

DEPARTMENT OF PUBLIC WORKS MANAGEMENT MANUAL

**Personnel
Directive**

Subject: REIMBURSEMENT FOR LOST OR
DAMAGED PROPERTY OF PUBLIC
WORKS EMPLOYEES

ADOPTED BY THE BOARD OF PUBLIC WORKS, CITY OF LOS ANGELES

June 20, 2007

PERSONNEL DIRECTIVE NO. 39

BACKGROUND

On December 1, 1987, CAO Rule No. 15, *Reimbursement for Lost, Stolen, or Damaged Personal Property, Prostheses and Tools*, was issued. CAO Rule No. 15 replaced Rule No. 26 dated June 1979.

Section 4.106.1 of the Administrative Code (LAAC) establishes the policy to reimburse City employees for lost, stolen, damaged, or destroyed personal property, prostheses, and tools. Section 4.106.13 of the LAAC authorizes the City Administrative Officer (CAO) to establish rules and regulations for implementation of the reimbursement policy. Section 5.152(1) authorizes Bureau heads to reimburse approved claims from their Petty Cash Account.

Department heads are the approving authority for requests for reimbursements filed by their employees. The CAO is responsible for reviewing claims for reimbursement submitted by the appointing authorities or City officers.

The following procedures shall be followed by all Bureau heads for reviewing reimbursement claims by employees for personal property, or tools damaged, destroyed, lost or stolen in the performance of an employee's duties. All Bureau heads are requested to ensure that these provisions are made known to all their employees.

PROCEDURE

A. APPROVAL FOR REIMBURSEMENT BY DEPARTMENT HEADS

1. Claims for reimbursement shall be submitted on Form General 130, Claim for Reimbursement (copy attached).
2. Reimbursement payments will be coordinated with the employee's other City benefits, where applicable, so that the City reimbursement is only for amounts not covered under other City insurance programs. Only the amount not reimbursed by other sources shall be claimed on Form General 130. If you are unsure of an employee's benefits and City insurance coverage, contact the Employee Benefits Office of the Personnel Department at (213) 847-5878. Where applicable, a Statement of Settlement from the City insurer is to be attached to the claim form when reimbursement requests are sent to the Purchasing Agent.

3. Bureau heads are to approve reimbursement only for personal property or prostheses damaged, destroyed, lost or stolen in the performance of the employee's duties. Personal property includes eyeglasses, hearing aids, dentures, watches and articles of clothing. Articles of clothing include uniforms, emblems and other items of clothing required by the job.

To receive reimbursement, an employee must have taken reasonable care to protect against the loss or theft. For example, an item lost or stolen from an unattended desk would be reimbursable only if it were removed from a locked compartment.

4. Bureau heads shall approve reimbursement only for tools required by the job. If a similar tool is provided by or is available from the City, it is not a required tool. Bureau heads may wish to prepare standard tool or equipment lists to identify such required tools.
5. Bureau heads will not approve reimbursement for expensive cosmetic changes to eyeglasses or other prostheses, such as the addition of tinted or oversized lenses.
6. Bureau heads will consider the possibility of repair of damaged items, as well as full replacement, and shall reimburse the lesser amount.
7. Tools and equipment which have greater capability and/or cost than is typical for the job shall be reimbursed only to the cost of the tool or equipment appropriate to the job. For instance, loss of an expensive calculator will not be reimbursed if a less costly model is sufficient and customarily used.
8. The City will not reimburse employees for expensive watches. In no event shall reimbursement for any watch exceed \$50, except with the approval of the City Administrative Office (CAO).
9. Bureau heads shall not approve reimbursement for losses that are due to the fault or carelessness of the employee. A written explanation detailing why the loss is not due to employee carelessness or misuse shall accompany any claim for reimbursement.

B. PRE-DETERMINATION OF REQUIRED TOOLS

1. Where the number of personal tools or equipment items required to be provided by the employee is few or relatively expensive, the Bureau head will have on file a written consent for the employee to keep a personal tool. Such a consent will include:
 - A description of the tool;
 - Its estimated fair market value;
 - The date of purchase; and
 - The reason the tool is necessary on the job.

2. In those Bureaus having a substantial number of employees using many personal tools and equipment (as in fleet vehicle maintenance), Bureaus will develop and provide to the Purchasing Agent a list of required tools. Any claim for reimbursement for a tool not on the list will require submission of a written justification to the Purchasing Agent.
3. Bureau heads will keep a disclaimer form on file releasing the Department/Bureau from liability if the employee wishes to keep tools, equipment, or other personal items of substantial cost unnecessary to the performance of an employee's duties.

C. WAIVING THE FIVE (5) DAY FILING REQUIREMENT

With few exceptions, LAAC Section 4.106.7 (Division 4, Chapter 2, Article 7.1) requires that all claims be filed within five (5) working days after an employee becomes aware or should have become aware of the damage, destruction or loss of the property. Bureau heads will carefully review the reasons for delay before waiving the requirement, and a written justification for the waiver will accompany any claim.

D. PAYMENT OR REIMBURSEMENT

The Bureau head or other appropriate City officer shall authorize payment from Petty Cash, in accordance with Administrative Code Section 5.1512 (Division 5, Chapter 9, Article 1), if the amount for reimbursement ("net reimbursement") determined by the Purchasing Agent is \$100.00 or less after subtracting any other amount, the employee may be entitled to receive as reimbursement from another source.

Payments should be made from your Bureau's Operating Supplies and Expense Account if net reimbursement is greater than \$100.00.

E. DEPRECIATION SCHEDULES

The Purchasing Agent will develop and maintain depreciation schedules for those tools or items of personal property frequently claimed for reimbursement. Such schedules will be updated annually.

Reference: Administrative Code, Division 4, Chapter 2, Article 7.1, Sections 4.106.1 through 106.15; Division 5, Chapter 9, Article 1, Section 5.152.
CAO Rule 15, dated 12/1/87
General Services memo of July 1979 entitled "Claims for Reimbursement"

**SUBJECT: REIMBURSEMENT FOR LOST, STOLEN OR DAMAGED PERSONAL
PROPERTY, PROSTHESES AND TOOLS**

Section 4.106.1 et seq of the Los Angeles Administrative Code (LAAC) establishes a policy to reimburse City employees for lost, stolen, damaged or destroyed personal property, prostheses and tools. LAAC Section 4.106.13 authorizes this Office to establish rules and regulations for implementation of the reimbursement policy.

Under the provisions of LAAC Section 4.106, department heads are the approving authority for requests for reimbursement filed by City employees. The City Administrative Officer is responsible for reviewing claims for reimbursement submitted by department heads or City officers.

The following procedures shall be followed by department heads for reviewing reimbursement claims by employees for personal property or tools damaged, destroyed, lost or stolen in the performance of an employee's duties.

A. APPROVAL FOR REIMBURSEMENT BY DEPARTMENT HEADS

1. All claims for reimbursement shall be submitted on Form General 130, Claim for Reimbursement.
2. Reimbursement payments will be coordinated with the employee's other City benefits, where applicable, so that the City reimbursement is only for amounts not covered under other City insurance programs. Only the amount not reimbursed by other sources shall be claimed on Form General 130. If the processing department is unsure of an employee's benefits and City insurance coverage, the Employee Services Division of the Personnel Department should be contacted. Where applicable, a Statement of Settlement from the City insurer is to be attached to the claim form when reimbursement requests are sent to the Purchasing Agent.
3. Department heads shall only approve reimbursement for personal property or prostheses damaged, destroyed, lost or stolen in the performance of the employee's duties. Personal property or prostheses include eyeglasses, hearing aids, dentures, watches and articles of clothing. Articles of clothing include uniforms, emblems and other items of clothing required by the job. To receive reimbursement, an employee must have taken reasonable care to protect against the loss or theft. For example, an item lost or stolen from an unattended desk would be reimbursable only if it were removed from a locked compartment.

4. Department heads shall approve reimbursement only for tools required by the job. If a similar tool is provided by or is available from the City, it is not a "required" tool. Department heads may wish to prepare standard tool or equipment lists to identify such required tools.
5. Department heads will consider the possibility of repair of damaged items as well as full replacement and shall reimburse the lesser amount.
6. Department heads will not approve reimbursement for expensive cosmetic changes to eyeglasses or other prostheses, such as the addition of tinted or oversized lenses.
7. Tools and equipment which have greater capability and/or cost than is typical for the job shall be reimbursed only to the cost of the tool or equipment appropriate to the job. For instance, loss of an expensive calculator will not be reimbursed if a less costly model is sufficient and customarily used.
8. The City will not reimburse employees for expensive watches. In no event shall reimbursement for any watch exceed \$50, except with the approval of this Office.
9. Department heads shall not approve reimbursement for losses that are due to the fault or carelessness of the employee. A written explanation detailing why the loss is not due to employee carelessness or misuse shall accompany any claim for reimbursement.

3. PRE-DETERMINATION OF REQUIRED TOOLS BY DEPARTMENT HEADS

Where the number of personal tools or equipment items required to be provided by the employee is few or relatively expensive, the Department Head will have on file a written consent for the employee to keep a personal tool. Such a consent will include: 1) a description of the tool, 2) its estimated fair market value, 3) the date of purchase, and 4) the reason the tool is necessary on the job.

2. City departments employing a substantial number of employees using many personal tools and equipment (as in fleet vehicle maintenance) will develop and provide to the Purchasing Agent a list of required tools. Any claim for reimbursement for a tool not on the list will require submission of a written justification to the Purchasing Agent.

3. The department head will keep a disclaimer form on file releasing the department from liability if the employee wishes to keep tools, equipment, or other personal items of substantial cost unnecessary to the performance of an employee's duties.

C. WAIVING THE FIVE (5) DAY FILING REQUIREMENT

With few exceptions, LAAC Section 4.106.7 requires that all claims be filed within five (5) working days after (an employee) becomes aware or should have become aware of the damage, destruction or loss of the property. Department heads will carefully review the reasons for delay before waiving the requirement, and a written justification for the waiver will accompany any claim.

D. PAYMENT OR REIMBURSEMENT

The department head or other appropriate City Officer shall authorize payment from Petty Cash in accordance with Administrative Code Section 5.152(1), if the amount for reimbursement ("net reimbursement") determined by the Purchasing Agent is \$100.00 or less after subtracting any other amount the employee may be entitled to receive as reimbursement from another source.

Payments should be made from the departmental Operating Supplies and Expense Account if net reimbursement is greater than \$100.00.

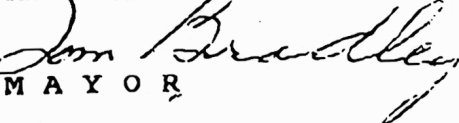
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City Administrative Officer

APPROVED:



M A Y O R

Revised as of December 1, 1987
Revised as of August 1, 1983
Previously issued as Rule No. 26,
dated June, 1979

CAO Rule No. 15
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