

ALASKA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
ALASKA INCIDENT BUSINESS MANAGEMENT HANDBOOK

CONTRACTOR AND EMPLOYEE PROPERTY CLAIMS

This section deals ONLY with claims filed by:

- Contractors for damage to equipment
- Employees for damage to or loss of personal property necessary for assigned work

This chapter does NOT deal with:

- Property or landowner damages as a result of the State's direct suppression efforts
- State property or equipment

Land or property damage of non-contractors as a result of the State's direct suppression effort is not subject to a claim and must be pursued through the courts. To file a claim for loss of or damage to state government property, please see Chapter 8 on Property Management.

Criteria for Filing and Approving Claim

Equipment furnished under a contractual agreement with the Division of Forestry may be subject to extreme environmental and/or strenuous operating conditions which could include, but are not limited to, unimproved roads, steep, rocky, brushy, hilly terrain, dust, heat, and smoky conditions. As a result, what is considered normal wear and tear under any agreement with the State of Alaska for fire suppression or other all risk incident actions is in excess of what equipment is subjected to under normal highway operations. The rates paid for the equipment reflects expected wear and tear due to adverse conditions under which the equipment is likely to be operated.

The Division of Forestry does not cover claims for normal wear and tear of personal clothing, gear, or equipment. In the event damage or destruction occurs, and it is determined the state had some responsibility in the loss, only personal clothing, gear, or equipment that is required for the performance of the job or contract, or are otherwise allowable in the provisions of this chapter, will be covered.

Responsibilities

State employees will:

- date the incoming claims upon receipt
- immediately notify the incident supervisor and submit the claim to that supervisor or to the nearest Area or Regional office
- **never** admit liability regarding any case
- not furnish information on accidents to unauthorized persons
- always obtain names and addresses of witnesses on all potential liability claims
- **never** instigate the filing of a claim by or for another person
- never voice his or her opinion about the validity of a claim or the likelihood of its outcome

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- provide direct knowledge regarding the factual evidence of a claim in writing, signed and dated, with any pertinent names, addresses, phone #s, and incident #, through the same channels as the original claim.

Authorities

The Division's Regional Fire Management Officers have the authority to approve, deny, or settle claims for less than \$5,000. Claims greater than \$5,000 must be forwarded, through the Division Procurement Specialist, to the DNR Procurement Officer for consideration. In all instances, claims must be filed through an Area/Region office and on to the Regional Fire Management Officer. No claim may be approved or denied by an Area Office. In some instances claims under \$2,500.00 may be settled by a Procurement Unit Leader or a Finance Section Chief via the Equipment Use Invoice. See Small Claims Settlements on pages 3 and 4.

Any claim that has complex circumstances outside the parameter of the rental clauses will be forwarded to the Division's Procurement Specialist:

- if the State's responsibility is unclear
- if the claim is for more than \$5,000.00

These claims will be forwarded to the Division's Procurement Specialist with recommendations for resolution.

Filing a Claim

Please see page 6 for the process regarding filing contractual or employee claims. All claims need to be documented and filed by the claimant. Detailed narratives stating facts and providing dates, times, names, phone numbers, and addresses of all involved parties are especially beneficial in the claims process. Photos and drawings also add substantial backup to understanding the circumstances in the case, and are highly encouraged.

It is always beneficial to have supporting documentation when filing a claim such as witness statements. Even if no one witnessed the actual event that led to the loss, it is still beneficial to have statements from individuals who may have knowledge of circumstances surrounding the loss. Be sure to have witness names and home unit information (addresses and phone numbers).

The Following Procedures are Required for All Claims

- Claimant fills out DOF "Property Loss/Damage Report" (see page 5 for example)
- Any State employee may receive a claim and then give it to the Procurement Unit Leader/Finance Section Chief or the Area Forester
- The claimant or the claimant's incident supervisor will complete the "Supervisor's Accident Investigation Report" (02-932)

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- Get signed witness statements (printed home unit names, addresses and phone #s)
- Include narrative, if necessary, of the events
- Make copies for the administering Area/Region files
- Employee submits the claim through their home unit

Additional Requirements for Non-State of Alaska Fires

- Make copies for the finance unit on the incident
- Incident administering agency paperwork *may* be required

Additional Requirements for Contractor Claims:

- Owner of damaged property will get two bids for any claim over \$2,000.00
- Owner/contractor will submit claim to the administering Area Office

Levels of Claims

Claims \$1 to \$2,500 can be processed on the incident or through the Area/Region.

Claims \$2,500 to \$4,999 can be processed through the Area/Region.

Claims \$5,000 and above must be processed through the Area/Region and on to the DNR Procurement Officer.

Small Claims

For claims under \$2,500.00 and in instances where it is procedurally fair and in the best interest of the State, a Procurement Unit Leader or Finance Section Chief may authorize payment to settle a claim. These settlements may be used if the following are true.

- √ State had a responsibility, or State liability was evident, in the damage/loss
- √ A settlement is likely to limit greater liability or future liability to the state for the claim
- √ Both parties are available and able to reach natural justice
- √ Procurement Unit Leader or Finance Section Chief making a settlement is knowledgeable about the loss or damaged equipment

Situations such as replacement of minor parts or repairs to a piece of equipment not as a result of normal wear and tear would be reasons for a small claim. Settling small claims on an incident for equipment will be noted and paid on the Emergency Equipment Use Invoice OF-286, line 27. **Under no circumstance will claims be fragmented to keep the cost under \$2,500.00.**

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Home Unit Procedures for All Claims

The Home Unit or Area Office is responsible for reviewing the claims it receives and assigning a person to investigate the circumstances surrounding the claim. A recommendation will then be forwarded with all original documentation to the Regional Fire Management Officer (FMO) for approval, denial, or forwarded on to the Department Procurement Officer. All documentation received by the Home Unit/Area Office will be copied and filed at the Area Office.

Employing the Use of an Adjustor

The Area/Regional Fire Management Officer (FMO) has the authority to institute the use of a claims adjustor when the number of claims exceeds Forestry's ability to handle them. In these instances the Area Office will order the services of an adjustor. The adjustor will review, investigate and make recommendations. The claims will then be forwarded to the Regional Fire Management Officer for final approval or denial if under \$5,000.00 or forward to the Division Procurement Specialist if over \$5,000.00.

Denial of Claims

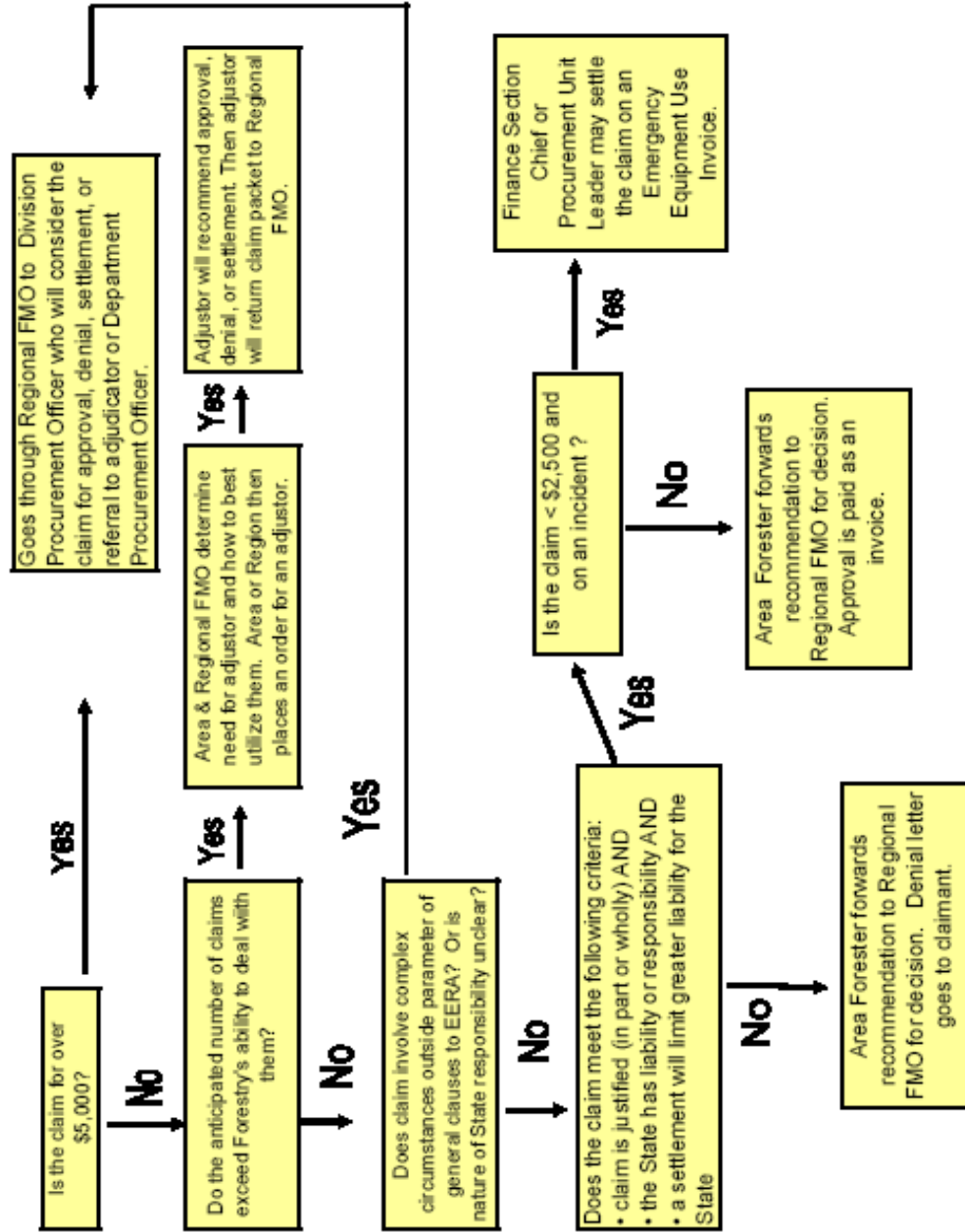
Vendors have a reasonable expectation to be informed of the reason that a claim is denied. Some reasons for denial might be:

- Damage does not exceed normal wear and tear for the conditions of use
- Facts do not demonstrate negligence by the State
- Information provided was insufficient detail for approval of a claim
- Financial documentation does not demonstrate relation to the equipment of the claim

If a claim is denied at the regional level, the claimant may appeal their claim to the DNR Procurement Officer in writing within 90 days as per AS 36.30.620.


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Claims Processing Flow Chart



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PROPERTY LOSS/DAMAGE REPORT Contractors & Employees (Complete the non-shaded areas)				State of Alaska Department of Natural Resources Division of Forestry		7/14/0X Date received <i>[Signature]</i> Received by	
		Use blue ink Print legibly		Date of Loss/Damage: 7/12/0X			
Name and Address of Claimant:			Claim Amount: \$ 186.00		Date: 7/15/0X		
Rolan N. Dough			Contractor & Third Party Claims Only				
Box 1234			Recommended Settlement (if applicable) Amount: \$				
Delta Junction, AK 99737			Settlement Proposed by - Staff Initials: _____		Vendor Initials: _____		
Tax ID or SSN: 123 45 6789			Daytime phone: (907) 555-1234		Staff (adjudicator) Home Unit: _____		
Staff Recommending Settlement Amount: _____							
Item No.	Quantity	Description of Item (Attach Photographs Showing Damage) List Make, Model and Serial Numbers for All Equipment	Date Purchased	Original Purchase Price	Value per Item	Amount Claimed	
1	1	2-Person Tent	6/1/0X	\$ 125.00	\$ 125.00	\$ 125.00	
2	1	Rain gear (jacket & pants)	6/1/0X	\$ 61.00	\$ 61.00	\$ 61.00	
				\$	\$	\$	
If there are more items or more room is needed, attach a separate page. Three bids or estimates are required for any item totaling \$1,000 or more.							
Explanation. Explain in detail what happened. Provide factual evidence of the circumstances involving your loss. Include name, title and address of person or persons you believe contributed to your loss. Include witness statements, names, addresses and phone numbers when applicable. If more room is needed, use the back side of this form, or a separate sheet. No claim will be approved for replacement of items that can be reasonably repaired. Depreciation may apply on approved claims due to age of item. Total amount claimed \$ <u>186.00</u>							
Gear was located near the trail of fire. Extreme fire behavior created 180° wind shift. Gear was burned over. All personnel were pulled back to safety zone. Unable to retrieve gear.							
Insurance. Was property insured? <input type="checkbox"/> Yes <input type="checkbox"/> No Has claim been submitted to your insurance company? <input type="checkbox"/> Yes <input type="checkbox"/> No							
Claimant agrees that this claim amount (or proposed settlement amount above, if applicable), if approved, satisfies all damages or loss for the item(s) listed above and claimant will hold the State harmless for future claims for item(s) listed above.							
Claimant Signature: <i>Rolan N. Dough</i>				Date: 7/15/0X			
Area Office Comments and Recommendations							
Burn over of Delta crew campsite was due to one finger of the fire making an unanticipated run after the wind changed direction							
Regional FMO:		<input type="checkbox"/> Concurs with claim <input type="checkbox"/> Denies claim <input type="checkbox"/> Concurs with settlement amount		FMO Comments			
Date: 7/16/0X		<i>Johnny Hancock</i>					
Item No.	Approved	Denied	Reason/Justification	CC	LC	AC	Amt. Approved
1				10310130	73X10426	74480	\$ 125.00
2				10310130	73X10426	74480	\$ 61.00
							\$
Approving Officer Signature: <i>Johnny Hancock</i>			Title: Regional FMO		RD Code: 10881		Date: 7/18/0X

Claimant may appeal items/claims denied in writing to:
DNR Procurement Officer, 550 W. 7th Ave - Suite 1230, Anchorage, AK 99501 within 90 days of date of denial. See AS 36.30.620. Otherwise denied claims will be considered closed.

Original to State Area Office for Forwarding To Region
Copy to Claimant

DOF Revised 2005

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SUMMARY OF CLAIMS AND PROPERTY MANAGEMENT					
FORM \ TYPE OF ACTION	3rd Party Claim	State Employee or EFF Personal Property	Federal Employee or AD Personal	State or Federal Government Property Loss or	Contractor Loss or Damage
STATE INCIDENTS					
02-919 Liability Accident Notice				X	
02-932 Supervisor's Accident Investigation	X	X		X	X
Witness Statement	X				X
OF-289 Property Loss or Damage				X - Federal Property	
02-627 Lost-Stolen-Damaged Property Review				X - State Property	
DOF Property Loss/Damage Report	X	X			X
FEDERAL INCIDENTS					
SF-95 Claim for Damage, Injury or Death	X				
SF-94 Witness Statement	X		X		X
DI-570 Employee Claim for Loss or Damage to Personal Property			X - DOI Incident		
Claimant Checklist for Personal Property Loss or Damage			X		
Administrative Determination Form			X		
OF-289 Property Loss or Damage				X	