

§ 302-8.3 Transportation within the continental United States.

(a) *The commuted rate system*—(1) *Description.* Under the commuted rate system an employee makes his/her own arrangements for transporting household goods between points within the continental United States. He/She selects and pays the carrier or transports his/her goods by noncommercial means and is reimbursed by the Government in accordance with schedules of commuted rates which are contained in the GSA publication, Commuted Rate Schedule for Transportation of Household Goods. Agencies requiring this publication shall prepare a Standard Form 1, Printing and Binding Requisition, and send it to: Superintendent of Documents, Departmental Account Representative Division, U.S. Government Printing Office (GPO), Washington, DC 20401. The schedules of commuted rates which are developed from tariffs that carriers have filed with the Interstate Commerce Commission consist of tables to be applied to the particular transportation involved. The commuted rate includes costs of line-haul transportation, packing, crating, unpacking, drayage incident to transportation, and other accessorial charges. Costs of temporary storage which are subject to reimbursement under § 302-8.5 are stated separately in the schedule of commuted rates.

(2) *Reimbursement.* When the commuted rate system is used, the amount to be paid to the employee for transportation and related services is computed by multiplying the number of hundreds of pounds shipped (within the maximum weight allowance) by the applicable rate per hundred pounds for the distance shipped as shown in the commuted rate schedule. The distance shall be determined in accordance with household goods mileage guides filed with the Interstate Commerce Commission. If the rate is not shown in the commuted rate schedule for the exact mileage, the rate shown for the next greater distance applies. If an employee is charged a minimum weight above the actual weight of his/her household goods under the applicable tariff (other than one based on expedited or special services), the reimbursement shall be based on the min-

imum weight as charged instead of the actual weight of the goods.

(3) *Documentation.* Claims for reimbursement under the commuted rate system shall be supported by a receipted copy of the bill of lading (a reproduced copy may be accepted) including any attached weight certificate copies if such a bill was issued. If no bill of lading was involved, other evidence showing points of origin and destination and the weight of the goods must be submitted. Employees who transport their own household goods are cautioned to establish the weight of such goods by obtaining proper weight certificates showing gross weight (weight of vehicle and goods) and tare weight (weight of vehicle alone) because compliance with the requirements for payment at commuted rates on the basis of constructive weight (see § 302-8.2(c)(4)) usually is not possible.

(b) *Actual expense method*—(1) *Description.* Under the actual expense method, the Government assumes responsibility for awarding contracts and for other negotiations with carriers. The property is shipped on a Government bill of lading, and the Government audits and pays transportation vouchers directly to carriers. Under the actual expense method, the household goods are shipped by the Government, not by the employee.

(2) *Agency responsibility.* Selection of the carrier, arranging for carrier services and for packing and crating, preparing the Government bill of lading, paying charges incurred, and processing any loss and damage claims are the direct responsibility of the agency.

(3) *Allowable charges.* The actual costs of transportation of household goods within the authorized weight limits will be allowed at Government expense. Also, within that weight limit, the actual costs for packing, crating, unpacking, drayage incident to transportation, and necessary accessorial services shall be allowed.

(4) *Multiple shipment procedures.* When the actual expense method is used in shipping household goods belonging to two or more employees between the same two points, the weight of the household goods of each employee is to

be identified for the purpose of applying the maximum weight limitations.

(5) *Excess weight procedures.* When the weight of an employee's household goods exceeds the maximum weight limitation, the total quantity may be shipped on a Government bill of lading, but the employee shall reimburse the Government for the cost of transportation and other charges applicable to the excess weight, computed from the total charges according to the ratio of excess weight to the total weight of the shipment.

(c) *Use of commuted rate or actual expense method—(1) Considerations.* When the commuted rate system is used, the Government is relieved of the responsibility and administrative expense of selecting and dealing with carriers and making other arrangements for transporting employees' household goods; however, the Government cannot take advantage of special discounts which may be offered. On the other hand, when the actual expense method is used, the Government incurs the additional expenses of selecting and dealing with carriers, preparing bills of lading, auditing and paying transportation vouchers, supervising the packing of household goods, handling employee loss and damage claims, and other incidentals.

(2) *Estimating costs.* Under the commuted rate system, an accurate estimate of cost depends upon the accuracy of the estimate of weight. However, under the actual expense method the cost to the Government will usually depend not only on the weight involved but also on the accessorial services required, the quality of packing and the quantity of individual cartons, boxes, barrels, and wardrobes used by the carrier in packing. When the commuted rate system is used, the packing and accessorial charges are authorized and paid for by the employee from the amounts allowed for those charges under that system. Under the actual expense method, the accessorial and packing charges are paid by the Government, and if those charges are high, they may more than offset any discount in the line-haul rate which may be available for shipments by Government bill of lading. A proper comparison of costs must take into account the

line-haul transportation charge, the administrative costs as indicated in paragraph (c)(1) of this section, and the expected accessorial and packing charges.

(3) *Policy.* The general policy is that commuted rates shall be used for transportation of employees' household goods when individual transfers are involved, and that appropriate action, depending on the amount of goods to be transported, shall be taken to estimate and compare actual expense method costs with commuted rate costs when groups of employees are transferred between the same official stations at approximately the same time so that the method resulting in less cost to the Government may be used. Specific procedures to be followed are contained in paragraph (c)(4) of this section.

(4) *Criteria for use of the actual expense method—(i) Individual transfers.* Agency experience with the actual expense method has shown that shipment by Government bill of lading does not result in savings simply because a line-haul discount is available. Therefore, the commuted rate system shall be used for individual transfers without consideration being given the actual expense method; except that the actual expense method may be used if the actual costs to be incurred by the Government for packing and other accessorial services are predetermined (at least as to price per 100 pounds) and if that method is expected to result in a real savings to the Government of \$100 or more. (For intrastate transfers, see paragraph (c)(4)(iv) of this section.)

(ii) *Multiple transfers.* Under general rate tenders arranged by GSA and the Department of Defense (DOD), participating carriers agree to transport the household goods of Government employees at rates below commercial rates for specific periods of time. These tenders are arranged under 49 U.S.C. 10721, and no further agency negotiation is necessary to take advantage of them. Agencies shall evaluate the use of such rates when, because of the transfer of several employees, they have a large volume of household goods to be moved between the same places at the same time even though no mass move is involved; however, the added costs for use of the actual expense

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method, as discussed in paragraph (c)(1) of this section, and the uncertainty as to total cost for packing and accessorial services, as discussed in paragraph (c)(2) of this section, shall be taken into consideration, and the actual expense method shall be selected only if it is considered likely that a real savings to the Government will result from the use of that method.

(iii) *Mass moves.* Whenever an entire facility is being relocated or whenever it is anticipated that 10 or more shipments of household goods are to be transported between the same two points at approximately the same time, the agency involved shall notify the appropriate regional or zonal office of the General Services Administration (for civilian agencies without specialized transportation personnel) or the appropriate transportation office of DOD (for components of that Department) of the forthcoming move so that an analysis can be made of existing available rates for use under the actual expense method. The notification shall be accompanied by all pertinent information concerning points of origin and destination, estimated weights of property, the number of persons or different families involved, and dates or periods of time when each person or family is expected to move. When appropriate, the GSA or DOD transportation organization shall attempt to arrange with carriers for worthwhile reduced rates and shall advise the agency concerned of the results of such efforts. If these efforts show that a saving will result, considering all direct and indirect costs involved, the actual expense method shall be used. Otherwise, the commuted rate system shall be used.

(iv) *Unusual circumstances.* The commuted rates do not take into account intrastate rates that in some instances may be substantially higher than the interstate rates that form the basis for the commuted rates. In order to avoid the necessity of prescribing commuted rates for such circumstances, the actual expense method (Government bill of lading) may be used when it is administratively determined that the commuted rate system would cause an unusual hardship for an employee transferring between official stations within a State. This authority shall

not be used indiscriminately, and its use shall be carefully documented and justified.

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§302-8.4 Transportation outside the continental United States.

(a) *Coverage.* This section contains special rules which are applicable to the transportation of household goods at Government expense to, from, and between points outside the continental United States. Individual eligibility is covered in part 302-1.

(b) *Weight limitation.* The maximum weight specified in §302-8.2 is applicable; however, where furnished or partly furnished quarters are to be provided outside the continental United States (in the case of a transfer to such a station) or have been provided (in the case of a return to the continental United States), agencies shall make an appropriate reduction in the weight of household goods which may be authorized for shipment at Government expense.

(c) *Allowable costs—(1) Actual expense basis.* Transportation authorized under this section shall be on an actual expense basis. Actual expense includes costs of transportation of household goods, packing and crating (including packing and crating materials and temporary containers), unpacking, and other necessary accessorial charges within applicable limits.

(2) *Drayage.* If door-to-door common carrier rates are not applicable, allowable costs include the actual costs of drayage to and from the common carrier for goods not in excess of the authorized weight.

(3) *Lift vans.* Charges allowable for packing and crating and for transportation include expenses incurred in hiring, transporting, and packing lift vans when shipments are made in whole or in part by water, but do not include charges in connection with any shipment or storage of empty lift vans or import duties on lift vans.

(4) *Valuation.* The valuation of property as declared for shipping will not exceed that to which the lowest freight rates will apply except as provided in paragraph (e)(3) of this section.