CHAPTER 17

TRANSPORTATION

1. INTRODUCTION.

a. This chapter provides procedures for DOE integrated contractors to process and pay carriers' bills for transporting property for the U.S. Government using commercial bills of lading (CBLs), and to prescribe the requirement for rate audit by the General Services Administration (GSA).

b. DOE integrated contractors shall use CBLs in making shipments for DOE. However, the contracting officer may authorize the use of Government bills of lading (GBLs) if such use will be advantageous to the Government. The DOE field office shall coordinate such authorizations with the Director of the Office of Transportation, Emergency Management and Analytical Services (EM–26). Further guidance is contained in DOE O 460.2, Departmental Materials Transportation and Packaging Management; 41 CFR 109–40.50, Transportation and Traffic Management; and 41 CFR 101–41, Transportation Documentation and Audit.

2. USE OF COMMERCIAL BILLS OF LADING. See 41 CFR 109–40.5003.

a. Integrated contractors using CBLs when making shipments for DOE shall include the following statement, or one that is substantially the same, on all CBLs: “This shipment is for the account of the U.S. Government, which will assume the freight charges, and is subject to the terms and conditions set forth in the standard form of the U.S. Government bills of lading and to any available special rates or charge.”

b. Integrated contractors shall ensure that, where practicable, CBLs shall provide for consignment of shipments to DOE, care of the integrated contractor or by the contractor “for DOE.”

c. Integrated contractors issuing CBLs that exceed $10,000 shall annotate the CBLs with the following: “Equal Employment Opportunity, all provisions of Executive Order 11246, as amended by Executive Order 11375, and of the rules, regulations, and relevant orders of the Secretary of Labor are incorporated herein.”

3. USE OF GOVERNMENT BILLS OF LADING. DOE authorizes integrated contractors to use GBLs. The DOE contracting officer shall authorize specific employees of integrated contractors to issue GBLs (41 CFR 109–40.5004).

4. ACCOUNTABILITY FOR GOVERNMENT BILLS OF LADING (41–CFR 101–41.308). DOE offices shall maintain accountability records and physical control of GBL stock. Employees responsible for the issuance and use of GBL forms shall be held accountable for their disposition. No renumbering of the GBL forms shall be permitted. GBL forms spoiled in preparation, prepared for issuance but not used, or otherwise unusable shall be canceled and returned to the accountable office for proper disposal.

5. OBLIGATION OF TRANSPORTATION FUNDS. The policy and procedures for obligating transportation funds are contained in Chapter 5, “Accounting for Obligations.”

6. PROCESSING AND PAYMENTS.

a. Government Bills of Lading. For instances in which a GBL is used or in which the CBL is converted to a GBL, the carrier shall bill the DOE office (using Standard Form 1113), and not the contractor. The appropriate DOE office shall schedule the transportation service charges for payment processing and, when determined to be cost-effective, ensure an audit of rate prior to payment. The paying field office shall transfer such transportation charges to the accounts of the contractor. (See paragraph 6c for the audit requirement for paid bills.) The procedures governing the processing and payment of transportation charges under GBLs are contained in Chapter 6, “Cash.”

b. Commercial Bills of Lading.

(1) Verification and Payment of Carrier's Charges. If no rate audit has been performed prior to payment, the contractor shall verify additions and extensions of the carrier's bill, determine that the charge arises from a shipment attributable to the DOE contract, and prevent duplicate payment of the carrier's bill. If the contractor cannot make such verification, the bill, as claimed by the carrier, shall be paid, and the following shall be noted on the freight bill: “Rates not verified.” The contractor shall correct the bill before payment for any errors in addition and extensions and, if discovered, in tariff rates.

(2) Verification of Freight Descriptions and Special Terms. The contractor shall verify freight descriptions and note, either on the bill or in a separate statement, any discounts, special terms of contracts, or section 10721 (Interstate Commerce Act; 49 U.S.C. 10721) tenders.

(3) Loss and Damage Claims. The contractor shall promptly process claims exceeding $50 against the carrier for loss or damage to a shipment while in transit and for unearned freight charges on the property lost or damaged beyond repair under the following circumstances:

(a) When loss or damage is noted by a carrier on the carrier's delivery receipt and acknowledged by the driver, the carrier should be invited to inspect the damaged property within 7 days of delivery. If the carrier does not make or waives the inspection, the contractor should document that fact and file a claim immediately. (See 41 CFR 101–40.703–2, Notice of Visible Loss, Damage, or Shortage.)

(b) If loss or damage is discovered subsequent to delivery, the delivering carrier shall be notified by telephone, and an inspection shall be requested. Unless there are extenuating circumstances, the notification and request for inspection shall be made within 15 days of delivery. (See 41 CFR 101–40.703–3, Notice of Concealed Loss, Damage, or Shortage.)

c. Audit by GSA.

(1) Requirement. For transportation services for which the United States will assume the charges that have been paid by a Federal agency's contractor and/or their first-tier subcontractor under a cost reimbursement contract, legible copies of all paid freight bills and invoices, CBLs, and supporting documentation must be submitted to GSA for audit. GSA granted DOE an exception that requires submission of only those bills and invoices that are for $50 or more. Such documents of $50 or less shall be retained onsite and made available for GSA onsite audits. The contractor shall forward promptly any original transportation bill requested by GSA. The contractor shall hold in record status all original bills paid for such periods of time as specified by applicable Federal requirements and by DOE O 200.1, Information Management Program. Such bills may be subject to periodic onsite examination by GSA personnel (41 CFR 101–41.807–4).

(2) Transmittal to GSA and Receipt.

(a) The contractor shall forward the above transportation documents for each month, as soon as possible following the end of the month, in one shipment to:

GSA (SOC)
Paid Document Receiving
2416 Oakville St.
Alexandria, VA 22301

ATTN: Barbara Hodge, (703) 549-7652

The shipment shall include the required documents for all first-tier cost-type subcontractors. If, however, the inclusion of the transportation documents of any such subcontractor in the shipment is not practicable, such documents shall be transmitted in a separate package. In addition, contractors shall ensure that a copy of all current rate tenders is provided to GSA at the above address and also to GSA, National Capital Region, Attn: WFBT, 7th & D Streets SW, Washington, DC 20407 (41–CFR 101–40.306–3).

(b) A statement, prepared in duplicate by the sender, shall accompany each shipment of transportation documents. GSA shall return the copy, duly signed and acknowledging receipt of the shipment. The statement should show the following:

1. name and address of the DOE contractor;

2. contract symbol and number;

3. name and address of the field office or Headquarters entity administering the contract;

4. total number of bills transmitted; and

5. a listing of the respective amounts paid or, in lieu of such listing, an adding machine tape of the amounts paid, showing the contractor's voucher or check numbers.

(3) **Examination of Payments/GSA Collection Action**. Bills on which GSA finds no evidence of overcharge will not be returned. However, when an overcharge on a freight or express bill by a carrier is disclosed, GSA shall prepare a Notice of Overcharge, addressed to the carrier's agent. This notice shall be in the form of a request for refund of the overcharge, citing the applicable tariff or other authority for the charge deemed to be proper (41 CFR 101–41.502 (b)). Amounts collected by GSA as a result of debts asserted in the audit of the transportation charges are generally deposited in Treasury as a credit to the appropriation or fund account to which the original payments were charged. When the accounts are not readily identifiable on the basic procurement documents, the collected amounts are deposited in the Treasury Miscellaneous Receipts account.