

# Building a Par-Level System for Your Reagent Inventory

The simplest inventory tool that requires no software

Article 5 of 22

7 min-minute read

## Formula

Daily Usage x Lead Time  
+ Safety Stock

## 3-5 Days

Recommended safety  
stock for reliable suppliers

## Quarterly

Review frequency to  
keep levels current

*A par-level system is one of the simplest and most effective inventory management tools available, and it requires no special software. For every item you stock, define a minimum quantity (the par level) and a maximum quantity. When stock hits par, reorder up to max.*

## 1 What Is a Par Level?

The par level is the minimum quantity of an item you should have on hand at any time. It is set high enough to cover normal usage during lead time plus a safety buffer. The maximum level prevents over-ordering and reduces expiration risk.

## 2 How to Calculate Par Levels

For each item you need three numbers: Average Daily Usage (total units in 30 days divided by 30), Lead Time (days between ordering and receiving), and Safety Stock (typically 3–5 days for reliable suppliers). Par level = (Daily Usage x Lead Time) + Safety Stock. Maximum = Par Level + (Daily Usage x Order Cycle Days).

**QUICK TIP:** Start with your top 10 highest-volume items.

## 3 Setting It Up Physically

Create a label or card for each reagent showing item name, catalog number, par level, maximum level, and supplier. Place the card at the par-level point on the shelf. When a tech pulls stock and reveals the card, it is time to reorder. This visual trigger is simple and reliable.

**QUICK TIP:** Visual shelf cards beat spreadsheets for day-to-day compliance.

## 4 Digital Alternative

If you prefer a spreadsheet, create a table with columns for item name, current quantity, par level, max level, order quantity (max minus current), and lead time. Conditional formatting can highlight items at or below par in red, giving you an instant reorder list.

**QUICK TIP:** Use the Reorder Point Calculator template for automatic status flags.

## 5

## Review and Adjust

Par levels are not set-and-forget. Review them quarterly. If test volume for a particular assay has increased, daily usage has changed and par needs to go up. If you switched to a faster supplier, you can reduce safety stock.

**QUICK TIP:** Set a quarterly calendar reminder to review and adjust all par levels.

### PAR-LEVEL SYSTEM AT A GLANCE



*Visual representation of inventory level zones*

**BOTTOM LINE:** Start with your top 10 highest-volume reagents. Set par levels, label the shelves, and assign someone to check daily. Expand to full inventory once the process is running.

### FREE TOOLS TO GET STARTED

Template	What It Does
<a href="#">Par-Level / Reorder Point Calculator</a>	Auto-calculate reorder points and max levels for every SKU

#### Download the complete JIT4LABS Templates Toolkit

23 ready-to-use Excel templates covering inventory, financials, compliance, and more.

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