NASPNCLA INSTRUCTION 4500.1W

Subj: MISSING, LOST, STOLEN, OR RECOVERED (MLSR) GOVERNMENT PROPERTY REPORTS AND FINANCIAL LIABILITY INVESTIGATION OF PROPERTY LOSS, DD FORM 200

Ref: (a) SECNAVINST 5500.4G
     (b) OPNAVINST 5530.14B
     (c) JAGINST 5800.7C
     (d) NAVSUPINST 4440.115G
     (e) NAVSUPINST 4440.179A
     (f) CNETINST 5500.3
     (g) NASPNCLA INST 7322.1D

Encl: (1) Definition and Terminology
      (2) MLSR Reportable Property and Format
      (3) Reporting Responsibilities and Procedures

1. Purpose. To provide guidance and assign responsibility for reporting and accounting for government property missing, lost, stolen, recovered, or damaged per references (a) through (g), and as outlined in enclosures (1) through (3). All personnel are responsible for safeguarding government property from unwarranted perils under their control, whether or not they have a signed custody receipt. The MLSR Program for this region will ensure all government property losses or damages are documented, reported, and necessary action taken to prevent similar reoccurrences. Losses due to negligence or noncompliance with established policies, procedures, instructions, or statutes will be cause for appropriate disciplinary action, personal liability, and/or criminal prosecution if warranted. Department Heads, Special Assistants, tenant activities, and their management staffs will familiarize themselves with this instruction.

2. Cancellation. NASPNCLA INST 4500.1V

3. Scope. This instruction applies to all station Department Heads/Special Assistants, and tenant activities having government-owned material in their custody, and is on this region’s property records. This directive has been extensively revised and must be read in its entirety.

4. Information. The MLSR Program is not intended to be an administrative burden. The Financial Liability Investigation of Property Loss form, DD-200 (Rev. Feb 91):

   a. Is used for identifying and reporting missing, damaged, lost, stolen, and recovered government-owned property (appropriated and nonappropriated funded).

   b. Is used to substantiate the physical inventory adjustment of the accountable record with the physical inventory on hand.
c. Is used to document and certify the action when government property is missing, lost, stolen, or recovered. This form is the official document to support establishing debts, relief from accountability, and adjustment to accountable records. NASPNCINST 4500.1W

d. When completed and approved, supports entries made to accountable records for adjusting discrepancies.

5. Descriptions. The following are brief descriptions of accountable properties for reporting acquisitions, deletions, transfers, and inventory adjustments. Enclosure (2) provides MLSR reportable property and format.

a. Class 3 Plant Property. Navy-owned personal property and equipment which has been acquired to perform or assist in the performance of a specific function and having a unit cost of $50,000 or more. The criteria for Class 3 Plant Property is provided within references (c) and (d).

b. Class 4 Plant Property (Industrial Plant Equipment). Plant equipment with an acquisition cost of $50,000 or more and is generally used for the purpose of cutting, abrading, grinding, shaping, forming, joining, testing, measuring, heating, treating, or otherwise altering physical, electrical, or chemical properties of materials, components, or end items entailed in manufacturing, maintenance, supply, processing, assembly, or research and development operations. The criteria for Class 4 Plant Property is provided within references (c) and (d).

c. Minor Property. Personal property acquired for immediate use and having a unit cost of less than $50,000. At a minimum, this includes all office equipment costing $300 to less than $50,000, all equipment that is classified or sensitive, regardless of cost, and all equipment that is pilferable, costing $100 or more.

d. Command-Designated Custody-Controlled Property. This category of government property includes selected items of Navy-owned minor property which are considered to be highly pilferable in nature and easily converted to personal use. These items are indicated with an asterisk (*) in enclosure (1) of reference (g).

e. Pilferable Items. Items which can be easily converted to personal use.

f. Government-Owned Property is defined as any property purchased with appropriated or nonappropriated funds, including property acquired from Defense Reutilization Marketing Office (DRMO). Nonappropriated funded property will be surveyed and reported on Certificate of Disposition, NAVCOMPT 2212, if being surveyed due to age or condition.

g. Supply System Stock. The Supply Officer is designated as the appointed official and approving official for Supply system stocked items or in transit when there is no evidence of negligence, abuse, or personal responsibility/accountability. The Supply Officer will ensure such losses and/or discrepancies are adequately and properly reported, investigated, and documented as required by NAVSUP instructions and reference (a).
6. Responsibilities. The Commanding Officer has full accountability for all reports of property losses. The Commanding Officer will be the Approving Authority when evidence of personal responsibility is present or the adjustment involves classified and sensitive items, or arms, ammunition, and explosive items, and single items valued at $10,000 or greater. In other instances, an appointed designee may approve or disapprove reports of loss.

a. Accountable Officer. The Comptroller is the Accountable Officer. The Accountable Officer maintains items and/or financial records in connection with government property, whether the property is in his/her possession for use or storage, or is in the possession of others to whom it has been officially entrusted and which may entail "financial liability" for failure to exercise their obligations. Custody records in support of inventories shall be readily available to provide an audit trail to facilitate future inventory reconciliation, audits, and investigations.

b. Appointing Authority. The Executive Officer is the Appointing Authority and is designated in writing by the Commanding Officer. The Appointing Authority reviews all DD Form 200's. If authorized by the Approving Official, the Appointing Authority may approve/disapprove DD Form 200's when there is no evidence of negligence or abuse of established procedures. The Appointing Authority approves/disapproves the recommendations of the Responsible Officer and recommends actions to the Approving Authority. The Appointing Authority is normally senior to the Responsible Officer, Accountable Officer, and Financial Liability Officer. The Appointing Authority can be the Approving Official under the following conditions:

(1) Responsibility has been delegated by the Approving Authority.
(2) The discrepancy dollar value is less than $100,000.
(3) There is no evidence of fraud, theft, or negligence.

c. Approving Authority. The Commanding Officer is the Approving Authority. He approves or disapproves the DD Form 200 and makes a determination to either relieve all concerned from responsibility or approves assessment of financial liability. The Approving Authority appoints the Financial Liability Officer in writing when fraud, theft, or negligence is suspected. When there is evidence of personal responsibility, or the loss involves a classified or sensitive item or arms, ammunition, and explosives, the Approving Authority’s responsibility cannot be delegated. The Approving Authority may act as the Appointing Authority and is normally senior to the Appointing Authority. The Approving Authority may designate an Approving Authority in writing.

d. Financial Liability Officer. A Financial Liability Officer is the Security Department Physical Security Specialist. Grade/Rank requirements are delineated in references (a) and (g). The Financial Liability Officer is appointed in writing by the Approving Authority to accomplish the following:

(1) Investigate the cause of the loss and assesses negligence.
(2) Assign responsibility for gain, loss, or damage when there are repetitive losses, evidence of fraud, theft, or negligence, or where large dollar value losses occur. Additionally, the Financial Liability Officer:

(a) Examines evidence and interviews witnesses.

(b) Compiles evidence that substantiates or refutes information reported in block 9 of the DD Form 200.

(c) Examines damaged property and determines amount of damage.

(d) Provides the results of his/her investigation to the Appointing Authority. Recommendations made must be supported by facts.

Enclosure (3) will be used and completed by the Financial Liability Officer.

e. **Responsible Officer** is an individual appointed by proper authority to exercise custody, care, and safekeeping over property entrusted to his or her possession or under his or her supervision.

f. **Reviewing Authority** is an individual designated in writing by the Approving Authority to review and analyze the results of supply system stock research.

g. **Property Administrator (Code 01A00 Plant Property Clerk)** is responsible for the following:

(1) Maintaining the property management system controlling Class 3/4 plant and minor property.

(2) Receiving DOD Property Record, DD-1342, and coordinating with DFAS for input to the automated property management system.

(3) Receiving NAVSUP Form 306, Controlled Equipage Record, DD-1149, Requisition and Invoice/Shipping Document, and DD-1348-1, DOD Single Line Item Release/Receipt Document, for all acquisition, dispositions, and transfers for recording in the minor property automated system.

(4) Receiving original completed and approved Financial Liability Investigation of Property Loss, DD-200, coordinating with DFAS for input to the automated property management system on Class 3 and 4 equipment, and ensuring command property records are changed as a result of the report of loss.

(5) Maintaining a file of original completed and approved reports of loss for 3 years of next command inspection, whichever is longer.

(6) Maintaining records for audit trail.

h. **MLSR Coordinator (Code 01A00 Plant Property Clerk)** is responsible for:
(1) Ensuring all MLSR reports are properly completed and distributed as required.

(2) Ensuring adequate records and files are maintained on all MLSR reports.

(3) Making recommendations to improve property control and management to prevent losses.

   i. Individual Charged. Enter in block 16d the individual’s name and rank or grade when financial liability is assessed. Enter in block 16e his/her social security number. Collection action is initiated by forwarding a copy of the approved DD Form 200 by transmittal document to the Finance Officer. All continuation sheets are to be included and the attachments and exhibits excluded. The approved DD Form 200 is sufficient to hold a person financially liable and establish a debt.

7. Action. Directors, Department Heads, and Special Assistants will take steps and actions necessary to ensure adequate and proper control and accountability of government property under their control. This includes tenant activities that have government property on this region’s property records. If and when property is discovered missing, lost, stolen, recovered, or damaged, it will be reported as outlined in enclosure (3).

8. Forms. Financial Liability Investigation of Property Loss, DD-200 (Rev. Feb 91); DOD Property Record, DD-1342; Controlled Equipage Custody Record (4442), NAVSUP 306; DOD Single Line Item Release/Receipt Document, DD-1348-1, and Certificate of Disposition, NAVCOMPT 2212, may be obtained through normal supply channels.

/s/
RANDAL L. BAHR

Distribution:
A C D
(NASPNCCLAIMINST 5216.1T)

Stocked:
Commanding Officer
NAS Pensacola
190 Radford Blvd
Pensacola, FL 32508-5217
DEFINITION AND TERMINOLOGY

AMMUNITION - A device charged with explosive, propellants, pyrotechnics, initiating composition, riot control agents, chemical herbicides, smoke, and flame for use in connection with defense or offense, including demolition. Ammunition includes cartridges, projectiles, bombs, missiles, grenades, mines, pyrotechnics, bullets, shot, primers, propellants, fuzes, and detonators.

ARMS - A weapon that will or is designed to expel a projectile or flames by the action of an explosive and the frame or receiver of any such weapon.

EXPLOSIVES - Any chemical compound, mixture or device, the primary or common purpose of which is to function by explosion. The term includes, but is not limited to, individual land mines, demolition charges, and blocks of explosives (dynamite, TNT, C-4, and other high explosives).

GENERAL GOVERNMENT MATERIAL - Any government property not otherwise defined under sensitive material.

GOVERNMENT PROPERTY - All property (material, special tooling, industrial equipment) owned by, leased to, or acquired by the government under the terms of a contract, except property to which the government has acquired a lien or title as a result of a partial, advance, or progress payment.

INTRANSPORT MATERIAL - Material that is in the transportation system which required the preparation of an SF-361 or 364 when discovered MLSR.

LOSS ANALYSIS - Action taken to compile facts, develop trends and patterns, and other data manipulation concerning gains, losses, and theft of government property.

LOSS PREVENTION - The protection of Department of the Navy property against loss through internal and/or external fraud, theft, or error. Loss prevention specifically includes, but is not limited to, the protection of supplies and equipment in the storage and issue process, in transit, and in use. Loss
prevention measures are instructions, designs, procedures, analyses, dedicated resources, and agreements designed to reduce losses of government property to an absolute minimum.

LOSS - Item(s) that cannot be accounted for.

NATIONAL CRIME INFORMATION CENTER (NCIC) - A Federal Bureau of Investigation computerized, on-line information system that stores and retrieves basic identifier information. United States Navy transmissions to NCIC originate at Headquarters, Naval Security and Investigative Command (NSIC). Reports from Naval Investigative Service field components regarding stolen property are transmitted to NSIC Headquarters for inclusion in the NCIC.

PILFERAGE - To steal little by little or by taking articles of small value.

PRECIOUS METALS - All economically recoverable refined silver, gold, platinum, palladium, iridium, osmium, and ruthenium in bar, ingot, granulation, sponge, or wire form with an extended value of over $100.

RECOVERED - An item that is found, gained by inventory, or discovered after previously being reported as missing, lost, or stolen.

SENSITIVE MATERIAL - Arms, ammunition, explosives, and precious metals.

SERIALIZED GOVERNMENT PROPERTY - Material with an individual serial number affixed by the manufacturer and/or material with a Navy or command unique number applied, etched, or engraved.

STOLEN - An item that is either missing or lost under circumstances indicating the possibility of criminal activity.

VALUE - Actual documented cost of item. If actual documented cost is unknown or not available, then replacement cost.
1. The following sensitive property will be initially reported by message within 48 hours of discovery (see reference (a) for message format):

a. **Arms, Ammunition, and Explosives (AA&E)**

   (1) One or more missile or rocket rounds.

   (2) One or more machine guns.

   (3) One or more automatic fire weapons.

   (4) Twenty-five or more manually operated or semiautomatic weapons (includes revolvers and semiautomatic pistols).

   (5) Ammunition as follows:

      (a) Over 5,000 rounds (or 20,000 rounds of .38 caliber) or more of ammunition smaller than 40mm; five rounds or more of 40mm and larger ammunition; and

      (b) Any fragmentation, concussion, or high explosive grenade, including artillery or ground burst simulators, or other type of simulator or device containing explosive material.

   (6) One or more mines (antipersonnel and antitank).

   (7) Demolition explosives, including detonation cord, blocks of explosives (C-4), and other explosives.
b. Vulnerability Items. All items as listed in NAVSUPNOTE 5500.

c. Classified Equipment/Repair Parts. All classified equipment/repair parts, excluding Communications Security (COMSEC) material.

d. Precious Metals

   (1) Economically recoverable gold, silver, platinum (values over $100).

   (2) Presentation or commemorative silver.

e. MLSR Number will obtained for the initial reporting message from the MLSR Coordinator.

f. Final Report will be DD Form 200 or SF 364/361 as appropriate.

2. The following property does not require an initial report (message) and will be reported as a final report after required and appropriate command action has been completed:

   a. All other AA&E not reportable in the 48-hour message above.

   b. All controlled equipage.

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c. All plant account property (over $100).

d. All items with a replacement cost greater than $100 that is stolen or suspected stolen.
REPORTING RESPONSIBILITIES AND PROCEDURES

1. **Department Heads/Special Assistants**
   
   a. Report all missing, lost, stolen, or recovered government property to the Security Department, Police Division, 2-2453/3453, immediately (at the time of discovery), regardless of the circumstances or monetary value.

   b. Initiate Financial Liability Investigation of Property Loss, DD Form 200. Complete blocks 1 through 12 and block 17 for all reportable property and forward to the MLSR Coordinator within 5 working days (exception for sensitive items).

   c. Initiate initial MLSR message for all reportable sensitive items within 48 hours of the time of discovery. Obtain MLSR number from the MSLR Coordinator.

   d. Initiate corrective action to prevent recurring loss.

2. **Security Officer**
a. Ensure a preliminary investigation is conducted into all applicable reports of lost, stolen, or recovered property and an Incident/Complaint Report, OPNAV 5527/1, is completed with copy to MLSR Coordinator.

b. Ensure Naval Criminal Investigative Service is notified of all reports of items reportable under the MSLR Program.

3. MLSR Coordinator
   a. Ensure all Reports of Survey are:
      (1) Properly documented and investigated.
      (2) Properly assigned document numbers and MLSR numbers.
      (3) Adequately recorded and filed.
   b. Ensure Staff Judge Advocate is consulted on reports where culpability is suspected or indicated.
   c. Ensure reports are processed in a timely manner and forwarded to the Approving Official in a timely manner. Ensure reports reportable under the MSLR Program are distributed as required by references (a) and (g).
   d. Ensure original, approved Reports of Survey are forwarded to command Property Administrator (Code 19132), Supply Department, for change entries of the region’s property records and files.

4. Approving Official
   a. Review reports and sign as approving official if in concurrence with investigation and action taken to correct any and all discrepancies or circumstances to prevent a similar reoccurrence.

Enclosure (3)

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b. Return reports to the Appointing Official considered insufficently prepared or investigated for additional investigation or correction.

5. Signature Requirements. Blocks 11, 12, and 17 must be completed prior to submitting the DD Form 200 (Rev. Feb 91) to the Physical Security Specialist for review and completion.