

Federal Management Regulation

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that have completed a prepayment audit;

- (1) The date received from a TSP;
- (2) A TSP's bill number;
- (3) Your agency name;
- (4) A Document Reference Number (DRN);
- (5) The amount billed;
- (6) The amount paid;
- (7) The payment voucher number;
- (8) Complete tender or tariff authority, including item or section number;
- (9) The TSP's taxpayer identification number (TIN);
- (10) The TSP's standard carrier alpha code (SCAC);
- (11) The auditor's authorization code or initials; and
- (12) A copy of any statement of difference sent to the TSP.

(b) Your agency can find added guidance in the "U.S. Government Freight Transportation—Handbook," obtainable from:

General Services Administration
Transportation Audit Division (QMCA)
Crystal Plaza 4, Room 300
2200 Crystal Drive
Arlington, VA 22202
www.gsa.gov/transaudits

[65 FR 24569, Apr. 26, 2000, as amended at 69 FR 57620, Sept. 24, 2004; 74 FR 30475, June 26, 2009]

MAINTAINING AN APPROVED PROGRAM

§ 102-118.325 Must I get approval for my agency's prepayment audit program?

Yes, your agency must get approval for your prepayment audit program. The highest level budget or financial official of each agency, such as the Chief Financial Officer, initially approves your agency's prepayment audit program. After internal agency approval, your agency submits the plan in writing to the GSA Audit Division for final approval.

§ 102-118.330 What are the elements of an acceptable prepayment audit program?

An acceptable prepayment audit program must:

- (a) Verify all transportation bills against filed rates and charges before payment;
- (b) Comply with the Prompt Payment Act (31 U.S.C. 3901, *et seq.*);

(c) Allow for your agency to establish minimum dollar thresholds for transportation bills subject to audit;

(d) Require your agency's paying office to offset, if directed by GSA's Audit Division, debts from amounts owed to the TSP within the 3 years as per 31 U.S.C. 3726(b);

(e) Be approved by the GSA Audit Division. After the initial approval, the agency may be subject to periodic program review and reapproval;

(f) Complete accurate audits of transportation bills and notify the TSP of any adjustment within 7 calendar days of receipt;

(g) Create accurate notices to the TSPs that describe in detail the reasons for any full or partial rejection of the stated charges on the invoice. An accurate notice must include the TSP's invoice number, the billed amount, TIN, standard carrier alpha code, the charges calculated by the agency, and the specific reasons including applicable rate authority for the rejection;

(h) Forward documentation monthly to the GSA Audit Division, which will store paid transportation bills under the General Records Schedule 9, Travel and Transportation (36 CFR Chapter XII, 1228.22) which requires keeping records for 3 years. GSA will arrange for storage of any document requiring special handling (e.g., bankruptcy, court case, etc.). These bills will be retained pursuant to 44 U.S.C. 3309 until claims have been settled;

(i) Establish procedures in which transportation bills not subject to prepayment audit (i.e., bills for unused tickets and charge card billings) are handled separately and forwarded to the GSA Audit Division; and

(j) Implement a unique agency numbering system to handle commercial paper and practices (see § 102-118.55).

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§ 102-118.335 What does the GSA Audit Division consider when verifying an agency prepayment audit program?

The GSA Audit Division bases verification of agency prepayment audit programs on objective cost-savings, paperwork reductions, current

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audit standards and other positive improvements, as well as adherence to the guidelines listed in this part.

§ 102-118.340 How does my agency contact the GSA Audit Division?

Your agency may contact the GSA Audit Division by writing to: General Services Administration, Transportation Audit Division (QMCA), Crystal Plaza 4, Room 300, 2200 Crystal Drive, Arlington, VA 22202, www.gsa.gov/transaudits.

[65 FR 24569, Apr. 26, 2000, as amended at 69 FR 57620, Sept. 24, 2004; 74 FR 30475, June 26, 2009]

§ 102-118.345 If my agency chooses to change an approved prepayment audit program, does the program need to be reapproved?

Yes, you must receive approval of any changes in your agency's prepayment audit program from the GSA Audit Division.

LIABILITY FOR CERTIFYING AND DISBURSING OFFICERS

§ 102-118.350 Does establishing a prepayment audit system or program change the responsibilities of the certifying officers?

Yes, in a prepayment audit environment, an official certifying a transportation voucher is held liable for verifying transportation rates, freight classifications, and other information provided on a transportation billing instrument or transportation request undergoing a prepayment audit (31 U.S.C. 3528).

§ 102-118.355 Does a prepayment audit waiver change any liabilities of the certifying officer?

Yes, a certifying official is not personally liable for verifying transportation rates, freight classifications, or other information provided on a GBL or passenger transportation request when the Administrator of General Services or designee waives the prepayment audit requirement and your agency uses postpayment audits.

41 CFR Ch. 102 (7-1-10 Edition)

§ 102-118.360 What relief from liability is available for the certifying official under a postpayment audit?

The agency counsel relieves a certifying official from liability for overpayments in cases where postpayment is the approved method of auditing and:

(a) The overpayment occurred solely because the administrative review before payment did not verify transportation rates; and

(b) The overpayment was the result of using improper transportation rates or freight classifications or the failure to deduct the correct amount under a land grant law or agreement.

§ 102-118.365 Do the requirements of a prepayment audit change the disbursing official's liability for overpayment?

Yes, the disbursing official has a liability for overpayments on all transportation bills subject to prepayment audit (31 U.S.C. 3322).

§ 102-118.370 Where does relief from prepayment audit liability for certifying, accountable, and disbursing officers reside in my agency?

Your agency's counsel has the authority to relieve liability and give advance opinions on liability issues to certifying, accountable, and disbursing officers (31 U.S.C. 3527).

WAIVERS FROM MANDATORY PREPAYMENT AUDIT

§ 102-118.375 Who has the authority to grant a waiver of the prepayment audit requirement?

Only the Administrator of General Services or designee has the authority to grant waivers from the prepayment audit requirement.

§ 102-118.380 How does my agency apply for a waiver from a prepayment audit of requirement?

Your agency must submit a request for a waiver from the requirement to perform a prepayment in writing to:

General Services Administration
Office of Travel, Transportation and Asset
Management (MT)
1800 F Street, NW.