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UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

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MEMORANDUM FOR COMMANDER IN CHIEF, U.S. TRANSPORTATION COMMAND

SUBJECT: Collection of Reimbursables from Non-DoD Customers

The collection of reimbursables from non-DoD customers has been a long-standing problem that threatens to increase rates. This problem could be largely minimized if the practice of third party billing is discontinued.

For Hurricane Georges, FEMA generated at least a hundred Requests for Federal Assistance (RFAs). These RFAs were not directed to USTRANSCOM. However, USTRANSCOM actually provided the transportation for the DoD organization that provided the overall RFAs assistance to FEMA. The problem is that USTRANSCOM does not bill the DoD organization that required the transportation. It attempts to bill the RFAs originator, FEMA. Even when USTRANSCOM obtains copies of the RFAs, it is not always clear which RFAs were connected to which transportation service. Understandably, FEMA requires that each bill be clearly linked to one of their RFAs before they will pay.

In order to help solve this problem, effective immediately, you are to collect from the customer that requests your services (i.e., cease being a third party collector). This is consistent with PBD 410 of December 21, 1998.

Alice C. Maroni
Principal Deputy Under Secretary
of Defense (Comptroller)

cc: ASA (FM&C)
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