



Court Services and Offender Supervision Agency
for the District of Columbia

POLICY STATEMENT

Effective Date: **JAN 21 2005**
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EMPLOYEE CLAIMS FOR DAMAGES TO OR LOSS OF PERSONAL PROPERTY INCIDENT TO SERVICE

I. COVERAGE

This Policy Statement provides guidance to all employees of the Court Services and Offender Supervision Agency for the District of Columbia and/or the District of Columbia Pretrial Services Agency (referred to here collectively as the “Agency” or separately as “CSOSA” or “PSA”) on the process of filing claims for damage to or loss of personal property incident to service with the Agency.

II. BACKGROUND

The Military Personnel and Civilian Employee’s Claims Act of 1964, as amended, (“the Act”) includes a section (31 U.S.C. § 3721) which provides that the head of an agency may settle and pay a claim made by an employee of the agency for damage to or loss of personal property incident to service with the agency. Authority is provided to pay claims up to \$40,000. If, however, the claim arose from an emergency evacuation or from extraordinary circumstances, up to \$100,000 may be paid for the claim. A claim may be paid in money or the property may be replaced in kind.

III. POLICY

It is the Agency’s policy to settle and pay employee claims for damage to or loss of personal property incident to service with the Agency. However, the Agency will settle a claim *only* if it is substantiated, if possession of the personal property at issue is determined to have been reasonable under the circumstances, *and* if no part of the damage or loss was caused by the claimant’s negligence.

The Agency's authority to settle and pay claims under the Act is discretionary. Not every claim will qualify for settlement. ***Therefore, the Agency strongly discourages employees from bringing valuable items to the office for personal use and cautions employees to take all reasonable steps to protect any personal property that is brought to the office.*** To secure personal items, employees should use the locking drawers or cabinets provided in their workstations. If an employee does not have a working lock on either a drawer or cabinet, he or she should request one through his or her supervisor.

IV. AUTHORITIES, SUPERSEDURES, REFERENCES, AND ATTACHMENTS

A. Authorities.

31 U.S.C. § 3721 — Claims of personnel of agencies and the District of Columbia government for personal property damage or loss

B. Supersedures.

None.

C. Procedural References.

None.

D. Attachments.

Appendix A. General Procedures

Appendix B. Employee Claim for Loss or Damage to Personal Property Form

Appendix C. Employee Claim for Loss or Damage to Personal Property, Schedule of Property

Appendix D. Employee Claim for Loss or Damage to Personal Property;
Guidelines for Evaluation of Claims Made Pursuant to the Military
Personnel and Civilian Employee's Claims Act

APPENDIX A GENERAL PROCEDURES

A. Allowable Damages and/or Losses.

Claims are allowable under the Act for damages to or loss of personal property *only* if:

- a) The damage or loss is substantiated;
- b) Such damage or loss was incident to the employee's service with the Agency and the possession of that property is determined to be reasonable or useful under the circumstances to the performance of the employee's assigned duties; and,
- c) No part of the damage or loss was caused by any negligent or wrongful act of the claimant or an agent or employee of the claimant. Negligence is defined as the failure to exercise the care that a reasonable and prudent person would have exercised under the same or similar circumstances. ***Thus, for example, an employee who leaves her purse in her office unsecured will not be reimbursed for the value of the purse or its contents if it is stolen.***

Note: Claims that may be considered include those involving damage or loss where the personal property was used for the benefit of the Agency *at the direction of a supervisor.*

B. Unallowable Damages and/or Losses.

The following items would be unallowable under the Act:

- a) Property used primarily in government offices for the personal convenience, gratification, diversion, or entertainment of the employee;
- b) Property acquired for sale, or used for personal business or profit;
- c) Amounts recoverable from insurers or carriers, or pursuant to the performance of a contract;
- d) Damaged motor vehicles that are insured. ***However, amounts not paid by insurance, such as the deductible, may be claimed;*** and
- e) Loss of or damage to articles sent through United States or international mail systems, or loss of or damage to items of extraordinary value (but *see* Section

E., below). Such articles should be insured by their owners.

C. Two-Year Limitation.

A claim will only be allowed if it is presented *in writing* to the Agency within *two (2) years* after the claim accrues.

D. Finality of Settlements.

The Agency's settlement of a claim under this Policy Statement is final and conclusive. There is no right to appeal a final decision.

E. Items of Extraordinary Value.

Loss or damage to an item of extraordinary value is not totally compensable under the Act. An item of extraordinary value is one that should be insured because of its extraordinary quality, workmanship or design, association with a historical figure or event, or its artistic or decorative purpose. Reimbursement for loss of or damage to an item of extraordinary value will be limited to \$3,000. In any case, in order to be reimbursed, it must be determined that possession of the item at the office was reasonable under the circumstances.

F. Limitation on Attorney's Fees.

No more than ten (10) percent of the amount paid in settlement of each individual claim will be paid to or received by any agent or attorney on account of services rendered in connection with the claim.

G. Filing of Claims.

1. Who May File a Claim

- a) A claim may be filed by any employee or former employee of the Agency for damage to or loss of personal property incident to service.
- b) If the former employee is deceased, a claim may be filed by the personal representative of the decedent's estate, or the decedent's surviving spouse, children, father or mother, brother(s) or sister(s).
- c) Claims filed by an agent or legal representative of a claimant must be supported by a power of attorney or other satisfactory evidence of authority to file on behalf of the claimant.

2. How to File a Claim

- a) A claim should be presented as soon as possible after discovery of the damage or loss. As stated above, in order for any claim to be considered, it must be presented in writing to the Agency within *two years* from the time the claim arose.
- b) Maximum Amounts Allowable Under the Act. As stated above, the maximum amount that may be paid for a single claim is \$40,000. A single claim is the total loss or damage resulting from one incident. The submission of two or more claims arising from the same incident in order to circumvent the statutory ceiling is prohibited. If upon submission of a claim additional losses or damages are discovered, supplemental claims may be filed but all claims shall be processed and considered as one claim under the Act.
- c) Submission of Claim. All claims must be submitted on the Agency's "Employee Claim for Loss or Damage to Personal Property" claim form (*see* Appendix B). Claimants must also complete a "Schedule of Property" form (*see* Appendix C). The forms and applicable instructions are also available on the CSOSA and PSA Intranet/Internet sites. Upon completion of the applicable sections, the claimant must forward the original and two copies of the forms with appropriate supporting evidence to his/her supervisor. Supervisors must thoroughly review all claim materials and submit the original copy to the Office of Financial Management ("OFM") in the case of employees of CSOSA and to the Office of Finance and Administration ("OF&A") in the case of employees of PSA. Former employees will submit their claims directly to the OFM or the OF&A, whichever is appropriate. Claimants identified in Section G (1)(b) of this policy will also submit the claim(s) directly to the OFM or the OF&A.
- d) Acknowledgement Letter. Once all information necessary to process the claim (*see* Section 3, below) has been received by OFM/OF&A, an acknowledgement letter will be sent to the claimant indicating a filing date and a claim number. If insufficient information has been provided, the claim will be returned to the claimant's supervisor for additional information if the claimant is still employed with the Agency. Otherwise, a copy shall be sent directly to the former employee, his or her legal representative, if any, or to the people identified in Section G (1)(b) of this policy. A claim is considered "accepted" when all necessary information has been provided.

All claims will be date-stamped by OFM/OF&A on the date they are received, even if they are considered incomplete.

3. Evidence in Support of Claim

The claimant has the burden of proof as to the loss of or damage to personal property and the value of the property. The following documentation should be provided when submitting a claim:

- a) One itemized repair estimate, one estimate as to the value of the property prior to damage, and/or one estimate for replacement cost;
- b) Evidence that a claim was filed and denied where a possibility of recovery exists against a carrier, insurer, or other contractor;
- c) The reason(s) for the denial (or refusal to pay the claim in full) if the Agency is unable to develop facts to warrant approval of a claim;
- d) The case or report number, date, and identification of the officer or individual to whom the report was made, as well as a copy of the report, if a report of loss or damage has been made to local authorities or a carrier or insurer;
- e) A copy of the travel authorization or field visit form if personal property was lost or damaged while in transit and/or while in temporary storage;
- f) If the claim is filed by an agent or legal representative of the claimant, a power of attorney or other satisfactory evidence of authority to file; and
- g) Any photographs, statements of witnesses and/or persons having personal knowledge of the facts underlying the claim.

4. Supervisory Review

The facts and circumstances surrounding the damage to or loss of the claimant's personal property must be reviewed by the claimant's supervisor. If satisfied that the item was in fact reasonably useful and appropriate under the circumstances existing at the time and place of the incident, and also that the damage or loss was not caused by the negligent or wrongful act of the claimant, his agent, dependent or employee, the supervisor will certify his or her concurrence on the claim form. If unsatisfied, the supervisor must indicate his or her non-concurrence. The claim and all other supporting documentation and justification must be forwarded to the appropriate finance office for review, evaluation, and investigation of the claim. The claim form and all supporting evidence comprise a claim.

H. Review, Evaluation, and Recommendation of Claims.

All claims must be submitted to OFM or OF&A, whichever is appropriate. All claims will ultimately be decided by either CSOSA's Associate Director for Management and Administration, or PSA's Director of Finance, who make the final determination whether to settle or deny a claim. Upon receipt of the claim, OFM/OF&A staff will:

1. Review the claim and verify that the claim form has been properly completed and that the required evidence supporting the claim is attached. If the claim is incomplete, return it to the claimant's supervisor for completion.
2. Evaluate the information submitted with the claim to determine its merits.
3. If necessary, conduct an investigation into the circumstances surrounding the loss of or damage to property. The extent of the investigation will be determined by the facts and circumstances involved, allegations of relevant parties, and the amount claimed. Pertinent facts should be documented. When investigated cases require legal expertise, OFM/OF&A will forward the claim to the Office of the General Counsel ("OGC") for review.
4. In a signed, written report, summarize the findings, the results of the evaluation, and formulate a recommendation to approve or disapprove the claim. In addition, the report should include the following:
 - If the recommendation is full or partial approval, a computation of the recommended amount of the award;
 - If the recommendation is for disapproval of the claim, a memorandum for the signature of the head of finance advising the claimant of the reasons for the disapproval and any rights which are still available to the claimant (*see* Section J, below); and
 - the evaluator's signature on the original claim form indicating that the recommendation was reached based upon the review and evaluation conducted.
5. Upon completion, forward the report to the director of the finance division.

I. Determining Value of Damaged or Lost Personal Property.

All amounts claimed, recommended, approved or disapproved will be determined under guidelines adopted by the Agency's finance offices (*see* Appendix D). These

guidelines are also available on the CSOSA and PSA Intranet/Internet sites. Factors such as depreciation, cost of repair, and replacement value will be taken into consideration.

J. Final Review and Disposition.

The appropriate director of finance will review the report required in Section H to arrive at a fair and just decision. Generally, it should take no more than six (6) months to decide a claim once all information has been received from the claimant.

- a. Denial of Claim. If the decision is to deny any claim, the finance director will notify the claimant of the decision in writing, the reasons for the decision, and any rights that are available.
- b. Reconsideration and Review. Upon denial or disallowance of a claim, the claimant has the right to request reconsideration by the General Counsel. This request must be made in writing within *twenty-one (21) calendar days* of receipt of the decision. In the absence of good cause, the failure to make the written request within the prescribed time will constitute a waiver of such right. The decision of the General Counsel will then be final.
- c. Approval of Award. If the final decision is to approve the claim, the finance director will sign the original claim and forward it to the appropriate office for payment. If this amount differs from the initial amount claimed, the basis for and explanation of the approved amount must be provided to the claimant in writing.
- d. Claimant Copies. A duplicate copy of the claim form, supporting documentation, memorandum, and reports concerning the merits of the claim and recommendations should be retained by OGC.

K. Miscellaneous Items

1. Claims Involving Parties Other Than the Government

Where loss of or damage to personal property has occurred, employees are cautioned not to sign a release if there is a possibility of recovery against a carrier, warehouse, insurer, or other contractor. Employees must file and diligently pursue any claim they may have against parties other than the government prior to submission of a claim under the Act. Failure to file and pursue a claim or the signing of a release will prejudice the employee's claim with the Agency.

2. Assignments

- a) Claimants are required to assign to the United States government their right, title and interest in any claim they may have against a carrier, insurer, or other party for damage to or loss of personal property for which a settlement has already been received under the Act. The assignment should include the amount of the settlement payment accepted by the claimant.
- b) In addition, the claimant shall furnish the Agency such evidence as may be necessary to enforce the claim against the carrier, insurer, or other party.
- c) After payment of the claim by the Agency, the claimant will, upon receipt of any payment for the same item(s) from a carrier, insurer, or the other party, pay the proceeds to the Agency. Such amount should be forwarded by the claimant to the finance office from which the payment was made.

APPENDIX B



**Court Services and Offender Supervision Agency
for the District of Columbia**

Employee Claim for Loss or Damage to Personal Property

Guidance to Claimant

Items 1-11 of this form must be fully completed and signed by the claimant Item 12 must be completed by the official who authorized the use of the articles for which the claim is submitted. Item 13 must be completed by the designated reviewing official. Item 14 must be completed by the official authorized to approve payment. Items 15-18 are reserved for accounting use.	Knowingly and/or willfully presenting or making a false, fictitious, or fraudulent claim, statement, or fact may result in imprisonment for five years, imposition of a fine, or both. 18 U.S.C. §§ 287, 1001
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1. Name of Claimant		2. Position of Claimant	
3. Address of Claimant (Include Zip Code)		4. Office Where Employed/Telephone No.	
		5. Location of Office (at Time of Incident)	
6. Social Security No.	7. Location Where Loss or Damage Occurred	8. Date of Loss or Damage	
9. Facts and Circumstances of the Incident (State facts in detail, use additional sheet if necessary.)			

10. Affirmations and Claimant Certification:	YES	NO
a. Was the damage or loss for which claim is made caused in whole or in part by any negligence or wrongful act on your part, your agent's part, or another employee's part?		
b. Have you recovered any of the property or has any of it been replaced by the government?		
c. Do you have private insurance? If answer is "YES", is all correspondence with your insurer, including a copy of your demand for reimbursement, attached?		
d. Has a demand been made against the common carrier or warehouseman involved? If answer is "YES," is all correspondence with carrier or warehouseman attached, including a copy of the demand for reimbursement?		
e. Were any of the claimed items government property? If answer is "YES," then so indicate on the "Schedule of Property" form.		
f. Was any portion of property claimed, acquired, or held for sale or disposition by commercial transactions, or for use in a private profession or business enterprise?		
g. If any of the property for which claim is made is later recovered, I agree to give written notice to the office paying this claim.		
h. All documents required are attached hereto, and a detailed list of the property is set forth on the property schedule form and made a part of this statement.		
i. I hereby assign to the United States, to the extent of any payment on this claim accepted by me, all my right, title, and interest in and to any claim I have against any carrier, insurer, or other party arising out of the above described incident and will, upon request, furnish such evidence as may be required to enable the United States to enforce such claim.		
j. I further authorize the United States to withhold from my pay or accounts for any payments made to me by a carrier, insurer, or other party when I am also reimbursed by the United States and for any payments made by the United States in reliance on the information contained herein which thereafter is determined to be incorrect or untrue.		
k. I hereby authorize my insurer to release any information to the United States regarding insurance coverage I have for this loss.		
l. I have not made a previous claim against the United States for loss or damage now claimed. (If explanations are necessary, provide same or additional sheet and attach hereto.)		

11. Amount of Claim (In U.S. Money) Amount of Damages _____ Less: Insurance Collected or Collectible _____ Total Amount Claimed _____

Signature of Claimant _____ Date _____

12. Supervisory Certification: I certify that the article(s) in question was reasonable, useful and proper under the circumstances, and also to the best of my knowledge the damage or loss was not due to a negligent or wrongful act of the claimant, his/her agent, dependent or co-worker.

Signature:

Name	Title	Date
13. Recommendation: This claim has been reviewed, evaluated, and investigated, and is forwarded herewith together with supporting papers marked Exhibits _____ through _____. The claim is recommended for final settlement as follows:		

Date Claim Received	Disapproved Approved	Amount
Organization/Division		Signature of Claims Officer and Date
Name and Title of Claims Officer		

14. Approval of Claim:

After due consideration I have determined that this claim is meritorious and is cognizable under 31 U.S.C. § 3721; the claimant is a proper claimant; and an

Award of \$ _____ is hereby approved.

After due consideration I have decided to disapprove the claim for the following reason(s): (attach statement)

Type Name of Approving Authority	Signature and Date
Data Required by the Privacy Act of 1974 (5 U.S.C. § 552a)	

AUTHORITY 31 U.S.C. § 3721 and § 3711.

PRINCIPAL PURPOSE. Filing, investigation, processing, and settlement of claims.

ROUTINE USES

a. Information is principally used to provide a legal basis for administrative payment of claim against the government. Information is also used in connection with:

- (1) Recovery from common carriers, warehousemen, other third parties or their issuers for damage, loss, or destruction of personal property of employees while in transit or storage at Government expenses;
- (2) Collection from claimant of improper payment or overpayment;
- (3) Investigation of possible fraudulent claim; or
- (4) Possible criminal prosecution by Department of Justice if fraud is established.

b. SSN is used to insure correct identification of claimants as this is the only means of insuring payment to proper claimant and to avoid payment of duplicate claims.

MANDATORY OR VOLUNTARY DISCLOSURE AND EFFECT ON INDIVIDUAL NOT PROVIDING INFORMATION: Disclosure of information is voluntary. Failure to supply information in substantiation of claim will cause delay in settlement and may result in denial of a portion or all of the claim.

15. Voucher No. 16. Schedule No. 17. Paid by Check No.

18. Accounting Classification

EMPLOYEE CLAIM FOR LOSS OR DAMAGE TO PERSONAL PROPERTY
INSTRUCTIONS FOR COMPLETING FORM

Complete an original and two copies in accordance with the instructions in the following paragraphs which are keyed to the sample form.

Block 1. Name of Claimant. Enter the claimant's full name. If the claimant is not the employee, enter the name of the employee in parentheses below that of the claimant.

Block 2. Title of Position. Enter the position of the employee at the time the loss or damage occurred.

Block 3. Address of Claimant. Enter the current mailing address of the claimant.

Block 4. Office Where Employed. Enter the name of the office (organization unit) where the claimant was employed at the time the loss or damage occurred.

Block 5. Location of Office (at Time of Incident). Enter the name of the city or state where the employee's office was located at the time the loss or damage occurred.

Block 6. Social Security Number. Enter the social security number of the claimant.

Block 7. Location Where Loss or Damage Occurred. Enter the address where the property was located when the loss or damage occurred. If the property was in transit, enter the point of origin and destination.

Block 8. Date of Loss or Damage. Enter the date the loss or damage occurred. If the property was in transit and the date is not known, enter the dates on which the property was in transit.

Block 9. Facts and Circumstances of the Incident. Enter in detail all the facts and circumstances under which the loss or damage occurred, including date and place.

Block 10. Affirmation and Claimant Certification. Answer Yes or No in the appropriate block for each of the questions. The claimant shall then sign and date the form. When signing this claim, the claimant certifies that he or she is entitled to any payments made and is aware of penalties for willfully making a fraudulent claim.

Block 11. Amount of Claim. Enter the sum of the figures from the amount claimed column of the Schedule of Property form. From this total subtract any amount collected or collectible from an insurance company or carrier to arrive at the total amount claimed.

Block 12. Supervisory Certification. To be signed and dated by the employee's supervisor or the cognizant supervisory official who directed the use of the article(s) in question to attest to the validity and propriety of the claim.

Block 13. Claim Recommendation. Leave blank. This section is to be completed by the reviewing official.

Block 14. Approval of Claim. Leave blank. This section is to be completed by the settlement official.

Blocks 15-18. Voucher Number, Schedule Number, Paid by Check Number, Accounting Classification. Leave blank. These blocks are to be completed by accounting officials.

APPENDIX C



**Court Services and Offender Supervision Agency
for the District of Columbia**

**Employee Claim for Loss or Damage to Personal Property
Schedule of Property**

Claimant _____

Page _____ of _____ Pages

Line No.	Description of Articles (Include trade mark, brand name, model, year of manufacture and size)	Nature and Extent of Damage (Describe in detail how damaged. If lost, indicate missing)	Date of Purchase or Acquisition (Month/year)	Value of Item (Less salvage or scrap)	Depreciation (per table)		Maximum Allowable (Depreciated value)	Cost of Repairs	Amount Claimed
					%	Accumulated Amount			

**Court Services and Offender Supervision Agency
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Line No.	Recommended Amount Allowed	Reserved for Reviewing Official Remarks

CSOSA/OGC-0010

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APPENDIX D

EMPLOYEE CLAIM FOR LOSS OR DAMAGE TO PERSONAL PROPERTY; GUIDELINES FOR EVALUATION OF CLAIMS MADE PURSUANT TO THE MILITARY PERSONNEL AND CIVILIAN EMPLOYEE'S CLAIMS ACT

DETERMINING VALUE OF DAMAGED OR LOST PERSONAL PROPERTY

All amounts claimed, recommended, approved or disapproved shall be computed under the guidelines set forth herein.

- A. Factors for Determination of Compensation. Compensation allowable for an item of personal property shall not exceed the depreciated value of the item at the time of its damage or loss.
- (1) **Depreciation.** Depreciation represents the decrease in the value of an item due to wear and tear, natural deterioration, obsolescence, lack of care, and depletion. The rate of decrease varies by type of property. Rates of depreciation for various types of property are found at page 19 herein.
 - (2) **Depreciation Value.** Depreciated value is the value that remains after depreciation is applied against the replacement cost or adjusted value of an item of damaged or lost personal property as set forth below. Depreciation shall not be applied in circumstances where claims must be filed for the estimated value of the item lost or damaged. The depreciated value, however, shall be the maximum amount to be awarded in settlement of a claim filed under the Act. In certain circumstances, however, where in the opinion of the approving officer, an item is fully depreciated because of its age but there is some residual value remaining in the item, a reasonable sum, not exceeding 10 percent of its basis (replacement cost, estimated or adjusted value) may be awarded.
 - (3) **Basis of Depreciation.** The depreciated value of an item shall be premised on either:
 - (a) **Replacement Cost.** The value of replacing the damaged or lost personal property at the claimant's duty station at the time of the incident is the replacement cost value. Replacement cost should be computed on the basis of the cost of a new item which is identical to or substantially similar in nature to the item that was damaged or lost.
 - (b) **Adjusted Value.** If the item of damaged or lost personal property cannot be replaced and its value cannot be appraised or determined by other means, the adjusted value shall be determined by using the Inflation Calculator on the Bureau of Labor Statistics website (<http://www.bls.gov/>).
 - (4) **Determination of Depreciated Value Not Possible.**
 - (a) In some circumstances determination of the depreciated value of an item is not possible. If the cost of replacing a damaged or lost item of personal property cannot be accurately placed because of the uniqueness or individuality of the item or for other reasons, valuation may be provided by qualified, reputable,

and credible evidence of value at the time of the incident.

- (b) Appraisals and/or other evidence shall be furnished to ascertain the credibility, reliability, and impartiality of the claim. If the value of the item is less than \$100 and a receipt or proof of value is not available, the amount claimed for the item may be accepted by the adjudicating office.
- B. Salvage. Salvage value represents that portion of the cost of personal property that is recovered at the end of its productive life. Generally, salvage values of such articles are their trade-in values (exclusive of overallowances). Ordinarily other articles of personal property possess no trade-in value and little or no salvage value, but may possess scrap value for their intrinsic material content. Salvage value will be based on the most reliable estimates available and shall be included in all claims where its effect is material.
- C. Cost of Repair.
 - (1) If the property can be repaired in an economical manner, the allowable compensation is the actual or estimated net cost of repairs necessary to restore the property substantially to the condition which existed immediately before the damage.
 - (2) The cost of repairs may be established by a receipted bill or an estimate signed by a reputable dealer or repairman.
 - (3) If the cost of repairs exceeds the depreciated value of the item at the time of damage, then the depreciated value shall be used as the maximum basis for compensation.
 - (4) Claims are not normally payable for fees paid to obtain estimates of repair (or appraised values) in conjunction with submitting a claim under the Act. However, where in the opinion of the approving officer, the claimant could not obtain an estimate without paying a fee, such a claim may be considered in an amount reasonable in relation to the value and/or the cost of the repairs of the articles involved, provided that the evidence furnished clearly indicates that the amount of the fee paid will not be deducted from the cost of repairs if the work is accomplished by the estimator.
- D. Collectibles. The amount of a collectible shall be offset against any settlement. A collectible is any amount due an individual from an insurance company, carrier, or other person resulting from damage to or loss of an insured article of personal property, or an article lost or damaged while under the care of a carrier or other person.
- E. Matched Sets. When one item of a matched set is damaged, repair or replacement of the damaged item only will be allowed, not of the set.
- F. Computation of Award. The amount awarded for an item of lost or damaged property shall be based on the depreciated value at the claimant's duty station at the time of loss. This value shall be determined in accordance with the formulas below:

- (1) Lost Property. The amount awarded for an item of lost property shall be based on the depreciated value at the claimant's duty station at the time of loss. This value shall be determined in accordance with the formulas below:

Value at time of incident:	
Replacement Cost, Estimated Value, or Adjusted Value	\$
Less Depreciation	(-)
Depreciated / Residual Value	
Less: Collectibles	(-)
Maximum Amount Allowable	\$

NOTE: Depreciation shall not be applied to items claimed with an estimated/ appraised or salvage value.

- (2) Damaged Property. The amount awarded for damaged property shall be based on the cost of repairs, but shall not exceed the depreciated value at the time of damage. The above formula shall be used when calculating the maximum amount allowable for a claim involving damaged personal property with the following additional step:

Maximum Amount Allowable – Lost Property	\$
Less: Salvage (Scrap value)	(-)
Maximum amount allowable –Damaged Property	(a) \$
Cost of Repair	(b) \$
Amount Allowable—Lower of (a) or (b)	\$

- (3) Replacement in Kind. In lieu of awarding a cash payment, the lost or damaged property may be replaced in kind. The total cost of replacing such property, including the cost of transporting the property to the claimant, shall not exceed the repair cost or the depreciated value at the time of loss or damage.

TABLE OF RATES OF DEPRECIATION

ITEM	ANNUAL DEPRECIATION		
	FIRST YEAR %	SUBSEQUENT YEARS %	MAXIMUM %
Adding Machines and Calculators	30	20	90
Antiques	/@/	/@/	/@/
Aquariums	10	10	75
Automotive Vehicles	/#/	/#/	/#/
Automobile Batteries	30	30	75
Automobile Convertible Tops, Seat & Floor Coverings	25	25	75
Automobile Paint Jobs	15	15	75
Automobile Radios and Accessories	25	20	80
Automobile Tires	30	30	75

NOTE: Compute applicable depreciation on basis of “miles used/30,000 miles,” or mileage guarantee period ratio, if known. Otherwise, use rate shown.

Bicycles	5	10	75
Bookends	10	0	10
Books:			
Hardbound	25	0	25
Paperback	50	0	50
Boxes: Jewelry, Cigarette, Music, etc.	5	5	75
Brass Items	25	0	25
Bric-a-Brac	10	0	10
Briefcases	5	5	75
Brushes (Hair, Clothes, etc.)	20	20	75
Cameras:			
Under \$50	25	15	90
Over \$50	5	5	75
China (Fine)	/@/	/@/	/@/
Clocks:			
\$25 or less	50	15	/+/
Over \$25	5	5	75
Grandfather, Grandmother	5	5	50
Clothing:			
Coats, Jackets, Suits, Dresses, Slacks, Sweaters, Blouses, Skirts, Gloves, Hats, etc.			
Socks, Underwear, Shirts	30	30	75
Collections: Coins, Stamps, etc.	/@/	/@/	/@/
Computers:			
Hardware	20	20	80
Software	30	20	/+/
Cosmetics (Including toilet articles, perfumes, soap, etc.)	100	0	100

NOTE: If claimant indicates “unused or unopened,” no depreciation.

Crockery (Includes dishes, glassware, pottery, plastic, etc.)	30	10	80
Crystal (Including cut glass)	/@/	/@/	/@/
Electrical appliances			
Radios, Small/Table (Includes Stereos, Tape Recorders, and HiFi)	30	15	/+/ 7 7 75
TV Set	25	10	90
Eyeglasses (Including contact lenses)	25	10	75
Figurines	10	0	10
Flashlights	20	20	75
Foodstuffs	/@/	/@/	/@/
Furniture:			
Solid Wood (Expensive)	2	2	75
Ordinary Wood, Chrome, Plastic, etc.	7	7	75
Jewelry:			
\$100 or less per item	20	10	75
Over \$100 per item	/@/	/@/	/@/
Lamps, Table & Floor Type	7	7	75
Lamp Shades	20	20	75
Lighters	20	10	75
Memorabilia, Albums, Scrapbooks (Including snapshots, emblems, award plaques, trophies, etc.)	20	10	/+/ 75
Mirrors (Including frames)	5	5	75

NOTE: Mirrors which are integral parts of furniture items depreciate at the same rate as those items.

Mopeds, Minibikes, Motorbikes	25	20	75
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NOTE: Use depreciation factor only if local retail value is not obtainable.

Purses & Handbags	30	25	90
Umbrellas	20	20	75
Vases	5	5	75
Wastebaskets:			
Metal	20	10	90
Plastic	20	20	75
Leather	5	5	75
Watches:			
\$50 or Less	40	25	/+/ 75
Over \$50	5	5	75

/@/ Settlement will be based on appraised value without depreciation taken. In order to qualify as an antique, according to the U.S. Customs Service, an item must be at least 100 years old. For items less than 100 years old, evidence must be presented to prove the item qualifies.

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See page 16 of this document for fully depreciated items having some residual value.

CALCULATION OF ADJUSTED DOLLAR VALUE

Calculation of an item's adjusted dollar value is necessary only when the replacement cost cannot be determined by other acceptable methods. The original cost of value is adjusted upward by the amount of inflation experienced since the time of purchase or acquisition. Use the Inflation Calculator on the Bureau of Labor Statistics website (<http://www.bls.gov/>).