

GENERAL SERVICES ADMINISTRATION
Washington, DC 20417

July 20, 2012

Federal Management Regulation
GSA BULLETIN FMR B-1
Transportation Audits

TO: Heads of Federal Agencies

SUBJECT: Requirement to Conduct Transportation Audits

1. What is the purpose of this bulletin? The purpose of this bulletin is to reaffirm the requirement for Executive branch agencies to participate in the mandatory audit requirements of part 102-118 of the Federal Management Regulation (FMR) (41 CFR part 102-118).
2. What is the effective date of this bulletin? This bulletin is effective on July 20, 2012.
3. When does the bulletin expire? This bulletin remains in effect until cancelled.
4. What is a Transportation Audit? A transportation audit is a thorough review and validation of transportation related bills. The audit must examine the validity, priority, and conformity of the charges with tariffs, quotations, agreements, or tenders, as appropriate. Each agency must ensure that its internal transportation audit procedures prevent duplicate payments and only allow payments for authorized services, and that the Transportation Service Provider's (TSP) bill is complete with required documentation (FMR 102-118.10). Agencies must conduct prepayment audits (FMR 102-118.270) and participate in GSA postpayment audits (FMR 102-118.415).

A prepayment audit is a review of a TSP's bill that occurs prior to the agency making payment. Detecting and eliminating billing errors prior to payment, allows agencies to prevent overcharges and retain erroneous payments (FMR 102-118.265).

A postpayment audit is an audit of transportation billing documents after payment (FMR 102-118.35). When a postpayment audit identifies incorrect charges, the collected funds are returned to the Department of the Treasury.

5. What are the expected outcomes of implementing this bulletin? Fuller participation by Federal agencies in conducting audits will improve TSP oversight and prevent or minimize improper charges. Requisite data will improve agencies and GSA's ability to manage transportation operations and policy.

6. What must the agency do as a result of this bulletin? All agencies must establish an approved prepayment audit program (FMR 102-118.270 and 102-118.325) that meets all requirements listed in FMR 102-118.330 through 335. Regardless of audit approach selected (FMR 102-118.285) transportation documents must be provided monthly to the GSA Transportation Audit Division (FMR 102-118.330(h) and (i)). Also agencies must provide postpayment transportation bills to the GSA Transportation Audit Division (FMR 102-118.425 through 430).

7. Who should I contact for further information? For further information regarding this bulletin, contact Ms. Lee Gregory, Office of Governmentwide Policy (M), Office of Asset and Transportation Management, General Services Administration, at lee.gregory@gsa.gov. For information regarding the GSA Transportation Audit Division, contact Ms. Donna Jack at donna.jack@gsa.gov.

By delegation of the Acting Administrator of General Services.



Kathleen M. Turco
Associate Administrator
Office of Governmentwide Policy