



# **Transportation Service Provider (TSP) Qualifications**

**December 1, 2008**  
SDDC PAM 55-4

## List of Changes

Version No	Description	Revision Date	Page Numbers
		<b>Nov 20, 07</b>	
	Renamed/re-dated booklet to Transportation Service Provider (TSP) Qualifications/November 20, 2007		Title page
	Deleted all references to List of Countries and Codes of Service (LOCCS)		Entire Document
	Replaced all references to PPQWEB with DPS		Entire Document
	Inserted "Mobile Home/Boat Rate Solicitation"		Page 5
	Changed trusted agent inclusion from the ETOSSS to ETA		Page 6
	Added "Change of Ownership" form is now submitted via DPS		Page 9
	Added "Change of Name/SCAC" form is now submitted via DPS		Page 9
	Added "Insurance/Bond Cancellation" form is now submitted via DPS		Page 10
	Listed the new roles beneath ETA User Management		Page 21
	Provided Document Status Screen definitions for DPS and removed PPQWEB document status definitions		Page 22
	Inserted "Go to Form" direction for Form Completion instructions		Page 23
	Changed ETA Userid/Password/document submission instruction to reflect DPS procedure		Page 24
	Changed ETOSSS form completion instruction to reflect DPS data fields		Page 24-25
	Inserted Defense Personal Property System (DPS) definition		Page 29
	Removed PPQWEB definition		Page 31
	Replaced How to Do Business Book reference with TSP Qualifications Business Rules within Contact Information		Page 34
	INTRO - Changed Appendix B to Attachment U-R	1 Dec 08	Page 5
	Renumbering Paragraphs under 2.0	1 Dec 08	Pages 6-19
	2.1.4 – deleted "On-Line" added via DPS	1 Dec 08	Page 7
	2.1.8 - Changed Fax number	1 Dec 08	Page 9
	2.2.4 Verbiage Clarification	1 Dec 08	Page 14-15
	Changed Appendix B to Attachment U-R	1 Dec 08	Page 25

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## 1.0 Introduction

Currently approved Transportation Service Providers (TSPs) and New Entrants, are welcome. This booklet is intended to give you guidance on what you must do to demonstrate your qualifications to do business in the domestic and international personal property programs. The booklet addresses Qualification Requirements (Section 2.0), TSP Application Submission Instructions (Section 3.0), and also addresses Definitions (Section 4.0). Section 2.1 addresses the mandatory requirements, qualification requirements for NEW Entrants, and additional market approval. New Entrants and expanded market approval will only be considered during an open season (the time when applications are accepted for new entrants and additional approvals). New entrants are classified as both new TSPs requesting initial approval and TSPs requesting re-qualification after prior approval has been revoked.

***All forms must be successfully submitted through DPS before the TSP's request for approval will be reviewed and processed (a complete package).***

Open seasons will be announced via our Military Surface Deployment and Distribution Command (SDDC) homepage ([www.sddc.army.mil](http://www.sddc.army.mil)).

This document does not apply to the Non-Temporary Storage program, the Direct Procurement Method program, or the Privately Owned Vehicle program. This document does not apply to packing Agents.

**All qualification documentation being submitted by or on the behalf of the President/CEO will be as if the President/CEO are verifying, agreeing to, signing and submitting all qualification documents that are required. All qualification forms, as outlined below, must be submitted via DPS in accordance with the required timeframes established.**

**A TSP's qualification file that is not maintained and/or being kept up to date/edited by or on behalf of the TSP, will be grounds for revocation of DOD approval in the Personal Property Program.**

The DOD Personal Property Program has four components:

- a. Domestic Personal Property Program – Interstate and Intrastate shipments within CONUS
- b. International Personal Property Program – Shipments to/from CONUS/OCONUS as well as shipments between OCONUS destinations
- c. Mobile Home Personal Property Program – Movement of mobile homes within CONUS using One-Time-Only rates
- d. Boat Personal Property Program – Movement of boats within CONUS using One-Time-Only rates

TSPs wanting to participate in any of these programs must be approved by SDDC before filing rates. Qualification involves, among other things, satisfying the Tender of Service (TOS), International, Domestic, and Mobile Home/Boat Rate Solicitations, PowerTrack agreement and certifications, as

applicable. Be aware that the cost of financial statements, performance bonds, certificates of cargo liability insurance, and other approval documentation are the responsibility of the TSP and are considered part of the cost of doing business with the Government.

We recommend that all participants **read** the TOS, which is located in Attachment U-R of the Defense Transportation Regulation (DTR) Part IV, DOD 4500.9R. Please see Section 6.0 of this document for a link to the TOS. The TOS is the basic document that specifies the terms and conditions of participation in the program. The TOS provides details concerning qualification procedures, mutual agreements and understandings, service and performance requirements and certifications. SDDC reserves discretion to exercise judgment in deciding approval authorizing TSPs to offer transportation services in support of the program, but does not guarantee award of shipments; traffic distribution is based on the procedures outlined in the DTR Chapter 402.

Currently approved TSPs have no entitlement to remain in the program. To remain in the program, currently approved TSPs must maintain all required documents and certifications in a current status in accordance with this booklet. Once qualified, a TSP's approval to participate in the program is valid unless the TSP fails to maintain other program requirements, e.g., those identified in the TOS, the international solicitation, domestic solicitation, the mobile home/boat solicitation or this qualification booklet.

Participation in the Department of Defense Personal Property Program:  
SDDC reserves the right to revoke any TSP's approval at our sole discretion.

## **2.0 Qualification Requirements**

### **2.1 Mandatory**

#### **2.1.1 Standard Carrier Alpha Code (SCAC)**

TSPs must obtain and maintain its unique valid four-digit alpha code from the National Motor Freight Traffic Association (NMFTA), 1001 N. Fairfax Street, Suite 600, Alexandria, Virginia 22314, (703) 838-1831. Each TSP doing business as a motor carrier, freight forwarder or broker, must have its own SCAC. The SCAC is required on all correspondence to the government for identification purposes. NMFTA charges an annual fee to maintain SCACs. Failure to maintain a valid SCAC at all times will result in removal from the program.

#### **2.1.2 PowerTrack**

All TSPs wishing to perform transportation related services for the DOD must have and maintain a trading partner agreement with US Bank and be PowerTrack certified for the electronic payment of commercial transportation services prior to applying for approval. PowerTrack is the payment and transaction system for all DOD TSP's handling personal property. Failure to execute and maintain this agreement and certification will result in approval being denied for New Entrants or removal from the program for existing TSPs.

**US Bank/PowerTrack Help Desk** can be reached at 866-561-6930 (Domestic) and 0-800-101-5396 (International). The email address is **PowerTrack@USBank.com** and the subject should show

“HHG”. These numbers are available 24/7. Additional information on PowerTrack is available at [www.usbank.com/powertrack](http://www.usbank.com/powertrack).

### **2.1.3 Central Contractor Registration (CCR)**

All TSPs doing business with DOD must be registered in the CCR database. Consideration of TSPs for future participation in SDDC procurements of transportation and transportation services, future solicitations, awards, and payments will be based on CCR registration. TSPs register only once, but must update information annually. TSPs should register directly via the Internet at [www.ccr.gov](http://www.ccr.gov). CCR customer service is available through the CCR Customer Service Center at (888) 227-2423 or (269) 961-5757.

### **2.1.4 Electronic Transportation Acquisition Registration**

#### **a. Authentication General**

All TSP and/or TSP Representative information submitted via DPS will require authentication using SDDC’s Electronic Transportation Acquisition (ETA) system. TSPs seeking qualification approval, as well as currently approved TSPs editing/submitting information to maintain approval, will need an ETA account. Refer to Section 3.0 on ETA User Management for details on registering for an ETA account. The following roles are available for selection:

- Transportation Service Provider (TSP)
- TSP Representative/Business Partner/Agent
  - Insurance Representative (Insurance Company)
  - Bond Representative (Surety Company)
  - Financial Representative (CPA [Certified Public Accountant])

#### **b. Trusted Agents**

The Trusted Agent serves as the single point of contact for the ETA Administrator in the processing of password requests. The Trusted Agent is an individual within the transportation provider’s company who has the confidence of the president and other company officers and who can easily be contacted by the ETA Administrator. The ETA Administrator will contact the appropriate Trusted Agent for access approval. Each company will designate their Trusted Agent(s) within their ETA UserID/password request. The ETA Administrator will only contact the alternate Trusted Agent, if designated, when the primary cannot be reached or fails to respond.

### **2.1.5 Digital Identity Certificate Requirement**

**The implementation date for digital certificate is currently on hold.** DOD will require that all users of DOD systems use digital certificates to access those DOD systems. Commercial users (TSP, TSP’s Bond Representative for the Performance Bond, Insurance Representative for the Cargo and Liability Insurance, and Financial Representative for the submission of financials) must obtain a digital certificate from one of the External Certificate Authority vendors at a cost. At a minimum you must purchase the “identity” certificate. Some of the

vendors offer “encryption” certificates for use with E-mail but that is not required for use with ETA. Commercial users will not be able to access any of the DOD systems without the Digital Certificate. Be aware that each ETA user-ID may have only one unique certificate associated with it. You will be directed how to link your certificate to your ETA user-ID (i.e. TSP) on the ETA home page.

SDDC recommends companies purchase and begin to use the new digital capability before it becomes mandatory. Questions referring to Electronic Transportation Acquisition (ETA) should be directed to the ETA administrator, by clicking on Contact ETA email address at <https://eta.sddc.army.mil>. The most up to date information on Digital Certificate requirements is also available at this site.

The qualification process requires TSPs, their Bond Representative, Insurance Representative, and Financial Representative, to use a digital identity certificate from one of the authorized vendors. Please view the most current listing of authorized vendors within ETA for Digital Certificates.

- a. Operational Research Consultants (ORC), <http://eca.orc.com/>
- b. Verisign, <http://www.verisign.com/enterprise/government/ieca-DOD.html>

The authorized companies are the only companies approved to provide this capability to the DOD. A digital identity certificate is the digital equivalent of an ID card. For DOD military, civilians and authorized contractors, digital identity certificates will be located on a Common Access Card (CAC). For commercial users, it will be a file that resides on your PC. When you access a SDDC system, the system will check your PC for a digital identity certificate. If you have one, it will verify the user information and allow you to access the system(s) for which you have been approved. Using digital identity certificates provides a tighter security environment than user identifications and passwords.

### **2.1.6 Qualification Timeline**

TSPs seeking initial qualification as well as previously qualified TSPs seeking qualification in new markets must submit the required forms within the timeframe specified in the announcement during open season. Upon SDDC’s review of each submission, TSPs not meeting the qualification requirements will have seven calendar days from the date of notification from SDDC to correct deficiencies during the open season period, (which may come by telephone or email). After the seven-day correction period has passed, the corrected documentation will not be considered and the TSP will not gain approval. However, SDDC may consider extenuating or mitigating circumstances showing that the TSP was not responsible for failing to meet the deadline. SDDC reserves the right to revoke your approval at our sole discretion. TSPs not approved may re-apply during an open season.

### **2.1.7 Submission Requirements for Web Forms**

Web Forms include data captured in DPS for population of any/all TSP Qualifications forms/documents. To document compliance with the above qualification requirements, TSPs seeking approval must submit the following forms and documents electronically within the time frame specified during the open season. The following forms must be submitted via DPS:

- a. Electronic Tender of Service Signature Sheet (ETOSSS) submitted by the TSP (this is the first document that must be submitted by the TSP)
- b. Certificate of Cargo Liability Insurance submitted by the TSP's Insurance Representative
- c. Performance Bond (for Domestic Interstate and/or International) submitted by the TSP's Bond Representative
- d. Certificate of Independent Pricing (CIP) submitted by the TSP
- e. Financial Data/Statements (Audited or Reviewed Financial Data/Statements) submitted by the TSP's independent Financial Representative or CPA
- f. Certificate of Responsibility (COR) submitted by the TSP

### **2.1.8 Submission Requirements of Facsimile Submitted Documents**

Electronically submitted documents must be submitted to SDDC at (618) 220-5258.

- a. Proof of State Regulatory Compliance - the *only* operating authority acceptable to meet this requirement is State Permit or Articles of Incorporation (for Intrastate Program). Maritime Commission certificates and permits will not be accepted.
- b. Key Personnel Resumes or References (Only upon SDDC's request)
- c. Proof of Company Experience (Only upon SDDC's request)

### **2.1.9 Changes in Required Administrative TSP Information**

All DOD approved TSPs are required to notify SDDC within 45 calendar days of a change of ownership, a change of corporate name, or change of key personnel.

- a. *Change of Ownership:* When a company changes ownership, the company must fill out a "Change of Ownership Novation" within DPS. Additionally, a Novation agreement must be submitted electronically to SDDC at (618) 220-5258. Approval will be based on a review of the sales agreement and evidence to show that the new TSP complies with all qualification requirements. The new asset owner (transferee) must assume all obligations of the transferor. In addition, the seller/transferor (i.e. former owner) guarantees the performance of the contract or bill of lading by signing the Seller/Transferor Certification. The Novation Agreement is located at 2.5. of this book.
- b. *Change of Company Name and/or Change of SCAC:* When a company changes its name and/or SCAC, they must submit a "Name Change Notification" via DPS. The new SCAC has to be manually entered into DPS and the TSP will have to submit a new ETOSS for approval by SDDC. TSP should contact DPS Help Desk for further assistance.
- c. *Change of Key Personnel:* When a company changes key personnel they must submit an updated ETOSSS web form.

If the certifying official leaves the company or that position, new certificates of Independent Pricing and Responsibility must be certified and submitted by or on behalf of the higher ranking of the new president or Chief Executive Officer.

All other administrative changes need to be provided, as they occur. Failure to update forms/certifications or have your industry partners update forms as changes occur will likely result in your DOD approval being revoked.

### **2.1.10 Certificate of Cargo Liability Insurance**

For Domestic and International programs, the minimum cargo liability insurance coverage per shipment is \$ 50,000. The aggregate amount is \$150,000. The Certificate of Cargo Liability Insurance form located in DPS, must be submitted by the TSP's insurance representative only. No other forms will be accepted. The certificates of cargo liability must be executed by an insurer with a rating of "A-" or better in the Best Key Rating Guide (Section 5.0).

For Mobile Home/Boat programs, the cargo liability insurance coverage minimum amount per shipment is \$ 50,000. The Certificate of Cargo Liability Insurance form is located in DPS and must be submitted by your insurance representative ONLY. No other form will be accepted.

### **2.1.11 Performance Bonds**

Performance Bonds are required in both the international and domestic interstate programs. The bond requirement does not apply to domestic intrastate.

For the international program the bond requirement is a minimum of \$100,000 or 2.5% of previous-year international DOD revenue, whichever is greater. International TSPs must have their surety company representative submit a "continuous until cancelled" bond via DPS.

For the domestic interstate program the bond requirement is a minimum of \$50,000 or 2.5% of previous-year DOD domestic interstate revenue, whichever is greater. Domestic interstate TSPs currently participating in the program must have their surety company representative submit a "continuous until cancelled" bond via DPS.

When SDDC determines that either the international or domestic bond needs to be increased, the TSP will be notified and provided 30 days to submit a new bond via DPS reflecting the updated amount.

Performance bonds (Domestic and International, whichever is applicable) must be continuous with no lapse in coverage. If a lapse in coverage occurs, DOD TSP approval will be revoked.

### **2.1.12 Changes in Insurance/Bond Notification**

The Certificate of Cargo Liability /Mobile Home/Boat Insurance and the Performance Bond forms contain a statement that the insurance/surety companies will give a 30-day notice of any changes, expiration, or cancellations of the policies. The insurance/surety company must submit the notices of cancellation via DPS. The 30-day notice period begins from the date the notification is actually received by SDDC.

### **2.1.13 SDDC Decisions**

SDDC's decisions are guided by what SDDC, in its sole discretion, perceives to be in the best interests of the government, in general, and the best interests of soldiers and civilian users of the DOD Personal Property Program, in particular, at that time. There are no standards for what constitutes the DOD Personal Property Program's best interests; it is what SDDC determines the Program's best interests to be.

SDDC reserves the right to exercise its discretion in all decisions made regarding the DOD Personal Property Program. Thus, for example, SDDC could deny entrance or continuation in the program notwithstanding a TSP (or prospective TSP) satisfying the financial ratio test; conversely, SDDC could grant entrance or continuation in the program to a TSP (or prospective TSP) notwithstanding its inability to satisfy a financial ratio test.

Because SDDC's decisions are based on circumstances particular to the TSP or potential TSP and may also be a function of the DOD Personal Property Program's best interests at a particular time, contentions of disparate treatment (i.e., some TSPs treated differently than other TSPs) will not be a valid challenge to SDDC decisions; in a way, all SDDC decisions are disparate because the decisions are based on the particular circumstances involving the TSP and SDDC's perception of the DOD Personal Property Program's best interests.

### **2.1.14 TSP Appeals**

TSPs or potential TSPs may appeal SDDC decisions denying entrance or not accepting updated qualification documentation for the DOD Personal Property Program. All appeals must state the specific reasons why the appellant believes that SDDC erred in deciding to fail to include or maintain the TSP in the DOD Personal Property Program. SDDC will not consider appeals that lack specificity or merely seek to have SDDC reconsider its decision.

#### **All appeals must:**

- a. be submitted in hard-copy; (an attachment to an email will be acceptable to meet this requirement).
- b. be double-spaced:
- c. be mailed to:  
Military Surface Deployment and Distribution Command  
709 Ward Drive, Building 1990  
Chief, Personal Property Division, SDPP-P  
Scott AFB, Illinois 62225
- d. include five copies (if mailed);
- e. be signed by the TSP's president or chief executive officer, whomever is more senior; even if the TSP emails the documentation as an attachment to an email;
- f. include the entire filing submitted to SDDC as part of the request that SDDC denied; and
- g. set forth in detail all factual and legal bases for the appeal.

SDDC is Not Responsible For, and Shall Not Interfere In, Commercial Dealings of TSPs, their Subcontractors and Vendors.

TSPs and their subcontractors and vendors are responsible for conducting their own due diligence when contracting commercially for the performance of bills of lading. SDDC's review and enrolling of program participants is solely for the government's benefit; it does not constitute any representation by SDDC to the transportation industry or to the general public of the creditworthiness or integrity of entities enrolled in the program. TSPs, subcontractors and vendors are expected to resolve their commercial problems and disputes independently of SDDC, presumably through measures available to entities involved in commercial contracting (e.g., mediation, arbitration, recourse to the judicial system, collection agencies). SDDC will not interfere in the commercial contractual relationships of TSPs, their vendors and subcontractors, nor will SDDC offer actual or *de facto* dispute resolution, mediation or bill collection services.

## **2.2 Qualification Requirements for New Entrants**

### **2.2.1 Financial Data/Statements/Ratios**

SDDC expects the TSPs to meet specific requirements at the time of application and maintain acceptable ratios while participating in the DOD program. New entrants must have their independent TSP Financial Representative (e.g. CPA) submit their most current financial data that has been audited or reviewed.

#### **a. Annual Financial Data/Statement Requirements**

Approved TSPs must have their independent Financial Representative provide data from audited or reviewed financial statements to SDDC annually. Publicly held firms may have their CFO submit the required financial data based on annual reports reviewed by the firm's independent auditor and submitted to the SEC. These TSP's must meet and maintain a quick ratio of 1 to 1 or greater and a positive debt to equity ratio of 4 to 1 or less. Data will be submitted via DPS using the Financial Statement form. Financial statements must be prepared according to generally accepted accounting principles using the accrual basis of accounting. Annual financial statements must be submitted within 150-calendar days of year-end, normally defined as December 31<sup>st</sup>. If a company closes its books on a fiscal year basis (other than December 31<sup>st</sup>), then financial statements should be submitted within 150-calendar days of that date. Companies desiring to change their report dates must coordinate this with SDDC's Internal Review Office at (618) 220-5400. Requests to change reporting periods must be received not later than 90 days before the intended start of changed reporting period. SDDC will approve or reject the requested change not later than 30 days prior to the start of the change period.

#### **b. Failure to Submit Documents or Maintain Acceptable Ratios**

If SDDC does not receive the annual financial statements via DPS within the 150-calendar day time frame, the TSP's DOD approval may be revoked at SDDC's sole discretion. No pro forma statements will be accepted in lieu of actual financial statements. Additionally, SDDC reserves the right to obtain services from an independent third party source to conduct financial risk analysis of the TSP's financial submissions. This analysis will compare the TSP with appropriate industry norms. This information may be used to assist in the determination of financial risk to the government. If any DOD approved TSP falls below the minimum financial requirement, their DOD TSP approval may be revoked at SDDC's sole

discretion. TSPs are responsible to assure that any financial data submitted via DPS has been reviewed and submitted by an independent Certified Public Accountant (individual or firm). If SDDC determines that data submitted was from other than an independent Certified Public Accountant, or the CFO for publicly held firms, SDDC may at SDDC's sole discretion immediately cease doing business with the associated TSP.

### **c. General**

SDDC wants to see the health of the TSP applying to enter or continue participating in the DOD Personal Property Program. TSPs must submit financial data that documents the business operations of the single TSP seeking to qualify or to continue to do business with the DOD. SDDC will not accept combined or consolidated reports where there is no separation from one TSP to another. However, SDDC will accept a combined or consolidated financial statement if there is only one TSP subsidiary within that corporation. In other words, SDDC wants to see the health of the individual TSPs. Letters of guarantee from a parent company will not be accepted. Each individual TSP, must separately report SCAC code, and must comply with required ratio minimums as detailed below. TSPs must have their independent Certified Public Accountant or CFO provide data from independently audited or reviewed financial statements. Data will be submitted annually via DPS using the Financial Statement form. SDDC retains the right to request a hard copy of the TSP's full financial statements. If a hard copy of the financial statement is requested by SDDC, the TSP may submit one document containing several companies separate financial information, as long as the financial information is reported in each individual company's name and reflects that company's account information. These requested statements must include all referenced footnotes and the audit or review report. Because these reports are already completed and on file with the TSP, SDDC expects any request for a report to be provided to the requesting official within 5 workdays. TSPs not responding within this time period may be removed from the program. Each TSP must meet and maintain the required minimum ratios, as detailed below.

### **d. Definition of Accounting Terms and Ratios**

The following definitions apply to the filing of financial data and statements. TSPs should consult their accountant to answer questions on definitions or how to best present financial data.

### **e. Quick Ratio (1 to 1 or Greater)**

Cash plus trade receivables divided by current liabilities. SDDC recognizes the industry's uniqueness in that many transportation-related costs are incurred and paid by the TSP after the military shipment is picked-up from the member and before delivery or placement in Storage in Transit. This lag time causes a mismatch between revenues and expenses. If the expenses are included in the financial statements and identified separately as prepaid transportation expenses or unbilled receivables, SDDC will consider them in the Quick Ratio analysis. SDDC does not recognize amounts due from stockholders, affiliated companies or related parties as current assets for the purpose of computing the quick ratio. Accordingly SDDC will compute the quick ratio by adding cash, cash equivalents, and trade receivables to determine quick assets and dividing by current liabilities. Since amounts due from

stockholders, related parties, and affiliates are excluded from this computation, similar amounts payable to these classes of accounts will be subtracted from current liabilities before computing the quick ratio.

#### **f. Debt to Equity Ratio (4 to 1 or Less)**

Total liabilities divided by the Company's equity. A negative debt ratio is unacceptable.

#### **2.2.2 Certificate of Cargo Liability Insurance**

SDDC expects the TSPs to meet specific requirements at the time of application and maintain acceptable insurance coverage while participating in the DOD program. New entrants must have only their insurance representative submit their insurance.

#### **2.2.3 Performance Bonds**

SDDC expects the TSPs to meet specific requirements at the time of application and maintain acceptable performance coverage while participating in the DOD program. New entrants must have only their bond representative submit their performance bond.

#### **2.2.4 Electronic Tender of Service Signature Sheet Requirement (ETOSSS)**

The company's President must certify that: the information in the ETOSSS application is true and correct; and the company agrees to provide service as set forth in the TOS and applicable Mobile Home/Boat, Domestic and/or International Solicitations. The ETOSSS includes important ownership information. It also contains: a checklist that the TSP meets all minimum qualification requirements; an International and/or Domestic CFAC certification; the type of service the TSP will be performing (Interstate/Intrastate, Mobile Home, Tow-a-way Boat, Commercial Boat, International HHG and/or UB); the Standard Carrier Alpha Code; the Basic Federal/State Permit Number, TSP type (Freight Forwarder, Motor Carrier, Broker); Employer's IRS identification number; TSP's name; physical and mailing address, fax numbers, telephone numbers, email address; shareholder/partner information; officials authorized to submit electronic forms; Key Personnel; Small Business Certification; and the President's Certification Statement.

Each TSP must identify and maintain a company telephone number, a toll free number, a company facsimile number, and a company e-mail address.

Individual Shareholder(s) or Partner(s) Information is addressed in the ETOSSS. Enter the names of all shareholders involved in the company and their respective percentage of shares OR enter the names of all partners and their respective out standing capital stock/partnership interest in the company (e.g. the information contained in the SEC 10K, Part I, Item 4 Supplementary Item). For the publicly held companies, report information on executive officers of the company and on the security ownership of certain beneficial owners and management (e.g., the information contained or referenced in the SEC 10K, Part III, Item 12).

- a. **Common Financial and/or Administrative Control (CFAC)** is addressed in the ETOSSS. CFAC means the power, actual as well as legal, to influence the management, direction or functioning of a business organization. CFAC must be declared in accordance with the TOS. TSP's are required to execute a Certificate of Independent

Pricing (Ref. Par. 2.2.8) to qualify for approval. TSP's shall fully comply with all applicable state & federal antitrust laws.

- b. TSPs declaring CFAC cannot compete in the same rate channel in the same code of service in the International Program. Domestic TSPs must declare CFAC on the ETOSSS. While there is no restriction in the domestic program on TSPs participating in the same lane of traffic or same code of service, they must declare CFAC. A TSP failing to disclose CFAC may be removed from the program for a period of up to two years and may be prosecuted for filing a false official statement in violation of 18 USC 1001.
- c. **Key Personnel:** TSPs must list each company official, CEO, CFO, President, Vice President, Treasurer, Secretary, Operations Manager, Dispatcher, and Director. TSPs must continually have two (2) key personnel involved in the management of the company (excluding the Treasurer and Secretary) that have at least three (3) years of experience in the movement of personal property shipments. Experience from employment with an international freight forwarder, van line, agent, or relocation move management company are some examples of acceptable forms of occupational training for purposes of meeting this requirement. SDDC reserves the right to request proof of three-year experience in transporting Personal Property, of the two key employees (i.e. a resume, references, etc.).
- d. **Small Business Certification:** TSPs are required to self-certify whether they are a Small Business entity. This information is used for statistical purposes only. The ETOSSS contains a link that gives the criteria for being a small business.
- e. **TSPs are required to submit an updated ETOSSS as administrative changes occur to the information provided.**

### **2.2.5 Certificate of Responsibility**

This certificate must be submitted/resubmitted by or on behalf of the higher ranking of the TSP's President or Chief Executive Officer during each Qualification Open Season, and/or as required by SDDC. Also, as any changes occur. By submission of this document, the President/CEO is certifying agreement to the information submitted.

### **2.2.6 Company Experience Requirements**

This requirement pertains to new entrants seeking initial approval. As stated above, each New Entrant/applicant must have its own SCAC code. The TSP's company must have three years Government and/or commercial experience in the movement of personal property. SDDC will use the date on the DOT FMCSA operating authority (i.e., FMCSA Motor Carrier Certificate, FMCSA Freight Forwarder Permit, FMCSA Broker License, or State Permit if applicable), or if the state in which the new entrant has obtained the three years of government and/or commercial personal property movement experience is deregulated, the date on the company's Articles of Incorporation will be used to determine the company's three-year experience requirement. SDDC reserves the right to request additional proof of three-year personal property experience, e.g., bills of lading, commercial invoices, etc., for proof of personal property movement. SDDC reserves the right to disregard experience received before a break-in-service or that has not been accrued for three consecutive years immediately prior to the application for program admission. Experience of a CFAC entity will not be credited or otherwise ascribed to the New Entrant/applicant.

### **2.2.7 Federal and State Regulatory Compliance**

TSPs are required to comply with all applicable Federal, State and Local requirements for the movement and storage of personal property. TSPs must: (i) annotate on the ETOSSS their Department of Transportation (DOT) Federal Motor Carrier Safety Administration (FMCSA), DOT FMCSA Freight Forwarder, or DOT FMCSA Broker License number assigned by the Department of Transportation; and (ii) annotate their applicable DOT number. SDDC will use the DOT's Licensing and Insurance System to verify a TSP's valid household goods operating authority. **The DOT FMCSA ([www.dot.gov](http://www.dot.gov)) issues the only authority acceptable to meet this requirement. Maritime Commission certificates and permits will not be accepted.**

If you are applying for intrastate service only, you must submit electronically a copy of your state permit or if that state is deregulated and no permit is issued, a copy of your articles of incorporation to (618) 220-5258. The state permit or articles of incorporation must apply to the state(s) in which you are applying.

The TSP must maintain valid household goods operating authority at all times. If authority becomes invalid, DOD TSP approval will be revoked.

### **2.2.8 Certificate of Independent Pricing**

This certificate must be submitted/resubmitted by or on behalf of the higher ranking of the TSP's President or Chief Executive Officer during each Qualification Open Season, and/or as required by SDDC. Also, as any changes occur. By submission of this document, the President/CEO is certifying agreement to the information submitted.

## **2.3 Additional Market Requirements**

This applies to currently approved TSPs seeking approval to do business in an additional market e.g., domestic interstate/intrastate, mobile home/boats, international household goods or international unaccompanied baggage. Currently approved TSPs seeking approval to participate in additional markets may only do so during any open season.

#### **-- Currently Approved DOD Interstate Domestic TSPs Seeking Additional *Intrastate* Approval**

TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include Intrastate approval. The TSP must fax a copy of the applicable operating authority (State Permit or Articles of Incorporation) to SDDC at (618) 220-5258.

#### **-- Currently Approved DOD Intrastate Domestic TSPs Seeking Additional *Interstate* Approval**

TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include Interstate approval. The TSP's Surety Company must submit a Performance Bond in the minimum amount of \$50,000.00.

#### **-- Currently Approved DOD Interstate/Intrastate Domestic TSPs Seeking Additional *International* Approval**

TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include International approval. The TSP must have their insurance provider submit a new Certificate of Cargo Liability Insurance to reflect the additional independent international

coverage. The TSP's Surety Company must submit a Performance Bond in the minimum amount of \$100,000.00.

**-- Currently Approved DOD International TSPs Seeking Additional *Inter/Intrastate* Approval**

TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include Interstate or Intrastate approval. The TSP must have their insurance provider submit a new Certificate of Cargo Liability Insurance to reflect independent domestic coverage. The TSP's Surety Company must submit a Performance Bond in the minimum amount of \$ 50,000.00 if the approval is for *interstate*. No performance bond is required for *intrastate* approval. The TSP must fax a copy of the applicable operating authority for Intrastate approval (e.g., State Permit or Articles of Incorporation) to SDDC at (618) 220-5258.

**-- Currently Approved DOD TSPs Seeking Additional Domestic *Boat or Mobile Home* Approval**

TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include Boat and/or Mobile Home approval. The TSP must have their insurance provider submit a Certificate of Cargo Liability Insurance for Mobile Home/Boat. For the Mobile Home/Boat program, the cargo liability insurance coverage minimum amount per shipment is \$ 50,000. The TSP Insurance Representative must enter the Certificate of Cargo Liability Insurance information into DPS. No other forms of insurance information will be accepted. No performance bond is required for Mobile Home/Boat approval.

**-- Currently Approved DOD International TSPs seeking Additional International Household Goods or Unaccompanied Baggage Approval**

TSPs must update their ETOSSS in DPS indicating they wish to expand their market to include international Household Goods or international unaccompanied baggage approval.

Note: The TSPs are not required to submit new Financial Statements, as part of their additional qualification package.

## **2.4 Removal of Market Approval**

This applies to currently approved TSPs seeking to remove a particular market and/or code of service. TSP must submit an e-mail to [sddc-safb-ppqual@us.army.mil](mailto:sddc-safb-ppqual@us.army.mil) stating their request and also update their ETOSSS in conjunction with the e-mail request. TSP is required to contact the applicable Rate Team Program Manager to coordinate rate removal based on rate tender requirements.

## **2.5 Change of Ownership Novation Agreement**

A Name Change Notification must be submitted via the DPS "Name Change Notification." Additionally, the following form must be completed and electronically transmitted to SDDC at (618) 220-5258.



**CHANGE OF OWNERSHIP NOVATION AGREEMENT**

Notice is hereby given that ownership of (enter TSP's Name)(enter Standard Carrier Alpha Code (SCAC), a DOD-approved personal property TSP, has changed as a result of sale/transfer effective (enter date). A copy of the sales agreement has been electronically faxed to (618) 220-5258. As an authorized official of the new owner (my name will appear on the ETOSSS), I certify that new owner has:

- a. Faxed a true and correct copy of the sales agreement (or other transfer document). (Some information may have been redacted to protect sensitive information)
- b. Acquired certain assets of the TSP and is performing the GBL/BL-based transportation and related services contracts by virtue of the above transfer
- c. Assumed all the obligations and liabilities of the TSP as to contracts previously performed or tendered
- d. The capability to perform all obligations that exist under current GBL/BL-based contracts and those that may be tendered in the future.
- e. Ratified all previous actions taken by the prior owner with respect to GBL/BL-based contracts, with the same force and effect as if the new owner had taken the action.
- f. Agreed to be bound by the terms and conditions applicable to TSPs participating in the DOD Defense Personal Program.
- g. Maintained compliance with TSP qualification requirements to include performance bond, cargo loss and damage insurance, operating authority and financial status as is evidenced by submission via DPS for the bond, insurance certificate and audited or reviewed financial statement.

**SELLER/TRANSFEROR CERTIFICATION**

In addition, the seller/transferor (i.e., former owner) guarantees the performance of the contract or bill of lading by signing this Seller/Transferor Certification.

Seller/Transferor Name	Title	Date

**TSP CERTIFICATION**

I certify that I am the (Corporate Officer's Title-individual must be listed on the Electronic Tender of Service Signature Sheet) of the (TSP's Name (SCAC)) and that I am authorized to represent (TSP's Name). I further certify that statements and documents submitted herewith are true and correct.

New Owners Name	Title	Date

### 3.0 TSP Application Submission Instructions

#### Background:

The purpose of this section is to outline application submission requirements. By submitting this application, you legally bind the company to the representations contained therein. In addition, by your application you agree to be bound by the rules and regulations stated in the Tender of Service and applicable rate solicitations. False representations and certifications constitute a violation of 18 U.S.C. 1001, and are punishable under law and could lead to civil penalties (e.g. suspension and debarment).

**The Document Status Screen is the primary screen used in the DPS system. It provides links to blank qualifications forms (Document Types) required to be submitted by the TSP or on behalf of the TSP. This screen reflects the status of these submitted web forms. All forms must be successfully submitted through DPS system before the TSP's request for approval will be reviewed and processed.** The status screen shows the history of each document associated with a TSP. To aid in the review process of the web forms prior to submission, edits have been applied to the web forms to identify incorrect/incomplete entries. The submitter will receive an immediate pop-up screen message stating the error that must be corrected before the form can be successfully submitted.

Upon SDDC's review of each submission, TSPs not meeting the qualification requirements will have seven calendar days from the date of notification from SDDC, (which may come by telephone or email), to provide additional or corrected information, (Incomplete packages, missing documents, not obtaining Power Track certification or not providing authority, etc. is an incomplete package and will not be afforded a seven calendar day correction period). Incomplete packages are not eligible for the seven days correction period. The seven days correction period is for incomplete documents or to provide additional information requested by SDDC, reference the application.

After the seven-day correction period has passed, the corrected documentation will not be considered and the TSP will not gain approval. However, SDDC may consider extenuating or mitigating circumstances showing that the TSP was not responsible for failing to meet the deadline. TSPs not approved may apply during an open season. TSPs should have capability to access the Internet either from their office or using a third party vendor. TSP assumes all responsibility for all documents arriving within the established timeframe and the accuracy of each submitted document submitted by themselves or by their third party vendor (independent CPA, surety company, and insurance company).

#### ***Electronic Transportation Acquisition (ETA) User Management***

Each TSP and their third party vendor (independent CPA, surety company, and insurance company) are required to obtain an ETA account in order to access the DPS to submit applicable web forms. To request this account visit the ETA homepage located at [www.sddc.army.mil](http://www.sddc.army.mil). Click on "ETA systems," click on "Register for the First Time," scroll down to Personal Property, select DPS. Next select your role from the drop down menu list of roles for the DPS system. The following roles are available for selection:

Transportation Service Provider (TSP)  
TSP Representative/Business Partner/Agent:  
Financial Representative  
Insurance Representative  
Bond Representative

A role determines the applications within a system that you will be allowed to use. You may only choose one role per system. Click the “Generate Request Form” button at the bottom after you’ve selected DPS and your role. When you click the “Generate Request Form” button, an entry screen will prompt you to enter your information. Please note that fields containing an asterisk are required fields for registration. Also, the accuracy of your email address is extremely important for the registration process. All the roles listed above will need their own separate ETA account.

Upon completing and submitting your ETA registration information, you will be sent an email confirming your request. This email will contain your Request ID (which will become your ETA user ID upon approval). If you do not receive your confirmation email within 24 hours (usually it comes much sooner), please contact by email [sddc-safb-ppqual@us.army.mil](mailto:sddc-safb-ppqual@us.army.mil) the administrator of Personal Property Qualifications. Please include your Request ID/User ID in all correspondence with ETA administrators. Within 5-7 business days you will receive notification of approval (and a password) or a denial. You must obtain this password before you can continue to apply for approval.

DOD will require that all users of DOD systems use digital certificates as means of access to those systems. At that time, commercial users will have to obtain a digital certificate from one of the External Certificate Authority vendors at a cost (see 2.1.5.)

### ***DPS Application***

The DPS application is a web-based system that tracks documents pertinent to the TSP qualification process for both domestic and international TSPs. This system allows TSPs or their representatives (Certified Public Accountants, Surety representatives or Insurance company representatives) to fill out the necessary qualification documents through web pages and provides real time edit checks on formatting, thus allowing problems with their forms to be corrected before submission. This prevents wasted time and effort in having the forms manually reviewed and problems reported back later. The submitted information is stored at SDDC within DPS. The entire web submitted forms are user authenticated. The following forms must be submitted using DPS:

1. Electronic Tender of Service Signature Sheet (ETOSSS) (This is the first document that must be filed by the TSP in the Qualification package). (filed by TSP)
2. Certificate of Cargo Liability Insurance (filed by insurance company)
3. Performance Bond (filed by surety company)
4. Certificate of Independent Pricing (filed by TSP)
5. Financial Data/Statement (filed by independent CPA)
6. Certificate of Responsibility (filed by TSP)

**In addition to web forms, the following non-web forms may be required as part of the TSP's application. These forms *must* be submitted via FAX ONLY to the fax server at SDDC at (618) 220-5258. If any of the following documents are received via mail or are faxed to any other fax number other than (618) 220-5258, those documents will not be accepted.**

Key Personnel Resumes or References will be faxed to SDDC only upon request.  
Proof of Company Experience will be faxed to SDDC only upon request.

### ***Document Status Screen***

The Document Status Screen is the primary screen used in the DPS system. The screen reflects links to the all qualification related forms and their respective status.

#### **Initial form document statuses are:**

- **Required.** The form must be submitted before your TSP Qualification Package is considered complete and can be reviewed by SDDC
- **Not Required.** The form is not currently required from you.

#### **Statuses which apply to forms in use are:**

- **In Progress.** Created and partially or completely filled out but not submitted
- **Submitted.** Completed and successfully submitted
- **Under Review.** Moved into the SDDC work queue as part of a completed TSPQP
- **Approved.** Reviewed and accepted by SDDC
- **Rejected.** Reviewed and rejected by SDDC.

**The following statuses are possible with certain forms after you have been accepted into the program:**

- **Update as Necessary.** Same as “approved”
- **Cancel Pending.** Insurance or bond representative has given 30-day notice of cancellation
- **Cancelled.** Insurance or bond certificate has been cancelled
- **Re-certify.** Form must be updated and resubmitted to remain approved.

#### ***Form Completion:***

The qualification forms are the same for both the International and Domestic programs with exception of the performance bond that is required in the Domestic Interstate program and the International program. Also, minimums and amounts may differ (please refer to different Sections of this book for details). To complete the forms, simply click on “Go to Form” for the respective form located in the Document Status screen. Complete each form and then hit “Submit”. More detail for each form is provided in the Detailed Form Instructions below.

Please note that every field on every form **MUST** have an entry. If the data requested does not apply, type N/A, NONE, or NA and for numeric fields a zero is required.

**Detailed Form Instructions:**

The following will lay out detailed instructions for completing each individual form that a TSP or his industry partner/authorized representative, working on his behalf, must complete before the TSP may be considered for qualification by SDDC. The TSP *must* submit the Electronic Tender of Service Signature Sheet (ETOSSS) *first* before any other document may successfully be submitted.

**4.0 To get your ETA password and User ID**

Surety Company/Insurance Company/C.P.A (Audit Agency) and Transportation Service Provider (Carrier), ETA User I.D./Password and Filing Instructions"

1. Go to <http://www.SDDC.army.mil/>
2. Select "ETA Systems" at the top of the website
3. Go to the top of the page and select "Register for First Time"
4. Scroll down to Personal Property section
5. Check "DPS"
6. Select Role "Transportation Service Provider or TSP Representative/Business Partner/Agent"
7. Scroll down to bottom of page and select "Generate Request Form"
8. Complete your personal and company information (enter the insurance/surety company that you have authority to write on behalf). Each individual who will be doing a filing with SDDC needs a separate ID and Password.
9. End of page "Submit Request"

You will get an email confirmation, an emailed User ID and then your password will be emailed. All these items are emailed separately.

**To submit documents**

1. Go to <http://www.SDDC.army.mil/>
2. Select ETA Systems at the top of the website
3. Select "Personal Property"
4. Select "Defense Personal Property System (DPS)"
5. Enter your User ID and Password
6. Click on link to Document Status Screen
7. Click the "Go to Form" link and complete document
8. End of page Submit

**4.1 Electronic Tender of Service Signature Sheet (ETOSSS)**

PART I - TYPE OF SERVICE

- Enter your MC Number, FF Permit, Broker Numbers, and or State Permit/Articles of Incorporation Number
- Check the service that you are requesting:
  - Interstate
  - Intrastate
  - International (HHG)

International (UB)  
Mobile Home  
Boat with Towaway Service  
Commercial Boat

## PART II - TSP PROCESSING DATA

Name of TSP block - This block is pre populated based on your ETA registration and must match the company name annotated on your State and/or ICC, FHA operating authority(ies). All authorities must be consistence in company name. If there is a “Doing Business As” company name, please annotate the complete company name on all forms.

Employer’s Internal Revenue Service Identification Number block - (self-explanatory).

DOT number. (self-explanatory).

Physical Street Address block - (self-explanatory)

Mailing Address block - (self-explanatory)

Telephone Numbers, Fax Number, Toll Free Number and Central Email Address block - (self-explanatory).

## PART III – PERSONNEL SECTION

A TSP Master user ID with a President title automatically appears in the list of personnel when registered and can only be modified or removed by another TSP Master with a President title.

To add personnel to your ETOSSS Personnel section:

Click the  button

Self explanatory fields to be completed within the personnel section are:

Shareholder or Partner

Key Personnel

Years of Experience

Title

## PART IV - CERTIFICATION

The Certification Section is the last section of the ETOSSS and is used to certify that you will comply with Families First requirements and disclose any affiliations you have with other TSPs. This is done by checking on the blocks applicable to your SCAC. Additionally, you must disclose any affiliations you have with other TSPs; specifically, Common Financial and/or Administrative Control (CFAC) relationships. For a description of CFAC, see the Tender of Service in the DTR, Attachment U-R..

PART V - SCAC CHANGE Indicate if the SCAC specified on the form is a change from a prefious SCAC. If so, specify the new SCAC and TSP name.

### **4.2 Certificate of Independent Pricing**

After reading paragraphs A and B of the form, select radio button 1 or 2 in paragraph C, which will

fill in the appropriate blanks. This certificate must be submitted/resubmitted by or on behalf of the higher ranking of the TSP's President or Chief Executive Officer during each Qualification Open Season, and/or as required by SDDC. Also, as any changes occur. By submission of this document, the President/CEO is certifying agreement to the information submitted.

### **4.3 Certificate of Cargo Liability Insurance**

Insurance companies, please complete appropriate parts of form based on TSP's request. Refer to this book in the appropriate Section for insurance requirements. The form is continuous until cancelled by the insurance company or TSP.

### **4.4 Performance Bond**

Surety companies, please complete appropriate parts of form for International and/or Domestic Interstate service. Refer to this book in the appropriate Section for bond requirements. Please complete the appropriate parts of this form based on the TSP's request. The form is continuous until cancelled by the surety company.

### **4.5 Financial Data/Statement**

General. All TSPs must have a rationale for existence other than to game pricing or the parent company's market share from the program. SDDC wants to see the health of the TSP applying to enter or continue participating in the DOD Personal Property Program. TSPs must submit financial data that documents the business operations of the single TSP seeking to qualify or to continue to do business with the DOD. SDDC will not accept combined or consolidated reports where there is no separation from one TSP to another. In other words, SDDC wants to see the health of the individual TSPs. Letters of guarantee from a parent company will not be accepted. Each individual TSP, must separately report SCAC code, and must comply with required ratio minimums as detailed below. TSPs must have their independent Certified Public Accountant provide data from audited or reviewed financial statements. Data will be submitted annually via the web using the Financial Statement web form. SDDC retains the right to request a hard copy of the TSP's full financial statements. If a hard copy of the financial statement is requested by SDDC, the TSP may submit one document containing several companies separate financial information, as long as the financial information is reported in each individual company's name and reflects that company's account information. These requested statements must include all referenced footnotes and the audit or review report. Because these reports are already completed and on file with the TSP, SDDC expects any request report to be provided to the requesting official within 5 workdays. TSP not responding within this time period may be removed from the program. Each TSP must meet and maintain the required minimum ratios, as detailed below.

Definition of Accounting Terms and Ratios. The following definitions apply to the filing of financial data and statements. TSPs should consult their accountant to answer questions on definitions or how to best present financial data.

Quick Ratio (1 to 1 or Greater): Cash plus trade receivables divided by current liabilities. SDDC

recognizes the industry's uniqueness in that many transportation-related costs are incurred and paid by the TSP after the military shipment is picked-up from the member and before delivery or placement in Storage in Transit. This lag time causes a mismatch between revenues and expenses. If the expenses are included in the financial statements and identified separately as prepaid transportation expenses or unbilled receivables, SDDC will consider them in the Quick Ratio analysis. SDDC does not recognize amounts due from stockholders, affiliated companies or related parties as current assets for the purpose of computing the quick ratio. Accordingly SDDC will compute the quick ratio by adding cash, cash equivalents, and trade receivables to determine quick assets and dividing by current liabilities. Since amounts due from stockholders, related parties, and affiliates are excluded from this computation, similar amounts payable to these classes of accounts will be subtracted from current liabilities before computing the quick ratio.

Debt to Equity Ratio (4 to1 or Less): Total liabilities divided by the company's equity.

#### Part I – CERTIFICATION

Stipulate whether the data/statement is reviewed or audited. Annotate the Quick Ratio and the Debt to Equity Ratio.

NOTE: Date is the date of the financial statement, not the date of the review or audit report.

#### Part II – ACCOUNTANT INFORMATION

Self-explanatory.

#### Part III – BALANCE SHEET

If applicable, amounts receivables from stockholders, related parties, and affiliates should be shown in a separate line in this section and not aggregated in the trade receivable account.

#### Part IV – NARRATIVE

(Note a pending change to the ETA financial form will allow the CPA to add narrative notes to data submitted including events subsequent to the date of the financial statement).

#### **4.6 Certificate of Responsibility**

After reading the form check either yes or no, whichever is applicable to the question being asked. If an answer is yes, please explain fully the "yes" answers. This certificate must be submitted/resubmitted by or on behalf of the higher ranking of the TSP's President or Chief Executive Officer during each Qualification Open Season, and/or as required by SDDC. Also, as any changes occur. By submission of this document, the President/CEO is certifying agreement to the information submitted.

## 5.0 Definitions

The Department of Defense Personal Property Program contains terminology and acronyms, which are unique to the program. The following definitions are provided to give you a basic understanding of the terms used:

**Aggregate** : Considered as whole, Total.

**Cargo Liability Insurance** : Insurance required by a TSP to cover compensation for loss and/or damage to all property belonging to shippers or consignees and coming into the possession of the TSP in connection with its transportation service performed for the account of the Department of Defense, regardless of whether the motor vehicles, terminals, warehouses, and other facilities used in connection with the transportation of such property are specifically described in the policy or not.

**Common Financial and/or Administrative Control**:

This means the power, actual as well as legal, to influence the management, direction or functioning of any other TSP(s) or forwarder(s). Circumstances surrounding organization or operation, which may, but do not always result in a common financial and/or administrative control relationship, include the following:

1. Majority or Minority Ownership
2. Familial Relationships
3. Voting Securities
4. Common Director, Officers, and/or Stockholders
5. Voting or Holding Trusts
6. Associated Companies
7. Contract or Debt Relationships

**Continental United States (CONUS)**: All 48 contiguous states and the District of Columbia.

**Defense Personal Property System (DPS)**: DPS is a web based system that tracks documents pertinent to the TSP qualification process for both domestic and international TSPs. This system allows TSPs or their representatives (Financial representatives (CPA), Bond Representatives or Insurance Representatives) to fill out the necessary qualification forms through web pages and provides real time edit checks on formatting, this allowing most problems with their forms to be corrected before submission.

**Digital (Identity) Certificate**: A digital identity certificate is the digital equivalent of an ID card. Using digital identity certificates provides a tighter security environment.

**Domestic Boat Program**: Movement of privately owned boats, belonging to DOD military personnel only. Definition of boats is included in JFTR, Para. U5310F. For the movement of self-propelled boats see JFTR, Para U5510. For movement of boats used as a primary residence, see JFTR, Para U5500, JTR Para C10000, and procedures in 407 of Defense Transportation Regulation (DOD 4500.9R) Part IV Personal Property.

**Electronic Data Interchange (EDI):** The computer to computer exchange of business data using standards jointly developed by standards groups such as American National Standards Institute (ANSI) or Electronic Data Interchange Agency.

**ETA:** Electronic Transportation Acquisition is a system that provides a single point of entry to the transportation community through the use of the Worldwide Web. The Military Surface Deployment and Distribution Command (SDDC) ETA system provides access to SDDC transportation systems as well as links to other transportation sites. The ETA system is divided into four major transportation categories: Freight/Cargo, Passenger, Personal Property, and General Services.

**ETOSSS:** The Electronic Tender of Service Signature Sheet; completion of this form certifies that you have read the Tender of Service, and agree to provide service in accordance with the provisions contained therein. The TSP is responsible for submitting a new ETOSSS when changes occur concerning one or more of the following: company name, address, telephone number, e-mail address, company officers, etc.

**Financial Statements:** The presentation of financial data, including accompanying notes derived from accounting records and intended to communicate an entity's economic resources or obligations at a point in time, or the changes therein for a period of time, in accordance with a comprehensive basis of accounting.

**Federal Motor Carrier Safety Administration (FMCSA):** Responsible for the issuance, administration, and enforcement safety regulations, hazardous materials regulations, as it pertains to the drug and alcohol ...

[www.fmcsa.dot.gov/](http://www.fmcsa.dot.gov/) - 47k - [Cached](#) - [Similar pages](#)

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**Interstate Shipment:** Any personal property, boat, or mobile home shipment originating in a state or the District of Columbia and destined for another state or the District of Columbia.

**International Shipment:** The movement of household goods or unaccompanied baggage between a point in the continental United States and a point in an overseas area.

**Intrastate shipment:** Any personal property, boat, or mobile home shipment originating in a state destined for the same state.

**Key Personnel:** Two managing officers of a company (excluding Treasurer and Secretary) that must have at least (3) three years experience transporting Personal Property.

**Mobile Home:** A mobile dwelling constructed or converted and intended for use as a permanent residence and designed to be moved, either self-propelled or towed.

**Open Season:** A specified time period when applications are accepted for new entrants and additional approvals.

**Operating Authority:** An authorization issued by DOT or individual state regulatory body for a commercial TSP to perform transportation service.

**Performance Bond:** Serves to protect the Government in the event the TSP to whom the actual bill of lading contract is issued fails to effect delivery of the shipment set forth on the bill of lading. The Surety(ies) underwrites and assumes the Principal's TSP liability to the Government for: over charges; related administrative costs; and re-procurement costs when due to the Principal's failure to complete delivery of a shipment, the Military Surface Deployment and Distribution Command deems it necessary to re-procure transportation services from an alternate TSP. The Government is the sole beneficiary in the event the Principal defaults and is unable to perform for whatever reason, including that of filing a petition in bankruptcy, or an involuntary bankruptcy. To obtain and maintain DOD approval in the Personal Property Program, TSPs must provide a performance bond.

**References:** The TSP must submit employee experience and company experience references upon request from SDDC. Experience from employment with an international freight forwarder, van line or agent is considered an acceptance form of occupational training for purposes of meeting this requirement. Company experience can be measured by either copies of Government Bills of Ladings, invoices etc.

**Revocation:** The process of removing a TSP from the entire Department of Defense (DOD) personal property program. Surface Deployment and Distribution Command (SDDC) has the authority to revoke the DOD Personal Property Transportation Service Provider's (TSP) approval, for the movement of DOD shipments, due to poor performance and/or other failures to comply with DOD/SDDC directives. Revocation results in the TSP not receiving any traffic from the date specified by HQ SDDC. The TSP may apply for DOD approval again during an open season (a time when SDDC accepts applications) as a new entrant.

**Small Business Certification:** Criteria for eligibility as a small business for the purpose of transportation service acquisition. Self-certification is required on the ETOSSS to determine whether a company is a small business. This information is used for statistical purposes only.

**Standard Carrier Alpha Code (SCAC):** A four-digit alpha code that is assigned to each TSP by the National Motor Freight Traffic Association to identify that TSP in the various procedures and documents used in the DOD Personal Property Program.

**Tender of Service (TOS):** The basic document which specifies the terms and conditions of participation in the DOD Personal Property Program. The Tender of Service is found in Attachment U-R to the DTR, PART IV. The tender provides details concerning qualification procedures, mutual agreements and understandings, service and performance requirements, and certifications.

**Transportation Service Provider (TSP):** As used herein, Transportation Service Provider is any party, person, agent or carrier that provides freight/personal property transportation and related services to an agency, including Motor Carrier, Freight Forwarder and Broker.

**US Bank (PowerTrack) Trading Partner Agreement (TPA):** The binding agreement setting forth

terms and conditions governing the sending or receiving of electronic data between TSPs and US Bank.

**Web Forms (forms):** Includes data captured in DPS for population of any/all TSP Qualifications forms/documents.

## 6.0 Recommended Publications and Hot Links

- Defense Transportation Regulation (Part IV) Personal Property  
[http://www.transcom.mil/j5/pt/dtr\\_part\\_iv.html](http://www.transcom.mil/j5/pt/dtr_part_iv.html)
- Tender of Service  
[http://www.transcom.mil/j5/pt/dtrpart4/dtr\\_part\\_iv\\_att%20u\\_r.pdf](http://www.transcom.mil/j5/pt/dtrpart4/dtr_part_iv_att%20u_r.pdf)

Department of the Treasury (Circular no. 570)

- <http://www.fms.treas.gov/c570/c570.html>
- PowerTrack  
<http://www.usbank.com/powertrack>
- Key Best Rating Guide  
<http://www.ambest.com>
- Central Contractor Registration  
<http://www.ccr.gov>

## 7.0 Contact Information

Before sending an email, please review the Transportation Service Provider Qualifications Business Rules. Many questions are usually answered by reviewing the book.

SDDC has instituted a central email address for qualification and financial questions at [ppqual@sddc.army.mil](mailto:ppqual@sddc.army.mil). Please make all qualification inquiries via this email address; do not attempt to reach qualifications or financial personnel via telephone. Given the number of TSPs and potential TSPs contacting qualification personnel via the telephone, it is burdensome and unworkable. Several individuals monitor the central mailbox.

Please include in your email inquiry your Standard Carrier Alpha Code and telephone number in case we wish to call to clarify your situation or question.

Questions referring to Electronic Transportation Acquisition (ETA) and Digital Certificate should be directed to ETA administrator by clicking on Contact ETA at email address <https://eta.sddc.army.mil> or contact help desk at 800-462-2176. **Help desk personnel are trained to answer ETA and Digital Certificate questions. They are NOT trained to answer Personal Property qualification or financial questions.**