

**ORDER**

DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION

CENTRAL REGION

Kansas City, Missouri

CE 4770.1

6/15/76

SUBJ: PROCUREMENT OF TRANSPORTATION SERVICE FOR SHIPMENT OF GOVERNMENT  
PROPERTY

1. PURPOSE. This order establishes policies and procedures governing the procurement of transportation services for the shipment of Government property and implements the use of GSA Publication, "How to Prepare and Process U. S. Government Bills of Lading" (February 1974). Policies and procedures established by this order ARE NOT APPLICABLE to transportation of household goods and personal effects of employees on change of official station. (Ref. Order 1500.14).
2. DISTRIBUTION. To section level in Regional Office with minimum distribution to all field offices and facilities in Central Region.
3. CANCELLATION. CE 4756.1B dated 7/10/69.
4. POLICY. It is the policy of the Federal Aviation Administration that:
  - a. All property shipped at Government expense shall be transported by the most economical means consistent with the urgency of the requirement and nature of the property.
  - b. Procurement of transportation services shall be accorded the same care used in the purchase of materials and services with appropriate consideration given to the prime factors of dependability, safety, urgency of need and the use of the least costly mode meeting the agency's requirement.
  - c. Use of premium transportation such as bus or air freight will be avoided when a less costly mode will satisfactorily serve agency requirements.
5. RESPONSIBILITIES.
  - a. Transportation Officer. The Transportation Officer in the Logistics Division, Regional Headquarters, is responsible for:
    - (1) Providing guidance to Transportation Agents throughout the Region in the procurement and use of transportation services for shipment of Government property.

- (2) Representing the Region in the GSA assistance program.
  - (3) Filing and adjudicating claims against carriers for lost, short, or damaged shipments, and submitting to the Accounting Division sufficient data for payment.
  - (4) Maintaining accountability and control of all U. S. Government Bills of Lading assigned to and issued within the Region, including those allotted to other designated TRANSPORTATION AGENTS.
  - (5) Assuring that each Transportation Agent has a copy of GSA Handbook, "How to Prepare and Process U. S. Government Bills of Lading", (February 1974, NSN 7610-682-6740), and a copy of freight classifications.
- b. Transportation Agents. Transportation Agents designated in accordance with Para. 6 are responsible for:
- (1) Shipping and receiving goods within an assigned area;
  - (2) Maintaining and accounting for the allotted supply of Government Bills of Lading;
  - (3) Exercising judgment and care in the selection of modes of transportation and carriers;
  - (4) Preparing and issuing Government Bills of Lading;
  - (5) Tracing lost or delayed shipments and preparing and submitting sufficient data to the Transportation Officer for processing claims.
- c. Consignees and Authorized Receiving Personnel. Personnel authorized to receipt for Government property shall:
- (1) Sign the carrier's delivery receipt or freight bill as well as the consignee copy thereof and retain the consignee copy as evidence of receipt.
  - (2) Ascertain that GBL number is shown on the delivering carrier's documents and on the consignee copy.
  - (3) Thoroughly inspect all property received for apparent loss or damage and noting such discrepancies on the delivering carrier's documents and consignee's copies. The notations must be signed by the consignee and the carrier's driver or representative for the purpose of supporting claims, deductions or suspension of the carrier's billing.

- (4) Assure that the carrier performs all services prescribed on the Government Bill of Lading and immediately notify the Paying Office of any services not furnished by the carrier. In the case of shipments from the FAA Depot, immediately notify the Traffic Section, AAC-433 of any services not furnished. (See reverse of SF-1103b.)
- (5) Forward to the Transportation Officer all data and documents on lost, short, or damaged shipments to support claims, deductions or suspension of the carrier's billings.

Exception: Discrepancies on GSA shipments shall be processed in accordance with GSA Handbook, "Over, Short or Damaged Shipments", from GSA, FPMR 101-26.307.

- (6) Specify on the face of the GBL any additional accessorial or special services ordered and received. (See reverse of SF-1103.)
6. APPOINTMENT OF TRANSPORTATION AGENTS. Each Airway Facilities Sector Office and the AF Staging Area will designate a principal and alternate person in writing to act as Transportation Agent with delegated authority to issue Government Bills of Lading for shipment of Government property in support of all FAA facilities within the Sector.
  7. TRANSPORTATION ASSISTANCE. Guidance and assistance shall be requested from Transportation Officer in the Regional Office. The Transportation Officer may utilize the services of the General Services Administration to obtain information pertaining to rates, routes, commodity classifications and other transportation and technical traffic data.
  8. INSURANCE AGAINST TRANSPORTATION HAZARDS. It is the policy of the Government not to insure its own risks. The Government does not purchase insurance, is a noninsurer of its property while in possession of commercial carriers and, except for the legal liability of the carrier, assumes the risk of loss.
  9. MODES OF TRANSPORTATION. Described below are various modes of transportation service available for shipment of Government property, each having specific advantages and disadvantages with respect to cost, service, urgency, convenience, and other factors.
    - a. Parcel Post.
      - (1) Packages within weight and size limits established by the Post Office Department will be sent by parcel post. Use air parcel post only for shipments requiring expeditious handling. Under normal circumstances, insurance is not purchased.

Special-circumstances may warrant certified mail coverage to provide a means of tracing a shipment where a replacement is not available and the supply need is critical. "Postage and Fees Paid" labels will be used.

- (2) Weight and size limits for surface parcel post vary by class of post office. Contact the Postal Service for current rates and regulations.
  - (3) In no case will Government Bills of Lading be used for parcel post shipments.
  - (4) Although parcel post is the most economical mode of transporting property which falls within prescribed size and weight limitations, it is not considered to be economical to divide a single shipment into packages or cartons merely to meet such limitations.
- b. Air Freight. This mode of transportation is primarily designed to provide an expeditious service for larger items between airports. Tariffs do not include pickup and delivery service without an extra charge. It is used where the urgency factor outweighs the cost factor, for urgent shipments. Only minimum packing is required, which may enter into cost considerations by other means of transportation. This mode of transportation requires the use of a Government Bill of Lading.
- c. Motor Carrier. Motor carrier service is available under four different categories:
- (1) Local Drayage. Any haul by motor carrier within a municipality or metropolitan area, between adjoining municipalities, from a local freight station, or over routes not served by common carriers is generally defined as local drayage. Local GSA contracts for drayage are not mandatory but should be used whenever possible to effect savings. Field offices may issue Standard Form 44 or use imprest cash for payment of drayage services not exceeding \$100.
  - (2) Regular Route Common Carrier. Interstate regular route common carriers are regulated and certificated by the Interstate Commerce Commission to operate over established routes and serve the majority of field offices and facilities within the continental United States. Even though a minimum charge is assessed for less than truckload (LTL) shipments, this service is considered to be the most economical and efficient mode of transportation. A comparison of the rates and charges should be made before designating this mode as the one to be used. A Government Bill of Lading must be used.

- (3) Irregular Route Common Carrier. Interstate irregular route carriers are regulated and certificated by the Interstate Commerce Commission to operate in established territories rather than over particular routes. They serve most points off major highway systems. This mode of transportation is usually more costly than regular route common carriers. Generally, there is a 7,000 pound volume minimum charge and reduced rates on higher volume minimums. This mode affords special equipment for handling heavy, bulky, or cumbersome material delivered at the site location. A Government Bill of Lading is required.
- (4) Van Service. This is a specialized service provided by motor carriers which eliminates the necessity of packing and crating, and provides maximum protection of cargo with a through service to the consignee when load and minimum weight requirements are met. It is one of the most costly modes of transportation. When less than vanload shipments are made, the shipper is obligated to pay a minimum charge.

Van service is normally used for transporting household goods, electronic equipment destined for remote sites that cannot be delivered by freight, and for shipments where the cost is equal to other means by virtue of savings in packing and crating.

- d. Rail. It is generally most economical and practicable to forward shipments of considerable bulk and weight by rail.

While this is especially true of freight which assumes carload proportions, a careful comparison of rates between rail and motor carrier should be made. This mode of transportation requires use of a Government Bill of Lading. Generally, pickup at origin and delivery service at destination is not provided by rail carriers.

- e. Bus. Bus lines offer package services for shipments not exceeding 100 pounds per container. This mode is considered to be premium transportation and is to be used only when no other mode can supply the service within the time required. Service is usually excellent, although no pickup nor delivery service is provided by the bus line. A Government Bill of Lading is required.

10. BILLS OF LADING. Bills of lading fall in two categories - U. S. Government and commercial. Both are contracts for transportation service between the carrier and the shipper. When prepared, the bill of lading becomes a contract. The Transportation Officer and Transportation Agents normally must use Government bills of lading for

shipment of Government property whenever bills of lading are required. Parcel post shipments and local drayage and hauling do not require bills of lading.

- a. Commercial Bills of Lading: Every effort should be made to avoid shipping Government property on a commercial bill of lading since payment of transportation charges to commercial carriers ordinarily will not be made by the Government on commercial documents alone except where charges do not exceed \$100. (Ref. Order 4770.2.) Emergency shipments may be made on a properly documented commercial bill of lading when a GBL is not readily available.

- (1) When a Government shipment with charges exceeding \$100 is forwarded on a collect commercial bill of lading, collect commercial express receipt, or other forms customarily provided by commercial carriers, the following notations will be placed on the original and all copies of the commercial document:

"To be converted to a Government Bill of Lading"

- (2) Conversion of commercial shipping documents shall be made by the Transportation Officer in the Regional Office or the Transportation Agent at the office or facility where shipment was authorized, in accordance with Chapter 6, GSA Handbook, "How to Prepare and Process Government Bills of Lading." (February 1974)
- (3) Transportation charges for domestic freight shipments may be paid from Imprest funds at origin or destination where the charges do not exceed \$100 per shipment and the shipment moves under commercial forms and procedures. Charges must be billed by and paid to ORIGIN carrier ONLY, and may be paid in advance of completion of providing the services. Carriers or forwarders must present the usual ticket, receipt, bill of lading, or equivalent shipping document covering the services involved, subject to later recovery by deduction or otherwise of any payments made for any services not received as ordered.

- b. Government Bills of Lading.

- (1) The U. S. Government Bill of Lading, SF-1103, is used by the U. S. Government for procurement of transportation services when freight charges are to be paid by the Government directly to the carrier.

- (2) The issuance of a Government bill of lading after the service is performed is prohibited, except when issued to convert from a commercial shipping document. The issuance of a duplicate of an original U. S. Government bill of lading is prohibited.
  - (3) Government bills of lading are serially numbered and are accountable documents. Control shall be maintained by Transportation Officer on the Standard Form 1129, Bill of Lading Accountability Record.
- c. Requisitioning Government Bills of Lading. Bulk supplies of Government Bills of Lading are requisitioned by the Transportation Officer from the appropriate GSA office.
  - d. Requests for Government Bills of Lading.
    - (1) Transportation Agents may request GBL's by telephone to the Transportation Officer, who will issue on FAA Form 251, Memorandum Receipt. The Transportation Agent will sign for receipt on this form and return to ACE-55.
    - (2) Field offices requiring issuance of U. S. Government Bills of Lading will process a request for GBL (CE Form 4470-1) to a transportation agent serving his locality or, where none is available, to the Transportation Officer in the regional office.
  - e. Return of Unused Government Bills of Lading. Government bills of lading which have been issued for a specific shipment will be promptly returned to the issuing Transportation Agent for cancellation if the shipment is not accomplished. Transportation agents will return the original (SF-1103) of all GBL's which have been cancelled, mutilated, or voided, to the Transportation Officer. "CANCELLED" and the reason therefor must be written across face of GBL and recorded in the accountability record. No GBL will be intentionally destroyed.
  - f. Government Bills of Lading Issued by Other Offices. Correspondence pertaining to Government bills of lading issued by an agency office (i.e., region, headquarters, depot, NAFEC) other than the correspondent's own office, will be directed to the issuing office.
11. PREPARATION OF GOVERNMENT BILLS OF LADING. Government Bills of Lading shall be prepared by the Transportation Officer and Agents in accordance with GSA Handbook "How to Prepare and Process U. S.

Government Bills of Lading," (February 1974). Title of issuing officer will be shown as, Transportation Officer, or Transportation Agent. The issuing office block must be filled out completely, however, signature of issuing officer is optional.

- a. Distribution. When a shipment has been picked up by a carrier, and the U. S. Government bill of lading properly annotated (date of pickup and signature) by the carrier or his agent, the disposition of the bill of lading is as follows:

- (1) The initial carrier will be given the following completed documents, and carrier(s) involved in the routing are responsible for custody of them;

SF 1103, the original GBL, contains the terms and conditions of the contract of transportation, the description of the articles comprising the shipment, and the certificate of delivery. It becomes supporting evidence for the voucher covering the transportation charges involved.

SF 1104, the shipping order, is retained by the carrier's agent at shipping point.

SF 1105, the original freight waybill, accompanies the shipment or is otherwise conveyed to the destination in accordance with carrier instructions. If the original GBL is lost or destroyed, this copy is used as the billing document.

- (2) SF 1103a, Memorandum, 3 copies (Yellow)  
(a) One retained by issuing office for files  
(b) Two copies forwarded to ACE-55
- (3) SF 1103b, Consignee copy (Blue). Forward to consignee immediately after shipment has been picked up.

- b. Alteration. No changes or alterations are to be made on a Government bill of lading without obtaining the authorization, erasures, interlineations or alterations of the Government bill of lading must be initialed by the person making them at or near the change.

12. LOSS OF ORIGINAL BILL OF LADING, STANDARD FORM 1103. Certificate-in-lieu of Lost Government Bill of Lading will no longer be used. The carrier's freight Waybill-Original (SF-1105/SF-1133) shall be

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used as the substitute for lost original GBL in accordance with Chapter 5 of GSA Publication, "How to Prepare and Process U. S. Government Bills of Lading" (February 1974).

  
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Executive Officer