10	.....	.....	.....
Platform truck	8	50	45	40	30	25	20	15	10	.....	.....	.....	.....	.....	.....	.....
Straddle truck	15	50	50	50	45	45	45	40	40	35	35	30	25	20	15	10
ELECTRIC																
Fork truck (2000 pounds to 6000 pounds)	15	50	50	50	45	45	45	40	40	35	35	30	25	20	15	10
Tractor	15	50	50	50	45	45	45	40	40	35	35	30	25	20	15	10
Crane	15	50	50	50	45	45	45	40	40	35	35	30	25	20	15	10
Platform truck	15	50	50	50	45	45	45	40	40	35	35	30	25	20	15	10
Pallet truck	15	50	50	50	45	45	45	40	40	35	35	30	25	20	15	10

(2) In using the maximum allowable one-time repair limits in column 3 of the table, costs such as parts, labor, and transportation incident to the repairs, are to be included in computing one-time repair costs. However, operating expenses such as fuels and lubricants, replacement tires and batteries, and antifreeze will not be included in the one-time repair cost estimate.

(b) Notwithstanding the limitations prescribed in § 101-25.405(a), materials handling equipment may be replaced under the following conditions provided a written justification supporting such replacement is approved by the agency head or an authorized designee.

The justification shall be retained in the agency files.

(1) When the cumulative repair costs on a piece of equipment appears to be excessive as indicated by repair records. However, because an item of equipment accrues repair costs equal to the acquisition cost, it is not necessarily indicative of the current condition of the equipment. For example, a substantial repair expenditure included in the cumulative cost may actually have resulted in restoring the equipment to as good as new condition. While cumulative repair costs suggest an area for investigation, they should not be used as the principal ingredient