

GENERAL SERVICES ADMINISTRATION  
Washington, DC 20405

May 9, 2008

FEDERAL MANAGEMENT REGULATION  
Amendment 2008-04

TO: Heads of Federal agencies

SUBJECT: FMR Case 2007-102-4; Transportation Payment and  
Audit; Refund of Expired, Unused Tickets

1. Purpose. This document includes pages that reflect amendments to Part 102-118 of the Federal Management Regulation (FMR).

2. Background. GSA published §102-118.196 in the *Federal Register* at 69 FR 57619, September 24, 2004, as an addition to part 118 of Title 41 (41 CFR part 118). The amendment was published as a final rule without a comment period and required that Transportation Service Providers (TSPs) refund the value of expired, unused tickets to GSA's Audit Division when a ticket purchasing agency fails to notify the TSP of a cancellation.

Since its publication, GSA has received feedback from sources who wanted to offer comments at the time the rule was originally published. After receipt of contacts from these sources, GSA agreed to remove this specific provision in its current form.

In order to accomplish this, it is necessary to remove the existing provision, and this FMR does so.

3. Effective date. This rule was published in the *Federal Register* at 73 FR 9232 and became effective on February 20, 2008.

4. Explanation of changes. Part 102-118 is amended pertaining to unused tickets. Section 102-118.196 is being deleted and was published without a public comment period.

5. Filing instructions. Make the following page changes:

Remove FMR pages:

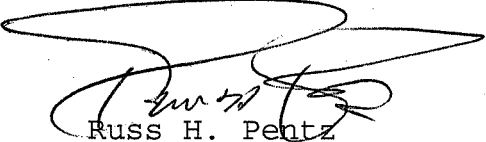
102-118-i and 102-118-ii

102-118-7 and 102-118-8

Insert FMR pages:

102-118-i and 102-118-ii

102-118-7 and 102-118-8



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PART 102-118—TRANSPORTATION PAYMENT AND AUDIT

Sec.

**Subpart A—General**

**Introduction**

- 102-118.5— What is the purpose of this part?
- 102-118.10— What is a transportation audit?
- 102-118.15— What is a transportation payment?
- 102-118.20— Who is subject to this part?
- 102-118.25— Does GSA still require my agency to submit its overall transportation policies for approval?
- 102-118.30— Are Government corporations bound by this part?

**Definitions**

- 102-118.35— What definitions apply to this part?

**Subpart B—Ordering and Paying for Transportation and Transportation Services**

- 102-118.40— How does my agency order transportation and transportation services?
- 102-118.45— How does a transportation service provider (TSP) bill my agency for transportation and transportation services?
- 102-118.50— How does my agency pay for transportation services?
- 102-118.55— What administrative procedures must my agency establish for payment of freight, household goods, or other transportation services?
- 102-118.60— To what extent must my agency use electronic commerce?
- 102-118.65— Can my agency receive electronic billing for payment of transportation services?
- 102-118.70— Must my agency make all payments via electronic funds transfer?
- 102-118.75— What if my agency or the TSP does not have an account with a financial institution or approved payment agent?
- 102-118.80— Who is responsible for keeping my agency's electronic commerce transportation billing records?
- 102-118.85— Can my agency use a Government contractor issued charge card to pay for transportation services?
- 102-118.90— If my agency orders transportation and/or transportation services with a Government contractor issued charge card or charge account citation, is this subject to prepayment audit?
- 102-118.91— May my agency authorize the use of cash?
- 102-118.92— How does my agency handle receipts, tickets or other records of cash payments?
- 102-118.95— What forms can my agency use to pay

transportation bills?

- 102-118.100— What must my agency ensure is on each SF 1113?
- 102-118.105— Where can I find the rules governing the use of a Government Bill of Lading?
- 102-118.110— Where can I find the rules governing the use of a Government Transportation Request?
- 102-118.115— Must my agency use a GBL?
- 102-118.120— Must my agency use a GTR?
- 102-118.125— What if my agency uses a TD other than a GBL?
- 102-118.130— Must my agency use a GBL for express, courier, or small package shipments?
- 102-118.135— Where are the mandatory terms and conditions governing the use of bills of lading?
- 102-118.140— What are the major mandatory terms and conditions governing the use of GBLs and bills of lading?
- 102-118.145— Where are the mandatory terms and conditions governing the use of passenger transportation documents?
- 102-118.150— What are the major mandatory terms and conditions governing the use of passenger transportation documents?
- 102-118.155— How does my agency handle supplemental billings from the TSP after payment of the original bill?
- 102-118.160— Who is liable if my agency makes an overpayment on a transportation bill?
- 102-118.165— What must my agency do if it finds an error on a TSP bill?
- 102-118.170— Will GSA continue to maintain a centralized numbering system for Government transportation documents?

**Subpart C—Use of Government Billing Documents**

**Terms and Conditions Governing Acceptance and Use of a Government Bill of Lading (GBL) or Government Transportation Request (GTR) (Until Form Retirement)**

- 102-118.175— Must my agency prepare for the GBL retirement?
- 102-118.180— Must my agency prepare for the GTR retirement?
- 102-118.185— When buying freight transportation, must my agency reference the applicable contract or tender on the bill of lading (including a GBL)?
- 102-118.190— When buying passenger transportation must my agency reference the applicable contract?

- 102-118.195— What documents must a transportation service provider (TSP) send to receive payment for a transportation billing?
- 102-118.200— Can a TSP demand advance payment for the transportation charges submitted on a bill of lading (including GBL)?
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- 102-118.220— If a transportation debt is owed to my agency by a TSP because of loss or damage to property, does my agency report it to GSA?
- 102-118.225— What constitutes final receipt of shipment?
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**Agency Responsibilities When Using Government Bills of Lading (GBLs) or Government Transportation Requests (GTRs)**

- 102-118.235— Must my agency keep physical control and accountability of the GBL and GTR forms or GBL and GTR numbers?
- 102-118.240— How does my agency get GBL and GTR forms?
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- 102-118.260— Must my agency send all quotations, tenders, or contracts with a TSP to GSA?

**Subpart D—Prepayment Audits of Transportation Services**

**Agency Requirements for Prepayment Audits**

- 102-118.265— What is a prepayment audit?
- 102-118.270— Must my agency establish a prepayment audit program?
- 102-118.275— What must my agency consider when designing and implementing a prepayment audit program?
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- 102-118.285— What options for performing a prepayment audit does my agency have?
- 102-118.290— Must every electronic and paper transportation bill undergo a prepayment audit?
- 102-118.295— What are the limited exceptions to every bill undergoing a prepayment audit?
- 102-118.300— How does my agency fund its prepayment audit program?
- 102-118.305— Must my agency notify the TSP of any adjustment to the TSP's bill?
- 102-118.310— Must my agency prepayment audit program establish appeal procedures whereby a TSP may appeal any reduction in the amount billed?
- 102-118.315— What must my agency do if the TSP disputes the findings and my agency cannot resolve the dispute?
- 102-118.320— What information must be on transportation bills that have completed my agency's prepayment audit?

**Maintaining an Approved Program**

- 102-118.325— Must I get approval for my agency's prepayment audit program?
- 102-118.330— What are the elements of an acceptable prepayment audit program?
- 102-118.335— What does the GSA Audit Division consider when verifying an agency prepayment audit program?
- 102-118.340— How does my agency contact the GSA Audit Division?
- 102-118.345— If my agency chooses to change an approved prepayment audit program, does the program need to be reapproved?

**Liability for Certifying and Disbursing Officers.**

- 102-118.350— Does establishing a prepayment audit system or program change the responsibilities of the certifying officers?
- 102-118.355— Does a prepayment audit waiver change any liabilities of the certifying officer?
- 102-118.360— What relief from liability is available for the certifying official under a postpayment audit?
- 102-118.365— Do the requirements of a prepayment audit change the disbursing official's liability for overpayment?
- 102-118.370— Where does relief from prepayment audit liability for certifying, accountable, and disbursing officers reside in my agency?

**Waivers from Mandatory Prepayment Audit**

- 102-118.375— Who has the authority to grant a waiver of the prepayment audit requirement?

the Prompt Payment Act (31 U.S.C. 3901, et seq.). This notice must include the TSP's taxpayer identification number, standard carrier alpha code, bill number and document reference number, agency name, amount requested by the TSP, amount paid, payment voucher number, complete tender or tariff authority, the applicable rate authority and the complete fiscal authority including the appropriation.

**§102-118.170—Will GSA continue to maintain a centralized numbering system for Government transportation documents?**

Yes, GSA will maintain a numbering system for GBLs and GTRs. For commercial TDs, each agency must create a unique numbering system to account for and prevent duplicate numbers. The GSA Audit Division must approve this system. Write to:

General Services Administration  
Federal Supply Service  
Audit Division (FBA)  
1800 F Street, NW.  
Washington, DC 20405  
*www.gsa.gov/transaudits.*

**Subpart C—Use of Government Billing Documents**

**Terms and Conditions Governing Acceptance and Use of a Government Bill of Lading (GBL) or Government Transportation Request (GTR) (Until Form Retirement)**

**§102-118.175—Must my agency prepare for the GBL retirement?**

Yes, your agency must prepare for retirement of the paper GBL. Effective September 30, 2001, your agency must have phased out use of Standard Form (SF) 1103, Government Bill of Lading, and OF 1203, Privately Owned Personal Property Government Bill of Lading (PPGBL) for domestic shipments. Effective September 30, 2001, your agency may use the GBL or PPGBL solely for international shipments (including domestic overseas shipments).

**§102-118.180—Must my agency prepare for the GTR retirement?**

Yes, your agency must use the GTR only in situations that do not lend themselves to the use of commercial payment methods.

**§102-118.185—When buying freight transportation, must my agency reference the applicable contract or tender on the bill of lading (including a GBL)?**

Yes, your agency must reference the applicable contract or tender when buying transportation on a bill of lading (including GBLs). However, the referenced information on a GBL or bill of lading does not limit an audit of charges.

**§102-118.190—When buying passenger transportation must my agency reference the applicable contract?**

Yes, when buying passenger transportation, your agency must reference the applicable contract on a GTR or passenger transportation document (e.g., ticket).

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

For shipments bought on a TD, the TSP must submit an original properly certified GBL, PPGBL, or bill of lading attached to an SF 1113, Public Voucher for Transportation Charges. The TSP must submit this package and all supporting documents to the agency paying office.

**§102-118.200—Can a TSP demand advance payment for the transportation charges submitted on a bill of lading (including GBL)?**

No, a TSP cannot demand advance payment for transportation charges submitted on a bill of lading (including GBL), unless authorized by law.

**§102-118.205—May my agency pay a subcontractor or agent functioning as a warehouseman for the TSP providing service under the bill of lading?**

No, your agency may only pay the TSP with whom it has a contract. The bill of lading will list the TSP with whom the Government has a contract.

**§102-118.210—May my agency use bills of lading other than the GBL for a transportation shipment?**

Yes, as long as the mandatory terms and conditions contained in this part (as also stated on a GBL) apply. The TSP must agree in writing to the mandatory terms and conditions (also found in the "U.S. Government Freight Transportation—Handbook") contained in this part.

**§102-118.215—May my agency pay a TSP any extra fees to pay for the preparation and use of the GBL or GTR?**

No, your agency must not pay any additional charges for the preparation and use of the GBL or GTR. Your agency may not pay a TSP a higher rate than comparable under commercial procedures for transportation bought on a GBL or GTR.

**§102-118.220—If a transportation debt is owed to my agency by a TSP because of loss or damage to property, does my agency report it to GSA?**

No, if your agency has administratively determined that a TSP owes a debt resulting from loss or damage, follow your agency regulations.

**§102-118.225—What constitutes final receipt of shipment?**

Final receipt of the shipment occurs when the consignee or a TSP acting on behalf of the consignee with the agency's permission, fully signs and dates both the delivering TSP's documents and the consignee's copy of the same documents indicating delivery and/or explaining any delay, loss, damage, or shrinkage of shipment.

**§102-118.230—What if my agency creates or eliminates a field office approved to prepare transportation documents?**

Your agency must tell the GSA Audit Division whenever it approves a new or existing agency field office to prepare transportation documents or when an agency field office is no longer authorized to do so. This notice must show the name, field office location of the bureau or office, and the date on which your agency granted or canceled its authority to schedule payments for transportation service.

**Agency Responsibilities When Using Government Bills of Lading (GBLs) or Government Transportation Requests (GTRs)**

**§102-118.235—Must my agency keep physical control and accountability of the GBL and GTR forms or GBL and GTR numbers?**

Yes, your agency is responsible for the physical control and accountability of the GBL and GTR stock and must have procedures in place and available for inspection by GSA. Your agency must consider these Government transportation documents to be the same as money.

**§102-118.240—How does my agency get GBL and GTR forms?**

Your agency can get GBL and GTR forms, in either blank or prenumbered formats, from:

General Services Administration  
Federal Supply Service  
General Products Commodity Center (7FXM-WS)  
819 Taylor Street, Room 6A24  
Fort Worth, TX 76102

**§102-118.245—How does my agency get an assigned set of GBL or GTR numbers?**

If your agency does not use prenumbered GBL and GTR forms, you may get an assigned set of numbers from:

General Services Administration  
Federal Supply Service  
General Products Commodity Center (7FXM-WS)  
819 Taylor Street, Room 6A24  
Fort Worth, TX 76102

**§102-118.250—Who is accountable for the issuance and use of GBL and GTR forms?**

Agencies and employees are responsible for the issuance and use of GBL and GTR forms and are accountable for their disposition.

**§102-118.255—Are GBL and GTR forms numbered and used sequentially?**

Yes, GBL and GTR forms are always sequentially numbered when printed and/or used. No other numbering of the forms, including additions or changes to the prefixes or additions of suffixes, is permitted.

**Quotations, Tenders or Contracts**

**§102-118.260—Must my agency send all quotations, tenders, or contracts with a TSP to GSA?**

(a) Yes, your agency must send copies of each quotation, tender, or contract of special rates, fares, charges, or concessions with TSPs including those authorized by 49 U.S.C. 10721 and 13712, upon execution to—

General Services Administration  
Federal Supply Service  
Audit Division (FBA)  
1800 F Street, NW.  
Washington, DC 20405  
[www.gsa.gov/transaudits](http://www.gsa.gov/transaudits).

(b) Tenders must be submitted electronically, following the instructions provided by the requesting agency. The following information must be submitted with the tender: