

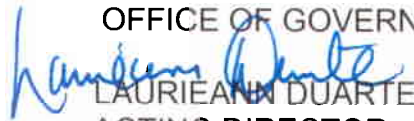


MAY 17 2006

GSA Office of the Chief Acquisition Officer

MEMORANDUM FOR TED J. BEMBENEK, JR.
PROGRAM ANALYST
OFFICE OF GOVERNMENTWIDE POLICY (MT)

FROM:


LAURIEANN DUARTE

ACTING DIRECTOR
REGULATORY AND FEDERAL ASSISTANCE
DIVISION (VIR)

Subject: FMR Case 2005-102-5, Transportation Payment and Audit –Use
of SF 1113, Public Voucher for Transportation Charges

Attached are comments received on the subject FMR case published
at 71 FR 13063; March 14, 2006. The comment closing date was May 15, 2006.

<u>Response Number</u>	<u>Date Received</u>	<u>Comment Date</u>	<u>Commenter</u>
2005-102-5-1	05/01/06	05/01/06	GSA (FBA)
2005-102-5-2	03/22/06	02/33/06	Alexander's Mobility Services Inc.
2005-102-5-3	05/12/06	05/12/06	Air Transportation Association
2005-102-5-4	05/12/06	05/12/06	Bekins Van Lines, LLC
2005-102-5-5	05/15/06	05/15/06	American Moving and Storage Association
2005-102-5-6	05/15/06	05/15/06	Stevens Worldwide Van Lines

Attachments

2005-102-5-1-



James F.
Fitzgerald/FBA/CO/GSA/GOV

05/01/2006 03:51 PM

To fmrcae.2005-102-5@gsa.gov
cc
bcc
Subject PROPOSED RULE



SF1113coments.doc

James F. Fitzgerald
Director, Audit Division (FBA)
703-605-9400
2200 Crystal Drive, Room 300
Arlington, VA 20406
www.gsa.gov/transaudits

2005-102-5-1

The Audit Division relies on the SF-1113 to provide necessary information on all paid paper transportation transaction. The Government still pays thousands of paper transactions every month. This form is signed by the TSP, includes the SCAC, the address to send payment and if required the TIN, DUNS, Vendor ID and other identifying information. It also contains the date received by the Finance Center which is necessary for Prompt Payment disputes, Statute of Limitation disputes and to establish time frames for the filing of claims by both the Government and the TSP's. The completed SF-1113 contains the amount paid, the date paid, any adjustment made by the Finance Center, and the prepayment audit information. It provides a certification from the TSP billing that this payment is due, that the services have been performed, payment has not been received and that charges are correct. The applicable regulation is included by reference. Provisions for billing for lost bills of lading and GTR's require the use of this form and the proper certification. A suffix is added to indicate that this is a supplemental billing and which one it is, this speeds up the processing and helps prevent duplicate payments.

The SF-1113 is a long standing form that has been refined over the years to provide information in a standard format that is readily used and understood by both the Government and the TSP's. It can be produced by the TSP's with much of their information preprint on the form. It is understood that SF-1113's are for paper transactions and electronic transportation billing procedures are established by the system being used.

2005-102-5-2



"Tammy Davids"
<tdavids@alexanders.net>
03/22/2006 09:10 AM

To fmrcase.2005-102-5@gsa.gov
cc
bcc
Subject FMR Case 2005-102-5

Good Morning,

I understand that this is just a proposed rule right now. When does this become effective? and how can I be trained to use the electronic payment system?

Thanks

Tamara V. Davids, CPA
Controller
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May 12, 2006

General Services Administration
Regulatory Secretariat (VIR)
1800 F Street, NW - Room 4035
Attn: Laurieann Duarte
Washington, DC 20405

Re: Proposed Rule Concerning Federal Management Regulation: Transportation
Payment and Audit—Use of SF 1113, Public Voucher for Transportation
Charges; FMR Case 20005-102-5

The Air Transport Association of America, Inc. appreciates the opportunity to comment on the GSA's Proposed Rule concerning amendments to the Federal Management Regulations (FMR). ATA's members¹ account for ninety-five percent of the passenger and cargo traffic carried annually by U.S. scheduled airlines. The Proposed Rule aims to promote the Federal Government's use of electronic commerce (e-commerce) in connection with the procurement, billing, and payment for transportation services. Because ATA's members provide transportation services to the Federal Government, we have an interest in the Proposed Rule.

The Proposed Rule seeks to discontinue the use of the paper Standard Form (SF) 1113 (Public Voucher for Transportation Charges) and its memorandum copy, SF 1113-A. At this time, the FMR requires transportation service providers to submit these forms to receive payment.

In general, ATA supports the Federal Government's goal of improving efficiency and reducing paperwork in procuring, billing, and paying for transportation services through the use of e-commerce. We are concerned, however, that agencies may not have in place the necessary facilities and procedures to implement electronic billing from, and payment to, air carriers. If that is the case, then the Proposed Rule is deficient because it fails to provide an alternate procedure for carriers to bill agencies and receive payment. As written, the Proposed Rule will require agencies to use e-commerce for receiving bills and paying for transportation charges, but it provides no provision for agencies and airlines to continue using paper invoices before all agencies are capable of complying with the e-commerce requirement.

¹ ATA's members are: ABX Air, Alaska Airlines, Aloha Airlines, American Airlines, ASTAR Air Cargo, ATA Airlines, Atlas Air, Continental Airlines, Delta Air Lines, Evergreen International Airlines, FedEx Corp., Hawaiian Airlines, JetBlue Airways, Midwest Airlines, Northwest Airlines, Southwest Airlines, United Airlines, United Parcel Service, and US Airways. Associate members are: Aerovías de México, Air Canada, Air Jamaica, and Mexicana de Aviación.

2005-102-5-3

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At this time, not all of our members invoice the Federal Government electronically for transportation charges, in part because some agencies lack the capability to receive and pay electronic invoices. The Proposed Rule, however, appears to assume that all agencies currently have this capability. Our experience is that this assumption is inaccurate.

In addition, neither the Proposed Rule nor the U.S. Government Freight Transportation Handbook provides any information about what alternative to the SF 1113—electronic or otherwise—the Federal Government will accept so that airlines receive payment for their services. In particular, we cannot determine whether an airline may submit its standard customer invoice to receive payment from the Federal Government.

Because we cannot discern from the Proposed Rule that ATA's member airlines will continue to receive timely payment for transportation services rendered to the Federal Government, we request that the GSA provide additional information before proceeding to a final rule. Without this additional information, we cannot provide informed and considered feedback and cannot support the Proposed Rule as published. We welcome the opportunity to discuss our concerns with the GSA.

Air Transport Association of America, Inc.



Sophy Chen, Esq.
Senior Attorney
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2005-102-5-4



"Ewing, Bob"
<BEwing@Bekins.com>
05/12/2006 01:24 PM

To fmrcase.2005-102-5@gsa.gov
cc
bcc
Subject FMR case 2005-102-5

Submitter information:

Robert D. Ewing
Director of Government Traffic

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Bekins Van Lines, LLC is a Transportation Service Provider in GSA's Centralized HHG Program (CHAMP). Bekins has participated in this program since its inception and has submitted many invoices to Government Agencies via the SF Form 1113.

Elimination of the SF Form 1113 would have limited real benefit at the present time and for the foreseeable future. The only benefit gained by the eliminating this form currently is that the Government can say they eliminated a form. The need for this form, specifically the standardized information format that this form provides, will still exist. This form provides a standardized format for invoice information so that anyone in any Government Agency or function can understand the invoice information submitted any of the hundreds of transportation service providers that perform services for the Government. Without the standardized format, Government personnel would be left to decipher the commercial invoice formats of each transportation service provider, each of which has its own unique format. This would result in reduced productivity for Government employees and the likelihood that the invoice information would be misinterpreted when auditing transportation service provider invoices causing further costs to the Government and transportation service providers while the misinterpretations are resolved.

Several years ago, GSA determined that the GBL form was no longer needed and eliminated the form. *The information contained on the form and the need for the information contained on the form wasn't* eliminated, just the form. Because the information on the form was still needed and needed to be communicated via hard copy rather than electronically, there was a need to produce the information in a standardized format so that all parties using the form clearly understood the information. The result was that many Government Agencies, including DOD, simply took the old GBL form, dropped the word 'Government' from the heading for the form and called it a 'Bill of Lading'. The form didn't go away, just the Government assigned number to the form went away. The same thing will happen to the SF 1113, the Public Voucher, if it is eliminated. Government Agencies will mandate the used of a standardized invoice format, probably call it a 'Commercial Public Voucher' and the only difference will be that the form doesn't contain a form number.

Until the Government migrates to a completely paperless, electronic invoice process, the need for paper invoices will continue to exist. The person proposing the elimination of the SF1113 recognizes that the need for paper invoices will continue to exist. The following information appeared in the correction to the proposed rule published on March 23, 2006:

§ 102-118.195 What documents must a transportation service provider (TSP) send to receive payment for a transportation billing?

2005-102-5-4

The transportation service provider (TSP) must submit a bill of lading or an original properly certified International Government bill of lading (GBL). The TSP must submit this package and all supporting documents to the agency paying office.

As long as the need for paper invoices exist, the need for a standardized format for the information contained on the invoice will continue to exist. Why eliminate a necessary form just to eliminate a form?

2005-102-5-5



"Michael, Scott"
<SMichael@MOVING.ORG>
05/15/2006 04:58 PM

To fmrcase.2005-102-5@gsa.gov
cc
bcc
Subject FMR case 2005-102-5

The American Moving and Storage Association is the national association for the moving and storage industry, representing 3,500 van lines, local agents, forwarders, independent carriers, and industry suppliers. Virtually all of the government-approved household goods moving companies are members of AMSA, providing service to relocating military service members and civilian government employees for many decades.

AMSA has worked with DOD and GSA for many years to improve the service and streamline the requirements for moving companies doing business with the Government. Recently, DOD has been testing the use of US Bank's PowerTrack electronic billing and payments system for payment of household goods invoices. While PowerTrack has reportedly worked well on freight invoices, household goods invoices have far more individual line items than freight invoices and thus are much more complicated. Our members have been quite frustrated at the additional workload imposed as a result of the use of PowerTrack and also the additional time necessary for payment of many of their invoices. We are working with DOD in an effort to work through the issues with PowerTrack, but do not believe that this system is yet viable for payment of household goods invoices. We are aware of no other electronic billing and payment system, which has allowed US Bank to charge what we believe to be an excessive fee for their service, due to lack of competition. It is our understanding that GSA is considering developing an electronic billing and payment system for the ITMS system used by CHAMP, but that is also not presently available.

The Federal Register notice on the elimination of the SF 1113 indicates that agencies are proposed to be required to use electronic commerce to receive invoices from transportation providers. While AMSA supports the use of electronic commerce for billing and other purposes, this Federal Register notice is premature as a viable electronic billing and payment mechanism does not presently exist for federal agencies, as described above. We believe that GSA should withdraw this proposal until further progress is made in implementing electronic billing options for federal agencies. Imposing this requirement at any point in the next few years would be unenforceable and disastrous. Why impose a requirement that cannot be adhered to and therefore cannot be enforced?

If GSA does proceed at some point in the future with electronic invoicing, Section 102-118.195 needs to be revised, as the proposed language would require submission of a paper bill of lading and other paper supporting documents. This defeats the entire purpose of electronic invoicing and would in fact increase the confusion and workload involved with matching up the paper documents with the electronic invoice. There is no benefit to an electronic invoice if paper documents are still required, whether for billing or the subsequent audit.

The purpose of having a Standard Form is so that any federal agency paying office or auditing office will be able to understand more easily the invoice information submitted by any of the hundreds of transportation service providers who perform services for the Government and submit invoices for payment. Without a Standard Form, either each agency will create their own form, increasing the workload, confusion, and cost to the transportation providers, or each TSP will create their own form, confusing and increasing costs to the Government. Either way, the result is more confusion, more complicated and costly audits, and still no progress towards automation. We are not aware of any federal

2005-102-5-5

agency complaints or problems with the current SF1113. Please consider postponing this mandate until the federal agencies, or at least the majority of them, are in a position to comply with a reasonable uniform approach to electronic billing.

Part A, Background mischaracterizes the existing rule as prescribing the use of the SF 1113. In fact, Section 102-118.45 clearly indicates that billings from TSPs "may be electronic". Section 102-118.65 asks the question "Can my agency receive electronic billing for payment of transportation services?" and responds in the affirmative. So the Background information is incorrect and misleading.

Part B, Substantive Changes, is also misleading and inaccurate where it states that the proposed rule "discontinues the requirement for use of the paper construction of Standard Form (SF) 1113". In fact, this form is currently optional as described above and what the proposed rule would do is to eliminate the option for federal agencies to continue to receive paper invoices. Since most agencies do not have a workable system for receiving electronic invoices at this time, such a change is rash and inappropriate.

The existing rule permits and in fact encourages the use of electronic billing for transportation services. Until the technology catches up with that goal, GSA should hold off on changing the rule.

Thank you for the opportunity to provide comments. If you have any questions, please contact me at smichael@moving.org.

American Moving and Storage Association
Scott Michael
Vice President, Membership and Government Traffic

2005-102-5-6



"Peg Wilken"
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05/15/2006 02:38 PM

To fmrcase.2005-102-5@gsa.gov
cc "Bonnie Deneen (E-mail)"
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(E-mail)" <patm@stevensworldwide.com>, "Al Wenzel
bcc

Subject FMR case 2005-102-5 (DISCONTINUATION OF USE OF
SF1113 (Government Voucher) for TRANSPORTATION
CHARGES)

Stevens Worldwide Van Lines and its affiliates provide transportation services to the Department of Defense and various agencies of the Federal Government under the GSA CHAMP program. We are responding to the request for comments posted in the Federal Register dated March 14, 2006, (<<http://a257.g.akamaitech.net/7/257/2422/01jan20061800/edocket.access.gpo.gov/2006/E6-3578.htm>>) regarding the discontinuation of the use of the SF1113, Public Voucher for Transportation Charges. We object to this change for the following reasons:

1. The SF1113 provides a uniform method for invoicing the government for transportation services. Without this form/format, we suspect that various federal agencies will each mandate their own "uniform" method for invoicing resulting in duplicated programming costs. We don't know of any federal agency who says the SF1113 does not work well for presentation of our transportation charges. We are concerned that the elimination of this form will end up being just like the "elimination" of the GBL which GSA mandated a few years ago. Most federal agencies simply recreated a new form called a Transportation Service Order (TSO), which looks exactly like the old GBL, but has a new name.

2. The purpose of the proposed change is to gain efficiencies by promoting the use of electronic commerce and move us towards a paperless environment. While we agree with this as a goal, the fact is that we are not in an environment yet where electronic commerce is the order of the day. We don't see how elimination of the SF1113 hastens that day; it just means that we will have to make some new interim paper forms to be used in lieu of the SF1113 until electronic billing is the norm.

3. Finally, whenever we have been involved in "paperless" transactions with the Federal Government for transportation services, it turns out that somebody somewhere still needs the paper trail and the uniform invoice format of the SF1113 facilitates that effort. GSA Audits would have a nightmare auditing carrier invoices if there is no uniform approach to that invoice, at least until such time as electronic invoicing is the norm. In fact, the Federal Register announcement itself states that we will still be required to submit a paper documentation to support our billing, to wit,

"Sec. 102-118.195 What documents must a transportation service provider (TSP) send to receive payment for a transportation billing?
For shipments bought on a transportation document, the transportation service provider (TSP) must submit an original properly certified International Government bill of lading (GBL) or bill of lading. The TSP must submit this package and all supporting documents to the agency paying office."
Therefore, it is clear that this will not be a paperless transaction at all. For these reasons, we feel it is premature for the SF1113 to be discontinued until such time as the Federal Government is in a position to fully utilize electronic commerce in a paperless environment.

2005-102-56

Thanks,

Peggy Wilken - Vice President/Government Traffic
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