

Department of Veterans Affairs

Memorandum

Date: February 26, 2014

From: Assistant Inspector General for Audits and Evaluations (52)

Subj: Request Close-out, Hotline Referral (2013-03380-HL-0902), Overcharging for POV Shipping During PCS

To: Director, Hotline Division (53E)

Request the close-out of the subject hotline referral. The Office of Audits and Evaluations (OAE) was unable to substantiate the allegations.

On June 17, 2013, OAE accepted the subject referral. OAE staff contacted the VA Travel Manager to inquire about the specifics of the current contract for shipping vehicles during an authorized permanent change of station (PCS) move. VA's shipping rates are negotiated and provided to VA by GSA, much like the air fares used for official government travel. The complainant alleged VA was being overcharged for the movement of personal vehicles during PCS moves. The complainant indicated he moved from (b) (3) IG ACT to (b) (3) IG ACT. When he used a vehicle carrier's website, the complainant received a quote of \$850 for shipping his vehicle from point to point. In comparison, VA shipped his vehicle at approximately \$2,000. Alleging 'price-guaging' and 'apathy on the part of the PCS counsellor', the complainant wanted to be considered for an award of the difference in the shipping costs.

Our review consisted of contacting over 40 vehicle shipping companies. Based on the zip codes, the commercial estimates provided ranged from \$800 to \$1,400 for simply shipping a vehicle from one location to the other. However, once we started adding the 'options' on the commercial website for the specific items already included in the GSA contract for officially shipping cars to the same zip codes, the the quote ranged from \$1,100 to to \$2,300. VA's vehicle shipping contract includes (not as an option):

- True Door to Door Pickup & Delivery
- Expedited Delivery, if needed, at a preset cost
- Guaranteed on-time pick and delivery dates
- Insured and bonded drivers
- Minimum \$20,000 liability coverage per vehicle
- Enclosed shipment if needed
- Personal move coordination
- Satellite tracking on most equipment

We concluded that the vehicle shipping rates for the contracts used by VA include items at a comparable, if not cheaper, rate than those available on most commercial websites.

OAE did not find data or testimonial support to give credence to the allegations.

A handwritten signature in black ink, appearing to read "David S. Engelen", with a long horizontal flourish extending to the right.

DAVID S. ENGELEN
Executive Assistant
for Audits and Evaluatioins