



U.S. General Services Administration

# Federal Acquisition Service

## **“Big Picture of The Claims Process”**

**GSA & AMSA Households & Freight  
Forum**

**Mathis Gardner**

**February 1, 2007**



## There are two types of claims.

- Transportation Service Claim
  
- A Property Claim.



## Transportation Service Claim.

- A transportation service claim involves a carrier's failure to perform a service, either wholly or partially, on time, and in the manner required by the Household goods Tender of Service.



## Transportation Service Claim cont.

- a. failure to perform on time. (delivery).
- b. carrier's failure to perform transportation services, i.e. carrier billed the government for 15,000 lbs, but only delivered 14,200 lbs. Carrier failure to deliver employee's hhgs or privately owned vehicle on time which resulted in an employee filing an inconvenience claim.



## Property Claim

- A property claim involves a carrier's failure to handle the property in such a way as to avoid damage.
- Claim for loss/damage to personal property and real property.



## Exceptions to and Limitations on Carrier Liability

- An act of God-Natural disasters, i.e., floods, tornadoes, hurricanes, and earthquakes.
- An act of public enemy-Military forces of a of a nation at war with the domestic government.





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# Exceptions to and Limitations on Carrier Liability cont.

- An Act of the Shipper-The government's failure to annotate, when requested by the employee, the GBL for a particular level of service, relieves the carrier of liability for that level of service regardless of the released value declaration on any other shipping documents.

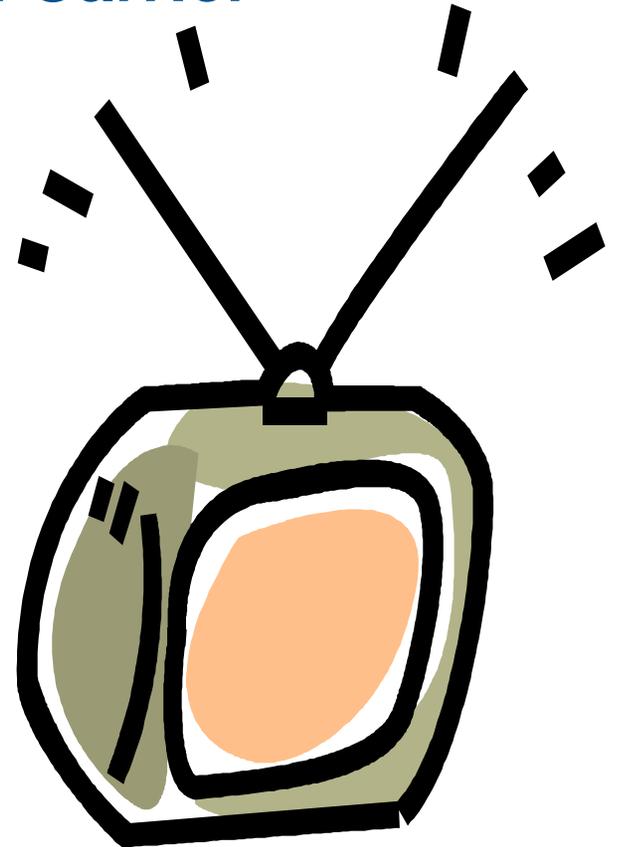
Privately Owned Personal Property Bill of Lading					MEMORANDUM	
<small>O.S.A. Transportation Management Services Division Electronic Bill of Lading This Government shipment is subject to terms and conditions of 41 CFR 102-117 &amp; 118 and the U.S. Government Freight Transportation Handbook.</small>						
DRN & Suffix: H0000000008401-01	Bill of Lading No. 470001 <b>PS000070</b>	1. Shipment No. 01/01	2. Date BL Issued 05/27/2005	3. Authority for Shipment DCX0052100		
4. TSP Name Tendered To: LAWRENCE TRANSPORTATION 800-336-9626		5. Requested Packing Date:		6. Reqd Delivery Date:	7. Date of Order: 05/25/2005	
8. SCAC: LWRS	9. TIN: 540618709	10. DUNS:	11. TSP Pro Bill No.:		12. Agency Shipment ID No.:	
13. Appropriations Chargeable: HHG Appropriation Chargeable: 110.5.N00KL110.NA22.12.NAA11.211 Other Appropriation Chargeable: 110.5.N00KL110.NA22.25.NAA11.516 (STG)						
14. Property Owners Name: Karl Weisserbach						
15. Destination: ABILENE KS 67410 UNITED STATES			16. Origin: 14302 Royer Road CASCADE MD 21719 UNITED STATES 301-837-3290 301-241-5081			
17. Extra Pickup and/or Delivery:			18. Bill Charges To: National Archives & Records Admin. 8601 Adelphi Road College Park MD 20740 UNITED STATES 301-837-5133 18a. Agency Location Code:			
19. Remarks: See Page 2 For Accessorial Requests						
20. Packages		21. Description of Shipment				
a. No.	b. Kind	Issued at lowest valuation cited in appropriate tender unless otherwise stated herein.				
1	LOT	USED HOUSEHOLD GOODS AND PERSONAL EFFECTS Est Wt: 18,000 lbs. Released at \$5.00 per pound times the actual net weight of the shipment.				
22. Tariff Tender/Special Rate Authority: LW04						
For Use of Issuing Office						
23a. Issuing Office: GENERAL SERVICES ADMINISTRATION 202-619-8955						
23b. Issuing Officer: Larry M Pickenign, Chief of Travel Division						
Certificate for Receipt of Shipment & Bill of Lading						
24a. Shipment Receipt Date		24b. Signature of Agent/Driver			24c. Per	



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## Exceptions to and Limitations on Carrier Liability cont.

- Inherent Vice-Generally, a carrier cannot be held liable when loss/damage is the result of the action of the property on itself or on other property.
- A carrier cannot be liable for internal damage to electronic equipment, such as a computer, television, or VCR, that showed no visible evidence of mishandling.





## Formal Requirements or Criteria For a Claim.

- It must be in writing.
- It must identify the shipment.
- It must identify the loss/damage and assert that it was carrier caused; and
- It must demand restitution in a specific amount.



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# Core Requirements

- Carefulness-The employee must know his/her right and responsibilities. The employee must ensure that at origin the mover packs and inventories the shipment properly, and at destination annotates any loss/damage that has occurred.
- Objectivity- An assertion of liability demands facts: What is the item? How old is it? What is the damage? Where is the damage located? Is the condition of the item at destination different from conditions noted at origin. An objective, precise description of the item is also essential. A description of a plate as “china” will produce a settlement less satisfactory than a description of “Lenox Pattern 125.” How much does the item cost to repair or replace? What is the item worth right now (market value)?



## Core Requirements cont.

- The carrier is not liable for sentimental value.
- Photo albums, heirlooms, and items made by the employee contain great quantities of sentimental value, but little claimable value.
- The claimable value of a photo album is the cost of the film, development and album.
- The claimable value of heirlooms is probably garage sale value.



## Core Requirements cont.

- Reasonableness- A reasonable amount is one that is equitable with the actual loss sustained.
- Equity- A equitable amount is one that will restore, within the constraints of the shipment's release value. The property owner's goods should be in the same conditions at destination as noted at origin.



## Burden of Proof Concealed Loss/Damage (HTOS)

- Carrier- If the employee files the claim in writing to the carrier within 75 days from the delivery date, the “burden of proof” is on the carrier. The carrier has to prove that the damages weren’t carrier caused.
- Employee- If the employee files the claim after 75 days from the delivery date, the “burden of proof” is on the employee that the damages were carrier caused.



## Timeframes

- 30 days-Carrier has 30 days to resolve the claim.
- 60 days-If a 30 day extension is granted by the appropriate Transportation Officer.
- 6 years-The government has up to 6 years to file a transportation claim against the carrier. (41 CFR, Section 102-118.460).



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## **Military Personnel & Civilian Employee's Claim Act of 1964.**

- The Military Personnel and Civilian Employee's Claim Act of 1964 (3) U.S.C. 3721-3T23, the government may assume liability up to \$40,000 for loss/damage that occurs while Hhgs are being shipped or held in temporary storage.
- Agencies differ on their views on allowing an employee to file a claim under this act.



## Claim Settlement Penalty

- In accordance with the HTOS, if a carrier doesn't settle a claim within 30 days, or 60 day if granted approval by the Transportation Officer, the Transportation Officer can impose the Claim Settlement Penalty against the carrier.
- \$25.00 per day not to exceed \$250.00



## Claim Settlement

- Dispute between carrier and employee on settlement.
- Transportation Officer's Assistance.
- Transportation Officer's Final Decision.
- GSA, Region 6, Assistance and Action.
- Setoff Action against carrier.



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## Contact Information

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**Thank You Very Much!**