

U.S. Department of Homeland Security
United States Coast Guard

Investigation Officer's Guide for Household Goods Claims

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PURPOSE STATEMENT

Although this is a collateral duty, it is one that directly impacts morale and readiness. Congress enacted the Personnel Claims Act (PCA) to lessen the hardships of military life by providing prompt and fair compensation for certain types of property losses, especially those caused by frequent moves and transient assignments. The PCA is a gratuitous payment statute and is not meant to provide insurance coverage and is not conditioned on tort liability.

It is the policy of the Finance Center to provide efficient service and the maximum amounts payable under the law. As a Claim Investigation Officer, you play a vital role in making sure claimants are paid what they deserve quickly and fairly. In doing so, you also protect the Government's right of recovery against the carrier who is responsible for the loss and/or damage.

In an effort to make the claims process easier and to provide uniformity with other services, claim settlement personnel use DD Forms 1842 (claim form) and 1844 (claims analysis chart) for all household goods claims. These forms are simpler and shorter and should make submitting a claim less burdensome. The only forms the claimant needs to fill out are the DD Form 1842 and 1844. The Claim Investigation Officer uses the CG-4112A or a comparable memorandum.

The Claims Unit is located in Chesapeake, Virginia and obviously our personnel can't be at packing or delivery and can't inspect property ourselves. Claim settlement personnel rely on you to act as our eyes and ears and provide us the information we need to make a prompt and fair settlement to claimants.

If you run into a claim based on the shipment of a deceased member's entitlements, please contact the Claims Unit immediately and ask to speak to the senior claim settlement officer. These shipments typically contain the term **BLUEBARK** and they will take precedence over all other claims.

If you have questions about the contents of this instruction or any suggestions about what should be included in future versions of this guide, please don't hesitate to contact the Claims Unit

GENERAL GUIDANCE

What a Claims Investigation Officer **SHOULD** do:

- Assist the claimant in preparing his/her claim by providing forms, inspections, and logistics support (for example providing a government owned camera and film)
- Make sure the claimant prepares an accurate and timely DD Form 1840R, Notice of Loss and Damage, to the carrier within 75 days.
- Report the facts in an unbiased and clear manner.
- Perform a quality control check of the claims package.

What a Claims Investigation Officer **SHOULD NOT** do:

- Make recommendations on payments or denials.
- Assist the claimant in committing fraud.
- Provide claimants with inaccurate and or uninformed advice
- Hold claims for inordinate lengths of time.
- Forget their duty to protect the Governments right of recovery against carriers.

COMMON MISTAKES MADE WHEN SUBMITTING CLAIMS

- DD Form 1840R not filled in completely and correctly or neglecting to dispatch them to the carrier within 75 days of delivery. The taxpayer loses money when our right of recovery is compromised. See the attached example.
- Claim is not marked with date received by the Claims Investigation Officer. Claim settlement personnel must be able to establish if the claim was received within the two-year Statute of Limitations.
- No amounts claimed. They can't pay more than claimed; so, if there's no amount claimed on the forms, then there's no payment due!
- No inspections or photos on items that obviously need it to make an informed and impartial settlement.
- Replacement costs claimed without regard to whether the item could be repaired.
- Obvious attempts to misuse the claims statute by inflating claims. This includes claiming everything as brand new, not reporting accurate replacement costs (if the claimant lost inexpensive speakers, be sure they don't claim Bose replacements), misstating quantity, etc.

INITIAL STEPS

When you make your first contact with a claimant, you should make sure that the carrier is notified of all damages. Ask to see the DD Form 1840 and ask the claimant if there were any other damages found after completely unpacking. Also make sure the claimant didn't write exceptions on the DD Form 1840 after the carrier left. This is extremely important. The carrier is only responsible to pay for damage or loss that was noted at delivery or within 75 days. If proper notice wasn't given, the claimant could be out the amount the Government would have collected (in most cases that is the total amount of a claim).

If the claimant found damages after the carrier left, you must assist him/her in notifying the carrier and dispatching the DD Form 1840R (Reverse) to the GBL carrier within 75 days. Turn

the form over (don't forget the carbons!) and take care to fill in every block. The top is self-explanatory. The GBL number is alpha numeric. The first two will be AP/ZP/ or other two-letter combination, followed by six (6) numeric digits. In block 2a list the inventory number off the box or article. Ensure that they match the inventory provided the member when the goods were packed. If you're not sure, go over the inventory and pick the most likely box or article. In other words, if a drinking glass is shattered, find the boxes that were packed from the kitchen. In block 2b put a generic description of the item. If the inventory says lampshade, and it is a lampshade, then guess what – write lampshade. You can further describe it by saying “glass lampshade”. Block 2c is a general description of the damage. If it's shattered, say so. If the item is wood, describe it as dented, a general description of location, size, etc. It isn't necessary to be exact but a good description strengthens the claim.

VERY IMPORTANT: In block 3a, enter the name and address from block 9 of the DD Form 1840 not the local agent who delivered it. In many cases, they are not the same company or even affiliated. If there is no address, contact the local Transportation Office or the FINCEN Claims Unit for the address.

Make sure the date of dispatch and date signed are the same or very close. **DO NOT HOLD THE FORM FOR ANY REASON.**

Notice is also important since the carrier has the right to inspect the damages within 45 calendar days from dispatch of the DD Form 1840R.

Dispatch one copy of the form to the carrier, Certified Mail, Return Receipt Requested. Since you are protecting the Government's right of recovery, it's perfectly acceptable to send it at Coast Guard expense. Maintain a log and copies of the forms for inclusion in the claim.

If you have any questions about filling out this form, please contact the Claims Unit.

ASSISTING THE CLAIMANT

Your next step is to provide the claimant with an instruction booklet and claims forms. The Claims Unit has published extensive guidance on our web page, including forms.

Assist the claimant in finding any documentation he/she needs. Many times, they do not have a copy of the Government Bill of Lading. It's an important form for claim settlement personnel, since it spells out the responsible carrier, establishes the liability, etc. If the claimant doesn't have it, contact the local Transportation Office for a copy. A copy of the travel orders is essential. It's what authorized and paid for the shipment. Another important document is the descriptive inventory prepared by the origin packers. You will see its importance later.

If the claimant has furniture damage, you may give him/her a list of local repair firms. Be careful; don't favor one over another. If you're not sure what company to use, just check the yellow pages, ask around the unit, or call the Better Business Bureau. Repair estimates should describe what damage is being fixed and whether it's old or new. Refer to the Instructions for Filing a Household Goods Claim (http://www.fincen.uscg.mil/HHG_files/hhg_claim_inst.htm) for the type of repair estimates needed. Electronic items are different and have separate requirements.

If the carrier contacts the claimant and wishes to conduct an inspection, make the time to be there. Record your own observations and summarize anything the carrier's representative says for inclusion in your report. If the carrier mentions salvage, contact this office. Carriers aren't entitled to pick up salvaged goods until they settle the claim. If there is any dispute, contact the Claims Unit. Claim settlement personnel work with carriers every day and know how to deal with them and the requirements of the Tender of Service and Memoranda of Understanding.

INSPECTING PROPERTY

You should schedule an inspection immediately after receiving a claim. Here are some tips to remember when you do a household goods claim inspection:

Familiarize yourself with the damage and have an idea of what you want to look at. Look closely at the origin inventory and see what the carrier wrote. Many times, how they describe the condition of furniture will make you think the claimant shipped junk! It's extremely common for an item of furniture to have the following description:

CH 5-7-3 SC 4-9S 10 G 4 12

What this means – the item is chipped on the left, rear corner, scratched on the front sides and top, and gouged on the front edge. This isn't a bad description even by a carrier's usual standard. But consider this - once, an investigation officer did an inspection and wanted to see a microwave cart that would appear to have been in pieces. The cart was still unassembled in the original box. The claimant bought it right before he received orders and didn't bother to assemble it before moving!

If you run into this situation - write it in your report. Claim settlement personnel will notify the carrier and not have to argue about what's called "pre-existing damage". Sometimes there will be old damage on an item. That's okay. If the new damage is obvious, say so. If the repair-cost estimate indicates repairs of the old damage incidentally, that's okay.

Take pictures - the more the better. It's a legitimate government expense to provide a camera, film, and processing in order to support the claim. Use a ruler and place it near the damage you want noticed. It gives claim settlement personnel a good idea of size and the relation of new damage to old. You may also want to bring some post-it notes. Place them near the damage to highlight size, depth, etc.

DESCRIBING ITEMS

Most of us aren't wood experts, but it's fairly easy to tell if an item is solid wood, pressboard, particleboard, laminate, or fine-quality wood, like cherry or rosewood. Look at the bottom or back of the piece and see if the manufacturer has printed the name (Lane, Ethan Allen, Thomasville, etc.) and put that information in your report. The better quality the wood, the easier it is to repair. Many times, press and particleboard furniture isn't economically repairable in cases of moderate or heavy damage.

Put in the manufacturer's name, size, model number, and in some cases, even the date of assembly if it's stamped somewhere. There is no such thing as too much information.

DESCRIBING DAMAGE

It's a simple matter to say a table has new scratches, dents, is broken in half, etc. Of course, it's impossible for claim settlement personnel to know this unless you give us pictures and/or a description. Once again, explain what the new damage is and be as specific as possible.

Describe the type of damage (large scratch, dent, chipped to bare wood, etc), where it is in relation to the part damaged (top center, side edge, etc), and whether it is obvious or appears to be new damage. Keep in mind the carrier described the condition was at origin. For electronic items it's important to describe any physical damage. Carriers will not pay for damage to electronics without specific comments from a qualified repairperson, but it helps build a strong case if there are any signs of actual physical damage.

Another important point is to describe the overall condition of the property. If it is in pristine condition except for the large scratch right in the middle, put it in your report. Conversely, if the condition of the property wasn't good before the move, describe the old damage and whether it can be repaired without repairing the old damage. If old damage is incidentally repaired in order to repair the new damage, that's all right. If not, claim settlement personnel will pay a percentage to cover new damage.

One final note - the carrier may want a representative to inspect the damage. Generally, they generally only do it when there is evidence of extensive damages. If a claimant tells you that the carrier is sending someone to inspect, you should try and be there. Take notes, photographs, and record your observations for later use.

REPAIR VS. REPLACEMENT

Claimants often don't understand that it's fiscally irresponsible to replace an item when repair will put them back in the condition they were in before they moved. If there is a small rip or tear in the back of a sofa that can't be seen during normal use, claim settlement personnel can't pay for a replacement! In some cases, the Coast Guard can pay a loss of value after a noticeable repair has been made. Claim settlement personnel can also pay an amount agreed upon by the claimant to compensate them for the damage without getting an estimate of repair. If you think any of these situations are applicable in a claim you have, give the Claim Unit a call.

Salvage rights. Many claimants are unaware that the Government or carrier owns the property if the claimant is paid full value for it. Claim settlement personnel can work with the claimant so he/she can keep the property after subtracting salvage value. This is especially important if the item has some sentimental value to the claimant. By agreement with the carrier industry, claim settlement personnel must make arrangements for the carrier to pick up property that they agree to pay for. If you have this type of situation, contact the Claims Unit and someone will go over it with you and the claimant.

IMPORTANT NOTES

A damage notification (DD Form 1840 & DD Form 1840R) **is not a damage claim**. It is vital, but it is damage NOTIFICATION only.

If a claim has been submitted to the HHG Claims Office, and you do not have a response within 30 days, call us for status.

Complaints regarding the transportation/movement of your belongings should be reported to the origin and destination transportation offices. This includes the mover's attitude, professionalism, timeliness, workmanship, etc. While a copy of all such complaints can be forwarded with the claim file, the ACTION OFFICE for CARRIER COMPLAINTS is the Transportation Office. The Claims Unit is the action office for Personal Property (claim) loss and damage settlement.

The same goes for inconvenience claims. The Transportation Officer will help you with these claims. The Tender of Service governs these claims and you can find the procedures and requirements in the "It's Your Move" pamphlet.

Damage to real property. If the carrier damages Government housing, contact the housing office immediately. A claim for damage to an individual's privately owned home (e.g., walls, floors, stairs, etc. in homes or apartments) is handled by the claimant directly with the carrier's pick-up or delivery agent. (This will normally be the local agent in the phone book – check with the transportation officer.) **DO NOT DELAY REPORTING REAL PROPERTY DAMAGES TO THE LOCAL AGENT**. If the carrier refuses to pay, contact a legal assistance office for advice.

We strive to make an accurate and fair settlement with our members but we need your help. If you have any questions please don't hesitate to contact us. If we can clear up a problem with a phone call it saves time and aggravation.

Enclosure 1 - INVESTIGATION OFFICER'S ROLE

1. As an investigation officer (IO) you will play an important role in the claims process. As the "eyes and ears" of the claims settlement officer (CSO), you will inspect damaged items and, if necessary, assess the credibility of claimants and witnesses. Your report will help the CSO determine a fair settlement for members whose household goods have been damaged or lost in shipment. Your assistance in helping the claimant assemble a claims file can ensure that the claimant receives the maximum compensation allowable. For these reasons, this collateral duty takes precedence over any other collateral duty (2-D-2, CG Claims & Litigation Manual); and commands should be especially careful in their selection of a person to fill the role. It is your responsibility to ensure the claim file submitted to the claims office is complete. Remember that a copy of the entire claim file may be presented to the carrier and/or its agents involved in the move, so stick to facts and evidence, avoid rendering opinions.

2. As an IO, you should be familiar with the following references:

a. Chapters 2, 3, 4 and 6 of the Coast Guard Claims and Litigation Manual, COMDTINST M5890.9,

b. Enclosures (1), (4), (5) and (6) of the Coast Guard Claims and Litigation Manual, COMDTINST M5890.9,

c. This guide.

3. If you have questions about your duties or want some advice on how to help out a particular claimant, you should call the Claims Unit at: (757) 366-6505/6504/6507/6515.

4. WHO CAN BE AN INVESTIGATION OFFICER? The individual selected for this responsibility must be a petty officer (E-4 and above). The command making the selection should ensure that the person selected has demonstrated maturity, responsibility and attention to detail, and preferably, has experienced a PCS and household goods move.

a. Conflicts of Interest. It is important that your report be as objective as possible. To preserve your neutrality and objectivity, you should not be assigned to investigate the claim of any superior in your direct chain of command. Such claims should be referred either to someone else within your command or to a neighboring unit for investigation. Claims filed by Commanding Officers, Executive Officers and equivalent staff personnel should similarly be referred to an investigator not in their chain of command (if possible).

b. Selection of Afloat Unit IOs. A shore-based IO may better serve afloat-unit personnel. Claim settlement personnel frequently need to contact the IO to resolve a discrepancy in the file. When the IO is underway for extended lengths of time, the settlement can be delayed. A shore-based IO, working with a member's spouse (if any), can greatly reduce the amount of time required to process the claims filed by claimants in afloat units.

5. CARRIER NOTIFICATION. Unless the carrier is notified of the damage or loss, on the proper forms and within 75 days of delivery, a member's claim may be denied. Thus, one of your most significant responsibilities is to ensure that the member has notified the carrier of all damage or loss caused by the move.

a. Notification can be made using:

- (1) The DD1840 on delivery day, and/or
- (2) The DD1840R within 75 days of delivery.

b. The claimant may already have taken care of notifying the carrier by the time the claimant sees you for help. If so, verify that notice was properly made. You may be able to (and should) correct any errors.

c. If the claimant hasn't given proper notice of all loss or damage, you should help the claimant to do so.

(1) If the claimant gives you a DD1840R within 70 days of delivery, you are responsible for mailing the notice to the carrier within the 75-day deadline. See section 6-H-2 of the CG Claims and Litigation Manual, To determine if additional notice is required, you should:

(a) Determine if the claimant already submitted a DD1840 at delivery or, after delivery, mailed a DD1840R to the carrier via Certified Mail--Return Receipt Requested, and

(b) Determine if the claimant already notified the carrier of all of the loss or damage, which is listed on the DD 1844. To do this, compare the entries (inventory numbers and descriptions of damages), which are on the DD 1844 with the entries on previously submitted DD1840s or DD1840Rs. Review the DD Form 1840 to ensure no entries were made after the delivering agent left. If additional items were inserted on the DD Form 1840, they must be repeated on the DD Form 1840R to provide proper notice to the carrier. The DD Form 1840R should be completed in its entirety, with no blanks left on the form.

(2) Do not use the DD 1844 or CG-4111 for notice.

d. Before mailing the DD1840R, you should complete each section of the form, including Section B. 3. & 4. Your failure to do this may result in a denied claim. At a minimum, it will inconvenience you and your command. In all likelihood, cost the government any chance of recovery for damages from the responsible party, wasting tax dollars.

Note: The dates in Section B. (blocks 3b and 4c) on the bottom of the DD1840R should match, (date of dispatch is the date the form is mailed to the carrier listed in block 3.a. – which is the same as the address listed in block 9 of the DD Form 1840.) Also, be sure to mail the form on the same day on which you date on the form. Don't delay mailing for any reason. Doing so may result in denial of the member's claim.

e. Mail the notice to the home address of the carrier (the address listed in block 9 of the DD Form 1840), not the local agent's address, via Certified Mail-.Return Receipt Requested. Use

government postage/envelopes. The carrier's home address can be found in block 9 of the DD1840 or may be obtained from the transportation officer. You can also obtain it from the Surface Deployment and Distribution Command's web site at www.sddc.army.mil. Click on the following link and it will take you to a document that shows you how to navigate the web site - [Accessing the Surface Deployment & Distrib Command](#)

f. Make sure that you stamp the date of dispatch on the form and on the certified mail receipt. If possible, get the U.S. Postal Service to do this. A date stamp will serve to establish that the carrier was given timely notice. The initial postage mailing receipt and return receipt shall become a part of the claim file.

6. ADDITIONAL OR LATE NOTICES. If you receive a DD184OR or note that the member's DD 1844 contains additional loss or damage (beyond that on the DD1840 and any previous DD184ORs), mail the additional notice (on another DD184OR) to the carrier without regard to the 70- or 75-day deadlines. There are two reasons for doing so:

- a. You don't want to be responsible for a denied claim, when you could have gotten the notice out between 71 and 75 days, and
- b. The 75-day notice requirement may be waived under certain circumstances (i.e., TDY; hospitalization; etc.).

7. REQUIREMENT TO KEEP A DISPATCH LOG. The requirement to keep a log of all notice dispatches is levied in the CG Claims and Litigation Manual. At a minimum, you need to record claimant's name, the GBL that covered the shipment, the certified mail number, the date of dispatch, and the date the return receipt is returned to you.

8. CLAIMS INVESTIGATIONS. A claim investigation should answer three important questions: (1) was the property tendered (given) to the carrier for transportation; (2) did the damage occur during the move because of rough handling or improper packing, and; (3) what is the reasonable cost of repair or replacement (including salvage value, if applicable) of the damaged or lost item. For more information, review Chapter 6 of the Claims & Litigation Manual.

a. A complete and thorough inspection usually results in a more favorable settlement for the claimant, It will also improve the Coast Guard's ability to recover from the carrier, And if the carrier pays more than we gave to the claimant, that money is then sent to the claimant. The inspection should:

(1) Determine if the member has Full Replacement Value protection coverage for the move. The Government Bill of Lading, SF-1203, will have this information in block 27. If so, the member's claim is against the moving company, not the government. The claimant should contact the carrier to request inspection of damage and for the carrier's claim forms. If the carrier tells the claimant that they must file their claim with the Coast Guard first, you should immediately call the Claims Unit for advice.

(2) Describe, in detail, all items damaged, (to include the manufacturer's data plate information, *i.e.*, manufacturer, model, series, name, date of manufacture, etc. for all items such

as appliances, electronics, photographic and video equipment, etc. Some furniture may also indicate date of manufacture on the bottom, or underside, as well as make and model. If so, present that information with the claim.

(3) Distinguish between new and old damage. Do this by comparing the claimed damage with the preexisting damage (PED) listed on the origin inventory.

(4) Describe the nature and extent of the damage. Do this by comparing the damage on the claim with the damage described on the notice to the carrier.

(5) Determine the salvage value of any item. If the item can be retained and used, it has some salvage value. Use common sense to determine salvage value. Also, you may ask a retailer or manufacturer whether an item with similar damage could be re-sold, and at what price. For example, a mattress with a 5" rip is sometimes sold by retailers for 25-50% off.

(6) Determine if an item is not economically repairable. This means that the cost of repair would exceed the depreciated replacement value of the item, which may necessitate getting both repair and replacement estimates/bids. Remember – you're not a repair expert, and claim settlement personnel don't expect you to be one. Often, items that seem beyond repair to a novice are, in fact readily repairable. Further, it's not the claimant's choice to elect replacement vice repair, merely because they feel they deserve a new one or repair would be too much of a hassle. Settlement is limited to the lower of cost of repair or depreciated replacement value. Often a repair estimate is needed to document that depreciated replacement value is less than the cost of repair.

(7) Ensure that the claimed replacement price is for a similar item, using Exchange or Exchange Mail Order Catalog prices, when possible. An Ethan Allen cherry table shouldn't be used to establish the replacement value for a Sears pine table. Don't allow the claimant to use a Macy's catalog to justify a \$125.00 replacement price for a \$29.99 Procter-Silex 4 slice toaster.

(8) Ensure that internal damage to electronic items is documented (See the handout for electronic damage.). IMPORTANT: Provide information from the manufacturer's data plate, i.e., manufacturer, model name & number, date of manufacture, etc.)

b. Each inspection should include photographs of all damage. Each photograph should be clear and in focus. Fuzzy photographs and photographs where the damage is obscured by glare are useless. Each photograph should include something, such as a ruler, to identify the scale of the damage. It's also a good idea to include a card with the item's inventory number in the photograph, Yellow sticky notes work well for this. They also serve to direct the viewer to the damage. Finally, when the claim is submitted, the photographs should be mounted onto sheets of paper, two or so to a page. Items shall be shown in their entirety, if possible, with additional damage documenting close-ups, when necessary. You may include comments such as inventory number of the item, and a description of what is being viewed on the mounting page. Color copies of these photo pages will be provided to the carrier with other evidence of damages.

c. To do these things, you should make an on-site inspection. However, visual inspection can be waived in extraordinary cases, i.e., when the household goods are located in an area

distant from your unit and on-site inspection isn't practical. Such circumstances should be explained in the inspection report. In these cases, the claimant must submit photographs. It is a legitimate unit expense to provide film and developing for photographs necessary to support the claim. The unit may provide the film and developing whether the claimant or investigation officer takes the photos.

d. DO NOT INSTRUCT THE CLAIMANT TO DISPOSE OF ANY ITEMS WITHOUT CONTACTING THE CLAIMS UNIT. Do instruct the member to retain all items until 60 days after the final claim settlement is made. The carrier (or the Coast Guard) may have up to 60 days after claim settlement to make salvage claims on any item for which depreciated replacement value is paid. The claimant is required to turn over any item for which the carrier or the Coast Guard lays claim, once depreciated replacement value has been paid. In other words, the item has been purchased from the member and it's no longer is their property. The claimant must cooperate with any carrier's salvage attempts. If a damaged item presents a health or safety risk, the Claims Unit should be contacted and disposal advice will be provided. "Because an item is in the way" or the claimant "doesn't have room for it" is not a valid reason to dispose of the item.

9. COMPLETING THE CG-4112A, The CG-4112A is the Claims Investigating Officer's Report of Personal Property Claim. Instructions for completing this form can be found in Enclosure 2. If the claim is a simple one- or two-item claim, the report may be placed completely in block 13. For larger claims, you should put your report on a continuation page.

10. REQUIRED DOCUMENTATION. When you first meet with a potential claimant, you should ensure that the claimant has a copy of the Claimant's Guide to Household Goods Claims. You should be thoroughly familiar with the Claimant's Guide so that you can help the claimant to put together a complete claims package. This should make your job easier since complete claims can be settled without having to be returned for more information. Ensure that the following is included in each claims package:

a. CG-4112A (original only). A report of your visual inspection should be started in block 13, and continued on a continuation sheet, if necessary. The report should list each damaged item by inventory number and provide specific findings for each item.

b. DD Form 1844 (original only). Do not complete this form past column 13. Claim settlement personnel will compute appropriate carrier liability and standard depreciation when the claim is settled.

(1) Ensure that any repair or replacement cost estimates, catalog excerpts, original receipts, or appraisals are labeled with the applicable inventory number. Use the AAFES Mail Order Catalog or the Coast Guard Exchange System (1-800)-242-9157) whenever possible to obtain replacement costs.

(2) The claim must also include evidence, which shows that the replacement estimate submitted by the claimant is, in fact, for an item identical or similar to the item that was lost or damaged. Suitable evidence would include original receipts, owner's manuals, photographs of labels, etc. Note: The original purchase receipt is usually the best evidence to establish the value of an item!

- c. Travel Orders (PCS or Retirement Orders)
- d. GBL (SF-1203). If the claimant does not have a copy of the GBL, contact the originating Transportation Office to obtain a duplicate copy.
- e. Descriptive inventory. Provide the original, legible, tissue copies of the loading and unloading inventories. If the claimant does not have a legible copy, contact either the origin Transportation Office or the carrier for a duplicate copy.
- f. DD1840/184OR (pink tissue copy). Ensure that the file also contains the original certified mail receipt, postmarked with the dispatch date by the U.S. Postal Service, and the green return receipt card, which shows the date that notice was delivered to the carrier.
- g. When missing items are claimed, include a statement from the carrier or the destination Transportation Office that indicates a search for the missing items was initiated and that the items have not been located.
- h. If the claimant had private insurance and filed a claim with the insurer, include applicable sections of the claimant's insurance policy (insurance contract coverages or exclusions and clauses indicating the deductible amount) and correspondence with the insurance company (including copies of insurance settlements or copies of settlement checks).
- i. Any correspondence or other documents provided by the carrier to the claimant, to include any checks received from the carrier on this claim. Note: If a claimant cashes the carrier's check in settlement of the claim, the claimant cannot recover from the Coast Guard for any amount for which the carrier would have been liable.
- j. Any correspondence with any third party regarding this claim.
- k. Photographs of each damaged item (labeled with the applicable item/inventory number). The importance and value of pictures can't be overstated. Use the unit camera and film, if available; however, claims for film and processing may be paid if the photographs help the claim settlement personnel to complete the claim.
 - 1. Copy of Air Waybill, which shows the Air Waybill number, (if applicable). Air waybills are normally issued in connection with air shipments. Generally, they are associated with unaccompanied or express baggage shipments.
- m. Field Unit Household Goods Claims Checklist. This form is normally completed by the IO and submitted as a cover sheet to the claim package. See enclosure 2 of this guide.
- n. Power of Attorney. When the claimant is unable to sign the claim documents, the person who submits the claim needs to show proof of authority to do so. A Power of Attorney will suffice for this. Note: Even though someone else can sign the claim on behalf of the military member or civilian employee, claim settlement personnel can only authorize payment to the member/employee.

ENCLOSURE 2 - INSTRUCTIONS FOR COMPLETING CG-4112A

Block Number	
1	Enter the date you received the claim. IMPORTANT: Upon receipt, the claim form should be copied and returned to the claimant with instructions to retain that copy. The unit should also keep a receipt log of all claims, and log the claim in upon receipt.
2	Enter your first name, middle initial and last name.
3	Enter your rank or rate.
4	Enter your duty station. Include your duty telephone number, so that claim settlement personnel can contact you to resolve any questions.
5	Check the appropriate box.
6	Check the appropriate box. If "NO" is checked, explain why an inspection was not completed in block 13.
7	Enter the names of the person(s) with whom you spoke concerning the claim - claimant/spouse or repair/ replacement facility), their address or telephone number, and how the interview was conducted.
8	If the cost of repair/replacement of a particular item is over \$50, one estimate is required. No documentation is required for items less than \$50, if you and the claimant both agree on the amount claimed and the Claim Settlement Officer considers the amount reasonable. Note: Contact the Claims Unit to determine if the estimate requirement should be waived. For example, you may be able to agree to a reasonable repair cost where the claimant intends to do the work. Please remember – reasonable repair costs where the claimant intends to do the repair work include materials only, not labor or specialty tools purchases. Claim settlement personnel are prohibited from paying for claimant labor charges/time.
9	Section 6-C of the Claims Manual defines who can be a claimant. Read this section prior to answering 9(a). Leave 9(b) and (c) blank.
10	If you are not enclosing a completed DD Form 1844, and/or other required documentation, mark "NO" and explain why in block 13.
11	Ensure that you have obtained all of the necessary facts and that you have completed the report.
12	Provide appropriate information if applicable.
13	Use this block for your report. If additional space is needed, continue on a blank sheet of paper, and sign/date beneath your comments, This block should also be used to explain why information for the above blocks was not provided.
14	You must sign your report.
15	Enter the date signed.
16	Don't use REPLACEMENT IN KIND for HHG claims. If use of Replacement in Kind is contemplated, call the Claims Unit for advice. Block 16 can also be signed as a claim endorsement in those instances where the unit wishes to review or endorse the claim. A forwarding letter or separate command endorsement is not required, unless the carrier wasn't notified of all damages within 75 days of delivery.
17	Leave blank.

Enclosure 3 - IO INSPECTION

HOW TO PERFORM A COMPLETE INSPECTION AND REPORT

1. Prior to visiting the claimant's residence to inspect damaged items, you should review the entire claim. Although there may be only one or two items that need to be inspected due to possible pre-existing damage (PED) or questions about the quality of an item and/or extent of damage, you should consider inspecting all damaged items since you are already at the residence. You should consider the following information prior to going to the inspection site:

a. The damages claimed on the DD Form 1844. List the exceptions noted by the carrier on the pickup inventory in the first "EXCEPTIONS" Block of the DD Form 1844.

b. The condition of the item on the pickup inventory.

c. The exceptions noted on the DD Forms 1840 and 1840R.

d. The estimate(s) of repair, if any.

e. The written replacement costs, if any.

f. The purchase receipts, cancelled checks, or paid bills, if any.

2. Review the inventory to determine if the carrier was overly zealous in taking exceptions to the claimant's property. Specifically, did the carrier take excessive exceptions for each like type item? In other words, were all four dining room chairs annotated as "SC 6, 4, 7; CH & G 5 & 8, 9; SC & R 12?" Did it appear the carrier could have used ditto marks straight down the inventory sheet as all of the exceptions to each item were exactly the same or very similar? Or, did the carrier simply change the order in which the exceptions were noted on each item on the inventory? If the carrier listed excessive PED, the inspection report should include a detailed statement with examples of the items where damages were noted on the inventory, but were not present during your inspection.

3. Upon entering the claimant's residence, make a mental note of the general condition of the furnishings. Does the residence appear neat and orderly, or is it in total disarray? Does the furniture appear to be as if it were in a furniture store showroom? Review the PCS orders to determine if the claimant has any children, and if so, their ages. Are there any pets in the house? Is the residence used as a home day care facility? You should include on the inspection report any comments concerning any unusual conditions. Your impression of how the claimant maintains his/her household may be useful in the adjudication of a claim when pre-existing damage may be an issue. Ask the claimant if a videotape or photographic inventory was taken before the move.

4. Describe the damaged item in detail. Note the brand name, make, model number, series or edition number, and serial number of all items. Later, during the adjudication of the claim, this information will assist claim settlement personnel in determining if it can be replaced at a lesser

amount than the estimate of repair or replacement cost submitted by the claimant. Is the item covered by a lifetime guarantee? If so, make a copy of the catalog or other document that covers the conditions of the lifetime warranty.

5. Describe what damage is new and what damage is PED. If possible, give a percentage of new damage versus PED, such as: “75% of the damage to the table top was new while approximately 25% was PED, which was listed on the inventory.” Match the PED to the estimate of repair and indicate if the new damage can be repaired without also correcting the PED.

6. Describe the location of the damage as you are facing the item: scratch on the right side means your right. NOTE: Many carriers describe the location of the damage as you use the item. Consequently, damage to the right arm of a chair or sofa is the right of the person sitting on it. On most other items, the carrier industry would describe the damage as if you are facing the item.

7. Wood furniture.

a. Prior to inspecting wood items, you should have some knowledge of the various types of wood. One of the best ways to learn is to have an experienced woodworker show you the different types of wood in their natural, unfinished state, as well as what the wood looks like after it has been finished and stained. Go to several stores that sell expensive and inexpensive furniture items and see if you can identify the wood by sight and feel before reading the labels. Remember, with wood stains, most woods can be finished to give the “appearance” of better quality wood. At a minimum, you should know the following:

(1) Hardwoods are the most desired of the woods for furniture items because of their beautiful appearance and resistance to scratches, nicks, and dents in normal household use. Some better-known hardwoods for furniture items are oak, walnut, cherry, maple, teak, rosewood, and mahogany (do not confuse the hardwood mahoganies of the Americas or Africa with the Philippine Mahoganies, which are a softwood). Because of their appearance and longevity, hardwoods are much more expensive than other wood items.

(2) Since softwoods do not hold up to scratches, nicks, and dents as well as the hardwoods, they are less expensive. Further, since the wood is so soft, it is much easier to work with when constructing a furniture item. The most common of the softwoods are pine and fir. Much of the furniture sold in chain-type stores is made of pine. Pine and fir are also used to make much of the “you-paint-or-stain-it” furniture. Two other types of softwoods are cedar (used to make linen or blanket chests) and redwood (used to make patio furniture).

(3) Manmade woods (plywood, pressed wood, and particle board) are prefabricated sheets of wood made of woodchips, sawdust, or wood flakes (or a combination of any or all) mixed with glues or resins. Most manmade woods are covered with a wood veneer or a photographically produced plastic film, which gives the furniture item the appearance of oak, walnut, cherry, or mahogany. Many wall units, chests, bookshelves, computer hutches/desks offered at low prices by discount furniture or department stores are constructed of manmade woods. NOTE: Chips or broken pieces from these items are extremely hard or impossible to repair and the cost of repair will, in most cases, exceed the value of the item. Although it is now

possible for experienced firms to make repairs to manmade woods, which are water damaged or severely chipped, the repair cost will far exceed the value of most average priced items.

(4) Bamboo, rattan, cane, and wicker, are used to make wall units, bookcases, room dividers, and chair and bar stool seats, as well as the Mamason or Papason chairs. Bamboo, rattan, and cane are Asian grasses or palms with very flexible stems, which are easy to shape into different designs.

b. The damage to wood items should be described in detail. For consistency, describe whether a scratch is across or travels in the same direction as the wood grain – deep scratches along the wood grain can be, in most cases, “touched up,” as opposed to refinishing. Is the dent, scratch, gouge, or chip so deep it goes past the wood stain and into the natural color – or the wood? Is the damaged area rough when you rub your finger across it? Has the claimant polished or waxed the item since it was delivered? In many cases, if the damage is new, the chip, gouge, dent, or even scratch will be rough, and small pieces of wood may flake off on your finger. If the damaged area is rough or is so deep into the wood it goes past the wood stain, then in all probability the damage is new and not PED. Even if the area is not rough when you rub your finger across it, the damage may still be new if the claimant has polished or waxed the item since the move. Further, if it has been a considerable amount of time from when the item was delivered to the time of your inspection it may be hard to distinguish new damage from PED.

8. Upholstered furniture. The inspection report should reflect whether the damaged item is part of a matched set (sofa, recliner, O/S chair, ottoman, loveseat, etc). Describe the material in detail (leather, vinyl-coated cloth [Naugahyde™], cloth, plaid, striped, print, or solid). Your report should describe the style of furniture (e.g., Country, Early American, Danish, French Provincial, Modern, etc). If it is a sofa or chair, indicate whether the arms of the item are completely upholstered, all wood or metal, or a combination. If the damage is a tear or rip, describe the length of the tear or rip and where it is located on the item. Is the rip or tear located on the back or side of the item that is against a wall? Is the foam or other stuffing around the rip or tear clean and white or is it dirty and discolored? If the foam or other stuffing around a rip or tear is clean, then most likely this damage is new and not PED. If the tear is near a seam or a corner, does it appear the material can be stretched or rewoven as opposed to completely reupholstering the item?

9. China or flatware. If the claim is for broken or missing pieces of china, crystal, stemware, or dishes, check the rest of the set to confirm if the claimant had 6 or 8 place settings. Verify if the item is bone china or lead crystal and if it is from Japan, England, Germany, etc. Inspect flatware to determine if the missing or broken pieces were to a 6 or 8 piece setting. Describe (and photograph) any special designs or emblems on the flatware. For broken or missing pots and pans, verify the remainder of the set is of the quality being claimed. This information will assist claim settlement personnel in the adjudication of the items. Although the claimant may have bought the china, flatware, or pots and pans as a set, it may be possible to replace the individual pieces that are broken or missing.

10. Consider using a camera to establish the value of an item being claimed or for the extent of the damage alleged. Photographs support the payment of the transportation claim and the recovery of the carrier liability claim. Further, photographs are of great value in resolving any disputes with the carrier on new versus pre-existing damage, or establishing the Coast Guard’s

position that the carrier may have listed excessive PED on the inventory. Any photographs taken should include the inventory number of the item, a reference point/position/size indicator (for example, a pencil pointing out the damage with a ruler underneath), and the date taken. When the item is part of a set, it is a good idea to take a photograph of the undamaged pieces. This gives claim settlement personnel a reference and helps to make a determination on replacing sets.

11. Keep in mind when doing your inspection that most all expensive furniture, china, flatware, and expensive figurines will have the name of the company stamped, stenciled, or burned into it. Similarly, expensive electronic items will have the model number somewhere on it and, in some cases, even the date of manufacture. For electronic items, it helps adjudication process if the size and specifications are provided to claim settlement personnel. Make note of these observations.

12. When preparing the inspection report, the Claims Investigation Officer should be sensitive to the fact all comments in the inspection report may be released to both the claimant and the carrier. State your observations and stick to the facts.

ENCLOSURE 4 - SAMPLE INVESTIGATION OFFICER'S REPORT

Subj: CONTINUATION OF CG-4112A FOR SK1 JOHN De CLAIMANT

1. (Use if notice needs to be explained,) SK1 Claimant submitted a DD1840 at delivery on 06/10/2002. The DD1840 listed all/none/some of his damaged and missing items, This form was signed and dated by both the member and carrier's representative. I, [IO rank and name], completed and dispatched a DD184OR to the carrier via certified mail, return receipt number P 870 889 185 on 06/13/2002, the 29th day after delivery. SK1 Claimant delivered his DD Form 1842/1844 to me on 07/24/2002, the 70th day after delivery. It contained one more item so I mailed an additional DD184OR to the carrier on 07/25/2002, the 71st day after delivery.

2. I visited SK1 Claimant's home on 07/31/2002 to inspect the damage to his household goods. If you need to establish that PED was overstated on the origin inventory, state, "During my inspection, I compared the damage listed on the descriptive inventory prepared at origin against that damage being claimed by the member. In my opinion, the carrier representatives at origin overstated the preexisting damage. This was obvious by comparing the damaged listed on the inventory against furniture that was not being claimed as having sustained damage. I could find none of the markings listed on the inventory. See the attached photographs of items 174 through 178." (If general observations about the property are warranted, include them next.

3. My findings are as follows:

a. Item No. 108, chair (recliner). Tear in seat. This is a Lane recliner. There is approximately a 6" tear in the seat (see attached photo). The descriptive inventory prepared at origin says this chair was soiled and worn; however, I see no noticeable soiling and it appears to be in good condition with no wear. The estimate to re-upholster this chair is \$275, Of this, \$200 is for material and \$75 is labor.

b. Item No. 125, television. Doesn't work. This is an RCA 27" Console Color Stereo TV, Model No, F27-244BC, manufactured in August 1993, with remote control, and additional external speaker ports. The member took this television to the repair facility. The repair estimate indicates \$50 to clean and realign. This does not appear to be move-related damage, and there is no evidence of rough handling or external damage; however, the claimant said that his TV was working fine before the move.

c. Item No. 126, VCR. Doesn't work. This is a Gold Star 4-head, stereo VCR, Model No. GVR-F435, manufactured in November 1995, with remote control, on-screen menu, and 8 day/4 event programming capability. The repair facility estimate indicates that there is a cracked circuit board with a repair cost of approximately \$200. I spoke to the repair technician, who stated that this type of damage could only be caused by the item being dropped. There was no external damage to the VCR case. The repairman completed an Electronic Repair Form, which is attached.

d. Item No. 157, dining room table. Item gouged. This is a solid pine wood table. The descriptive inventory indicates this table was scratched, dented and gouged at origin. Upon delivery, there was a deep gouge in the top. It was easy to distinguish between the preexisting damage and this new damage. This new gouge clearly shows fresh wood, as opposed to the other scratches, which were discolored (see attached photos). The estimated cost of repair is \$75

for labor only, as no materials are needed. I recommend full reimbursement, because the old damage is merely incidental. The claimant would not have had to repair the top if it had not been damaged during the move.

e. Item No. 239; roll top desk. Tambour broken. This is a teak veneer pressed wood desk. The descriptive inventory prepared at origin described the desk as having numerous scratches and a rub on the tambour. The tambour was noted as broken on the DD1840. The repair facility estimate indicates that it will cost \$100 in labor and \$7.50 in materials to repair the broken tambour and refinish it.

f. Item No. 260, U.S. Coast Guard combination cap. Item crushed and stained. It is no longer serviceable.

I. O. SILVER, SKC, USCG
Investigation Officer

Enclosure 5 - UNIT HOUSEHOLD GOODS CLAIM CHECKLIST

Claimant: _____ Date of Pickup: _____
Unit: _____ Date of Delivery: _____
IO's name: _____ Date DD184OR Mailed: _____
IO's Phone: _____ 75th Day: _____

_____**PERSONAL PROPERTY CLAIM – DD FORM 1842.** Ensure all appropriate blocks are complete. Pay particular attention to blocks 8, 15, 18 and 19. **The claimant, or a designated agent with a POWER OF ATTORNEY must sign the claim.** Submit the original only.

_____**CLAIM INVESTIGATION OFFICER'S REPORT - CG-4112A.** Use a plain sheet of paper to continue comments from block 13. When the carrier is not notified within 75 days, a formal command endorsement is needed to specify the reason.

_____**DD FORM 1840.** Was the DD1840 signed at delivery? Are all the exceptions noted on either the DD1840 or the DD184OR? If not, explain why. Is the extent of the damage and item number listed correctly?

_____**DD FORM 1840R.** Submit a completed carbon (pink) copy. Include the date stamped postal receipt (to prove dispatch) and the "green" return receipt card mounted on a 8-½ X 11 sheet of paper.

_____**DD FORM 1844.** Ensure blocks 1 – 13 are filled out correctly and that the claimant listed the same description shown on the DD1840/184OR.

_____**SF-1203, GBL.** Submit a legible copy.

_____**CG-5131 PCS ORDERS (or LETTER RETIREMENT ORDERS).** 1 copy

_____**BILLS/ESTIMATES.** Label with an inventory number as listed on the **shipping** inventory. For items over \$100.00, one estimate is needed. If obtaining an estimate is unreasonable, explain the rationale in the IO report.

_____**PHOTOGRAPHS.** If no visual inspection was made, photographs of the damages are mandatory for damaged items. They are strongly encouraged if a visual inspection was made. Photos should be mounted on a single side of 8-1/2 x 11 paper, annotated with inventory numbers and descriptions of what is being viewed, what/where the damage is, etc. **COLOR** photos are preferred.

_____**AIR WAYBILL.** When unaccompanied baggage (U/B) shipments are moved by air, an air waybill number must be included in the claim package.

_____**HOUSEHOLD GOODS DESCRIPTIVE INVENTORY.** Provide original copy.

FORWARD THIS FORM TO THE CLAIMS UNIT ALONG WITH THE CLAIM PACKAGE