

DECISION



**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

FILE: B-216116 **DATE:** February 12, 1985
MATTER OF: Towne International Forwarding, Inc.

DIGEST:

In computing payment to a carrier for shipping household goods, the agency properly applied rates in an industry-wide tender in lieu of higher rates in the carrier's own tender, where the latter provided that the lowest available rates should apply.

Towne International Forwarding, Inc. (Towne), requests that our Office review audit actions by the General Services Administration (GSA) with respect to 27 shipments of household goods in interstate commerce from the Naval Air Station (NAS), Jacksonville, Florida, to various destinations in the United States.

We sustain GSA's audit actions.

Each of the 27 shipments was a "Code 1" shipment, which means that it involved the door-to-door movement of household effects by motor van. (A Code 2 shipment involves movement in container service.) For the services performed, Towne originally claimed and was paid, prior to audit, charges computed on the basis of "single factor" rates published in Towne's own government Rate Tender 2041. On audit of the payment vouchers, however, GSA computed the applicable charges on the basis of the lower "segmented rates" in Military Rate Tender (MRT) 1-M, published by the Household Goods Carriers' Bureau, and then recovered the overcharges by administrative set-off. Single factor rates are inclusive of the services of packing, loading and unloading, line-haul, unpacking, placing at destination, servicing and unservicing at destination, and tolls and other accessorial charges; segmented rates are rates separately stated for each transportation service.

Carrier's who are parties to MRT 1-M publish segmented rates on Code 1 service between all points in the United States other than Alaska and Hawaii. Towne is a party to MRT 1-M. (Single factor rates on Code 2 service are also published in MRT 1-M.) Towne has also, individually,

published single factor rates in Tender 2041 applicable to Code 1 service from NAS Jacksonville, Florida, to points in 17 specified states and the District of Columbia.

Towne contends that Tender 2041 was intended to replace with single factor rates the segmented rates for Code 1 service published MRT 1-M. GSA argues that there is nothing in either MRT 1-M or in Tender 2041 which prohibits the application of the segmented rates in MRT 1-M or which provides that the single factor rates in Tender 2041 will take precedence. On the contrary, GSA notes, the "Alternations" provision of Tender 2041 expressly provides that the tender does not apply where there are lower rates otherwise applicable for the same service.

We agree with GSA. There is nothing in MRT 1-M that limits application of the segmented rates on shipments via Towne. Neither is there any provision in Tender 2041 stating that the rates published in that tender will apply regardless of other lower rates. In fact, as GSA points out, Tender 2041 expressly provides that the tender will not apply where the charges accruing under it exceed charges otherwise applicable for the same service. Therefore, by the terms of Tender 2041 the lower segmented rates in MRT 1-M apply in preference to the single factor rates in Tender 2041.

GSA's audit actions are sustained.



Comptroller General
of the United States

Current Documents

Addressee: Town Intendat family, Inc.

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Accession No.: 031213

Budget Function:

Congressional Name:

Contact Code: X0124000

Congressional Code:

Signatory Witness:

Requester:

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Descriptive Note:

Organizations:

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Index Terms:

Howland yds.
~~At...~~
Township expenses, rates
~~Authority provided.~~
When allowed.
On highways.

Law Authority:

Identifiers:

Personal Names:

Possible Subject Terms: