an audit of the restructuring proposal; a determination by the contracting officer of overall reduced costs to DoD/NASA; and an Advance Agreement setting forth a cumulative cost ceiling for restructuring projects and the period to which such costs shall be assigned.”


Subpart 242.14—Traffic and Transportation Management

242.1402 Volume movements within the contiguous United States.

(a)(2) In reporting planned and actual volume movements—

(A) The contracting officer—

(i) Provides production schedules and planned destinations to the servicing transportation office as soon as the information is available to permit the transportation office to determine if volume movements will occur. If a volume movement appears likely, the transportation office reports a planned volume movement in accordance with DoD 4500.9–R, Defense Transportation Regulation, Part II, Chapter 201.

(ii) Sends a copy of the volume movement report to the contract administration office.

(B) The contract administration office submits a volume movement report when—

(i) Significant changes are made to the movement requirements; or

(ii) The contracting office did not submit a report.

(C) Include the destination country, freight forwarder, and, if known, port of embarkation on volume movement reports for foreign military sale shipments.


242.1403 Shipping documents covering f.o.b. origin shipments.

(a)(i) Procedures for the contractor to obtain Government bills of lading are in the clause at 252.242–7003, Application for U.S. Government Shipping Documentation/Instructions.

(ii) The term “commercial bills of lading” includes the use of any commercial form or procedure.


242.1404 Shipments by parcel post or other classes of mail.

242.1404–1 Parcel post eligible shipments.


242.1404–2 Contract clauses.

When using FAR 52.213–1, Fast Payment Procedures, do not use FAR clauses 52.242–10, F.o.b. Origin—Government Bills of Lading or Prepaid Postage, or 52.242–11, F.o.b. Origin—Government Bills of Lading or Indicia Mail.

242.1404–2–70 Additional clause.


242.1405 Discrepancies incident to shipment of supplies.

(a) See also DoD 4500.9–R, Defense Transportation Regulation, Part II, Chapter 210, for discrepancy procedures.

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242.1470 Demurrage and detention charges.

(a) Carrier demurrage rules usually allow for a “free time” for loading or unloading cars or for any other purpose, and impose charges for cars held beyond this period. If a contractor detains railroad cars beyond the “free time,” the contractor has to pay the carrier’s published tariff charges for demurrage.

(b) Detention results when a shipper or consignee holds motor carrier equipment beyond a reasonable period for loading, unloading, forwarding directions, or any other reason. Detention rules and charges are not uniform; they