

§ 101-40.702 Documenting and reporting discrepancies.**§ 101-40.702-1 Exception on carrier's delivery receipt.**

(a) Before signing the carrier's delivery receipt, the Government consignee (or representative) shall note on the receipt specific details regarding the nature and extent of all apparent overages, shortages, losses, damages, or other discrepancies between the quantity and condition of the property as received and as shown on the covering bill of lading or other transportation document. Any notation placed on the carrier's delivery receipt shall also be shown on the consignee's copy of the delivery receipt or freight bill. The consignee shall sign and date these notations and request the carrier's driver or representative also to sign the notations.

(b) In the instance of an ocean shipment, placing an exception on the carrier's delivery receipt is not necessary if the condition of the shipment has been the subject of a joint survey or inspection; that is, if representatives of the carrier and the consignee jointly surveyed or inspected the shipment while it was still in the possession of the carrier, and a copy of the joint report signed by both representatives is in the possession of the consignee (46 U.S.C. 1303 (6)).

[38 FR 28679, Oct. 16, 1973, as amended at 42 FR 25859, May 20, 1977]

§ 101-40.702-2 Discrepancies in Government bill of lading shipments.

(a) When a shipment is made on a Standard Form 1103, U.S. Government Bill of Lading, or on a Standard Form 1203, U.S. Government Bill of Lading-Privately Owned Personal Property, the consignee shall make certain the Government bill of lading number is shown on both the carrier's delivery receipt and the consignee's copy of the delivery receipt. When a shipment is made on a commercial bill of lading to be converted to a Government bill of lading, in which case the Government bill of lading number would not normally be known at the time of delivery, the consignee shall sign the delivery receipt and enter the Government bill of lading number, when it becomes

available, on the consignee's copy of the delivery receipt.

(b) When a discrepancy occurs in a shipment made on a Government bill of lading, appropriate notations shall be made on the delivery receipt as required in § 101-40.702-1 and a discrepancy report shall be prepared as required in § 101-40.702-3.

(c) The agency responsible for payment of freight charges, as identified in the "Charges to be billed to" space on the Government bill of lading, is usually also responsible for determining carrier liability (see § 101-40.707-2) and processing claims (see § 101-40.710). The consignee shall forward a discrepancy report and copies of supporting documents; e.g., delivery receipts, photographs, and carrier's inspection reports, to that agency, to the shipper at the address shown on the Government bill of lading, and to any other addresses as may be required by the agency's regulations. In addition, copies of discrepancy reports and supporting documents relating to special categories of property shall be forwarded to appropriate offices as required in § 101-40.702-3 (c), (d), and (e).

[42 FR 25859, May 20, 1977, as amended at 51 FR 24341, July 3, 1986]

§ 101-40.702-3 Preparation of a discrepancy report.

(a) When the total value of the loss, damage, shortage, or other discrepancy, or the value of repairs or replacement, including unearned freight charges, where applicable, on a single bill of lading or other transportation document, does not exceed \$50, Government agencies are authorized, but not required, to observe a minimum of \$50 or less in processing loss and damage claims against carriers or forwarders and to absorb losses of \$50 or less.

(b) When the total value of the loss, damage, shortage, or other discrepancy, or the value of repairs or replacement, including unearned freight charges, where applicable, on a single bill of lading or other transportation document exceeds \$50 or the minimum (i.e., \$50 or less) set by the agency, the receiving activity shall prepare Standard Form 361, Transportation Discrepancy Report, as soon as possible, but not later than 45 calendar days after