1.0 Replacement or Reimbursement for Property or Cash Lost, Damaged or Stolen

The Peace Corps is not normally responsible for lost, damaged, or stolen property or cash owned by a Volunteer. However, in the limited situations described in Section 3.3 of MS 235, the Peace Corps may replace or reimburse the Volunteer for such property or cash that has been lost, damaged, or stolen. The following procedures explain the process by which a Volunteer may make a claim for lost, damaged, or stolen property or cash, the criteria used by the Peace Corps to make a claim determination, and the limited situations where a Volunteer is permitted to appeal a claims determination. The processing of Volunteer claims is divided into claims for non-evacuation losses and claims for evacuation losses. For purposes of these procedures, a claim relating to a medical evacuation should be processed under the non-evacuation loss procedures.

2.0 Filing of Claims

Claims for property or cash must be filed within 30 days from the date the loss was discovered.

3.0 Claims for Non-Evacuation Losses

(a) The Volunteer must fill out and verify the appropriate claim form (see Attachments A and B) and submit it to the Country Director. The Country Director is responsible for processing the claim and making a determination as to whether a Volunteer is entitled to reimbursement or replacement. The Country Director’s decision is final and may not be appealed.
(b) The Country Director may authorize payment of claims for loss of property up to an aggregate amount of $1,000. A claim in excess of $1,000 must be processed by the Country Director and forwarded with a recommendation to the applicable Regional Director for authorization of the claim. The Regional Director's decision on authorization is final and may not be appealed. All claims that have been authorized must be handled through reimbursement or replacement at post.

(c) If a property claim (other than property in Peace Corps custody) or a cash allowance (other than a living allowance) is denied in part or in full, the Country Director or Regional Director, as appropriate, must document the reasons for the denial either in a memorandum or on the claim form and place it in the Volunteer's file at post.

(d) If a claim is denied in part or in full, the Volunteer may request, and the Country Director may authorize, a one-time advance of up an amount equal to the monthly readjustment allowance then in effect for a Volunteer from the Volunteer's readjustment allowance account to replace the lost, damaged, or stolen property or cash. The advance must then be deducted from the final readjustment allowance due the Volunteer upon termination of service.

(e) Where necessary to avoid undue hardship, the Country Director may authorize disbursement to a Volunteer up to an amount equal to the monthly readjustment allowance then in effect for a Volunteer as an advance against a reimbursable loss for which the Volunteer plans to file a claim. The Volunteer must sign a receipt agreeing to submit a claim within 60 days. The Volunteer must agree to repay the Peace Corps for any such disbursement (i) if the Volunteer fails to submit a claim to the Country Director under this Manual Section, (ii) if the claim is denied by the Country Director, or (iii) to the extent that the Volunteer is reimbursed under a personal property insurance policy.

4.0 Determination of Claims for Non-Evacuation Losses

The Country Director is responsible for determining a claim made by a Volunteer for an item of property or cash that has been lost, damaged, or stolen in non-evacuation circumstances. The Country Director may authorize replacement or reimbursement up to $1,000. Anything in excess of $1,000 must be authorized by the applicable Regional Director. In the case of an item of property that has been lost, damaged, or stolen in non-evacuation circumstances:

(a) **Reimbursement.** The Country Director may determine that the Volunteer should receive reimbursement at a cost that does not reflect the purchase or depreciated cost of the original item, so long as the reimbursement amount will permit the timely purchase of a similar item that will serve the essential functions of the original item.

(b) **Replacement.** The Country Director may determine that the Volunteer should receive a similar but not identical replacement item, so long as the replacement item will serve the essential functions served by the original item. The replacement item becomes the property of the Volunteer if the original item was owned by the Volunteer.
4.1 Essential Items of Property

(a) Under Section 3.3 (a) of MS 235, when a Country Director determines that a lost, damaged, or stolen item of property is essential to the health, welfare, or continued service of the Volunteer, the Country Director may authorize reimbursement or replacement. Essential property may consist of such personal items as eyeglasses, technical equipment and books needed for the Volunteer’s project, bicycle necessary for local transportation, and clothing. The Country Director must document the rationale for determining that the item is essential on the claim form or an attached memorandum. While the circumstances under which an item may be essential can vary widely from country to country and from Volunteer to Volunteer, the Country Director must be judicious in determining what is essential, remembering that Peace Corps is not an insurer of property.

(b) The Country Director must decide whether replacement or reimbursement of an essential item is appropriate based on the feasibility and cost of obtaining an item that will serve the same functions that the Country Director has determined are essential for the Volunteer’s health, welfare, or continued service.

4.2 Property or Cash in Peace Corps Custody

Under Section 3.3 (b) of MS 235, the Country Director may authorize reimbursement of items of property or cash lost, damaged, or stolen while in Peace Corps custody, provided that Peace Corps assumed custody of items or cash in accordance with Section 3.4 of MS 235.

4.3 Non-Evacuation Cash Losses

Under Section 3.3 (c) and (d) of MS 235, the Country Director may authorize reimbursement for non-evacuation cash losses, which may include living/walk-around allowances and other allowances, such as, allowances for annual leave, special leave, and readjustment allowances.

(a) Living/Walk-Around Allowances

Volunteers are expected to exercise appropriate care in safeguarding their allowances. The Country Director may authorize reimbursement for loss of up to one living/walk-around allowance payment, or a prorata portion of such allowance. In exercising this authority, the Country Director may consider the circumstances enumerated in clauses (a) through (d) of Section 3.3 of MS 235.

(b) Other Allowances

As a general rule, excluding living/walk-around allowances, loss of other allowances (such as, allowances for annual leave and special leave, and readjustment allowances) are not reimbursable. In unusual circumstances, however, the Country Director may determine that reimbursement of such an allowance, or some portion thereof, is appropriate and fair. The Country Director must document, on the claim form or an
attached memorandum, the reasons for approving the claim. Reimbursement of these allowances shall be made without regard to whether the allowance was in Peace Corps custody.

(c) **Special Situations**

In the rare instance that the allowance funding and issuance are controlled by a domestic office or other office over which the Volunteer's Country Director or Regional Director does not have oversight, the Office Head and/or Associate Director of that domestic office will have the responsibility to authorize or deny the allowance reimbursement request/claim. The Associate Director must approve all claims for amounts over $1,000.

(d) **Factors Considered with Non-Evacuation Cash Losses**

In determining whether to reimburse a non-evacuation cash loss, the Country Director should consider:

1. The circumstances of the loss;
2. Any negligence on the part of the Volunteer that may have contributed to the loss;
3. Prior claims for property or allowances lost by the Volunteer and the circumstances surrounding those losses; and
4. Any particular hardships that may be posed by the loss.

5.0 Claims for Evacuation Loss and Determination of Claims

5.1 Expedited Claims Procedures

To minimize the delay and administrative burden in processing the large number and variety of claims for losses incurred during an evacuation, the Country Director may request that the Regional Director authorize an expedited claims processing for reimbursement of evacuated Volunteers of up to $1,500 per person for total property loss, without engaging in detailed evaluation of the items and amounts claimed.

5.2 Standard Claims Procedures

(a) The Volunteer must fill out and verify the evacuation claim form (see Attachment C) and submit it to the Regional Director for approval. The Regional Director may authorize payment of claims for loss of property, other than consumables (such as cosmetics, food and toilet paper), up to an aggregate amount of $1,500. However, the Regional Director may not authorize payment for loss of property in excess of $1,500, for loss of living allowance, or for loss of personal cash or other allowances. If a claim is denied, the Regional Director must document the reasons for the denial either in a memorandum or on the claim form and place it in the Volunteer's file at post. If a claim in an amount not
in excess of $1,500 is denied in part or in full, the Volunteer may appeal the decision, within 30 days, to the Associate Director for Global Operations. The appeal must explain the reasons for overturning the determination of the Regional Director. The Regional Director must make a recommendation to the Associate Director regarding the appeal.

(b) If the initial appeal regarding reimbursement of amounts in excess of $1,500 is denied by the Associate Director for Global Operations, the Volunteer may make a final appeal to the Deputy Director for. The appeal should explain the extraordinary circumstances that justify reimbursement and the substantial hardship or inequity that will result from a denial of the claim in full. The Associate Director must make a recommendation to the Deputy Director regarding the appeal.

(c) Appeals to the Deputy Director must be reviewed and either approved or denied by the Deputy Director in consultation with the General Counsel. In determining whether extraordinary circumstances warrant reimbursement in excess of $1500, the Deputy Director may consider, among other factors:

1. The mission of the Peace Corps and the Peace Corps' policies and expectations regarding Volunteer living standards and conditions;

2. The value and types of property and cash losses claimed by similarly situated Volunteers;

3. Factors particular to the country or the evacuation that may affect the amount of the claims; and

4. Whether claims for individual items appear unreasonable.

(d) Any Volunteer’s personal property that is recovered by Peace Corps after a property claim has been paid will only be returned to the Volunteer if Peace Corps determines it is logistically and monetarily feasible to do so and if the Volunteer has indicated on the claim form that he or she would like his or her property returned. As a condition to the return of the property, the Volunteer must reimburse the Peace Corps for the property claim paid to the Volunteer.