

SECTION 4-4: QUARTERS

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4-4-00 POLICY

The purpose of this section is to establish those conditions under which HHS may provide quarters for its employees, and to establish requirements for quarter's management and reporting. It is the policy of HHS that quarters utilization and maintenance be managed efficiently, diligently, and in accordance with OMB Circular A-45, "Rental and Construction of Government Quarters."

Government quarters may be provided for employees in positions that require 24-hour presence at the installation for the provision of essential services or to protect Government property that cannot otherwise be protected. The need for these positions should be minimized, where possible, by the use of a "call room" with shift personnel, or a night watchman. Where it is deemed that the 24-hour presence of any position is necessary and Government quarters are provided for that position, mandatory occupancy of those quarters shall be clearly stated in the position description or billet and made a condition of employment. Government quarters may also be provided for other positions of the type that are not normally filled by "local hires," if it is determined that suitable private housing is not available within a one-way commuting time of 1 hour. Housing is not normally provided for local hires.

The following federal policies are summarized from OMB circular A-45:

- a. **Reliance on Private Housing Market.** It is the policy of the Federal Government to rely on the private housing market to provide housing for its civilian employees. If there is no requirement of service or protection or if there is no lack of available housing, agencies must not acquire additional rental quarters.
- b. **Determination of Rents.** Agencies of the Federal Government must adhere to the following in determining rental rates for Government rental quarters:
 - Reasonable value to employee. Rental rates and charges for Government quarters and related facilities will be based upon their reasonable value to the employee in the circumstances under which the quarters and facilities are provided, occupied or made available. Charges for rent and related facilities should be set at levels equal to those prevailing for comparable private housing located in the same area, when practicable.
 - Subsidies, inducements prohibited. Federal employees whose pay and allowances are fixed by statute or regulation may not receive additional pay and allowances for any service or duty unless specifically authorized by law. Consequently, rents and other charges may not be set so as to provide a housing subsidy, serve as an inducement in the recruitment or retention of employees, or encourage occupancy of existing Government housing.
 - Fairness, consistency. When properly determined in accordance with the provisions of this circular, rental rates will be fair as between the Government and the employee (or other authorized occupant) and as between employees of different agencies living in the same installation in similar housing, or employees living in Government quarters at different installations. Rents should not be set so as to serve as an inducement to recruit or retain

employees. Moreover, rents should reflect a consistent local pattern for all Federal quarters in a given location.

c. Employee responsibilities. Employees have a responsibility to inform themselves of all the conditions that prevail in and near the quarters and duty stations to which they might be assigned before accepting transfer to or employment at such duty stations.

4-4-10 PROCEDURES

As prescribed by OMB Circular A-45, "Rental and Construction of Government Quarters," each OPDIV's headquarters staff must maintain a central records system. Sufficient information will be maintained centrally by the OPDIV to allow agency management to be informed of, and to monitor, the status of administration of OMB requirements. At a minimum, the following information must be maintained for each location with a need for Government housing:

- A list of positions, for which Government quarters must be provided, in order to provide essential services or to protect Government property.
- The number of quarters required for staff, other than those listed above, due to the unavailability of suitable private housing (both rental and purchase) within a one-day commuting time of at least 1 hour.
- Quarter's classification, description, identification, assignment, and inventory.
- Assessment of total quarters needs versus current inventory, availability, and assignment of existing quarters.
- Current data concerning survey and appraisal results, rental rates, CPI implementation, maintenance schedule and costs, utility costs, and occupancy history.
- Rules and regulations concerning quarters occupancy.
- Establishment of housing committees and appeal committees.
- Maintaining of necessary quarters records and preparation of required reports.

4-4-20 INFORMATION AND GUIDANCE

- A. Quarters Assignments/Quarters Termination. Documents are to be completed each time an employee, commissioned officer, or other occupant is assigned to quarters or terminates quarters occupancy.
- B. Reporting of Rental Rate Changes: The results of surveys and appraisals, including appropriate supporting documentation, must be submitted to and reviewed by the OPDIV, prior to implementing new rental rates.
- C. Consumer Price Index (CPI) Adjustments. OMB circular A-45 specifies that the new rates shall be effective at the beginning of the first pay period that starts on or after March 1 of each year. Though effective in March, the adjustment shall be based on the preceding September CPI data to provide the required lead-time.
- D. Management of Substandard Quarters. When quarters have been designated as substandard, the OPDIV may not assign the unit for occupancy. In addition, the OPDIV has only one year in which to take effective remedial action or to give up the structure. If an OPDIV decides to raze or abandon the structure, proper documentation in accordance with Chapter 5 must be prepared and submitted to OFMP.

4-4-30 REPORTING REQUIREMENTS

Exceptions. OMB circular A-45 considers and allows for unusual circumstances that may exist with respect to rental quarters. Exceptions to the requirements included in this circular will be permitted, therefore, only upon written request and in those very unusual circumstances when it is demonstrated to the Office of Management and Budget that the application of the provisions of this circular will not result in a rental rate equivalent to the reasonable value of the quarters to the occupant. Therefore, requests for exceptions to circular A-45 will be forwarded to OFMP for review. If OFMP concurs, the request will be forwarded to OMB, with a copy to the requesting OPDIV. If an exception is granted by the Director of the Office of Management and Budget, the agency concerned will be notified in writing.