

MWI 6220.1

BASELINE

EFFECTIVE DATE: February 8, 2000

EXPIRATION DATE: February 8, 2005

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# **MARSHALL WORK INSTRUCTION**

**AD01**

## **LOST OR DAMAGED FREIGHT**

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<b>Lost or Damaged Freight</b>	<b>MWI 6220.1</b>	<b>Revision: Baseline</b>
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**DOCUMENT HISTORY LOG**

<b>Status (Baseline/ Revision/ Canceled)</b>	<b>Document Revision</b>	<b>Effective Date</b>	<b>Description</b>
Baseline		2/8/00	Document converted and revised from MMI 6220.1D to a MWI.

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## **1. PURPOSE**

The purpose of this Marshall Work Instruction (MWI) is to establish procedures for reporting and adjusting discrepancies discovered during receiving operations, which occur during transportation of NASA property by commercial carriers, and for the billing and collection of such damages.

## **2. APPLICABILITY**

This Directive is applicable to all organizational elements of the Center located at Huntsville, Alabama, and to off-site locations when the claim is to be filed through Marshall Space Flight Center (MSFC), Huntsville, Alabama.

## **3. APPLICABLE DOCUMENTS**

- a. MPG 8730.1, "Inspection and Testing"
- b. MWI 6410.1, "Packaging, Handling and Moving Program Critical Hardware"
- c. MPG 1440.2, "MSFC Records Management Program"

## **4. REFERENCES**

41 CFR Part 101-40-7, "Reporting and Adjusting Discrepancies in Government Shipments"

## **5. DEFINITIONS**

None

## **6. INSTRUCTIONS**

This MWI relates to the process for filing claims against a carrier for freight shipments that have damage, shortages, or other deficiencies in excess of \$50. The time limitation for filing claims is usually 9 months following delivery of a freight shipment, or in the case of non-deliveries, within 9 months following the time when delivery should have been made.

- a. Action by Property Management Receiving Group (AD41)

(1) Inspect and check the quantity and condition of the property when received from the carrier. Contact the Transportation and Logistics Engineering Group (AD42) for shipments that contain flight hardware or program-critical hardware.

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(2) Notify the Transportation and Logistics Engineering Group immediately by telephone when a shortage or damaged property is received.

(3) Complete a MSFC Form 2373, "Report of Loss or Damage," within 7 calendar days when shortages or damages are discovered.

(4) Notify the Protective Services Department (AD50) if theft or vandalism is suspected.

(5) Notify the Medical Center (AD02M) if the damaged shipment contains radioactive material.

(6) Notify the Safety and Mission Assurance Office (QS01) if the shipment contains quality-sensitive material.

(7) Ensure that all copies of a carrier's freight bill are annotated to describe the shortage or damage. Ensure the carrier's driver legibly signs all copies of the freight bill acknowledging the discrepancy.

(8) Preserve all evidence of damage and packing until carrier inspection is made.

(9) If damage or shortage is discovered after carrier's driver has departed, prepare a written statement. This statement shall contain a description of the loss or damage, date, time, method, and place where the shipment was moved after the initial off-loading.

(10) Notify the consignee of discrepancy.

**b. Action by Transportation and Logistics Engineering Group**

(1) Contact the carrier for inspection of damage not documented on the freight bill within 14 days of discovering or being informed.

(2) Ensure that photographs are made of damaged items, containers, packaging, packing, and/or dunnage. Photographs shall be annotated with the date and bill of lading or freight bill number.

(3) Comply with "Instructions to Consignee" as shown on reverse side of the memorandum copy of the Bill of Lading.

(4) Prepare a Standard Form (SF) 362, "Freight Lost/Damage Claim," report and submit to the Chief Counsel's Office (LS01),

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contracting officer (if the shipment is Free on Board (FOB) destination, or appropriate Agency for review within 60 days of lost or damage occurrence with copies of MSFC Form 2373 and photographs. Mail a copy of Part 1, SF 362, to the carrier.

(5) Document preventative actions and forward as an information copy to carrier and other appropriate agencies.

c. Action by Chief Counsel

(1) Review claims report, SF 362, and other supporting documents.

(2) Provide concurrence by signing Block 23 of SF 362 and submit to the Accounting Operations Office (RS20) for processing. If concurrence cannot be given, return the claim report to the Transportation and Logistics Engineering Group for clarification or other appropriate action.

(3) Review uncollectable claims received from the Office of Chief Financial Officer (RS01).

(4) Review claim settlement offers by carriers which are less than the amount of claims submitted and advise the Office of Chief Financial Officer of appropriate action to be taken.

NOTE: When a carrier submits a check with its settlement offer, the check will be sent to the Office of Chief Financial Officer who will inform the Chief Counsel of this fact.

d. Action by Contracting Officer

(1) Receive claims report, SF 362, and submit to carrier or vendor.

(2) Negotiate with vendor or carrier for satisfactory replacement of the lost or damaged material.

e. Action by Office of Chief Financial Officer

(1) Review claims report, SF 362, and add information to claim report such as carrier bill number, charges, amounts, date paid, and Agency or Center voucher number.

(2) Establish a receivable account for the amount due the Government.

(3) On a timely basis, notify carrier(s) for payment.

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(4) Process and deposit remittances received from carrier(s).

(5) If claim is not resolved within a 3-month period, initiate action to offset the unsettled amount of claim from other amounts due the carrier(s).

(6) If claim has not been resolved within 6 months, initiate action by submitting the claim file to the Chief Counsel Office (LS01) for review.

f. Action by the Transportation and Logistics Engineering Group

Process receipt of flight hardware and program-critical hardware in accordance with MWI 6410.1.

g. Action by the Safety and Mission Assurance Office

Perform receiving inspection and testing process in accordance with MPG 8730.1.

**7. NOTES**

None

**8. SAFETY PRECAUTIONS AND WARNING NOTES**

None

**9. RECORDS**

Quality records maintained in accordance with MPG 1440.2 as specified below.

<u>Quality Record</u>	<u>Repository</u>	<u>Period of Time</u>
Standard Form 362 Freight Loss/Damage Claim	Maintained by AD42, Transportation and Logistics Engineering Group	Maintain as an active file for 6 years then destroy

**10. PERSONNEL TRAINING AND CERTIFICATION**

None

**11. FLOW DIAGRAM**

None

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**12. CANCELLATION**

MMI 6220.1D dated February 2, 1982, and Changes 1-2 thereto

Original Signed by  
Carolyn S. Griner for

A. G. Stephenson  
Director