

CLAIMS BY STATE EMPLOYEES

- The State Administrative Board has delegated authority to department directors to approve claims for State employees up to \$500.00 except for claims for eyeglasses, automobile repairs, jewelry over \$50.00, or cash over \$100. A monthly report shall be submitted to the State Administrative Board by the director, or the director's designee, when a claim is approved or denied under the delegated authority.
- State employee claims for damaged or lost personal effects worn or on the person, such as eyeglasses, jewelry, watches or clothing, in order to be approved, shall establish each of the following:
 - The loss or damage occurred while the claimant was engaged in the performance of his/her duties as a State employee.
 - The loss or damage occurred in the course and by virtue of the claimant's employment.
 - The claimant was without fault and could not have avoided the loss or damage by exercising reasonable care.
 - The personal effects lost or damaged were reasonable for the claimant to have on his/her person or to be wearing in the course of his/her employment at the time of the loss or damage.
 - The claimant must not have been reimbursed for the loss or damage nor have a remedy for reimbursement from any other source, including his/her or another's insurance policy other than the State of Michigan vision insurance policy.
 - The claim must be based on the present value of the property and not the replacement cost. The present value is calculated based on the following depreciation schedule:
 - 2 years for clothing, tapes, discs, records, shoes, paperback books and other small purchase items, in a graduated depreciation scale of 20% the first year and 40% of the balance the second year, with a residual value of 10% after the second year.
 - 5 years for electronic equipment, typewriters, tools, cameras, televisions, stereos, and other durable products, with a 20% straight line depreciation rate per year until a residual balance of 10% remains.
 - Claims of State employees for damages to their personal motor vehicle must contain a satisfactory showing of each of the following:
 - The claimant's vehicle was damaged while properly parked in an area on State property designated for parking, or while being properly and reasonably operated in an area on State property designated for parking or the operation of motor vehicles and under the jurisdiction of the State of Michigan.

- The claimant's vehicle was damaged by reason of negligence or an action attributable to the State of Michigan or a defect or condition on, in or near the location of the damage.
- The claimant was without fault and could not have avoided the damage by exercising reasonable care.
- The claimant must not have been reimbursed for the loss or damage, nor have a remedy for reimbursement from any other source, including his/her or another's insurance policy other than the State of Michigan vision insurance policy.
- An accident report must have been prepared and be attached to the claim.
- The vehicle damage claim shall be limited to the lesser of two estimates by a vehicle repair shop.
- Claims of State employees for the theft or loss of personal property, from their workstation or other location in the building they work, or from a State vehicle or their private vehicle while being used in the course of their employment, must contain a satisfactory showing of each of the following:
 - The personal property was necessary for or improved the claimant's performance of his/her duties as a state employee and not merely for ornamentation, decoration or personal pleasure or use.
 - The claimant was without fault and did not leave the stolen or lost property unattended during hours the building was open to the public, or leave the lost or stolen property in an unsecured place after working hours.
 - If money was stolen, that it had been taken by force or threat of force at the claimant's workstation. If the amount was over \$100.00, the reason for possession of the excess over \$100.00.
 - If clothing, it was in a place designated by the claimant's employing agency for employees to hang or place clothing.
 - The claimant was not reimbursed for the lost or stolen property nor have a remedy for reimbursement from any other source including his/her or some other person's insurance policy.
 - A police investigation was conducted and a copy of the police report is attached.
 - The claimant's loss was by reason of negligence or an action attributable to the State of Michigan.
 - The claim must be based on the present value of the property and not the replacement cost. The present value is calculated based on the following depreciation schedule:
 - 2 years for clothing, tapes, discs, records, shoes, paperback books and other small purchase items, in a graduated depreciation scale of 20% the

first year and 40% of the balance the second year, with a residual value of 10% after the second year.

- 5 years for electronic equipment, typewriters, tools, cameras, televisions, stereos, and other durable products, with a 20% straight line depreciation rate per year until a residual balance of 10% remains.