United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

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TAKE PRIDE IN AMERICA

FINANCIAL ADMINISTRATION MEMORANDUM NO. 2006-016 (II.G.1)

To: Director, Office of Acquisition and Property Management
Bureau Assistant Directors, Administration
Chief Executive Officer, National Business Center
Bureau Finance Officers

From: Mona S. Williams
Focus Leader, Asset and Debt Management
Office of Financial Management

Subject: Prepayment Audit of Government Bills of Lading (GBL)

The purpose of this Financial Administration Memorandum (FAM) is to establish policy and procedures for gathering and reporting savings from GBL prepayment audits. The Travel and Transportation Reform Act of 1998, Section 3, requires agencies to have all GBLs audited prior to payment. Bureaus have outsourced this service to either a move management company or a vendor specializing in prepayment audits.

Prepayment audit vendors should provide the bureaus with periodic reports showing at a minimum the number of and value of GBLs reviewed, the savings generated, and the cost of the prepayment audit service. Bureaus should monitor reported vendor prepayment audit activity and validate that the amounts reported as savings are correct.

Prepayment audit activity is reported annually in the Department's Performance and Accountability Report (PAR). Accordingly, prepayment audit activity reports are required from each bureau, the National Business Center, and the Office of the Secretary no later than five business days following the close of the prior fiscal year. These reports should contain the following information for each prepayment audit vendor separately, and should cover the entire fiscal year:

- Number of GBLs processed by the vendor
- Dollar value of these GBLs processed
- Number of GBLs with savings
- Dollar value of savings

GBL prepayment audit savings reports should be forwarded to the Office of Financial Management, Attn: Asset and Debt Management. Please direct any questions on this subject to Dorothy Sugiyama at (202) 208-5789.

Prior Financial Administration Memoranda on this subject:

FAM 98-031 (II.G.1) dated 11/16/98 (active)
FAM 03-021 (II.G.1) dated 9/24/03 (active)