



DEPARTMENT OF THE ARMY
US ARMY INSTALLATION MANAGEMENT COMMAND
HEADQUARTERS, US ARMY GARRISON YONGSAN
UNIT 15333
APO AP 96205-5333

REPLY TO
ATTENTION OF

IMYN - LG

2 August 2012

US ARMY GARRISON YONGSAN POLICY LETTER 4-1

MEMORANDUM FOR ALL US ARMY GARRISON-YONGSAN TENANT UNITS/
ACTIVITIES

SUBJECT: Financial Liability Investigation Policy

1. **REFERENCE:**

- a. AR 735-5, Policies and Procedures for Property Accountability, 28 February 2005
- b. AR 15-6, Procedures for Investigating Officer and Boards of Officers, 2 October 2006
- c. DA Pam 710-2-1, Using Unit Supply System (Manual Procedures), 31 December 1997

2. **PURPOSE:** To provide US Army Garrison Yongsan (USAG Y) guidance for implementing the financial liability investigation system, preparing management reports, and ensuring processing timeliness.

3. **PROCEDURE:**

- a. Time segment, with appointing authority, for the financial liability investigation process of property loss (FLIOPL) (**Total of 75 accumulative days**).
 - (1) Financial Liability Investigation initiation process (**15 days**), Step 1:
 - (a) Preliminary search for item and identification of item thru Army Master Data File (AMDF).
 - (b) Gather dates and circumstances pertaining to the loss.
 - (c) Initiation of financial liability investigation, Department of the Defense Form 200. (Reference Army Regulation 735-5, figure 13-3A)
 - (d) Complete narrative portion.
 - (e) Provide to appointing authority upon assignment of document number.
 - (2) Financial Liability Investigation Appointing Authority Process (**5 days**), Step 2:

IMYN-LG

SUBJECT: Financial Liability Investigation Standard Operation Procedures Command
Policy Letter 4-1

- (a) Investigation number assigned.
- (b) Determine if further investigation is required.
- (c) Appoint the investigation officer if required.
- (3) Financial Liability Investigation and Recommendation Process (35 days), Step 3:
 - (a) Review property records.
 - (b) Take statements.
 - (c) Ascertain facts.
 - (d) Determine proximate cause.
 - (e) Calculate loss.
 - (f) Make recommendation (Reference AR 735-5, Figure 13-11).
 - (g) Notify individual.
 - (h) Consider rebuttal.
 - (i) Review by appointing authority.
 - (j) Decision by appointing authority.
 - (k) Provide to approving authority.
- (4) Financial Liability Investigation Adjudication Process (20 days), Step 4:
 - (a) Starts upon receipt from appointing authority.
 - (b) Approval authority review.
 - (c) Judge Advocate General (JAG) reviews assessment of financial liability. (Reference AR 735-5, figure 13-12A and 13-12B).
 - (d) Decision by approving authority.

IMYN-LG

SUBJECT: Financial Liability Investigation Standard Operation Procedures Command
Policy Letter 4-1

b. Mandatory initiation of a financial liability investigation: Initiate and process a financial liability investigation to account for **lost, damaged, or destroyed U.S. Government property** when one or more of the situations listed exist. Process the financial liability investigation in accordance with the version of this regulation in effect at the time the loss, damage or destruction occurred. A financial liability investigation will be processed when:

(1) Negligence or willful misconduct is suspected as the cause, and the individual does not admit liability and refuses to make voluntary reimbursement to the Government for the full value of the loss, less depreciation.

(2) The property loss, damage, or destruction involves a change of accountable officer's inventory and the outgoing accountable officer made no voluntary reimbursement for the full amount of the loss to the Government.

(3) The value of the admitted loss, damage, or destruction exceeds the individual's monthly basic pay.

(4) The value of the damages or shortages in occupied government quarters (real property and furnishings combined) or government furnishings in non-government quarters exceeds the individual's monthly basic pay.

(5) The total handling loss of a specific bulk petroleum product exceeds the allowable loss for that product, and the dollar value of the total loss exceeds \$500.00. (Reference DAPAM 710-2-1, Paragraph 12-23(3))

(6) The loss or destruction involves a sensitive item. Investigate sensitive items lost or destroyed per AR 15-6. However, do not use the AR 15-6 investigation as authority to adjust property records or to assess financial liability. Process a financial liability investigation to accomplish either of these actions. When using an AR 15-6 investigation, do not request a separate investigation by an investigation officer.

(7) The loss or destruction involves public funds or other negotiable instruments.

(8) Required by higher authority or other DA regulations.

(9) Directed by an inventory adjustment report (IAR) approving authority.

(10) The loss or damage involves a General Services Administration (GSA) vehicle, and the administrative actions under AR 735-5, paragraph 12-1c; above have not been taken.

(11) The loss resulted from a fire, theft or natural disaster.

IMYN-LG

SUBJECT: Financial Liability Investigation Standard Operation Procedures Command Policy Letter 4-1

c. Time constraints for processing financial liability investigation of property loss, damage, or destruction of U.S. Government property.

(1). Initiate and process financial liability investigation within specific number of days **(75 days)**, following the discovery of the loss, damage, or destruction of U.S. Government property. When delayed beyond the 15-day time limit for the initiation process, the person responsible for the delay will prepare a written statement signed by his or her Commander explaining the reason for the delay and attach it to the financial liability investigation as an exhibit.

(2). Total **processing time equals the difference in days between the date of discovering the discrepancy and the date of financial liability investigation approval.** (Reference Army Regulation 735-5 figure 13-2).

d. Financial Liability Investigation Initiator.

(1). The initiator of a financial liability investigation normally is the hand receipt holder or the accountable officer. When the hand receipt holder or the accountable officer is not available, the person with the most knowledge of the incident will serve as the initiator.

(2). DD Form 200 will be proofread by Directorate of Logistics (DOL) and Financial Liability Investigation Representative (USAG Y, DOL) **prior** to assigning a document number from Property Control Branch (PCB).

e. Basic requirements for DD Form 200.

(1). Submit the original and three (3) copies of DD Form 200 plus any exhibits turned in with the financial liability investigation.

(2). Letter of Lateness Exhibit A (Prepared only if exceeds 15 days past date of loss.)

(3). Example of other exhibits (Examples: Accident reports; hand receipt; issue documents; turn-in documents; statements; cost of damages; pictures; vehicle dispatch, copy of drivers license; etc).

(4). Each exhibit must be lettered alphabetically at the bottom of the statement/certificate, followed with the date, amount, and organization or account as:

(a) Typed or printed legibly by the individual making the statement.

(b) Prepared in original and 3 copies.

IMYN-LG

SUBJECT: Financial Liability Investigation Standard Operation Procedures Command
Policy Letter 4-1

(c) Person making the statement dates and signs the statement/certificate.

(d) Lettered alphabetically at the bottom of the statement/certificate, followed with the date, amount, and or organization or account as shown on the face of the DD Form 200. Example: (Exhibit A, FLIPL, 18 January 1999, \$375.00, Co a 41st Sig Bn.). Other exhibits such as an estimated cost of damage (ECOD); military police report, etc. will also be identified as exhibits as shown above.

(5). Except as authorized, the initiator will not erase or alter any part of blocks 6 through 11, DD Form 200 or any exhibit.

f. Initiating a financial liability investigation resulting from an AR 15-6 investigation. When an AR 15-6 investigation establishes that there is lost, damaged, or destroyed government property, initiate a financial liability investigation. The initiator will do the following:

(1) Blocks 1 through 10. Prepare the financial liability investigation in accordance with figure 13-5.

(2) Block 11. Insert the words, "See AR 15-6 Investigation." Identify the location of the AR 15-6 investigation if not attached as an exhibit due to security classification.

(3) Blocks 12 leave blank.

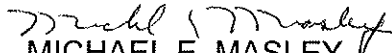
g. Non-tactical vehicles (NTV). Units who have dispatched vehicles from their servicing or other areas Transportation Motor Pools (TMP) accept full responsibility for safe operation of vehicles. The using unit is responsible for all repair costs when a vehicle is involved in an accident, regardless of dollar amount (AR 735-5). When the using unit has drivers from other units tasked to operate vehicles, the using unit is responsible for the vehicle, not the tasked driver's unit. In the event a NTV has more than \$500 of damage, the using unit is responsible for initiating a financial liability investigation in accordance with AR 735-5 and local SOP's. Units not assigned to the US Army Garrison Yongsan (USAG Y), who must initiate a financial liability investigation, will provide the servicing TMP and DOL a courtesy copy of the investigation.

h. Disposition of damaged property. The initiator of a financial liability investigation will not dispose of, repair, or continue to use the damaged property until the investigation authority, or the approving authority, decides it is no longer needed for investigation purposes.

4. The POC is Mr. Chang, In D at 738-7218.

IMYN-LG

SUBJECT: Financial Liability Investigation Standard Operation Procedures Command
Policy Letter 4-1


MICHAEL E. MASLEY
COL, AG
Commanding

DISTRIBUTION:

CMD GP

CHAPLAIN

DES

DMWR

DOL

DPTMS

DRM

HHC

IMO

PAIO

PAO

SAFETY

ROKA STAFF OFFICE