

**QUESTIONS AND ANSWERS
FREIGHT COMMITTEE MEETING**

March 13, 2001

- 1. How do agencies that participate in GSA's Interagency Transportation Management System (ITMS) program reimburse GSA for using the program??**

Agencies that use the freight program sign a letter of agreement with GSA authorizing payment of an Industrial Funding Fee (IFF). This fee, usually assessed as a percentage of the freight charges, allows agencies to access ITMS and use GSA's negotiated rates and other services.

Agencies that use the household goods program pay a flat IFF that is embedded in transportation services providers' (TSPs') rates.

- 2. How do you determine accessorial charges; e.g., charges for use of pallets, shrink wrapping, inside delivery or inside pickup, and the correct codes to use? Is this information on the Internet?**

This information is contained in the Standard Tender of Service (STOS), GSA National Rules Tender 100 D which replaces all carrier bureau accessorial and rules tariffs. The STOS is on GSA's Web Site at: <http://www.r6.gsa.gov/fss/fsstt/ft/>.

- 3. Our office does not have a loading dock available, so a TSP must park on the street. Parking is very difficult after 8:00 a.m. When our office has a shipment, I come to work early and request that the TSP driver also come early to pickup the shipment. I know this is our problem, but is it appropriate for the TSP to assess an additional charge for this service?**

A TSP may charge an additional fee when parking is not available adjacent to the shipment pickup area.

- 4. Will ITMS contain rates for other transportation services; e.g., flat bed, van lines, and air?**

GSA plans to eventually incorporate these rates in the new Transportation Management Services Solution (TMSS) we are planning. However, freight and household goods will take priority over these other transportation services.

- 5. Occasionally a TSP charges a higher rate on the transportation bill than the rate quoted when the shipment was booked. Apparently, information communicated to the TSP gets lost somewhere along the way. Any suggestions on how this can be rectified?**

When you book a shipment under a GSA tender make sure you tell the TSP's agent that it is a Government shipment and give the agent the GSA tender or rate offer number. When preparing the Government or commercial bill of lading (GBL/CBL) be certain you annotate that number on the document. If you make a shipment using a one-time-only quote, be certain you annotate on the bill of lading the rate authority or quote number, the name of the agent, and the estimated cost.

The "Completion of Service" provision in General Freight Tender of Service 1-F requires a TSP with an approved tender offering joint linehaul rates to ensure that any interline TSP(s) involved in transporting a shipment under the tender honors the tender's discounted rate/charge for all services specified in the STOS.

On October 1, 2000, it became mandatory for agencies to conduct a preaudit of all transportation bills. The prepayment auditor will adjust any overcharge to ensure that the agency pays the correct amount to the TSP.

- 6. I prepared a GBL through the ITMS system and used a TSP from the furnished list. The estimated transportation charge was \$324. The TSP performed the service and invoiced my agency \$2835.18 for the shipment. The finance office paid it, and several weeks passed before my office found out about it and was able to track what it was for. I phoned the TSP and learned they had subbed out the job to another freight company which transported the shipment by an indirect route which cost more.**

I also called the finance office and asked why they had paid a charge that so grossly exceeded the original estimate. The finance office told me they pay the amount shown on the invoice.

Why should we use GSA when the open market is less--in this case around \$800? If there is no accountability for what a company charges or what the finance office actually pays, what good is the estimate?

The ITMS rate of \$324 is \$475 less than the \$800 open market rate you were quoted. GSA STOS rates generally are significantly lower than a TSP's commercial rates and result in a substantial savings to Federal agencies. When a TSP agrees to accept tender shipments under the

GSA STOS it agrees to all STOS terms and conditions and IS not authorized to charge a different amount.

The prepayment auditor should have adjusted the overcharge on the bill prior to payment. It is imperative that bills of lading are properly completed to ensure that the prepayment auditor has the necessary information to properly audit the bill.

You should notify GSA's Regional Office in Kansas City for assistance if you are unable to resolve billing problems with a TSP that offers rates under the GSA STOS.

7. What bill of lading forms will be acceptable for freight shipments made on or after October 1, 2001?

The following forms may be used for domestic freight shipments as long as either a GSA-issued or GSA-approved number appears on the form:

- (a) One page laser GBL.
- (b) GSA computer generated 9 page CBL (GSA, Office of Governmentwide Policy plans on having this optional form available by October 1, 2001).
- (c) GSA, ITMS CBL (will be available prior to October 1, 2001).
- (d) Virtual GBL/CBL.
- (e) Commercial CBL.

8. Will GSA require TSP's to reference the GSA transportation regulations on their CBL's?

No. Please see answers to Questions 9 and 10.

9. How is the Government's interests protected when a CBL form is used for a Government shipment? How are the shipping terms and conditions that apply to Government shipments incorporated?

The terms and conditions that apply to Government shipments are promulgated in 41 FMR 102-117; 41 FMR 102-118, and in the GSA Freight Handbook.

BLOCK 20a, on the reverse side of OF 280 "Uniform Tender Of Rates and/or Charges For Transportation Services" automatically incorporates 41 FMR 102-117, 41 FMR 102-118, and any necessary Federal, state,

and municipal laws and regulations. A special notation is needed on the bill of lading if the TSP does not use OF 280 to submit a rate offer.

Written reference to 41 CFR 102-118 in a TSP's contract, tender, or rate offer effectively incorporates the regulations. Either the regulatory citation or the contract number, tender, or rate offer number must be annotated on the bill of lading.

10. What statement should be annotated on a CBL's to ensure an agency is covered by all terms of the applicable tender in effect at the time of shipment?

The appropriate reference is "in accordance with 41 CFR 102-118," or the applicable contract, tender, or rate offer number if these documents incorporate the appropriate regulation.

When a TSP offers its rates on OF 280, however, no special notation is required on the CBL.

11. Will agencies be charged the commercial rate if the terms and conditions are not referenced on the CBL?

Not if the appropriate citation specified in the answer to Question 9, above, appears on the CBL.

12. Will GSA provide a commercial bill of lading (CBL) that may be used by other agencies?

The GSA, Office of Governmentwide Policy is developing a 9-page computer generated domestic CBL.

GSA, Federal Supply Service, also is developing a general freight and household goods CBL for use under ITMS. These new "optional" forms will be posted on GSA's Web Site for use by agencies that subscribe to ITMS. Agencies will be able to print the forms.

13. Will the forms be available for agency review prior to October 1, 2001?

Yes.

14. Will GSA's Fort Worth Distribution Facility stock the new bill of lading forms? Will a hardcopy of a commercial bill for household goods shipments be available?

GSA's, Fort Worth facility will not stock the "optional" CBL forms referenced in the response to Question 12. Federal agencies participating in ITMS will be able to download and print hard copies of these forms from GSA's Web Site. We anticipate these forms will be completed and available before October 1, 2001.

15. In the interim can a Federal agency use a carrier's CBL if it incorporates the GSA-approved unique numbering system?

Yes, Federal agencies may use a commercial CBL as long as it references a GSA-provided or GSA-approved unique number on the document.

Agencies must obtain unique numbers from GSA for use on CBL's or create a unique numbering system and obtain approval for its use from GSA's Audit Division. GSA controls the numbering system to prevent document duplication and to provide document accountability.

16. Does GSA supply a set of numbers for Federal agencies?

Does GSA charge a fee for issuing the numbers?

Yes. Government agencies and activities may order supplies of unique numbers for use on CBL's from: GSA, Federal Supply Service, General Products Commodity Center (7FXM-WS), 819 Taylor St., Room 6A24, Fort Worth, TX 76102. Agencies may place orders by telephone at 1 (800) 488-3111 and use either a Government Purchase Card or an Activity Address Code for payment. GSA charges a nominal fee to issue the sets of unique numbers.

17. Will the GSA Optional Form 280 be available by September?

GSA's Office of Governmentwide Policy plans on publishing the revised OF 280 in the Federal Register in the near future. The final form should be available for use by September 2001.

18. What should we do with excess GBL forms?

Obsolete GBL forms should be returned to the office in each agency that maintains accountability of these forms. That office must provide a list of the GBL numbers on all stock pulled from circulation to: GSA, Federal Supply Service, General Products Commodity Center (7FXM-WS), 819 Taylor St., Room 6A24, Fort Worth, TX 76102. The GBL's themselves then must be destroyed once GSA notifies the agency that it has received the listing of GBL numbers. General Records Schedule 9,

Travel and Transportation Records provides procedures for appropriate destruction of accountable documents.

19. Will the Domestic Express Contract be posted on the web?

Yes, the transition document and available options will be posted on GSA's Web Site.

20. We need to know the names of carriers participating in the new Domestic Express Contract before we select the method of procurement. When will the list of carriers be available?

The list will be available by the date of the kick-off conference scheduled to be held Monday, June 4, 2001, between 9 AM and 4 PM at a local hotel in Crystal City, Arlington, VA.

C:/docs/notes/ March 13th Q&A's

C:/docs/notesFrtCncl_q&a.doc