June 24, 2015

## GSA Bulletin FMR D-2 FEDERAL TRANSPORTATION MANAGEMENT

TO: Heads of Executive Agencies<sup>1</sup>

SUBJECT: Procurement of Transportation (Freight or Cargo, including Household Goods) and Transportation-Related Services.

- 1. What is the purpose of this bulletin? This bulletin identifies and provides information about rate tenders and Federal Acquisition Regulation (FAR) contracts, by which executive agencies can procure transportation for freight or cargo, including household goods, and transportation-related services.
- 2. What is the effective date of this bulletin? This bulletin is effective on June 24, 2015.
- 3. When does the bulletin expire? This bulletin remains in effect until cancelled.
- 4. What is a rate tender? The Federal Management Regulation (FMR), 41 Code of Federal Regulations (CFR), part 102-117- Transportation Management, Subpart A General, defines a rate tender as "an offer a TSP [Transportation Service Provider] sends to an agency, containing service rates and charges."
- 5. <u>Under what authority does an agency have to seek rate tenders?</u> Agencies may acquire transportation by a rate tender under the provisions of 49 U.S.C. 10721 and 49 U.S.C. 13712, which provide that carriers are permitted to provide "transportation or service" for the United States Government without charge or at a rate reduced from the applicable commercial rate. Additionally, the U.S. General Services Administration (GSA) has authority under 40 U.S.C. 501 to acquire transportation and traffic management services for executive agencies.
- 6. <u>How is a rate tender solicited?</u> A rate tender is solicited by the Government through a Request for Offers or a One-Time-Only Solicitation and may be negotiated with the TSP.
- 7. What are the choices that an agency has using a rate tender or a contract? The FMR at 41 CFR 102-117.30 identifies the four choices that agencies have when procuring transportation or related services.
- 8. How do I know whether to choose a rate tender or a contract? An agency should take into consideration its mission and relevant policies, as well as the criticality and

<sup>&</sup>lt;sup>1</sup> In accordance with 40 U.S.C. 501(a)(2), this bulletin does not apply to the Department of Defense.

timeliness of the transportation requirements in determining the appropriate transportation procurement method.

- 9. What are the advantages and disadvantages of using a rate tender or a contract? The advantages and disadvantages of rates tenders are discussed in the FMR at 41 CFR 102-117.55 and for contracts in the FMR at 41 CFR 102-117.50.
- 10. Where can I find information on rate tenders? Information about and related to rate tenders can be found in:
  - A. The FMR, 41 CFR part 102-117- Transportation Management.
  - B. The U.S. Government Freight Transportation Handbook, published by GSA, which is available through a search of the Handbook's title at <a href="http://www.gsa.gov">http://www.gsa.gov</a>.
  - C. Information about GSA transportation offerings for transportation of freight, cargo including household goods, and related services procured through rate tenders is available at <a href="http://www.gsa.gov/transportation">http://www.gsa.gov/transportation</a>.
- 11. Where can I find information about transportation contracts? FAR, 48 CFR part 47-Transportation, provides information about contracts for the procurement of transportation. FAR part 47 addresses procedures for acquisition by sealed bid or negotiated contracts for freight transportation (including local drayage) from rail, motor, domestic water (including inland, coastwise, and intercoastal) carriers, and from freight forwarders and transportation-related services, including but not limited to, stevedoring, storage, packing, marking, and ocean freight forwarding. Information about GSA Schedule 48 Transportation, Delivery and Relocation Services is available at <a href="http://www.gsa.gov/tdrs">http://www.gsa.gov/tdrs</a>.
- 12. <u>Is there any training available regarding rate tenders or contracts?</u> The GSA Office of Government-wide Policy's (OGP) Federal Transportation and Logistics Management eLearning knowledge portal (eLearning Portal) located at <a href="http://transportationofficer.golearnportal.org/">http://transportationofficer.golearnportal.org/</a> offers online training in transportation, traffic management, and logistics management at no cost to agencies. One of the training programs available at the eLearning Portal is the Federal Transportation Officer Training Program, which offers the following sessions on this topic: Tenders of Service, One-Time-Only Rates, and Contracts. The Federal Acquisition Institute (FAI) also offers online contracting training.

13. Who should we contact for further information? Contact OGP, Office of Asset and Transportation Management, Transportation Policy Division via email at GSA-OGP-Transportationpolicy@gsa.gov.

By delegation of the Administrator of General Services,

Giancarlo Brizzi

Acting Associate Administrator Office of Government-wide Policy

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