



FORT SILL CLAIMS OFFICE

4700 Mow-Way Road, Suite 400 (4th Floor), Fort Sill, OK 73503
(580) 442-2317 (or 5058)
<http://sill-www.army.mil/usag/jag>



SUBSTANTIATING HOUSEHOLD GOODS CLAIMS

CLAIMS EXAMINERS WILL REQUIRE SUBSTANTIATION OF CLAIMS

Whether filling a claim with the Transportation Service Provider (TSP) or the Military Claims Office (MCO), you may be required to provide substantiation of ownership, condition, value, replacement costs, estimates of repair, or costs of obtaining estimates of repair. Reasonable costs of obtaining estimates will usually be reimbursed (if in doubt, seek approval first). The MCO can provide a list of local vendors that provide estimates/repair services. The TSP may settle small claims (under \$500 total) with less documentation through informal channels. Costly items (over \$100) will require additional documentation of value. Otherwise, only “fair and reasonable” values may be assigned to the lost or damaged item. Claims will only be paid for the lesser of repair or replacement value.

THE CARRIERS RIGHT TO INSPECT, ESTIMATE, AND REPAIR

- a. In some shipments, the carrier has some specific contractual rights associated with the transporting of household goods shipments. These rights require that you do not throw away or have any item repaired before getting approval from the Claims Office.
- b. In most moves, the carrier has the specific right to inspect your property. This is in addition to any inspection that this Claims Office may conduct. You are required to permit the carrier to inspect all of your damages. **Remember, no property should be discarded until 120 days after you receive payment on your claim.**
- c. If you impair the carrier’s right to inspect your property, your claim may be reduced or denied. If you have already been paid, you may be required to repay the money that was given to you for your property.
- d. Certain items may be disposed of or repaired before the expiration of the carrier inspection period. Contact this office for advice regarding which items can be disposed of or repaired ahead of schedule. Generally, you may request authorization to have items disposed of or repaired if you believe them to be essential to health and safety (e.g. broken glass).
- e. The carrier also has a contractual right to submit repair estimates for your damaged property to this office. We will consider all estimates received. Sometimes a carrier will offer to repair the damage. You are not required to let the carrier repair any damage unless you bought full replacement cost insurance coverage from the Military Transportation Office during the time you made your initial appointment. However, you may allow the carrier to repair your damaged property if you wish.
- f. If you are paid the full-depreciated value for an item without a deduction for the salvage value, the carrier has the right to come and get the item for salvage. The Claims Office will advise you regarding which items you must hold and the length of time you must hold on to those items. As a general rule, if you are paid the current value of an item (depreciated value), you must keep it from further damage for 120 days after you receive payment on your claim.

Substantiating Your Claim:

Claims for items over \$100 in loss/damage typically require additional substantiation of value to approve.

1. **Keep Good Inventories:** Don’t overlook lists of valuables in boxes, check thoroughly after delivery.
2. **Provide Pictures:** Take before and after pictures (prefer time-stamped), especially items at-risk of damage (valuables, glass, art, wood furniture, etc.).
3. **Keep Items for Inspection:** It is important to keep these through the end of the claims process (up to 120 days after settlement).
4. **Estimates of Repair:** Show cost to repair damaged items. (Reasonable costs to obtain estimates should also be reimbursed.)
5. **Keep Receipts:** For large purchases (\$100+) made during career and especially for obtaining estimates & replacement items.

SUBSTANTIATING HOUSEHOLD GOODS CLAIMS FOR CARRIERS

DEFINITIONS:

The following concepts and definitions are included in order to give you some general knowledge of the Claims adjudication process.

- **Compensable Amount** – The amount determined payable after considering the original cost, replacement cost, repair cost, and normal depreciation. Our goal is to pay you the maximum compensable amount permitted by statute and regulation as promptly as possible.
- **Original Written Estimate of Repair** – The original written repair estimate must be included with your claim. A reproduced copy of an estimate cannot be accepted unless you are filing more than one claim using the same estimate. In those circumstances, we are permitted to accept a reproduced copy of the estimate for one claim and the original estimate for the other claim. The estimate should be from the firm that will repair the property and should explain the cost of repairs. The estimate should not include repairs to damage that existed before your move. The estimate should include a description of the location of the new damage. If an item has old damage that *must* be repaired with the new damage, your award will be reduced a reasonable amount for the cost of repairing the old damage. If an item is not repairable at any cost, the estimate should **explain why**. These explanations are used to determine if an item cannot be economically repaired and therefore a payment for replacement may be allowed under the regulation. Thus, we *cannot* accept a “blanket” repair statement that an item cannot be economically repaired.
- **Internal Damage** – You must provide evidence showing the cause of internal damage to appliances, electronics, and other items. You must provide a statement, in your own words, explaining how you know the item worked immediately prior to shipment and the repair estimate must state the nature of the internal damages. The cost of repairing damage caused by manufacturing defects, normal wear, or lack of routine maintenance is not payable. It is considered a manufacturing defect if an item cannot be shipped under normal circumstances without incurring damage. For example, a claim for replacing worn belts on a dryer is not payable. Likewise, a claim for the cost of tuning an undamaged piano is not payable. Such repairs are normal maintenance.
- **Deterioration in Storage** – Claims for property that deteriorate in storage because it is not used for a long time are not payable. For example, a claim for the replacement of gaskets on a refrigerator stored for seven years is not payable.
- **Replacement Cost Estimates** – Replacement cost estimates should be close to the same or similar items and original purchase price. You need to include receipts from the store you will replace the item from, catalog pictures that show the price of the item or a printed page from an internet site that can sell you the item.
- **Estimate Fees** – Reasonable estimate fees that you pay may be reimbursed. Enter them on the DD Form 1844, Schedule of Property and Claims Analysis Chart, as separate items. Include evidence of payment with your claim. Contact Claims for approval if the estimate fee exceeds \$50.00.
- **Use of PX Catalog** – The PX or Overseas catalog must be used if a comparable item is available at a lower cost than at a local store. Persons authorized to use the PX can order overseas replacement items from the PX catalog. The Claims Office will provide the proper statement for use when ordering from the catalog upon request.
- **Appraisal Fees** – Fees charged by appraisers to prove the value of your property is not reimbursable. Certain other costs of substantiating your claim are also not reimbursable. The costs include but are not limited to personal transportation, mileage, postage, photography, and telephone calls.
- **Wrinkled Clothing** – Wrinkled clothing is expected in a shipment and the cost of washing or pressing is normally not payable.

SUBSTANTIATING HOUSEHOLD GOODS CLAIMS FOR CARRIERS

DEFINITIONS:

- **Loss of Value** – Payment for loss of value is permitted in some instances. For example, if the damage to an item is only cosmetic and the item is non-decorative, a payment for loss of value would be appropriate. Loss of value may be paid if the damage is minor or cosmetic. Damage is considered to be minor if the item can still be used for its intended purpose and (1) it is not reasonable to replace the item, (2) the damage is not economical to repair, or (3) the damage is not repairable at any cost. For example, a knickknack of figurine gets a small chip or the surface is cracked, the damage is considered to be minor since replacement of the item is unreasonable for the type of damage sustained. Likewise, if a fiberboard coffee table is scratched and cannot be repaired, the damage is considered to be minor and an award for the loss of value would be appropriate. Cosmetic damage is considered to be damage to an item's appearance that does not prevent its normal function. A non-decorative item is one not usually on display for decorative purposes. An example is a dented cabinet on a washer that functions normally. Unless the dent interferes with the operation or safety of the washer, an award for a new cabinet or a new washer would not be appropriate and an award for loss of value will be made.
- **Minor Repairs** – Our claims adjudicators are authorized to make some settlements concerning repair costs without written estimates. If an item can be repaired for \$100.00 or less, the adjudicator can reach an "agreed cost of repairs" with you. The agreed cost procedure will eliminate the need for a written estimate for those items at the time you file your claim. The Claims Office reserves the right to request a written repair estimate when deemed to be in the best interest of the Government or the claimant.
- **Power of Attorney** – A power of attorney is required if you are filing a claim for someone else. An exception to this general policy is made for the spouse of an *Army* member. An *Army* spouse only needs an informal written authorization from the member and does not need a formal power of attorney under most circumstances. Spouses of members of other uniformed services must have a formal power of attorney.
- **Purchase Price** – The purchase price is required for the adjudication of a claim to help establish the value of the item at the time of loss. If an item was a gift or inherited, tell us the estimated or actual value at the time you received it. We also need to know when you received it and how old the item was at the time.
- **Estimate of Repair** – You will need an estimate of repair for items whose repair cost exceeds \$100.00. The estimate must be an original, signed by the craftsman qualified to repair the item. While the Claims Office does not recommend any particular repair shop, it does maintain a list of local repair shops that provide written estimates.

If you have questions concerning the information in this fact sheet, please call the Fort Sill Area Claims Office at (580) 442-2317 or 442-5058. Our hours of operation are Monday, Tuesday, Wednesday and Friday, 0900 – 1600, and Thursdays 1300-1600. The Claims Office is co-located with the Legal Assistance Office on the 4th floor of Building 4700, Hartell Hall on Mow-Way Road. Further information is available at the Office of the Staff Judge Advocate website, "Claims Office" tab, at <http://sill-www.army.mil/usag/>.