



STATEMENT OF CHARGES FACT SHEET



Oftentimes, the situation arises when equipment you have signed for is missing or damaged. The property was entrusted to another Soldier in the unit, but the hand receipt belongs to you. Your supervisor, supply personnel, or another individual in the chain of command tells you that you are liable and you need to pay for the property. Do you have to sign the statement of charges if you do not believe you were responsible for the loss? The answer is NO.

A Financial Liability Investigation of Property Loss (FLIPL) is not required in every situation where there is a loss or damage; therefore, the unit may attempt to initiate a statement of charges for an individual. If the loss is less than one month's pay, the command may ask the individual they determine to be responsible for the loss to sign a DD Form 362, Statement of Charges/Cash Collection Voucher. A statement of charges is essentially a voluntary admission of liability for the lost or damaged property and an agreement to pay for it. The command cannot force or coerce someone into signing such a statement.

AR 735-5, paragraph 12-2 allows a person to pay the actual loss to the Government when the person admits that he or she is financially liable. To be financially liable the person must be responsible, negligent, the proximate cause of the loss and actual damage to the property must have occurred. The charge cannot exceed the monthly basic pay of the person admitting liability.

The statement of charges can be used in circumstances where the charge does not exceed the monthly basic pay of the individual being charged. There is no automatic, mandatory requirement for a FLIPL. Initiating a FLIPL may become mandatory in situations when responsibility for the loss is in question, the amount of the loss is greater than one month's base pay, the amount to be assessed is in dispute, or the loss involves a controlled inventory item.

What should you do? Do not sign the form and ask the unit to initiate a FLIPL if the unit personnel believe you are at fault.



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