GENERAL SERVICES ADMINISTRATION

Washington, DC 20405

December 1, 2016

Federal Management Regulation

BULLETIN FMR D3-2017

Transportation Prepayment Audit Requirements

TO: Heads of Federal Agencies

SUBJECT: Revised Agency Transportation Prepayment Audit Requirements

1. What is the purpose of this bulletin? This bulletin provides agencies notice of a governmentwide policy revision for mandatory transportation prepayment audit plans.

2. What is the effective date of this bulletin? This bulletin is effective on December 1, 2016.

3. When does the bulletin expire? This bulletin will remain in effect until explicitly superseded or cancelled.

4. What is the background? On September 22, 2016, a final rule to 41 CFR §102-118 was published in the Federal Register (81 FR 65296 September 22, 2016). This rule prohibits agencies from using prepayment auditors that have any affiliation with or financial interest in the transportation company providing the transportation services for which the prepayment audit is being conducted. Additionally, if a move manager is utilized, the move manager may not have any affiliation with or financial interest in the transportation company providing the transportation services for which the prepayment audit is being conducted.

5. What should agencies do as a result of this bulletin? Agencies should review their transportation prepayment audit plan(s) and corresponding policies to ensure they comply with the requirements (41 CFR 102-118.275). If your agency’s prepayment audit plan(s) or policies do not comply with the regulation you must correct the issue. For example if your agency uses a move manager for relocation services and this move manager also performs transportation prepayment audits for your agency relocation services you must modify agreements to comply with the regulation.

6. Is there a deadline for compliance? Agencies currently not in compliance with the requirements must do so by March 31, 2017.

7. Are there consequences if my agency does not comply with the regulation? Agency officials certifying transportation vouchers are liable for verifying the accuracy of transportation billing instruments or transportation requests undergoing a prepayment audit (31 U.S.C. 3528). Non-compliance may result in a negative impact on the agency’s transportation budget and compliance scorecard.

8. If there is a change to my agency prepayment audit plan, must I notify GSA Transportation Audits Division? Yes. As prescribed in 41 CFR §102-118.320, submit a copy of your agency’s Chief Financial Officer approved Prepayment Audit Plan to GSA Transportation Audits Division by email to [Audit.Policy@gsa.gov](file:///C:\Users\ronaldjsiegel\Downloads\Audit.Policy@gsa.gov). Subject line: Agency PPA-Revised.

9. Where can I find additional information on what types of prepayment audit plans are acceptable? 41 CFR 102-118.275(c) enumerates agency choices for selecting a prepayment audit plan.

10. Who do I contact for additional information? For questions regarding your agency’s transportation prepayment audit plan, contact the GSA Transportation Audits Division Prepayment Audit Program via email at [Audit.Policy@gsa.gov](mailto:Audit.Policy@gsa.gov). For additional information on prepayment audit plans please navigate to <http://www.gsa.gov/portal/content/100057>.

For questions or comments regarding this bulletin, contact GSA Office of Government-wide Policy, Office of Asset and Transportation Management, Transportation Policy by email at [GSA-OGP-Transportationpolicy@gsa.gov](mailto:GSA-OGP-Transportationpolicy@gsa.gov).

By delegation of the Administrator of General Services.



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