

§ 101-41.101 Examination of payments, settlement of claims, and review of requirements.

Section 322 of the Transportation Act of 1940, as amended (31 U.S.C. 3726), permits transportation bills to be paid prior to audit by the Administrator of General Services or his/her designee in accordance with regulations that the Administrator shall prescribe.

(a) The authority vested in the Administrator of General Services by 31 U.S.C. 3726, as amended, enables the Administrator, or his/her designee, to:

(1) Audit selected transportation bills prior to payment;

(2) Examine, settle, and adjust accounts involving payment for transportation and related services for the account of the United States;

(3) Adjudicate and settle transportation claims by and against the United States;

(4) Deduct the amount of any overcharge by any carrier or forwarder from any amount subsequently found to be due such carrier or forwarder; and

(5) Delegate any authority conferred on the Administrator to another agency or agencies if the Administrator determines that such a delegation would be cost-effective, accurate, timely, or otherwise in the public interest.

(b) The Administrator of General Services, or his designee, will exercise such authority subject to:

(1) The direction of the President;

(2) Fiscal and policy control of the Office of Management and Budget; and

(3) Decisions of the Comptroller General of the United States resulting from Federal agency or common and contract carrier appeals involving disputed claims by and against the United States or issued under the authority vested in the Comptroller General by the Budget and Accounting Act of 1921, as amended (31 U.S.C. 702), and the Accounting and Auditing Act of 1950, as amended (31 U.S.C. 3511).

(31 U.S.C. 952, 31 U.S.C. 3726; 40 U.S.C. 486(c))

[42 FR 36672, July 15, 1977, as amended at 46 FR 42661, Aug. 24, 1981; 48 FR 27725, June 17, 1983; 53 FR 25165, July 5, 1988]

§ 101-41.102 GSA responsibilities and functions.

(a) With respect to the audit of transportation payments and under the stat-

utory authority therefor, the Administrator of General Services or his designee is responsible for and will accomplish the functions set forth in paragraphs (a) (1) through (9) of this section.

(1) Examine and analyze payments for freight and passenger transportation services furnished for the account of the United States to determine their validity, propriety, and conformity with tariffs, quotations, agreements, or tenders and make adjustments to protect the interests of the United States;

(2) Examine, adjudicate, and settle transportation claims by and against the United States;

(3) Collect from carriers by refund, setoff, or other means, amounts determined to be due the United States;

(4) Compromise, terminate, or suspend debts due on transportation overcharges;

(5) Prepare reports to the Attorney General of the United States setting forth recommendations regarding the legal and technical bases available for use in prosecuting or defending suits by or against the United States and provide technical, fiscal, and factual data from records relative thereto;

(6) Provide transportation specialists and lawyers to serve as expert witnesses, to assist in pretrial conferences, to draft pleadings, orders, and briefs, and to participate as requested in connection with transportation suits by or against the United States;

(7) Review agency policies, programs, and procedures to determine their adequacy and effectiveness insofar as they relate to the audit of freight and passenger transportation payments, and review related fiscal and transportation practices;

(8) Furnish information on rates, fares, routes, and related technical data to agencies upon request; and

(9) Inform agencies of irregular shipping and routing practices, inadequate commodity descriptions, excessive transportation cost authorizations, and unsound principles employed in traffic and transportation management.

(b) In carrying out the foregoing functions, a designee head of an agency, acting in substance as GSA's audit surrogate, shall forward direct to the

General Accounting Office (GAO) matters for consideration by the Comptroller General of the United States or by a division of the GAO or shall forward direct to the Department of Justice matters for its consideration of collection action, litigation, and related proceedings, as prescribed in 4 CFR part 105. A claimant who disagrees with the settlement of his claim by GSA's audit surrogate may request reconsideration by the agency head or review by the Comptroller General of the United States in accordance with the guidelines set forth in subpart 101-41.7. These matters need not be forwarded through GSA.

(c) GSA also makes technical examinations of payments to and claims by or against carriers for transportation services procured on commercial or Government documentation by certain Government agencies and corporations exempted from submitting transportation payment documents for centralized audit.

(d) GSA, independently or in cooperation with other agencies, will confer with individual carriers or carrier groups and associations representing specific modes of transportation to resolve mutual problems concerning technical and accounting matters and to acquaint them with the requirements of the Federal Government.

(e) Carrier accounting and traffic officials are welcome to visit the GSA transportation audit facilities to discuss transportation audit matters. These facilities are located in the GS Building, 18th and F Sts., NW, Washington, DC. The mailing address is General Services Administration (BW), Washington, DC 20405. Notice of an intended visit and, when necessary, an outline or a list of subjects for discussion should be furnished in advance so that necessary internal arrangements can be made and the required records assembled.

(31 U.S.C. 952, 31 U.S.C. 3726; 40 U.S.C. 486(c))

[42 FR 36672, July 15, 1977, as amended at 46 FR 42661, Aug. 24, 1981; 48 FR 27726, June 17, 1983]

§ 101-41.103 Procedures, conditions, and limitations relevant to the delegation of authority to perform prepayment audits of selected transportation bills.

(a) Except for the authority exercised by GSA in § 101-41.103(i), requests for a delegation of authority from the Administrator of General Services to conduct prepayment audits shall be accompanied by a specific and complete description of the organization to perform the audit and the manner whereby the audit will be conducted. Such requests shall demonstrate cost-effectiveness or other public benefits.

(b) Prepayment audits by GSA's Office of Transportation Audits on behalf of itself and/or other agencies, need not be approved by the Administrator because the authority to conduct prepayment audits is already provided by law.

(c) Each request shall include a detailed model of the audit process from receipt of carrier bills to disbursement and the subsequent submission of paid vouchers to GSA for postpayment audit.

(d) The requester shall demonstrate the capability not only to complete an accurate audit within 15 calendar days of receipt of a carrier's bill, but also evidence the ability to generate an accurate notice to the carrier which specifically describes the reason for any full or partial rejection of the carrier's charges, citing the rate authority applicable thereto.

(e) The request shall contain a mechanism to report savings, on a semi-annual basis and in a manner acceptable to GSA, accomplished by identifying overcharges/overbillings, or other savings indicating the program is cost-effective or otherwise in the public interest.

(f) Public notice of delegated authorities will be effected by publication in the FEDERAL REGISTER notices section. Such notices will specify the Government department/agency whose bills are subject to such audit and the organization or command; i.e., the activity which will conduct such audits.

(g) Authority delegated in accordance with this section is subject to