

**SUMMARY OF MAJOR CHANGES TO
DoD 7000.14-R, VOLUME 10, CHAPTER 13
“COMMERCIAL TRANSPORTATION PAYMENTS”**

All changes are denoted by **blue** font

Substantive revisions are denoted by a * preceding the section, paragraph, table or figure with the substantive change or revision

Hyperlinks are denoted by *underlined, bold italic fonts*

PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Reworded and reformatted chapter for clarity. Eliminated duplicative references. Added regulatory references and added electronic links.	Revised / Add
130304A	Redefined Transportation Officer/Traffic Management Officer (TO/TMO) responsibilities in accordance with Defense Transportation Regulation (DTR), Part II, Chapter 201, Paragraph 14.	Add
130306	Redefined certifying officer (CO) responsibilities including procedures to certify a payment when supporting documents have pen and ink changes.	Add
130603E	Added more detail concerning when the contracting officer can authorize additional shipping instructions within the designated weight restrictions when items are originally acquired by FOB origin	Add
130701B3	Clarified authorization to store Household Goods (HHG) and ability to withdraw HHG when the need for storage no longer exists	Revised
130803	Clarified the differences between meal tickets and checks	Revised
1311	Added policy and identified responsibilities concerning DoD Third Party Payment System (TPPS) monthly summary invoice by addressing the certification, reconciliation, and payment processes, as recommended by the DODIG.	Add

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CHAPTER 13

COMMERCIAL TRANSPORTATION PAYMENTS1301 OVERVIEW

This chapter establishes policies and responsibilities within the Department of Defense (DoD) for the financial management of various types of transportation payments. It outlines the policies and responsibilities for payment of transportation documents, including bills of lading (BOL) and third-party transportation payment invoices. It also includes requirements for audits, reviews, claims and related General Services Administration (GSA) procedures. The policies in this chapter also apply when the Transportation Working Capital Fund (TWCF) pays the commercial transportation service provider.

1302 POLICY

130201. The following laws and regulations comprise the current requirements for payment of transportation and transportation related services for DoD:

A. [Title 10 United States Code \(USC\) Chapter 157](#), and [Title 31 USC 3726](#) provide information concerning the laws surrounding the transportation of both personnel and supplies and the general conditions under which a carrier may submit claims for payment. 31 USC 3726 also establishes the role of GSA in settling claims, identifies when claims must be filed with GSA, and requirements for conducting and funding prepayment and post-payment audits.

B. [Title 31 USC 3726\(d\)](#) states that not later than 3 years (excluding time of war) after the time a bill is paid, the Government may deduct from an amount subsequently due a carrier or freight forwarder an amount paid on the bill that was greater than the rate allowed. Aside from the 3-year limit for transportation offsets, contractor debt collection related to transportation payments follows the policy contained in Chapter 18 of this volume.

C. [DoD Directive 5158.04, United States Transportation Command \(USTRANSCOM\)](#) and [DoD Directive 4500.9E, Transportation and Traffic Management](#) govern the worldwide movement of passengers, cargo and personal property for DoD.

D. [Defense Transportation Regulation \(DTR\) 4500.9-R](#) provides policy to DoD Components for efficient and effective use of government and commercial transportation resources.

E. [Federal Acquisition Regulation \(FAR\), Part 47 "Transportation"](#) prescribes policies for applying transportation and traffic management considerations in the acquisition of supplies; and acquiring transportation or transportation related services by contract methods.

F. [Defense Federal Acquisition Regulation Supplement \(DFARS\) Part 247](#) contains additional transportation guidance as a supplement to the above FAR provisions.

G. [Title 41 Code of Federal Regulations \(CFR\) 102-118, Transportation Payment and Audit](#) codifies statutes and other policies that assure transportation services are uniform and appropriate. It also defines authority for GSA to conduct prepayment and post-payment audits, and establishes agency prepayment audit requirements.

H. The following laws and regulations provide guidance for payment of Nontemporary Storage (NTS) and local drayage of Household Goods (HHG):

1. [5 USC 5726,](#)
2. [41 CFR 302-8,](#)
3. [Joint Federal Travel Regulation \(JFTR\), Volume 1, U5380,](#) and
4. [Joint Travel Regulation \(JTR\), Volume 2, C5195.](#)

130202. Every transportation shipment, when initiated, must have a valid line of accounting (LOA) to include the Standard Document Number (SDN), or in their place, an associated transportation account code (TAC) representing a valid line of accounting, prior to processing shipment requests, automation of obligation recording, and invoice certification and payment.

A. Transportation services will not be provided by the Transportation Officer (TO) or the Traffic Management Officer (TMO) without first obtaining proper supporting documentation. At a minimum, this documentation must include an authorization to use, and a citation of, a valid and funded LOA, provided by a designated Funds Manager (FM) or financial management official.

B. If funding data supporting the shipment request fails validation when processed, the TO/TMO will suspend further processing efforts until the shipping customer provides written (electronic or hardcopy) verification indicating the LOA is valid.

130203. Shipping customers requesting transportation services will provide the TO/TMO with the FM's written or electronic verification of a funded LOA (funding document), and its associated TAC, before entering the government into a contract with a carrier. The FM verification may be annotated on the Movement Request Order (MRO), usually a [Defense Department \(DD\) 1348-1A \(Issue Release/Receipt Document\)](#) or [DD 1149 \(Requisition and Invoice/Shipping Document\)](#).

130204. Any transportation shipment request processed without an authorized, valid, and funded LOA, resulting in an obligation on behalf of the Federal Government, could result in a violation of the Anti-deficiency Act (ADA) under [31 USC 1341](#). See [Volume 14, Chapters 1 and 2](#) of this Regulation for additional information concerning appropriations and

violations of the ADA.

130205. Internal controls need to be in place to ensure that duplicative or erroneous payments don't occur. These controls will ensure that sufficient management control mechanisms are available so that DoD funds are spent appropriately and in accordance with all applicable laws and regulations.

130206. Transportation bills and payments must undergo a prepayment audit. For additional information see 1309 of this chapter.

1303 RESPONSIBILITIES

130301. Per DoD Directive 5158.04, the Secretary of Defense has designated the [United States Transportation Command \(USTRANSCOM\)](#) as the single manager within DoD for transportation, other than Service-unique or theater-assigned assets. USTRANSCOM operates three subordinate commands: [Surface Deployment and Distribution Command \(SDDC\)](#), [Military Sealift Command \(MSC\)](#), and [Air Mobility Command \(AMC\)](#).

A. SDDC has been designated as the single manager within DoD for providing ocean terminal, commercial ocean liner service and traffic management services to deploy, sustain and redeploy U.S. forces on a global basis. The command is responsible for surface transportation and is the interface between DoD shippers and the commercial carrier industry. This includes movement of DoD member household goods and privately owned vehicles.

B. MSC has been designated as the single manager within DoD for ocean transportation. MSC provides sealift transportation to deploy, sustain, and redeploy U.S. forces around the globe. The MSC will monitor and manage all sealift service and will maintain data concerning such service.

C. AMC has been designated as the single manager within DoD for airlift service. AMC provides strategic and tactical airlift, air refueling, and aero medical evacuation services for deploying, sustaining, and redeploying U.S. forces wherever they are needed. AMC contracts with commercial air carriers through the Civil Reserve Air Fleet (CRAF) and other programs for movement of DoD passengers and cargo. AMC will maintain data concerning such service.

130302. The Defense Finance and Accounting Service (DFAS) maintains the software/database support for the [Transportation Global Edit Table \(TGET\)](#) of established transportation shipment [LOAs](#) and associated TAC for all Military Services and Defense Agencies.

A. TGET is a centralized repository that contains established transportation LOAs formatted in accordance with Service/Agency LOA requirements and associated TACs.

B. Each [Component](#) is responsible for updating the TGET [and ensuring it](#)

contains validated LOAs and TACs.

130303. Shipping customers can be individuals (service member or civilian employee), units, or organizations within the Military Services, Defense Agencies and other government (non-DoD) agencies (federal, state or local) requesting shipment of freight or personal property. The shipping customer will obtain and present to the TO/TMO, in written or electronic form, a valid and funded LOA from a designated FM.

130304. Transportation Officers (TOs) and Traffic Management Officers (TMOs) are individuals who are designated to process approved shipment requests for transportation or storage of military goods and other items entitled to be transported or stored at government expense and related accessorial or special services. The TO/TMO responsibilities include:

A. Preparing and editing shipment documentation to ensure quality electronic data and timely submission to support total movement shipment processes.

B. Reviewing shipment requests presented by the shipping customer to ensure that the approved funding and shipping documents fully support each shipment request.

C. Ensuring that any shipment request that is found to be incomplete or is not fully supported by the proper funding authorization will be suspended and not be accepted for shipment.

D. Resuming processing of the shipment request when written or electronic verification of a corrected LOA, or other required shipping and supporting documents is received.

130305. FMs are individuals legally responsible for managing the appropriate use of funds and will assist and provide advice to the TO/TMO on all financial related matters. The FM will:

A. Maintain and issue authorizations to use LOAs based on requests ensure their appropriate use, and the availability of sufficient funding.

B. Coordinate and administer changes and modifications to LOAs and ensure that the updated data is uploaded to the TGET when necessary.

C. Provide a properly formatted LOA and associated TAC, for input into the shipper system when needed for using electronic processing and third-party billing.

D. Coordinate with the appropriate finance and accounting office to resolve edit exceptions encountered in the obligation and accrual recording and invoice payment processes.

E. Work with the TO/TMO and/or certifying official to correct fund citation edit exceptions.

F. Provide the shipping customer with documentation supporting funds availability and record the commitment/obligation as appropriate. Documentation must include both a valid, appropriate, and funded LOA and the point of contact information of the FM (e.g., name, phone number and e-mail address).

G. Monitor execution of transportation costs and make adjustments as needed.

H. Coordinate with the Contracting Officer and/or TO/TMO in addressing any issues associated with transactions that have not yet been certified for payment.

* 130306. Certifying Officers (COs) within the responsible transportation offices are individuals designated in writing by the activity commander and will perform their duties in accordance with Volume 5, Chapter 33 of this Regulation. All COs will be appointed by the completion of a DD Form 577, Appointment/Termination Record – Authorized Signature. The COs are responsible for the following:

A. Ensuring the accuracy of facts stated on a certified voucher to include the supporting documents and records.

B. Ensuring accurate computation of certified vouchers under 31 USC 3528 and 3325.

C. Ensuring the legality of a proposed payment under the appropriation or fund involved.

D. Providing financial advice to departmental accountable officials.

E. Initiating timely action to respond to a review official's questionable payment inquiry.

F. Ensuring that when a manual, electronic, or digital signature is affixed to a voucher, the CO certifies to a disbursing officer that the items listed therein are correct and proper for payment from the appropriation(s) or other funds designated thereon or on supporting vouchers, and that the proposed payment is legal, proper, and correct.

G. Certifying a Standard Form (SF) 1034 (Public Voucher for Purchases and Services Other Than Personal) for the correct amount and fund cites when processing manually altered supporting documents, such as requests for payments, invoices, and other transportation documents. Forward the certified SF 1034 with the attached supporting documents to the proper entitlement office for recording into the accounts payable system and disbursement of payment to the provider.

H. Additional duties and responsibilities for COs in regards to the review, reconciliation, and certification of the DoD Third Party Payment System (TPPS) monthly summary invoices is discussed in paragraph 131103 of this chapter.

130307. Each paying office will:

- A. Provide finance and accounting support to designated shipping customers, FMs, TOs/TMOs, and COs,
- B. Ensure that a [validated](#) electronic record of [the](#) transportation obligation is posted in the accounting system prior to disbursing funds,
- C. Record accruals, if appropriate, and then disburse payment upon receipt of [the request for payment](#) or electronic data feeds,
- D. Ensure that commitment, obligation, accrual, and expense transactions are reconciled and processed into the appropriate accounting systems,
- E. Send electronic funds transfer (EFT) disbursement to the vendor or third-party payer with an accompanying remittance advice, and
- F. Collect any overpayments, [as required](#).

130308. GSA is the executive agent for the Federal Government responsible for oversight of prepayment and post-payment audits and associated collection actions. GSA will [also](#) handle payment claims and disputes that cannot be resolved between the [Transportation Service Provider \(TSP\)](#) and the entitlement office. See paragraphs 1309 and 1310 of this chapter for additional information concerning transportation [audits, reviews, and TSP claims](#).

130309. The TSP is the commercial provider of transportation services for either freight or household goods.

- A. The TSP certifies that the shipment has been delivered in good condition and submits certified invoices for payments of services rendered.
- B. The certified invoice is sent to the activity designated in the shipping request.

130310. A contracting officer is a United States military officer or civilian employee who has a valid appointment as defined in [FAR 2.1](#).

- A. The contracting officer has the authority to enter into, administer, and/or terminate contracts and make related determinations and findings.
- B. Within the context of this chapter the contracting officer:
 - 1. Prepares solicitations and contracts for transportation and/or transportation related services; or
 - 2. Specifies authorization of prepaid freight in contracts.

3. Ensures that the requirements of the [DTR 4500.9-R Part II](#) are included in appropriate contracts for all applicable shipments and enforcing these requirements with regard to shipments under their control.

4. Includes in the solicitation and contract all applicable services, provisions, clauses and instructions concerning first destination transportation charges and identifies a separate LOA for prepaid freight.

1304 PAYMENT AND RATES

130401. The entitlement office will [process a request for payment in accordance with](#) the applicable commercial rates, fares, or charges for transportation by any common carrier of any property for the United States, or on its behalf, as approved by the TO/TMO or designee and certified by the CO.

130402. Transportation payments will be made by the paying office designated in the contract.

130403. Transportation payments are subject to [the Prompt Payment Act \(PPA\)](#). PPA regulations require that agencies pay transportation bills within a certain time period and pay interest penalties when payments are late.

A. [Unless specified differently in the contract](#), transportation charges [should be paid](#) within 30 days after the original completed BOL reaches the designated billing office [and the carrier certification is completed](#) at the bottom of the document.

B. If an invoice or accompanying documentation is determined to be incomplete or incorrect, the agency must provide the TSP with written notice of an apparent error, defect, or impropriety within 7 days of receipt of the bill. See [FAR 32.905](#) for additional information.

C. [Refer to Chapter 7](#) of this volume for additional PPA [policy](#) information.

130404. Transportation invoices must be certified by the carrier that the shipment has been delivered in good order and condition. Invoices will not be paid in advance [unless specified in the contract](#).

130405. The Government generally retains risk of loss of and damage to its property that is not the legal liability of the commercial carriers and it does not buy insurance coverage for its property in the possession of commercial carriers per [FAR 47.102](#).

1305 TRANSPORTATION PAYMENT DOCUMENTATION FOR FREIGHT SHIPMENTS

130501. DoD may receive payment requests for transportation and related services in various forms, such as paper or electronic BOLs, or Periodic Billing Statements (PBSs). Transportation offices will use commercial payment practices and prescribed forms to the maximum extent possible in accordance with DoD policy set forth in the DTR.

130502. The "commercial" BOL (the industry-wide form used by transportation carriers) is the preferred alternative. This document will be used for the receipt of goods, as documentary evidence of title, and as documentary evidence of delivery. The use of the commercial BOL is the initial step in satisfying GSA's initiative regarding electronic processing of transportation documents. In its electronic form (i.e., without the issuance of a hard copy government bill of lading (GBL)), the commercial BOL is referred to as a "virtual" GBL (VGBL).

1306 TRANSPORTATION DELIVERY TERMS

130601. Delivery terms are listed in the contract indicating the point at which title and risk of loss of merchandise pass from the seller to the buyer. They define the obligations and the responsibilities of the buyer and seller during the delivery of goods. See [FAR 47.3](#) for additional details.

A. Free on Board (FOB) Origin. If the shipping contract states FOB origin, the ownership of the cargo is passed on to the buyer when the goods are placed on the conveyance by which they are to be transported. Unless the contract states otherwise, the cost of shipping and risk of loss are borne by the buyer (government), per [FAR 47.303-1](#).

B. FOB Destination. If the shipping contract states FOB destination, the supplier owns the goods until they arrive at their destination. Unless the contract states otherwise, the cost of shipping and the risk of loss are borne by the seller (contractor). Transportation costs are included in contracts for material delivered FOB destination and should not be paid, per [FAR 47.303-6](#).

C. Most Advantageous Delivery Point. If the shipping contract includes both FOB origin and FOB destination delivery terms, the entitlement office will process each payment in accordance with the assigned contract terms for the goods being shipped. Refer to [FAR 47.304-1\(b\)](#) when the contracting officer includes both options to obtain the most advantageous delivery point.

130602. Contractor prepaid freight is any type of transportation amount authorized to the point specified in the contract which is to be prepaid at FOB origin by the contractor and later submitted for reimbursement on the contractor's invoice, per [FAR 47.303-4](#).

A. When providing goods, the TSP can be authorized reimbursement for prepaid freight within their contracts.

B. Contractors will support the prepaid transportation freight charges with a copy of the carrier's receipted freight bill or evidence of receipt from the carrier. Evidence of payment is a receipted freight bill or BOL stamped or marked "To Be Prepaid" showing the charges receipted for by the carrier. If this is not present, then the BOL must bear a notation of the contractor's check number, the date paid, and proof of shipment;

1. If a receipted freight bill is not available, then the contractor can

provide other support for the claim for reimbursement of freight charges. The contractor should furnish a copy of the transportation company's pickup record or a copy of the contractor's internal business document showing the contractor turned the material over to a particular shipper. The contractor then must support either of these documents with a copy of the transportation company's invoice **and a statement that the charges have been paid.**

2. For cost reimbursement contracts, the contractor must send freight bills to the contracting officer for a pre-payment audit, per **FAR 47.103-2**.

3. Per **FAR 47.303-17(d)(1)**, the government may determine that receipted freight bills or other evidence of receipt are not required for transportation charges of \$100 or less if the following conditions are met:

a. The underlying contract specifies retention by the contractor of all records for at least 3 years after final payment under the contract; and

b. The contractor agrees to furnish evidence of payment when requested by the government.

c. Per **FAR 47.303-17(c)**, shipments and invoices will not be split to reduce transportation charges to \$100 or less per transaction as a means of avoiding the required documented support for the charges.

4. Per **FAR 47.303-17(d)(2)**, a Government agency may pay an invoiced but unsupported transportation charge of \$250 or less per transaction if the following conditions exist:

a. The contractor cannot reasonably provide a receipted bill;

b. The agency has determined that the charges are reasonable. Determination of reasonableness may be based on the following:

1) Past experience (authenticated transportation charges for similar shipments);

2) Rate checks;

3) Copies of previous bills submitted by the contractor; or

4) Other information submitted by the contractor to substantiate the amount claimed.

C. When deliveries are made at points other than the designated FOB point, an adjustment in the contract price by the contracting officer will be made that corresponds to the resulting increase or decrease in the amount of freight charges.

D. The payment office will not make an adjustment on the amount of the freight charges if deliveries are made to places other than the FOB point.

E. The payment office will not make an adjustment to freight charges when a contractor contends that it paid transportation expenses, which the government was obligated to pay.

F. The payment office cannot deduct for potential excessive freight charges paid by the government. Such adjustments must be submitted to the respective legal counsel for referral to the GSA for direct settlement as claims.

130603. Reimbursement to a contractor for prepaid freight covers the cost of transporting the material being shipped from the designated FOB origin point to the designated destination(s).

A. The contractor may be authorized by the contracting officer to pay transportation [costs subject to the terms and conditions of the BOL](#) on behalf of the government. The contractor pays for shipping on a commercial BOL, other commercial form, or through the postal system.

1. If a contractor is directed by a contracting officer to ship FOB origin via parcel post, then postal charges are reimbursable.

2. The contractor should list this expense as a separate item on the invoice.

3. Charges are included in accounting records as a part of the cost of material.

B. The contractor will bill the DoD Component for the cost of the transportation. This billing is shown as a line item on the contractor's invoice and is supported by a receipt, [per FAR 47.303-17\(d\)](#).

C. Contractor prepaid freight is not authorized within overseas areas. A contractor, however, may be reimbursed for prepaid freight within the United States to a stateside port of embarkation for further shipping by government means to the overseas area.

D. Contractor prepaid freight costs are obligated as a cost of the contract.

* E. [If it is advantageous to the Government, the contracting officer may authorize the contractor to ship supplies, which have been acquired FOB origin, to domestic destinations, including DoD air and water terminals by common carriers on commercial bills of lading. Such shipments shall not exceed 150 pounds by commercial air or 1,000 pounds by other commercial carriers and shall not have a security classification, per FAR 47.303-17\(a\).](#)

F. GSA does not audit fixed price contractor prepaid freight charges.

G. Contractors directed to prepay freight may maintain charge accounts with companies specializing in delivery of small parcels.

130604. Excessive Freight Charges are freight costs incurred by a contractor that exceed costs from the FOB point specified in the contract and they are not reimbursable costs.

A. Where the original contract was FOB origin and the TO/TMO changes the destination point, the government **may be** held liable for all **additional** freight cost.

B. If the contractor changes the location from where the item is being shipped from, thereby increasing the freight costs, then the contractor is liable for **any** increased freight costs.

C. The contracting officer **will need to make a determination whether to pay** excess freight charges, **and provide that determination to the entitlement office before** any approved adjustments to payments **can be** made by the entitlement office.

D. **If** a contractor prepays **freight for** a shipment **contrary to the current contract terms**, payment of shipment charges may be made to the contractor after receipt of contract modification authorizing **the** prepaid shipment. The payment may not exceed the cost that would have been incurred by the government. **The** prepaid freight receipt **will be** attached to the **contractor's request for payment**.

E. Any premium freight (e.g., overnight delivery, first class mail, or airfreight) to be paid by the government must be authorized by the contracting officer, **per FAR 47.304-1(c)(4)**.

F. Shipment of perishable or medical supplies that are subject to in-transit deterioration is an example of a situation when solicitations will normally be on an FOB destination only basis because it is advantageous to the Government per **FAR 47.304-1(g)(4)**.

130605. When government property is shipped from one point to another, the following guidelines will be applied to determine the appropriation or fund to be charged for transportation:

A. The transportation (movement) of cargo can have multiple segments (e.g., base to shipping port, then receiving port to base).

B. Each segment may have a different fund cite, depending on the type of shipment.

C. Transportation charges for material shipped from one U.S. Government installation to another are not considered part of the contract expense in buying the material.

D. Transportation charges are charged to the fiscal year and the appropriation in which they accrue as stated in the contract.

E. Transportation charges incurred for transporting exchange or commissary supplies are charged to the applicable exchange fund or to the Defense Commissary Agency (DeCA).

F. For FOB origin shipments, destination sites will furnish procurement officials with any available information to support the shipper's claim for damage(s).

G. If freight is damaged in shipment, then follow the requirements of the [DTR Part II Cargo Movement, Chapter 209](#) for reporting damages.

H. Regardless of which entity is responsible for the damaged goods, transportation funds will not be used to pay for the replacement or repairs of damaged goods.

130606. Non-DoD agencies that wish to use DoD transportation services must provide funds with the appropriate LOAs to the sponsoring DoD Component. Non-DoD funding is required before services can be provided. The sponsoring Component may set up a reimbursable account where the third-party billing system can continue to pay the TSP and the sponsoring Component can establish a Service/DoD LOA/TAC for the paying office to process. See [Volumes IIA](#) and [IIB](#) of this Regulation for additional guidance on reimbursables.

1307 NONTEMPORARY STORAGE AND LOCAL DRAYAGE OF HOUSEHOLD GOODS

* 130701. Nontemporary Storage (NTS) of household goods (HHG) is all storage other than temporary, e.g., storage in transit (SIT) or special storage, e.g., access controlled environment. NTS includes any shipment, move, packing/unpacking, and crating/uncrating necessary to transport the HHG to and from the designated storage facility. Any transportation cost to and from a storage facility is at Government expense. Local drayage includes hauling HHG to a designated storage facility. The TO/TMO will obtain these transportation services to meet operational needs. An authorized DoD official will determine if local drayage and storage of household goods is authorized when it provides the best value to the Government. NTS authority is normally included in the permanent change of station (PCS) travel authorization/order and should be obligated to the appropriation current at the time of the contract award or to the appropriation current at the time the service is rendered.

A. Military members

1. Per JFTR U5380, the total household goods weight transported plus the weight of household goods in NTS at government expense on the same PCS order should not exceed the weight allowance in JFTR U5310B. If the weight allowance of the HHG in NTS plus the weight of the HHG transported on the same order exceeds the weight allowance, the member is financially responsible for the excess cost. The Government may pay the total transportation cost and other charges applicable to any excess weight that exceeds the HHG weight allowance and collect reimbursement for the excess cost from the service member.

2. Per JFTR, Volume 1, U5380, NTS is authorized incident to occupancy of Government/Government controlled quarters or privatized housing, and vacating

local private sector housing for moves directed on the basis of a Service requirement. There are no weight restrictions incident to this NTS. Necessary packing, crating, unpacking, and uncrating is authorized.

3. The housing office issues assignment and reassignment orders for movement of member's personal property placed in NTS incident to occupancy of government or government-controlled quarters.

4. Invoices for NTS storage are provided by the TO/TMO and signed by the contractor and the TO/TMO. The TO/TMO also furnishes an accounting classification summary list with the invoices. This list provides accounting classification and amount data to be used as backup to the SF 1034 payment voucher when paying storage contractors.

B. Civilian employees

1. Per 5 USC 5726 (b), the maximum combined weight for HHG transported and/or stored for civilian employees is 18,000 pounds. The Government may pay the total transportation cost and other charges applicable to any excess weight that exceeds the HHG weight allowance and collect reimbursement for the excess cost from the civilian employee.

2. Per JTR Volume 2 C5195, civilian expenses for NTS are authorized for PCS travel or new appointee travel to a designated isolated Continental United States (CONUS) permanent duty station (PDS). A signed service agreement for 12 months is required for each individual CONUS PCS. The period of NTS [under these conditions](#) may not exceed 3 years, [per 5 USC 5726\(c\)](#).

* 3. Per JTR Volume 2 C5195, [a traveler's HHG are placed in NTS when there is no authority to transport some items](#), or the HHG cannot be used at the Outside of the Continental United States (OCONUS) PDS. [The traveler may request authority from the employer for HHG withdrawal from NTS and transportation at Government expense when the situation requiring NTS no longer exists and the HHG are needed for the current tour of duty or when a removal agreement is signed.](#) The period of NTS, [at Government expense](#), may be authorized for a period NTE the tour of duty.

130702. [The TO/TMO is responsible for:](#)

A. [Receiving and verifying](#) invoices with supporting documents from the ordering officer.

B. [Documenting](#) that [the](#) service for NTS has been performed and determining the entitlement pertaining to beginning and ending periods of storage and excess weight.

C. [Certifying that the invoiced](#) services have been performed.

D. [Verifying](#) with the chief, family housing management office or billeting

office, regarding storage of household goods incident to assignment of government quarters.

E. **Preparing**, **approving**, and **certifying** the SF 1034 (Public Voucher for Purchases and Services Other Than Personal) and **forwarding it** to the proper entitlement office for recording into the accounts payable system and **for** disbursement of **the** payment to the provider.

F. **Providing** the entitlement office with documents to support these entitlements for payment.

1. When moving HHG to or from storage, the TO/TMO will:

a. Provide to the entitlement office a copy of the invoice containing a certificate of performance signed by both the contractor and ordering officer, a copy of the **DD Form 1164 (Service Order for Personal Property)**, a copy of the DD Form 1299 (Application for Shipment and/or Storage of Personal Property), and a copy of any special orders or other authority.

b. Provide to the ordering office a copy of the paid removal from storage voucher.

2. For quarterly billings, the TO/TMO will:

a. Provide to the entitlement office a certified consolidated invoice to support the payment voucher.

b. Spot check individual charges on the invoice back to the storage of HHG documentation to ensure the charges are valid.

130703. The paying office **is responsible for**:

A. **Certifying funds** availability on the basis of a purchase order request and with the coordination of the FM, record obligations based on receipt of a DD Form 1155 (Order for Supplies or Services).

B. **Obtaining evidence of receipt of services** before paying the contractor's invoices. This may be accomplished by a TO/TMO statement on the invoice that the services ordered were received **that indicates the date received, with the TO/TMO official's printed name, signature, and contact information placed on that invoice**

C. **Obtaining** a copy of the obligating document and the contractor's invoice to support the payment voucher.

1308 MISCELLANEOUS TRANSPORTATION PAYMENTS

130801. **Driveaway and Towaway Service**. DoD vehicles may be moved by drive-

away or towaway carrier service. Authorized en route expenses may be incurred for which the carrier is not liable. Drive-away service is the movement of a vehicle under its own power by a driver of an authorized motor carrier. Towaway service is when any motor vehicle or combination of motor vehicles are coupled together, when one or more sets of wheels of any such motor vehicle being towed are on the road. This method also includes the movement of one or more vehicles, including other than self-propelled vehicles, when towed or mounted (either full or saddle mount) upon a vehicle. See [DTR Part II Cargo Routing and Movement, Chapter 202](#), for additional information concerning drive-away service.

130802. [Meal Checks](#). Meal checks are used by DoD recruits, including the Department of Homeland Security (DHS) Coast Guard recruits, while in transit from the Military Entrance Processing Stations (MEPS) under the command of the United States Military Entrance Processing Command (MEPCOM) to the Service training centers. Meal checks will be issued only by a MEPS travel specialist or alternate to DoD recruits traveling under provisions of the JFTR. Meal checks are also used by DoD and Department of Homeland Security (DHS) (Coast Guard) recruits while in transit from the MEPS to the Service training centers.

A. During the transportation briefing, the MEPS travel specialist or alternate will inform the recruit on the authorized use of the meal check, the procedures for completing the meal check, their responsibility to use the check for authorized meals, the locations that will accept meal checks, and their responsibility for safeguarding their meal check.

B. The MEPS will use the MEPCOM's automated MEPCOM Integrated Resource System (MIRS) to issue computer-generated meal checks.

1. The MEPS MIRS will print the allowable amount on the meal check depending on the type of meal authorized. The rates per meal for members are in [JFTR, Chapter 1, Part D, paragraph U1500](#).

2. The MEPS travel specialist or alternate will inform the recruit that he/she cannot write meal checks for amounts that exceed the applicable amount authorized in the JFTR. Meals may be acquired at a lower cost. The recruit will be responsible for any costs that exceeds the authorized amount published in the JFTR, paragraph U1500.

3. Meal checks are valid at all airport restaurants owned, operated, or contracted by Host Marriott Services Corporation and most other food vendors.

4. The vendors will not give the recruits any change if the cost is less than the amount stated on the meal check.

C. Meal checks will not be used:

1. To buy alcoholic beverages,
2. When travel is by commercial aircraft and passage rates include meal service,

3. When an advance allowance of per diem has been received,
4. When any portion of travel is OCONUS.
5. For payment of a gratuity.

D. A contracted private sector bank will pay the restaurants electronically within 48 hours through the normal banking process. After the bank pays the restaurants, the paying office will reimburse the bank by electronic funds transfer.

E. See DTR Part I Passenger Movement, Appendix M for additional information concerning meal checks.

* 130803. Meal Tickets. Meal tickets may be issued to all authorized users under the JFTR provisions with the exception of recruits assigned to MEPS. Meal tickets may be issued only as specifically authorized in the DTR for members traveling together with no/limited reimbursement directed in the authorization/order on a commercial airline flight on which courtesy meals are not served and prior arrangements have been made for the airline to serve meals in exchange for meal tickets. See DTR Part I Passenger Movement, Appendix M for details concerning meal tickets.

A. Meal tickets will not be used for:

1. To buy alcoholic beverages.
2. When travel is by commercial aircraft and passage rates include meal service.
3. When an advance allowance of per diem is received.
4. For travel of civilian employees.
5. For travel of military dependents, except when a dependent is authorized per diem for the purpose of escorting a deceased military sponsor.
6. For payment of a gratuity.

B. Reimbursement of contractors accepting meal tickets will be accomplished in the following manner:

1. The contractor submits the original meal ticket(s), DD Form 652, attached to an invoice.
2. Payment will be made based on a SF 1034. Payment cannot exceed the number of meals nor the price set forth on each meal ticket. Each meal check is shown on the SF 1034.

3. Before payment is made, verify the meal ticket has a properly completed contractor's certification and ensure that it agrees with the certification made by the Service member who received the meal or the Service member in charge of the party.

4. Anyone who alters a meal ticket after it has been issued must initial and date the alteration and include their printed name and contact number.

5. Charge the appropriation and allotment cited on the meal ticket with the payment amount.

6. These payments are due 30 days after they reach the designated billing office. Interest is due on late payments, as these transactions are subject to PPA.

1309 AUDITS AND REVIEWS

130901. 31 USC 3726 requires 100 percent prepayment audit of all transportation bills from a TSP for the movement of goods or people and/or transportation related services. Meal tickets and meal checks are not subject to audit since they do not represent bills from a TSP. Implementing instructions are in [41 CFR 102-118](#), which provides responses to the most frequently asked questions concerning transportation payments and audit.

A. GSA was delegated the authority to perform these audits and has complete oversight over the prepayment audit process. However, they can further delegate that authority to the DoD Components.

B. Per 41 CFR 102-118.290, statistical sampling is permitted on TSP bills under \$2,500.

C. Per 41 CFR 102-118.300, expenses for prepayment audits will be funded by DoD's appropriations used for the transportation services.

130902. Where prepayment audit is the approved method of auditing, an identified overpayment refers to those charges for transportation services that exceed those authorized in the contract.

A. If an overpayment results from the use of improper transportation rates, classifications, or from the failure to deduct the proper amount, the finance or COs will normally not be held liable for overpayments.

B. Relief of liability may normally be granted when the certification was based on official records and the CO did not know, and by reasonable diligence and inquiry could not have discovered, the correct information or the obligation was incurred in good faith, and diligent collection actions were undertaken in accordance with established procedures. Refer to Volume 5, Chapter 33 of this regulation.

130903. A carrier's BOL and the supporting documents which represent payments made by agency entitlement offices for freight and passenger transportation services shall be

forwarded to GSA for a [post-payment](#) audit (41 CFR 102-118).

A. GSA reviews the carrier's rates for correctness during this audit and takes appropriate action if improper rates were used.

B. Expenses of post-payment audit contract administration and audit related functions are financed from overpayments collected from the TSP's bills previously paid by DoD and similar type refunds (41 CFR 102-118.445).

130904. When instructed to do so by GSA, the entitlement office will collect or offset, as appropriate, any overpayment amount due the United States from an unpaid carrier's bill.

A. The entitlement office will inform GSA if they do not have, and are not likely to have, a subsequent voucher to collect an overpayment.

B. GSA then handles it as a U.S. claim against the payee.

C. Overpayments can also arise from shipments and related reimbursements for freight that are part of contract purchases.

1310 CLAIMS BY TRANSPORTATION SERVICE PROVIDERS (TSPs)

131001. A TSP may file a claim for the following reasons (41 CFR 102-118):

A. Amounts [considered to be](#) owed but [were](#) not included in the original billing.

B. Amounts [that were](#) deducted or offset by the entitlement office that are disputed by the TSP.

C. Amounts [that were](#) previously refunded by the TSP in error.

D. Amounts unpaid on original bills disputed by the entitlements office when the billings are of a questionable nature (e.g., when bankruptcy or fraud may be involved).

131002. If a claim is sent by a TSP to an entitlement office, then they should make every effort to resolve the dispute directly with the TSP.

A. If resolution is not possible by the original entitlement office, then the claim should be forwarded to the [GSA Audit Division](#).

B. If the TSP does not agree with the decision of the GSA Audit Division, then the TSP may appeal to the [General Services Board of Contract Appeals](#) or file a claim with the United States Court of Federal Claims.

131003. Claims forwarded to the GSA Audit Division for resolution must arrive at GSA within 3 years (excluding time of war) after the later of the following dates (31 USC 3726 and 41 CFR 102-118):

- A. The date of receipt of the invoice by the entitlement office when the demand for payment is refused by the entitlement office.
- B. The date of payment.
- C. The date of deduction on subsequent amounts paid (if the entitlement office offsets subsequent bills submitted by the TSP).

131004. Appeals of GSA Audit Division decisions to the GSA Board of Contract Appeals must be made within 6 months (excluding time of war) of the date of the decision.

131005. When the claim has been adjudicated by GSA and it is determined the TSP is owed money, GSA will issue a "Certificate of Settlement" indicating the amount to be paid.

- A. Once a decision is made, interest may accrue beginning 30 days from the date of settlement.
- B. Similarly, if a TSP appeals the decision of an agency to the GSA Audit Division or to the GSA Board of Contract Appeals, then interest penalties do not accrue until 30 days after a decision is rendered.
- C. When a dispute arises between the agency and a TSP over an amount billed by the TSP (either in whole or part), the amount in dispute is not subject to interest penalties during the period of resolution, [per 41 CFR 102-118.465](#).

*1311 [DoD THIRD PARTY PAYMENT SYSTEM \(TPPS\)](#)

131101. [Background](#). The DoD uses a TPPS for transportation payment processing of CONUS freight shipments. The TPPS collects shipment and financial data from both shippers and carriers. Transportation transactions are entered into the TPPS electronically, and carriers are reimbursed for their services by a bank. A monthly TPPS summary invoice is forwarded by the bank to the entitlement office for processing. Payment terms for the summary invoice are 15 days following the receipt of a valid invoice. The paying office will compute and pay interest when the payment is made to the bank more than 15 days after the receipt of the summary invoice, as properly date stamped on receipt by the paying office, or following the date of availability of the summary invoice if the date stamp does not appear.

131102. [Internal Controls and System Access](#). All DoD Component's utilizing the TPPS service must implement local internal controls to prevent, detect, and report unauthorized transactions as outlined in the [Office of Management and Budget \(OMB\) Circular A-123, Appendix B](#). All managers will ensure adequate separation of duties and limit system access to only those individuals necessary to accomplish their assigned tasks.

131103. Certification, Reconciliation, and Payment Processing. Refer to the *DTR Part II Cargo Movement, Chapter 212* for additional detailed information and procedures concerning payment documentation requirements, correcting invalid LOAs and TACs, and the monthly summary invoice certification and payment process.

A. The CO is responsible for approving and certifying the monthly invoice for payment. As part of this review, they must identify any transactions that do not have a valid LOA or do not belong to their account. Certification criteria outlined in paragraph 130306 of this chapter, the DTR Chapter 212, and Volume 5, Chapter 33 of this Regulation should be applied.

B. The CO, in conjunction with the payment office, must reconcile the account activity section of each TPPS monthly summary invoice in a timely manner to identify any carrying balance discrepancies, resolve any past due amounts, and review and verify that all fees and adjustments cited on each invoice are correct. The CO will communicate any reconciliation issues to the TPPS provider in a timely manner, as appropriate.

C. In addition to assisting the COs when necessary, the paying offices must ensure that the TPPS monthly invoice is paid in a timely manner. Any late payments will be assessed the proper late interest penalty. All interest penalties paid will appear in the subsequent month's fees and adjustment section of the monthly summary invoice and should be reconciled with the total and interest payments previously made. Personnel from each payment center must have access to all related invoice payment information and communicate with each other regarding payment reconciliation issues. The CO will communicate any payment issues to the TPPS provider in a timely manner, as appropriate.