

CLAIMS

17.01 GENERAL POLICY AND PROCEDURE

This manual is intended for internal guidance only and is not intended to create a legal or moral duty. Supervisors have discretion, based upon their expertise and the particular circumstances, to deviate from this manual and to conduct additional research or receive input from experts in other areas, as needed.

It is the policy of the Division of Highways to collect all eligible costs, both direct and indirect, for all repairs made necessary by damage to the Division's property and equipment by others. The handling and processing of such damage and resultant claims is covered by the Reimbursable Claims Procedures as detailed in the Division's Administrative Operating Procedures, Volume III.

During the routine reimbursable claims situation, the organizational maintenance supervisor will come in contact with many different persons, both from within the Division's organizational structure as well as personnel from outside of the Division. More often than not, these individuals will present conflicting terms of the situation. Personnel from the Division's Central Office Highway Services, Legal and Finance Divisions are all involved in the Reimbursable Claims Procedures. Private citizens, their representatives (insurance agents and legal counsel), and law enforcement agencies, as well as District Managers, are also involved in the processing of reimbursable claims. Due to the involvement of various personnel and the importance of protecting the Division's property and interests, it is essential that all Maintenance Supervisors fully understand the procedures for handling Reimbursable Claims.

Reimbursable claim-type situations which are not properly reported/handled, resulting in non-collection from the responsible individual or party are absorbed by the Division's budget. In the event such a claim involves a maintenance organization and personnel for repair/correction, the non-collection of the claim amount will be expensed to the specific maintenance organization's Routine Maintenance Budget.

17.02 EXPENSES CHARGEABLE TO A REIMBURSABLE CLAIMS PROJECT

All productive payroll and associated additive, equipment rental, materials, and any other productive costs incurred in the performance of reimbursable claims-type projects, must be expensed and collected by the Reimbursable Claims Project. Overhead costs such as secretarial/clerical and general supervision, will not be charged to the reimbursable claim project, but rather expensed to the organization's applicable overhead authorization. These overhead type expenditures are recovered through the application of an Administrative Rate which is applied to each project's total costs during the billing process. The Division's Administrative Rate is listed in Volume I of the Administrative Operating Procedures.

17.03 PERSONNEL RESPONSIBILITIES

It is the responsibility of all Division personnel to promptly notify the appropriate organizational supervisor of damage to Divisional property or equipment. The organizational supervisor will survey the reported damage as quickly as possible and notify the appropriate District Managers, making certain to include such data as:

- 1) Location of the damaged property or equipment.
- 2) Identity of the individual or firm responsible for the damage, if possible.
- 3) Date and time of the incident, if possible.

Organizational Supervisors are required to properly complete and transmit Accident Reports for all claims situations. The Organizational Supervisor may also be asked to either prepare or assist in the preparation of a Cost Estimate for the applicable claims project. The preparation of the Cost Estimate must be done as accurately and completely as possible, since this is the document specifically utilized for invoicing the responsible party(s).

17.04 REIMBURSABLE CLAIMS COMPLETION

Generally, all reimbursable claim type repairs must be completed within a 6 month period. In cases where repairs cannot be made within the 6 month limitation, the cases must be documented in a letter of justification from the appropriate District Manager and submitted to the Central Office Highways Services Division for approval of an extension. Volume III of the Administrative Operating Procedures details the acceptable District Managers for preparation of such an extension request.

17.05 REIMBURSABLE CLAIMS DOCUMENTATION - IMPORTANCE

It is essential that all expenditures for reimbursable claim repairs be properly documented and all supporting documents be maintained on file with the specific Claims File. Organizational Supervisors must constantly remind themselves that the Reimbursable Claim Project is not completed until final collection/adjustment has been made. Often, Reimbursable Claim Projects require court action for final settlement, and the ability to produce complete and accurate documentation is essential in such a situation. Volume III of the Division's Administrative Operating Procedures contains the detailed procedures and specific requirements of all personnel for handling Reimbursable Claims.

FOOTNOTE

As more fully set forth in Section 01.01.01, nothing in this manual is intended to create a legal or moral duty and has been created for internal guidance only.