



Designation: E2811 – 17

Standard Practice for Management of Low Risk Property (LRP)¹

This standard is issued under the fixed designation E2811; the number immediately following the designation indicates the year of original adoption or, in the case of revision, the year of last revision. A number in parentheses indicates the year of last reapproval. A superscript epsilon (ϵ) indicates an editorial change since the last revision or reapproval.

1. Scope

1.1 This practice covers the assessment of risk and management of low risk property (LRP).

1.2 This practice is directed at tangible LRP.

1.3 This practice does not promote mismanagement or dereliction of duty to protect property, nor protecting property unreasonably – to the extent that usefulness is impaired. This practice recognizes the constraints of materiality and costs versus benefits in the control and management of property.

1.4 *This international standard was developed in accordance with internationally recognized principles on standardization established in the Decision on Principles for the Development of International Standards, Guides and Recommendations issued by the World Trade Organization Technical Barriers to Trade (TBT) Committee.*

2. Referenced Documents

2.1 *ASTM Standards:*²

[E2131 Practice for Addressing and Reporting Losses of Tangible Property](#)

[E2132 Practice for Inventory Verification: Electronic and Physical Inventory of Assets](#)

[E2135 Terminology for Property and Asset Management](#)

[E2453 Practice for Determining the Life-Cycle Cost of Ownership of Personal Property](#)

[E2604 Practice for Data Characteristics of Equipment Asset Record](#)

[E2608 Practice for Equipment Control Matrix \(ECM\)](#)

[E2279 Practice for Establishing the Guiding Principles of Property Asset Management](#)

3. Terminology

3.1 *Definitions:*

¹ This practice is under the jurisdiction of ASTM Committee E53 on Asset Management and is the direct responsibility of Subcommittee E53.01 on Process Management.

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² For referenced ASTM standards, visit the ASTM website, www.astm.org, or contact ASTM Customer Service at service@astm.org. For *Annual Book of ASTM Standards* volume information, refer to the standard's Document Summary page on the ASTM website.

3.1.1 *life cycle processes (LCP)*—the various management and control processes of property from its acquisition through disposition as described under the three Life Cycle Stages defined in Practice E2453.

3.1.2 *low risk property (LRP)*—assets that are monitored and controlled at the discretion of asset managers and typically consist of low risk expendables or durable equipment and tooling based on established and disclosed criteria. (Refer to 4.2 for more information.)

4. Significance and Use

4.1 LRP should be administratively controlled and managed using less resource-intensive methods than higher risk property.

4.2 The type and scope of control and management should be commensurate with the level of risk. The entity shall determine the level of risk considering the following criteria:

- 4.2.1 Scarcity,
- 4.2.2 Technological obsolescence,
- 4.2.3 Lead time,
- 4.2.4 Standardization,
- 4.2.5 Criticality,
- 4.2.6 Sensitivity,
- 4.2.7 Threshold/monetary values,
- 4.2.8 Environmentally regulated,
- 4.2.9 National security/threat,
- 4.2.10 Schedule constraints,
- 4.2.11 Vulnerability,
- 4.2.12 Societal or personal safety,
- 4.2.13 Documented business agreements (for example, contract, grant, memorandum of agreement), and
- 4.2.14 Initial accounting treatment.

NOTE 1—The listing in 4.2.1 – 4.2.14 is not all inclusive and may be supplemented by the entity and country. The management threshold/monetary value for item 4.2.7 in the United States and internationally may fluctuate up to \$5000.00 or higher depending on agency and industry type.

4.3 The information received from conducting standard asset Life Cycle Processes (LCP) within each Life Cycle Stage (LCS) for LRP may not provide sufficient value to the entity that is equal to or greater than the cost associated with performing the processes.