

Part: **Financial Management and Administration**  
 Section: **Treasury Board's General Management Policies**  
 Subsection: **Goods and Services**  
 Policy: **Transportation of Goods**

Number: **4530**  
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## Transportation of Goods

### Objective

*The objective is to outline the requirements for the economic and efficient transportation of goods.*

### Authority

*The Financial Administration Act, 1993, clause 5(a), subsection 10(2)*

### Applicability

This policy applies to ministries.

### Definitions

**Incoming transportation charges** are transportation charges associated with goods shipped from a source outside the Government.

**Outgoing transportation charges** are transportation charges associated with goods shipped by a ministry to either another ministry or outside the Government.

A **common carrier** is a trucking company that offers to carry general freight for any shipper. This does not include “for hire” contract carriers who operate solely for a ministry.

### Treasury Board Policy

- .01 Ministries are to use the Mail Services Branch of the Ministry of SaskBuilds and Procurement to provide mail and messenger services, whenever possible.
- .02 The use of private couriers or messengers may be necessary if an urgent delivery cannot be made more economically.
- .03 Common carriers will be used for freight handling requirements.
- .04 Goods that cannot be shipped more economically may be shipped by rail.
- .05 A commercial air carrier may be used to transport goods when time is critical and other means of transportation will not serve the purpose.

### Provincial Comptroller Directives

#### Rail Shipments

- .06 Goods shipped by rail generally include large equipment, tank car shipments and goods directed to points not regularly served by other carriers.

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- Private Courier or Messenger Services** .07 Private courier or messenger services are to be used sparingly and as a last resort. Ministries should be prepared to justify their decision to use these services.
- F.O.B. Destination** .08 When possible, ministries should arrange to have goods delivered Free On Board (F.O.B.) destination or prepaid by the supplier since:
- goods delivered F.O.B. destination remain the property of the supplier until delivered (i.e., the supplier is responsible for lost or damaged goods);
  - the onus is on the supplier to find the most economical and efficient mode of transportation after a delivered price is agreed upon; and
  - it consolidates the cost of the goods and transportation charges on one invoice which facilitates payment.
- Verification for Payment** .09 In addition to the verification procedures outlined in [Section 3101 GRF Payment Responsibilities](#), ministries are to have adequate procedures to ensure transportation charges are:
- properly authorized;
  - related to goods the ministry has shipped or received;
  - fair and reasonable, especially when the supplier arranged for the transportation; and
  - properly supported by way bills.
- Incoming Transportation – Ministry Initiated** .10 For goods ordered, ministries are responsible for:
- arranging transportation;
  - verifying charges;
  - correcting problems concerning damaged goods, lost goods and incorrect charges; and
  - approving transportation charges.
- Outgoing Transportation – Inter-ministry** .11 The ministry being charged is responsible for:
- arranging transportation;
  - verifying charges;
  - correcting problems concerning damaged goods, lost goods and incorrect charges; and
  - approving transportation charges.

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**References**

- [3101 GRF Payment Responsibilities](#)
- [4310 Relocation Expenses](#)