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# Summary of Changes for Subchapter 640

*Note that changes are cumulative. Numbering of a section may be modified by a change made subsequently.*

## 1. Overall ELM Revisions

The entire ELM is reformatted, with changes in typographical treatment where necessary, for ease of use for printing and online viewing. Addresses are reformatted to reflect machine readability standards.

Addresses and telephone numbers are updated in the text, and Appendix C, Addresses, previously added by PB 21809, 2/20/92, is deleted.

Form titles in the text and in Appendix B, Form Titles, were updated when the ELM was issued online in 1996. Any subsequent updating is noted in the revisions specific to this segment noted below. (PB 21929, 9/26/96)

**Subchapter 640** is among the parts of the ELM that are edited in their entirety. Language is changed in some instances to promote clearer, fuller understanding. Some heading and exhibit titles are modified to improve readability. Changes are made to correct grammatical, printing, and reference errors; to eliminate sexist language; to meet the technical requirements of the electronic publication system; and to preserve consistency of style. These changes are not listed in this summary except where they are deemed necessary for clarification.

## 2. Revisions Specific to This Segment

Substantive changes are marked with vertical bars in the margins or printed in bold type in tables and certain exhibits.

**644.31 Insurance** is amended to allow employees the flexibility of not going to insurance companies for small claims up to \$500. (PB 21782, 2/7/91)

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## 640 Employee Claims

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### 641 Policy

It is USPS policy to reimburse nonbargaining employees for loss or damage to their personal property when suffered in connection with, or incident to, their employment while on duty or while on postal property. Bargaining unit employees are covered by provisions of their collective bargaining agreement.

### 642 Requirements

Employee claims for reimbursement must meet these conditions:

- a. The possession of lost or damaged property was reasonable or proper under the circumstances.
- b. The damage or loss was not caused in whole or in part by a negligent or wrongful act of the employee.
- c. The loss or damage did not result from normal wear and tear associated with day-to-day living and working conditions.
- d. The loss or damage, taking into consideration depreciation, amounts to \$10 or more.
- e. The loss or damage claimed was not for a motor vehicle or the contents of a motor vehicle, *except* in cases where payment would be equitable, such as unjust acts of retaliation; extraordinary risk in performance of duty, as in connection with civil disturbance or common or natural disaster; or efforts to save government property or human life.

### 643 Claimants

#### 643.1 Valid

*Only* those listed may file claims:

- a. Postal employees.
- b. Survivors in this order:
  - (1) Spouse.
  - (2) Children.
  - (3) Father, mother, or both.
  - (4) Brothers, sisters, or both.

#### 643.2 Fraudulent

If investigation shows the claimant, or agent, intentionally misrepresented a claim for an item's cost, condition, repair, etc., the claim is denied — even though there is some actual damage. However, if the claim for another item(s) is correct, that claim is paid. Disciplinary action will be taken if warranted.

**644 Compensation****644.1 Lost or Destroyed Property**

Compensation usually equals, but never exceeds, the actual value of property at the time of loss. Value is determined by purchase price (or value at time of acquisition), replacement cost, and salvage value. Depreciation is figured according to the type, age, and condition of item when lost or destroyed. Incidental expenses or losses are excluded.

**644.2 Damaged Property**

Compensation is usually the cost of repairs, not to exceed the actual value of property when damaged. If property is damaged beyond repair, compensation is the actual value at time of damage, less salvage value. Incidental expenses are excluded. Property may be replaced in kind rather than paid for.

**644.3 Third Party Recoveries****644.31 Insurance**

If the loss amounts to \$500 or more and is recoverable from an insurer or other third party, the employee must first request reimbursement from that source. If the loss is *less* than \$500, the employee may file an employee claim instead. The employee must make an effort to recover a loss of any amount from a hotel or airline before submitting an employee claim.

**644.32 Supplement**

The USPS pays the difference between that insurer's payment and the actual loss, provided it is judged to be a valid claim. USPS pays no part of a claim if the insurer or other third party pays more than the amount allowable under 644.1 or 644.2.

**644.33 Refunds**

If the USPS pays an employee who later recovers the lost item or receives payment from an insurer, the employee must pay back the amount received from USPS.

**645 Procedures****645.1 Time**

Employees must present claims as soon as possible after the loss occurs and not later than 90 days from the date of loss or discovery of loss. Claims received after 90 days are acceptable only if the delay was not the claimant's fault.

**645.2 Documentation**

Form 2146, *Employee's Claim for Personal Property*, must be filed. However, any written document received within the period allowed is treated as a

proper claim if it provides substantiating information. All claims must be supported with evidence such as (a) date of purchase and (b) sales receipt or statement from seller showing price and date of purchase.

#### 645.3 **Submission and Initial Decisions**

Employees submit claims based on the installation to which they are assigned. Submission of claims and initial determinations are as follows:

- a. *Field Units.* All such units, including the field division office itself, submit claims to the field division general manager/postmaster, who makes the initial decision.
- b. *Regional Headquarters.* These offices submit claims to the regional director of Human Resources, who makes the initial decision.
- c. *Headquarters and Related Units.* These offices, including the Inspection Service, transportation management service centers, procurement and materiel management offices, etc., submit claims to the general manager of the Headquarters Personnel Division, who makes the initial decision.

#### 645.4 **Disposition**

The disposition of claims depends on the initial decision:

- a. *Allowed Claim.* A settlement check is forwarded to the claimant. When a claim is only partially paid, a written explanation accompanies the check.
- b. *Denied Claim.* A written explanation of the reason for the decision is forwarded to the claimant.

#### 645.5 **Appeal**

Claimants may appeal a denial by writing to the Assistant Postmaster General of the Employee Relations Department within 15 days of the receipt of the letter of denial. Reasons and documentation must be furnished. The decision of the reviewer is final and there is no further administrative appeal.

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