DEPARTMENT OF THE ARMY
HEADQUARTERS, 2ND INFANTRY DIVISION
UNIT #15041
APO AP 96258-5041

REPLY TO
ATTENTION OF

EAID-CG

MAR 2 1 2012

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Policy Letter #4-2, Financial Liability Investigation of Property Loss (FLIPL) Processing Procedures

1. References:

a. AR 710-2, Supply Policy Below the National Level, 28 Mar 08.

b. DA PAM 710-2-1, Using Unit Supply System (Manual Procedures), 31 Dec 97.

c. DA PAM 735-5, Financial Liability Officer's Guide, 9 Apr 07.

d. AR 735-5, Policies and Procedures for Property Accountability, 28 Feb 05.

e. 8th Army OPORD 10-11, Army-wide Campaign on Property Accountability, 14 Oct 10.

f. ALARACT 124-2006, Army G4 Property Accountability Guidance, 28 Jun 06.

g. AR 15-6, Procedures for Investigating Officers and Boards of Officers, 2 Oct 06.

2. PURPOSE: To establish policies and procedures for conducting Financial Liability Investigations of Property Loss (FLIPL) within 2ID.

3. POLICY: Commanders and primary hand receipt holders will not use FLIPLs to account for property in lieu of good Command Supply Discipline procedures. The use of FLIPLs require a considerable amount of time and effort to properly investigate and document the events surrounding lost, damaged or destroyed property. Commanders will not clear Soldiers from their command until all property is accounted for or a FLIPL is initiated. The approval authority for loss of any sensitive or controlled item or total loss or damage in excess of $100,000 will be the first general officer in the rating chain IAW ALARACT 124/2006. The approval authority for loss or damage to a non-sensitive or non-controlled item and total loss or damage not exceeding $100,000 will be the first Colonel (O-6) or supervisory GS-15 in the rating chain. This Policy Letter outlines the general 2ID timelines and responsibilities of all involved with FLIPLs and basic procedures for completing required forms for 2ID units.

4. APPLICABILITY: This policy applies to all Service Members (SMs) and DOD Civilians in all units assigned or attached to 2ID. **This policy supersedes 2ID Policy Letter #43, FLIPL Processing Procedures, dated 11 January 2012, and 2ID Policy Letter #44, Withholding of Approval Authority on FLIPLs, dated 17 August 2010.** It remains in effect until rescinded or superseded.

5. 2ID REPORTING TIMELINES:

a. Under normal circumstances the FLIPL process will not exceed 75 calendar days total processing time IAW AR 735-5.

b. The following reporting timelines will be adhered to by all 2ID units for open FLIPLs:

(1) At 50 days from discovery of loss Major Subordinate Command (MSC) Executive Officers (XOs) will notify the Chief of Staff through the G4 regarding the status of the FLIPL and estimated completion date.

(2) At 65 days from the discovery of loss MSC Commanders (CDRs) will submit a written status report to the Division Commanding General for Support (DCGS) regarding the status of the FLIPL and estimated completion date.

(3) At 70 days from the discovery of loss MSC CDRs will submit a written report to the Commanding General regarding the status of the FLIPL and estimated completion date.

(4) At 75 days or more from the discovery of loss MSC CDRs will submit daily a verbal report to the Commanding General regarding the status of the FLIPL and estimated completion date.

(5) Late FLIPLs in excess of 120 days require a command endorsement memorandum from the Brigade Commander addressed directly to the 8th Army Commander. Letters will be updated and re-submitted every 30 days (until the FLIPL is completed) and include: the specific reason for the delay, the expected new completion date and identification of the type of assistance required to complete the action.

6. RESPONSIBILITIES AND TIME CONSTRAINTS:

a. Major Subordinate Command (MSC) Commanders will:

(1) Upon assuming command will sign a statement acknowledging responsibility for all property within their command.

(2) Ensure FLIPLs are completed within 75 calendar days from the date of discovery.

(3) Develop internal control measures and processes that ensure no late FLIPLs.

b. Supply Sergeants and/or Supply Support Activity Accountable Officers will:

(1) Initiate and submit DD Form 200, FLIPL, to the Battalion S4 for review and approval within 7 days following the discovery of the loss, damage, or destroy (LDD) of U.S. Government Property.

(2) Ensure an inquiry/investigation number is assigned by the Brigade S4 to the FLIPL before a document number is assigned by the property book office (PBO).

c. Brigade S4 will:

(1) Have primary oversight and responsibility of the Brigade FLIPL process and monitor FLIPLs using a checklist/tracking document (DA Form 7531) and a register (DA Form 1659).

(2) Submit a weekly report to Division G4 on status of all open FLIPLs, Tuesday, NLT 1330hrs.

(3) Return FLIPLs to the Appointing Authority within 15 days following the discovery of the LDD to US Government property.

(4) Ensure all DD Form 200s and DA Form 7531s are properly initiated before acceptance.

(5) Assign an inquiry/investigation number to a FLIPL immediately after receipt.

(6) Submit FLIPL to the PBO for assignment of a document number.

(7) Ensure the FLIPL investigating officer (FLO) receives briefing on his/her duties and responsibilities and direct the officer to the Office of the Staff Judge Advocate (OSJA) for a briefing on legal requirements.

(8) Educate Battalion S4s and accountable officers on how to process forms, document, and thoroughly track all FLIPLs.

(9) Review the FLO's submission, to include exhibits, ensuring proper format prior to submitting to the Appointing/Approving Authority.

(10) Notify individual(s) being charged for LDD to US Government Property and relieved of responsibility from financial liability with a memorandum to assess/relieve liability received from the Approving Authority. This time is not counted against the time constraints for the Approving Authority (Use a DA Form 200 when hand delivering a memorandum, or if mailing send memorandum certified return receipt or read receipt request if emailing.)

(11) Complete any required documentation to collect debt when financial liability has been assessed.

(12) File and store the FLIPL, for a minimum of two years, upon any determination made to finalize and close out the FLIPL.

d. Property Book Officer (PBO) will:

(1) Action the FLIPL within 1 day of receipt of DD 200.

(2) Verify all information in blocks 4-8 is accurate.

(3) Assign a document number to a FLIPL and return to Brigade S4.

c. Appointing Authority will:

(1) Action the investigation and recommendation of the FLIPL within 40 days of receipt.

(2) Will ensure all FLIPLs are completed within the 40 day time constraint identified for the investigation and recommendation process IAW AR 735-5.

(3) Appoint a FLO in writing with 90 or more days remaining on the peninsula; this will be the FLO's primary duty IAW AR 735-5, para 13-28. Ensure the FLO completes the investigation within 30 days of receipt of the FLIPL.

(4) Approve/disapprove FLO's findings and recommendations and make any recommendations or comments before forwarding FLIPL to Approving Authority for final approval.

(5) Notify the Brigade S4 when the notification process for the recommendation or assessment of financial liability begins and the date the individual must reply.

(6) Make certain that the OSJA has reviewed all documentation and all corrections are made before making any final decisions and/or before submitting final document to the Approving Authority.

f. Financial Liability Officer (FLO) will:

(1) Utilize the interactive multimedia instruction (IMI) on-line basic course to increase FLIPL knowledge. The Financial Liability Officer orientation course provides duties and procedures training to assigned survey officers. The 1-hour course can be found at the United States Army Training Support Centers' website (https://atiam.train.army.mil). Once logged in, click the RDL (Reimer Digital Library) Services tab and then type "Financial Liability Officer orientation course" into the keyword box to locate the course.

(2) Complete investigation within 30 days of appointment IAW AR 735-5 and AR 15-6, Para 3.

(3) Be the primary duty until the Approving Authority accepts the investigation as completed, or until otherwise relieved from that duty IAW AR 735-5, para 13-28.

(4) Receive briefing from the Battalion XO or Brigade S4 upon receiving appointment orders.

(5) Follow AR 735-5, para 13-29 (Financial Liability Officer's responsibilities), and AR 15-6, Para 3, closely to ensure the FLIPL investigation is conducted IAW regulations.

(6) Obtain all supporting documentation crucial to the investigation, i.e. sworn statements, military police reports, and Estimate Cost of Damage (ECOD), etc.

(7) Place facts in chronological order (be sure to answer the following questions: who, what, when, where, how).

(8) Identify responsibility, culpability (not negligent, simple negligence, gross negligence, and willful misconduct), proximate cause, and damage.

(9) Seek legal review for any recommendation being made, before forwarding to the Appointing Authority.

(10) Review respondent's rebuttal and determine if the new evidence presented conflicts with previous recommendation.

(11) Forward FLIPL to the Appointing Authority for his/her submission to the Approving Authority.

(12) Notify respondent(s) involved through memorandum if financial liability is recommended using certified return receipt if mailing or read receipt request if emailing. Provide the Brigade S4 a copy of the notification memorandum. This time is not counted against the time constraints for the Appointing Authority.

(13) Notify the Brigade S4 when the notification process for the recommendation or assessment of financial liability begins and the date the individual must reply.

g. Approving Authority will:

(1) Action all FLIPLs within 20 days of receipt of DD 200.

(2) Through the Brigade S4, ensure all FLIPLs are completed within the 20 days adjudication process time specified IAW AR 735-5, Figure 13-2.

(3) Ensure the OSJA has reviewed all documentation, if necessary, before making any final decisions on the FLIPL.

(4) Ensure corrective actions are taken before taking final action to assess financial liability if the FLIPL is not legally sufficient.

(5) Complete all portions of the FLIPL as required IAW 735-5.

(6) Forward to the Brigade S4 upon determination to assess financial liability or relieve individuals(s) from financial liability.

h. Division G4 will:

(1) Monitor the financial liability investigation of property loss process within the Division.

(2) Ensure all DD Form 200s and DA Form 7531s are properly initiated for LDD of sensitive items or total loss in excess of $100,000.

i. Statements of Delay. If any of the timeline above is not met, then a written statement explaining the reason for the delay must be attached as an exhibit to the FLIPL.

7. Point of contact for this memorandum is the 2ID, ACofS, G4 Supply and Services at DSN 732-7210.

EDWARD C. CARDON
Major General, USA
Commanding

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