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DEPARTMENT OF DEFENSE
CIVILIAN PERSONNEL MANUAL (CPM)
CPM BASIC INSTALLMENT NO. 6

CPM Chapter 592, "Overseas Allowances and Differentials," is issued herewith.

1. Add new pages as indicated below immediately following FPM Chapter 591.

<u>CPM Identification</u>	<u>Insert Pages</u>	<u>Explanation of Changes</u>
592	i through 16-5, as well as Appendices A through D	Replaces DoD Instruction 1418.1 to provide policy and guidance on the payment of overseas allowances and differentials in the Department of Defense. This revision updates the policy including new benefits provided by the Foreign Service Act of 1980.

2. File this Installment Sheet immediately preceding CPM Chapter 272.
3. This regulation is effective on January 1, 1982, or upon receipt, whichever is later.

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CPM CHAPTER 592
OVERSEAS ALLOWANCES AND DIFFERENTIALS

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SUBCHAPTER 1. GENERAL PROVISIONS

1-1. General

a. Scope and coverage. These regulations authorize and govern the payment of allowances and differentials to civilian employees of the Department of Defense who are citizens of the United States and who are located in foreign areas. They do not apply to nonappropriated fund employees, Junior Reserve Officers' Training Corps Instructors, or, except for educational travel (Subchapter 8), employees in the former Panama Canal Zone. The Department of State Standardized Regulations (Government Civilians, Foreign Areas) (hereafter referred to as DSSR) prescribe the eligibility requirements to be met by employees, the applicable rates to be paid, and the provisions to be observed in paying allowances and differentials. Application of the DSSR, as supplemented herein, is mandatory and will be observed with respect to those allowances and differentials that are authorized for payment within the Department of Defense.

b. Purpose. The foreign post differential and the foreign area allowances (except the post allowance) are not automatic salary supplements attached to all positions in the foreign area. They are intended to be recruitment and/or retention incentives for U.S. citizen civilian employees living in the United States to accept federal employment in a foreign area. If a person is already in the foreign area, that inducement normally is unnecessary. The specific circumstances under which an employee who is hired in a foreign area may be granted the allowances are provided in section 031.12 of the DSSR, as supplemented by this chapter.

c. Distribution of DSSR. The DSSR and changes thereto are given limited distribution based upon need. Requests to be placed on the distribution list or for a change in quantity received will be sent through channels to the appropriate component (Military Departments and Defense Agencies) headquarters at the following addresses:

HQDA (DAPE-CPR) Washington, D.C. 20310
HQUSAF (MPKE) Washington, D.C. 20330
Chief of Naval Operations, CPD(OP-141D1),
Department of the Navy, Washington, D.C. 20350
HQ Defense Logistics Agency (DLA-KM) Cameron Station,
Alexandria, VA 22314

All other requests will be sent through headquarters to the Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics) (OASD(MRA&L)). Civilian personnel officers (CPOs) whose sole concern is processing civilian employees for assignment to foreign areas may obtain current allowance and differential data from their Major Command or from the overseas civilian personnel office.

d. Allowances, differentials, and benefits authorized. The following allowances, differentials, and benefits are authorized for payment to eligible employees within the Department of Defense:

(1) Living quarters allowance (LQA) and temporary lodging allowance (TLA) (Subchapter 2).

(2) Post allowance (Subchapter 3).

(3) Supplementary post allowance (SPA) (Subchapter 4).

(4) Foreign transfer allowance (subsistence expense portion) (Subchapter 5).

(5) Separate maintenance allowance (SMA) (Subchapter 6).

(6) Authorized under education allowance (Subchapter 7) is cost for transporting student dependents between the sponsor's duty station and the DoD-approved school.

(7) Educational travel (Subchapter 8).

(8) Representation allowance (Subchapter 9) is authorized for employees whose positions are designated by the Secretary of Defense as eligible for the allowance.

(9) The official residence expense allowance (Subchapter 10) is authorized for certain employees designated by the Secretary of State.

(10) Post differential (Subchapter 11).

(11) Special incentive differential (Subchapter 12).

(12) Danger pay allowance (Subchapter 13).

(13) Compensatory time off (Subchapter 14).

(14) Advance in pay (Subchapter 15).

e. Allowances not authorized. These allowances are not authorized for payment within the Department of Defense:

(1) The foreign transfer allowance (wardrobe and miscellaneous expense portion).

(2) Home service transfer allowance.

(3) Education allowance (except transportation of student dependents).

1.2. Delegation of Authority

a. The authority to decide an employee's eligibility for an allowance or differential is delegated to those officials with appointing authority. This includes authority to

(1) Decide in the public's interest whether the LQA should be continued beyond the period authorized in section 132.2a, DSSR, for employees in leave-without-pay status (see section 132.2b, DSSR).

(2) Grant payments of less than the full amount of the LQA or withhold payment (section 134.2a, DSSR)

b. Authority to decide which allowances or differentials will be granted or to determine the payable rate is not delegated. The head-of-agency waiver covered in the DSSR, section 031.12, may not be delegated except as provided in paragraph 2-2.b.(3) of this chapter.

c. Authority of head of agency to designate specific positions that have unusual difficulties in staffing located at posts with very difficult environmental conditions for employment of the special incentive differential is delegated to DoD Components. It may not be further delegated.

d. Authority to make head-of-agency determinations concerning payment of an SMA is delegated to DoD Components. It may be redelegated to the Major Command level.

1.3. Responsibility for Eligibility and Payment. The responsibilities in connection with allowances and differentials are as follows:

a. CPO. The CPO or his designated representative acts for the commander in administering the allowances and differentials for serviced employees. The CPO shall

(1) Determine whether the U.S. citizen civilian employee is eligible for each authorized allowance and for the foreign post and special incentive differentials.

(2) Request, through servicing command channels, an advance decision on cases of questionable eligibility.

(3) Submit a fully documented case through command channels to DoD Component headquarters for prior decision when the circumstances appear to justify LQA eligibility under the "individual cases involving unusual circumstances" provision in section 031.12, DSSR, or for authorization for a special allowance under unusual circumstances under section 013, DSSR. Such a request may be needed if the employee has out-of-pocket costs for which payment is prohibited by government regulatory limitations and for which reimbursement is considered justified.

(4) Advise each U.S. citizen civilian employee about what facts the employee must report and the documents the employee must furnish as a basis for decisions of eligibility for rates of allowance or differential payments. See Appendix C for a suggested letter to an employee. See Appendix B for information and instructions for completing SF 1190 (Foreign Allowances Application, Grant, and Report). The CPO should modify Appendix B to contain pertinent information for each serviced foreign area duty post.

(5) Advise the employee who is eligible for a quarters allowance (TLA or LQA or both) of the conditions that would justify the employee's application for an advance payment.

(6) Determine whether circumstances justify an advance for the TLA or LQA subject to the criteria and restrictions in section 113, DSSR.

(7) Require each eligible employee to submit a completed SF 1190 as needed with required receipts to permit decisions with regard to

(a) The revision or termination of allowance(s).

(b) The accuracy of LQA costs for submission of scheduled or nonscheduled reports to the Department of State (DoS), Allowances Staff.

(8) Decide whether the TLA will be paid under section 124.1, DSSR, to an employee immediately before the employee's final departure from the post.

(9) Verify the employee's reported allowance quarters costs as submitted on SF 1190 or its attachments. This includes such action as

(a) Returning the form to the employee for additional required information.

(b) Deleting disallowed items of quarters costs.

(c) Assuring that the costs in item 21 represent the employee's quarters costs.

(10) Decide whether added remarks or documentation (by the employee or the CPO) is necessary in cases involving

(a) Advance payments of the TLA or LQA.

(b) The employee's absence from permanent duty post for leave or detail.

(c) A rental charge for government quarters in a foreign area because the employee received an LQA for family quarters.

(11) Determine whether the "with family" LQA will be granted under

(a) Section 134.11, DSSR, pending arrival of family (see also section 132.3c)

(b) Section 134.12 for dependents away at school.

(c) Section 132.2d for all members of the employee's family when "temporarily absent from post."

(12) Determine whether continuing the LQA during nonpay status would be in the public interest under section 132.2b(2), DSSR.

(13) Determine the effective dates and payment rates of the applicable allowances and differentials.

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(14) Advise employees of their entitlements. The CPO will return a copy of the SF 1190 promptly to the employee along with any receipts for utilities. The CPO will retain a copy of all documents related to purchase of personally owned quarters, the basic contract for rental quarters, and the basic allowance for quarters (BAQ) statement used in determining the LQA payable to military spouses. The employee will be advised to retain all receipts for utilities. The SF 1190 shows the action taken by the CPO. The CPO also gives the employee blank copies of the SF 1190 so the employee can promptly submit a revision if the situation requires it.

(15) Provide, when necessary, the servicing finance and accounting office with current information that affects rates and dates of payment for each eligible employee so that each allowance and differential can be computed and paid accurately. The original of an approved SF 1190, with necessary supplementary information, will be verified and signed by the servicing CPO or a designated representative. The approved form will be sent to the servicing civilian pay office.

(16) Submit as scheduled the required allowance and differential reports and off-schedule reports as appropriate.

b. U.S. citizen civilian employees. Each U.S. citizen civilian employee who is eligible for foreign allowances must

(1) Complete the SF 1190 according to instructions and submit it to the CPO. The SF 1190 will document the authorization to pay allowances to an employee. It may be used to authorize post and special incentive differentials. Employees will enter all pertinent data on the SF 1190 and will attach all documentary proof of costs. This proof is required for the LQA and TLA and for the subsistence expense portion of the foreign transfer allowance to verify eligibility and date of entitlement. Once quarters costs have been verified (such as rent for leased quarters or initial purchase price for personally owned quarters) and there is no change, the CPO does not normally need any further proof.

(2) Report promptly any change on an SF 1190 that may affect any allowance or differential. Failure to report changes may cause an overpayment that may be subject to collection action.

(3) Submit a completed SF 1190 when requested by the CPO. Failure to do so may result in stopping the payments because current data is needed as a basis for payments.

(4) Report costs for specific allowances. These costs (for example, TLA, LQA, and SPA, if required by the CPO) are in the applicable subchapter of this chapter. Employees will report daily costs for the TLA and SPA (if requested) and will report each allowable LQA cost yearly. Employees will report actual cost for each item when available; otherwise, they will estimate costs for utilities for the LQA.

1-4. Evacuation from Foreign Posts. When, because of emergency conditions, employees or their dependents or both are evacuated from their post, the regulations governing advance payments and evacuation payments published as part of Chapter 600 of the DSSR will be observed.

1-5. Waiver of Claims. Instructions and procedures for processing applications for waiver of claims of the United States are contained in agency regulations. These claims result from erroneous disbursements of pay and allowances (other than travel and transportation expenses and allowances and relocation expenses) and are for refunds to or on behalf of present and former DoD employees. The foreign post and special incentive differentials meet the definition of pay.

1-6. Allowance during Nonpay Status. All allowances granted under this regulation will be continued under the conditions set forth in sections 051.2 and 132.2b(2) of the DSSR. The allowances will not be paid for any period in which the employee is absent without leave or suspended for disciplinary reasons. The post and special incentive differentials are not paid when an employee is in a nonpay status.

1-7. Early Termination of Allowances and Differentials. Under section 057, DSSR, the head of a DoD Component may stop any allowance or differential earlier than the dates specified in the regulation if it is in the public interest. Under this authority, it has been determined that, when an employee is using sick or teacher leave pending disability retirement and is receiving an allowance or differential, it will be stopped 60 days after approval of retirement by the Office of Personnel Management. For an employee using sick or teacher leave after an application has been submitted for optional in lieu of disability retirement, allowances and differentials will be stopped 60 days after commencement of leave.

1-8. Rates Subject to Change. The rates authorized in the DSSR may be increased or decreased without notice. In order that overseas employees and potential overseas employees will be fully informed with regard to the additional compensation received or to be received by them, the following will be observed:

a. Whenever a differential or allowance rate is specified in a recruiting bulletin, examination announcement, statement of living and working conditions, a letter tending employment, or on an SF 50, Notification of Personnel Action, this statement will be included: "The differential rate or allowance rate (whichever is appropriate) is subject to change without notice."

SUBCHAPTER 2. QUARTERS ALLOWANCE

2-1. General. Two types of quarters allowances are authorized for DoD civilian employees stationed in foreign areas: TLA and LQA.

a. The TLA is available for the employee and for each family member for up to 3 months after first arrival at a new foreign duty post, prior to occupancy of permanent quarters, and for up to 1 month preceding final departure from the post, after vacating permanent quarters. See Subchapter 4 for allowable SPA available while occupying nonhousekeeping temporary quarters in a TLA status.

b. The LQA is payable to eligible civilian employees when government-owned or -rented quarters are not provided without charge at the employee's permanent duty station in a foreign area.

c. DoD policy requires that, when suitable and fully adequate government quarters are available and are offered to the employee, but the employee elects not to accept them, the employee will not be eligible to receive the LQA for the rental or purchase of privately owned quarters. The employee may be paid the TLA for use of commercial lodging even if adequate government transit quarters are available.

(1) Employees are to be informed of the availability of government quarters before departure for overseas duty. If adequate government quarters are available or will become available within a reasonable time, refusal to accept such quarters creates no entitlement to LQA except

(a) When there is a waiting list of eligible personnel available to occupy the same category of quarters offered to the employee.

(b) When the quarters cannot be assigned on a permanent basis.

d. The LQA and TLA are set by the DoS Allowances Staff (sections 120 and 130, DSSR). The allowances are designed to cover substantially all average allowable costs for suitable, adequate quarters, including utilities. They are not intended to reimburse 100 percent of all employees' quarters costs or to provide ostentatious housing.

e. The LQA may be withheld or stopped until acceptable documentation required by the CPO is submitted. Upon receipt of the documentation within a reasonable time, retroactive payment may be made. Retroactive payment may also be made upon presentation of appropriate documentation at the time of annual survey.

2-2. Eligibility

a. Employees recruited in the United States (section 031.11, DSSR) for duty in a foreign area either will be furnished government quarters without charge or will be paid a quarters allowance as prescribed in Chapter 100, DSSR.

b. Employees recruited outside the United States (section 031.12, DSSR) will have their eligibility for quarters allowance determined at the time of hire and at any time pertinent changes in their individual status occur that

may confer eligibility. The sample form at Appendix A will be used to document decisions made regarding eligibility for allowances. The DSSR, section 031.12, lists conditions under which an employee may be granted housing allowances. The employee must be a U.S. citizen employed full time. Intermittent and part-time employees are not eligible.

(1) Under the provisions of section 031.12b, DSSR, former military and civilian members will be considered to have "substantially continuous employment" from the date of separation until the date on which their entitlement to government-paid transportation back to the United States expires.

(2) The requirements of section 031.12b of the DSSR may be waived in individual cases when unusual circumstances exist. If the Major Command recommends a waiver, the case will be forwarded to serviced DoD Component headquarters for head-of-agency consideration. All other requests should be returned by letter to the employee explaining the reasons for nonrecommendation. When approval is granted to waive section 031.12b, DSSR, the effective date of the LQA approval will be the letter approval date or the date quarters are occupied, whichever is later.

(3) Officials identified in paragraph 1-2.a. of this chapter (that is, appointing officers) will waive DSSR section 031.12b requirements for locally hired U.S. citizen employees when, but for the condition surrounding the employment, the employee would be residing in the United States, Puerto Rico, any U.S. possession, or the former Canal Zone. One of the following events must have occurred for this waiver.

(a) Death of the sponsoring spouse.

(b) Divorce or legal separation; legal separation is a separation under a judgment or decree of a court of competent jurisdiction rendered pursuant to the statutes and laws under which the court exercised its authority.

(c) Sponsoring spouse left the post or area permanently.

(d) Either spouse's work location became so separated that daily commuting to a common home would not be reasonable.

In addition, the employee must have entered the area as the spouse of a sponsor who was eligible for the quarters allowance or who would have been eligible if employed by the government. The employee's reasons for being in the area continuously from the time of arrival must have been fairly attributable to the sponsor's or the employee's own circumstances that meet the conditions specified in section 031.11 or 031.12b, DSSR. In circumstances described in subparagraphs 2-2.b.(3)(b)(c) or (d), above, the LQA will be stopped should the couple remarry, reconciliation occur, or the spouse return to his/her post or area.

(4) Waiver of section 031.12b, DSSR, will not be made for the married employee

(a) Who accompanied or followed his/her spouse to a foreign area and is still residing with that spouse; or

(b) Who is not legally separated and who is working in such proximity that a common dwelling could be maintained.

(5) Section 031.12b, DSSR, will be waived for locally hired U.S. citizen employees who have, immediately prior to appointment, been directly employed by the U.S. as foreign nationals under third country citizen contracts or agreements that provided them with a living quarters allowance or housing at no cost.

(6) The appropriate Major Command decides whether an employee acquires an LQA under section 031.12c of the DSSR, whether the reassignment is within or between countries. The Major Command may redelegate this authority to the officials identified in paragraph 1-2.a. of this chapter. Section 031.12c provides that an LQA may be given an employee recruited outside the United States if, "as a condition of employment by a Government agency, the employee was required to move to another area, in cases specifically authorized by the head of the agency." A "condition of employment," if not fulfilled, results in failure to gain or retain employment. Section 031.12c, DSSR, will be applied when an employee is relocated to another area by a management-generated action. It also will be applied when management must request that an employee not now eligible for LQA relocate to another area. A management request that an employee relocate is considered a management-generated action.

(a) To make determination under section 031.12c of the DSSR, the following tests must be applied:

1. Will employment be ended if the employee fails to accept relocation? If the answer is yes,
2. Is the relocation caused by management-generated action such as reduction in force or a transfer of function? If the answer is no,
3. Must management request an employee not now eligible for the LQA to relocate to another area? For example, was management unable to recruit a new employee or unable to recruit an employee currently with LQA eligibility to accept the relocation?

(b) To grant an allowance under section 031.12c, DSSR, and its implementing guidance, the answer must be affirmative to questions (a) 1. and 2. or to question (a) 3., above. Selecting a person to be relocated is based on regulatory guidance, leaving management little option to recruit a new employee or select an employee receiving an LQA. There are also common-sense considerations. If an employee's new duty station is within commuting distance of the previously established residence, no LQA will be authorized. If the employee is joining a spouse at a new duty station who is eligible for an LQA, the reassigned employee would usually not be given one.

(c) Although the appropriate Major Command mentioned above normally would be responsible for servicing both the old and new positions, there will be times when two Major Commands and possibly another Military Department are involved. In such situations, the gaining command will make

the final determination. The losing command, however, must request an advance finding from the gaining command to advise the employee as to LQA entitlement as a result of the reassignment.

(d) The gaining command will advise the employee in writing and will specify that the allowance eligibility continues only while the employee serves at other than the former station. A copy of this notice will go with the Official Personnel Folder on later reassignments.

(e) Section 031.12c, DSSR, will apply only when the employee is moved by a permanent change of station (PCS). It will not be used for an assignment to the first-duty station, whether or not along with first-duty station travel.

c. Persons appointed under the special Schedule A authority for dependents are not eligible for the LQA. When the dependent employee's work continues for a short time after the sponsor leaves the area, an exception to subparagraph 2-2.b.(4), above, is authorized for the duration of the employment extension. However, the employee must have entered the area as the spouse or dependent of a sponsor who was eligible for government quarters or an allowance in lieu thereof.

2-3. Determination of Rates. The LQA payment will be based on the employee's grade, post of assignment, and number of family members residing with the employee. The employee who maintains and lives in a household outside of the boundary of his/her official post of assignment and commutes daily to work will be granted the "with family" rate (for post of assignment). Deciding maximum and actual rates for the TLA or the LQA will be according to sections 120 and 130, DSSR, and to the following supplementary provisions:

a. Application of LQA rates

(1) The LQA approved for payment to an eligible employee will be as follows:

(a) The allowable quarters costs or the maximum rate listed in sections 920 and 932.22 of the DSSR for his/her grade, family status, and duty post as determined from Section 932.1, DSSR, whichever is less; or

(b) The rate determined in accordance with section 134.16, DSSR, when that method is authorized by the Major Command. The suggested method for application of section 134.16 is at Appendix D.

(c) When an employee who is entitled to housing at government expense is required to pay fees for the care and maintenance of common areas, such fees shall be reimbursed by means of a reduced LQA.

(d) Revising an employee's LQA (higher or lower) will be done at the start of the pay period following receipt of proof of a significant change in expenses. Revisions resulting from the annual review of quarters costs normally will be effective on the beginning of the first pay period in the reporting month. Retroactive adjustment may be made as discussed in paragraph 2-1.e. Revisions in an employee's LQA that are caused by DSSR changes will be effective on the revision date.

(2) In some areas, dependent travel is denied. Those employees who are denied dependent travel who locally acquire families as defined in the DSSR or who bring their families at their own expense will be denied an LQA if adequate government quarters are available for the employee. If not available, the employee will be authorized an LQA as follows:

(a) The smaller of the total estimated allowable items of, including, but not limited to, rent, utilities, and other costs for the quarters occupied by the employee (with family) or the applicable "without family" LQA will be paid as specified in the DSSR.

(b) "Without family" rate will be paid in accordance with this section 134.16, DSSR, when that method is authorized by the Major Command.

(c) When the LQA payment is determined in accordance with this section 134.16, DSSR, reconciliation and adjustments will be based on receipts and canceled checks submitted by the employee. The employee's statements of expenses will not be accepted.

(3) DoD employees assigned abroad at the GS-7/9 or WG-12/13, WL-10/11, and WS-1/10 levels who have 15 years or more of federal civilian service will be placed in quarters group 3.

b. Personally owned quarters (POQ). For an employee living in personally owned family-owned quarters, the annual rent will be one-tenth of the purchase price paid or one-tenth of the appraised value when the title was acquired. The purchase price or appraised value will be converted to U.S. dollars at the exchange rate in effect at the time of purchase. Only actual or estimated expenses for allowable utilities will be added to the rent. In rare cases, land rent may be added to fix the amount of the employee's LQA under section 134, DSSR. Taxes are not an allowed expense.

(1) The purchase price is the price stated in the deed, sales contract, or construction contract at the time the employee, spouse, or both agreed to buy or build. Items considered part of the purchase price in government-owned properties may be included in fixing the purchase price of the POQ. For example, in one foreign area, a property recording fee (about 7 percent of the price of the property) must be paid by the new owner each time the property changes hands; this item will be added to the purchase price. The total purchase price is allowed if the arrangement to buy an uncompleted dwelling states that the original owner will complete the dwelling for a predetermined total purchase price. Additions added after agreement to buy or after quarters have been constructed cannot be considered as part of the original purchase price.

(2) The same considerations as those for initial purchase price apply when the appraised value is used. The appraised value should be determined on an as-is basis. In rare cases, quarters are built by the employee for his/her own use. The purchase price of the quarters should be the value of the quarters. Included are the material costs and a fair value for the labor and indirect expenses involved in building. It is immaterial whether the employee does the work or pays to have it done. For these dwellings, the CPO can choose the simplest method of finding a fair purchase price; the CPO either may accept the appraised value or may determine the value on the basis of the employee's statement of expenditures (with supporting documentation).

Expenditures include the amount paid for land, materials, labor, and things such as heating/air conditioning plants, major appliances (such as stoves and refrigerators), and cabinets.

(3) The purchase price or appraised value should include the land normally required for the dwelling. For example, if an employee buys a farm, with a house included, only the value of the living quarters and the portion of the land fairly associated with the residence would be used in the annual rent determinations. If the property is a multifamily dwelling, the fair value of only the family unit occupied by the employee and his/her family will be used in determining the annual rent.

(4) Payment of the rental portion of the LQA is limited to a period not to exceed 10 years, at which time the employee will be entitled to only the utility expenses and land rent as specified above.

(a) The 10-year period is cumulative at the same post. For example, an employee who lives in POQ for 6 years, sells the house, and rents lodging for 3 years, and then buys another house or apartment would be eligible for the rental portion of the LQA for 4 years.

(b) An employee who sells the POQ before the 10-year cutoff and moves into different rental quarters is entitled to an indefinite LQA for rental purposes.

(c) An employee who is transferred to another post would become eligible for the LQA for renting quarters or for a new 10-year period for POQ. An employee who is transferred back to the same post would again become eligible for payment of the LQA for rental or POQ (new 10-year period) if it is a management-generated transfer and if the house previously owned at that base had been sold. The employee would not be entitled to the LQA except for utility expenses if he/she still owned that house and resided in it.

c. Shared living quarters. If two or more employees without family or an employee and a person who is not a relative provided support share living quarters, the employee's share of the total costs for quarters will be considered as his/her actual living quarters expenses. Employees sharing quarters are required to identify the person(s) with whom sharing in item 22 of the SF 1190. When an employee lets or sublets a portion of the employee's owned or leased quarters, he/she must complete item 24 of the SF 1190. A copy of the sublease agreement will be provided to the CPO to substantiate the employee's share of the total cost for quarters. This agreement will be notarized.

d. Married couples. If an eligible employee is the only family member (as defined in section 040m, DSSR) to receive a quarters allowance from the government (such as LQA or BAQ), the employee's highest LQA rate is the "with family" rate. This is determined in accordance with sections 920 and 932, DSSR, for the employee's grade, family size, and duty post.

(1) If both spouses at a post are eligible for the LQA, the couple will choose, in writing,

(a) One spouse who will claim the total allowable cost for the family's quarters as a basis for the "with family" LQA, above; or

(b) To share the costs as a basis for each receiving the LQA. If they elect to share costs, see subparagraphs 2-3.d.(2) or 2-3.d.(3), below. (Any change to existing LQA grants because of sharing will be effective at the start of the first pay period after the election.) Resultant LQA payment for the "family" will not exceed 150 percent of the maximum payable to either of the spouse employees as determined in accordance with subparagraphs 2-3.d.(2) and (3), immediately below. This limitation does not apply to a "family" currently receiving an LQA in excess of 150 percent of the maximum payable to either of the spouse employees as long as they remain in their present quarters.

(c) Only one such election will be permitted for each PCS move as long as both continue to be eligible for an LQA.

(2) If the couple in subparagraph 2-3.d.(1), above, has no other family members as defined in section 040m, DSSR, and each elects to receive the LQA, each claims an equal share of the family's total allowable costs as his or her own expenses. Each spouse has a maximum "without family" LQA rate determined under sections, 920 and 932, DSSR, for the employee's grade and duty post.

(3) If the couple in subparagraph 2-3.d.(1), above, each choosing to receive the LQA, has additional family members, as defined in section 040m, DSSR, the couple will share costs allowed for their quarters and also the total LQA. The shared cost is based on a ratio of each employee's flat rate LQA to the total of both employees' flat rates. One spouse will have the "with family" rate, including the family increment based on the number of members excluding the spouse (see 932.22c, DSSR). The other spouse will have the applicable "without family" rate under sections 920 and 932, DSSR.

(4) If the employee's spouse is a member of the United States Armed Forces and

(a) Resides with the employee, the employee's allowable expenses will be determined by subtracting the military member's total housing allowance (BAQ plus the housing portion of the station allowance (HOLA)) from the total costs. The CPO should verify the BAQ and HOLA rates at the time of initial application for the LQA and thereafter on an annual basis at the time of the annual LQA review.

(b) Does not reside with the employee, the employee may be authorized an LQA to cover his/her cost of quarters and utilities.

(c) The employees's maximum LQA will be

(1) The "without family" rate determined according to sections 920 and 932, DSSR, if the military spouse draws a quarters allowance; or

(2) The "with family" rate determined according to sections 920 and 932, DSSR, considering all family members residing at the post if the military member spouse is not drawing a quarters allowance.

e. Dependents. Sections 040m (3) and (4) of the DSSR require that the employee provide at least 51 percent of the support for certain relatives in order for them to be considered family members for allowance purposes. Such family members need not be U.S. citizens. Financial dependency is determined by federal income tax rules, which define total support to include food, shelter, clothing, education, medical and dental care, recreation, transportation, and other necessities. Lodging and goods furnished are measured by the fair market value. Shelter is measured by rent (or, if in POQ, by real estate taxes, mortgage payments and interest, and repair costs), utilities, and fuel. Shelter cost may be a proportionate share of the total quarters or the extra costs required to provide shelter for that person in the jointly occupied quarters. The dependent's personal expenses must be necessary ones, such as medical expenses. The rules do not include income taxes, life insurance payments, or items such as automobiles, even though needed for transportation.

f. Wage grade employees. To determine the proper quarters group for payment of the LQA to the eligible wage grade employee, use Table 2-1 (page 2-10), which supplements the table provided in section 932 of the DSSR.

g. TLA. The TLA reimburses an employee for expenses of transient quarters or other temporary lodging incident to arrival at and leaving the foreign post. Under the DSSR, the allowable TLA cost items include some costs that are not allowable for the LQA. An employee should not pay for transient quarters without reimbursement even though costs may exceed that normally provided an employee and his family in private quarters. The TLA can be claimed and paid for a period when the LQA is not paid.

(1) The period may not exceed 3 months after first arrival at the duty post. The TLA ends with moving into permanent living quarters, if earlier; or

(2) The TLA may be paid for temporary quarters not in excess of 1 month prior to departure from the post.

2-4. Advance Payments. Officials designated in paragraph 1-2.a. of this chapter may authorize payments of the TLA or LQA under section 113.2, DSSR. Advance payment should be made under the provisions of sections 113.2 and 113.3, DSSR.

2-5. Special Rules for Department of Defense Dependents Schools (DoDDS) Teachers

a. Payment of the LQA, subject to 20 U.S.C. 901-907, to a teacher who is eligible under the DSSR to receive that allowance during the overseas dependent school summer recess will be governed by the following:

(1) If the teacher is transferred, payment of the allowance will be the responsibility of the losing activity up to the effective date of the transfer; thereafter, it will be the responsibility of the gaining activity.

(2) If it is determined that the teacher's services will not be required for the following year, the teacher is entitled to payment of the allowance up to the effective date of separation. The allowance may be continued up to the date of departure for a teacher who is required to await authorized transportation.

(3) If the teacher fails to report for service at the beginning of the next school year as agreed, collection action for the LQA (or value of government quarters occupied or storage furnished) up to the effective date of separation during the summer recess will be waived provided failure to report is for circumstances beyond the teacher's control and acceptable to management. Examples of such circumstances are

(a) Illness not induced by misconduct.

(b) Unforeseen emergency or extreme personal hardship that prohibits return to duty or requires the teacher's presence elsewhere than at the duty station. These may include such events as serious illness or death in the immediate family or imminent breakup of the family group. Reliable verification from appropriate sources must be established to the satisfaction of management.

b. Under the provisions of Public Law 86-91, teachers are in a nonpay status during Christmas, Easter, summer recess periods, federal holidays, and all other non-workdays. Although the DSSR provides that eligible teachers may be authorized an LQA when in a nonpay status during the summer recess period, there is no provision for continuing the LQA during any other period when a teacher is in a nonpay status in excess of 14 calendar days at any one time, except when the head of the agency determines the continuation of the grant would be in the public interest. Accordingly, the Department of Defense has determined that the grant of the LQA may be continued in the public interest for eligible teachers during official recess periods within the school year, not in excess of 30 calendar days, provided the teacher is in a pay status immediately before and after the school recess period.

Table 2-1 Wage Grade Employees

Quarters Group	Pay Categories and Grades		
	Regular Wage Grade		
	Worker (WG)	Leader (WL)	Supervisor or Foreman (WS)
3	14-15 ¹	12-15 ¹	11-19 ¹
	12-13 ¹	10-11 ¹	1-10 ¹
4	12-13 ²	10-11 ²	1-10 ²
	1-11	1-9	-----

¹15 or more years of federal civilian service

²Less than 15 years of federal civilian service

Note: Quarters Group 5 was eliminated, and WG 1-11 and WL 1-9 were placed in Quarters Group 4, effective March 13, 1977. WG 12-13, WL 10-11, and WS 01-10 with 15 or more years of federal civilian service were placed in Quarters Group 3, effective May 1, 1978.

SUBCHAPTER 3. POST ALLOWANCE

3-1. General. The post allowance is a cost-of-living allowance. It reimburses an employee for certain living costs incurred while stationed in a foreign area where the cost of living, other than quarters, is much higher than in Washington, D.C. Classification of posts is listed in column 4, section 920, DSSR, with additional explanatory material in sections 913 and 940, DSSR.

3-2. Eligibility. A full-time U.S. citizen employee who is officially stationed at a foreign post will be paid the post allowance per sections 031.2 and 220 of the DSSR, as supplemented herein. Part-time, intermittent, and U.S. dependent summer hire employees are not eligible. The post allowance is paid to each eligible employee even though he/she may not be eligible for the post differential or any other allowance.

a. Minimum rate. The "without family" post allowance is the minimum rate for each employee entitled to this allowance.

b. "With family" rate. As indicated in section 040m, DSSR, the family members must live with the employee for the members to be counted for the "with family" rate. See section 225.2, DSSR, for the circumstances under which payment may be continued while the family or employee is temporarily absent from the post.

(1) If the U.S. Government employs both spouses and they have no dependents qualifying as a member of the family, each will receive the "without family" rate.

(2) If both spouses are U.S. Government employees eligible for the LQA and have dependents (who qualify as members of the family) with them at the post, the options contained in section 226.1, DSSR, apply. The "with family" rate will be paid to one spouse only; the other spouse will receive the allowance at the "without family" rate. Post allowance changes under the special rule in section 226.1, DSSR, are effective at the beginning of the pay period after the couple gives written choice of options.

(3) If both spouses are civilian employees working at posts so separated that they cannot live together, each spouse will get a post allowance based on the number of family members living with that spouse at his or her duty post.

(4) Civilian employees who are spouses of military members receiving a cost of living allowance (COLA) at the "with family" rate will be authorized payment of "without family" post allowance.

(5) Civilian employees who are noncommand sponsored spouses of military members receiving COLA at the "without family" rate will be authorized payment at the "without family" rate if there are no other dependents or at the "with family" rate if there are additional dependents residing at the post.

c. When an optionally retired annuitant is rehired by an agency, the post allowance should be paid to the reemployed annuitant based on full salary for the position grade and step.

3-3. Continuance of Grant. Officials designated in paragraph 1-2.a. of this chapter will decide whether the post allowance should be continued during absence from the post of assignment under conditions in

a. Sections 225.1b and 225.2a, DSSR (employee and all members of family, if any, outside country of assignment for short period).

b. Section 227.3, DSSR (employee absent from duty post on leave under official travel orders unrelated to transfer and with travel per diem authorized, but one or more family members remain at duty post).

3-4. Special Rules for Computing Allowance

a. Wage grade employees. For post allowance purposes, the annual salary of wage grade employees is determined by multiplying the basic hourly rate of compensation of the employee by 2080 hours (40 hours per week times 52 weeks per year) before any deduction is made and before adding any additional compensation such as overtime pay, night differential, holiday premium pay, post differential, and allowances. Multiply the daily rate by the number of calendar days (normally 14) in the pay period.

b. DoDDS teachers. In computing post allowance for teachers, the total annual amount of post allowance payable (from the appropriate table in section 940, DSSR) is divided by the number of calendar days in the school year to obtain the daily rate.

3-5. Termination

a. Section 224, DSSR, contains guidance concerning the termination of the post allowance for employees who

- (1) Transfer from the local area;
- (2) Depart on leave under official travel orders; or
- (3) Separate from government employment.

The portion of the post allowance paid to an employee on behalf of a dependent child who leaves the overseas duty post to attend school in the same or another foreign country will be reduced on the 31st day following departure. This portion of the allowance may be restored upon the child's return to the overseas post to which the sponsor is assigned for a period in excess of 14 days. If the date of return falls on the first day of a pay period, the allowance is reinstated as of that date. Otherwise, the change is to be made effective at the beginning of the next pay period.

b. If the employee currently is receiving an LQA or another allowance or differential that also is discontinued as a result of this action, termination will be effected on an SF 1190. If the LQA or another allowance or differential is not affected by the specific personnel action, an appropriate remark in item 30 of the SF 50 may be used instead of the SF 1190. An appropriate SF 50 remark would be: "Post Allowance terminates 00-00-00." This is an optional method of documenting termination of the post allowance in those cases in which the use of the SF 1190 is determined by the CPO to be unnecessary.

SUBCHAPTER 4. SUPPLEMENTARY POST ALLOWANCE

4-1. General. Subject to section 230, DSSR, the SPA is granted to an employee for whom assistance is needed to defray extraordinary subsistence costs resulting from residing in transient quarters without cooking facilities. The SPA, when justified, is in addition to the TLA and the regular post allowance. See section 941.2, DSSR, for applicable SPA rates.

4-2. Eligibility. To be eligible for the SPA, employees must meet the criteria for the LQA in section 031.1, DSSR, and Subchapter 2 of this chapter. Section 233, DSSR, is the basis for approving the SPA. A decision should be made whether costs warrant less than the full rate of SPA (section 235, DSSR). The decision to pay the SPA will be shown in item 29, SF 1190, by inserting the amount payable daily. If the approved daily rate of payment is less than the full daily rate, the CPO will provide an explanation in item 26, Remarks.

SUBCHAPTER 5. FOREIGN TRANSFER ALLOWANCE (SUBSISTENCE EXPENSE PORTION)

5-1. General. Subject to the conditions of section 240, DSSR, the subsistence expense portion of the allowance is granted to an employee for expenses up to 10 days before leaving the United States for a post in a foreign area. Expenses include lodging, meals (plus tips), laundry, and dry cleaning while occupying temporary quarters. Occupancy of temporary quarters in the United States must begin within 30 days after the employee's residence has been vacated.

5-2. Eligibility. An employee (including individuals performing first-duty station travel) leaving the United States for assignment in a foreign area is eligible for the subsistence expense portion of the foreign transfer allowance. This allowance will not be paid to employees transferring from Puerto Rico, U.S. territories and possessions, and the former Panama Canal Zone to a foreign area.

5-3. Determination of Rates

a. The amount granted will be in accordance with sections 240 and 942, DSSR.

b. Chapter 13, Joint Travel Regulations, Volume 2, contains detailed instructions on payment of this allowance.

SUBCHAPTER 6. SEPARATE MAINTENANCE ALLOWANCE

6-1. General. The SMA is intended to assist an employee offset the additional expense incurred when he/she must maintain a separate household for dependents elsewhere. This situation can occur when an employee is precluded from taking his/her dependents with him/her for the convenience of the government or because of dangerous, notably unhealthful, or excessively adverse living conditions at the post in a foreign area. It can also occur when an employee, because of special need or hardship involving the employee or the employee's spouse or dependents, elects not to have one or more members of his/her family accompany him/her on his/her overseas assignment. Detailed regulations governing authorization and payment of this allowance are found in section 260, DSSR. The allowance will be approved subject to these conditions:

a. Dependents indefinitely prohibited. When an employee is indefinitely precluded from maintaining dependents at the post of assignment, the SMA will be authorized.

b. Convenience of the employee. When an employee has a substantial special need or hardship to maintain family members elsewhere, such as career, educational or family considerations for the spouse, educational considerations for children, or health, the SMA may be authorized.

c. Temporary periods of time warranting an SMA

(1) When an employee is temporarily prohibited from maintaining dependents at the post for 90 days after his/her arrival due to the unavailability of housing, an SMA is authorized on the 91st day retroactive to the date of the employee's arrival.

(2) There are other circumstances when an SMA will be granted when conditions at the time the employee is separated from his/her dependents reasonably appear to require separate maintenance for a period of at least 90 consecutive calendar days; however, the 90-day rule may be reduced to 30 days when

(a) Adequate medical facilities are not available in the area for pre- and post-maternity care. Such posts will be designated by the Major Command after consultation with the senior medical officer in the command. At such posts, an SMA may be authorized by the CPO upon request from the employee. An SMA would not be appropriate if the family member has traveled from the post to another location for treatment in a government medical facility.

(b) Children must begin or complete a school year before the employee has been transferred. An SMA will be approved for one semester, except for a high school senior, in which case an SMA may be approved for the school year. If an employee requests an SMA based on a child's educational needs (including college), it will be approved for a period of time up to one semester or the high school senior year. Any request for a longer period of time will be considered as a request for convenience of the employee (paragraph 6-1.b., above). If an SMA is granted for longer than one semester or the high school senior year, transportation of the student dependent will not be authorized as PCS, renewal, or educational travel unless the employee requests and receives approval to change his/her election.

d. Dependents. In determining dependency, only those dependents who would be authorized government transportation and would normally accompany the employee to the duty station (if dependents were not prohibited) may be considered. An SMA will not be granted when the separation is for the following personal reasons:

(1) A voluntary legal separation between employee and spouse or a separation occurring through a divorce decree, whether limited interlocutory or final.

(2) Child's legal custody being vested wholly, or in part, in a person other than the employee, unless joint custody is established.

6-2. Eligibility. The SMA may be granted only to those employees who meet the LQA eligibility criteria in section 031.1, DSSR, and Subchapter 2 of this regulation. Unless an exception is granted by the OASD (MRA&L), the SMA will be paid only when dependents are maintained outside the country of the employee's assignment.

6-3. Authorization of the SMA

a. Convenience of the government. The SF 52 (Request for Personnel Action) requesting recruitment action on an overseas position will specify under the remarks section whether conditions at post are sufficiently like those described in section 262.1 a, b, c, or d, DSSR, to compel an employee to maintain any or all of his or her dependents elsewhere than at the post of assignment. Grants made in accordance with section 262.1b or 262.1c(1) and (2) must be supported by a ruling of the office of the senior medical officer in the command. In such cases, the SMA will be authorized.

b. Convenience of the employee. An employee who, because of substantial special need or hardship, such as career, educational or family considerations for spouse, educational considerations for children, or health, desires to maintain family members elsewhere than at his or her post of duty may submit a request for grant of an SMA. The request must include a statement from the employee certifying the circumstances involved. If health reasons are involved, a statement from the personal physician must be included. Requests of employees to change their election of SMA may be made only under exceptional circumstances and must be submitted through command channels to the OASD(MRA&L) for prior approval. Such requests will not be considered if the employee has less than 1 year of current tour of duty left to serve.

6-4. Termination. Added to the conditions in section 264, DSSR, changes in the employee's family status (such as legal separation or divorce) are a basis for terminating the SMA. The SMA also will be terminated on the date the dependents for whom the allowance has been granted arrive at the employee's post of duty or not later than 60 days after transportation at government expense has been authorized for the dependents to travel to the employee's post of duty. The SMA will not be terminated or curtailed under section 264.1, DSSR, if some or all dependents are temporarily at the post, that is, for less than 30 days. If the employee is separating from the federal service, the SMA will be terminated at the time the LQA ceases if that date is earlier than the dates noted in section 264.3, DSSR.

6-5. Impact on Other Entitlements

a. Travel and transportation

(1) If the employee requests an SMA for dependents already in the overseas area who leave the post due to nonavailability of adequate maternity care or for educational purposes, transportation may only be authorized under the early return of dependents provision (C7003.4, JTR, Vol. II). These family members will not be eligible for temporary quarters subsistence expenses.

(2) An SMA is authorized for personal convenience of the employee in lieu of any travel and transportation entitlements for such family members.

b. Quarters allowance

(1) If family members arrive more than 90 days after the employee reports to the overseas post, there is no entitlement to a TLA.

(2) The with family LQA rate will not be authorized pending arrival of family members for whom an SMA is paid.

c. Post allowance. Only those family members residing at the post with the employee will be considered in establishing the appropriate rate.

SUBCHAPTER 7. EDUCATION ALLOWANCE

7-1. General. The education allowance is not authorized for payment in the Department of Defense. Education of DoD dependents whose sponsor is stationed in a foreign area is provided mainly in DoD-operated overseas schools. When these schools are either unavailable or inappropriate, education of dependents must be arranged through the DoD Dependents School System.

7-2. Transportation of Student Dependents

a. Reimbursement is authorized for transportation costs of dormitory student dependents of eligible employees between the employee's overseas duty station and the DoD-approved school. Reimbursement will be limited to that necessitated by the school's vacation closing schedule. Students may be authorized to travel to a location other than their sponsoring employee's post of duty providing that sponsoring employee states in writing to the authority concerned that the travel to the other location is for the purpose of permitting the student to join the family at that location. Reimbursement will be limited to what it would have cost the government for travel from the school to the employee's post of duty by the authorized mode of transportation.

b. As defined in section 031.1, DSSR, only those employees who are eligible for the LQA may be reimbursed. Basic authorization is in section 277.2, DSSR.

SUBCHAPTER 8. EDUCATIONAL TRAVEL

8-1. General. Educational travel permits reimbursement of an eligible employee, serving on an "authorized dependents" tour, for travel expenses incurred to send his/her child (as defined in section 281d, DSSR) for one round trip each year from the foreign post to a school in the United States and return to the post for the purposes of a secondary or college education. Special factors follow:

a. The age limit for this benefit extends up to (not including) the 21st birthday for secondary education and the 23rd birthday for college education, with further extension due to interruptive military service.

b. Educational travel will be paid for secondary education only when the nearest secondary school operated or approved by the Department of Defense as a tuition-free school under contract is so far distant for daily commuting from the employee's permanent duty station that room and board would be needed to attend.

c. The period required for the child to be outside the United States before beginning educational travel is 14 consecutive days if travel to the post was at government expense.

d. The first annual educational travel round trip must begin at the foreign post, proceed to the school in the U.S., and return to the foreign post in that sequence to fulfill the basic purpose of the original legislation. (See exception in section 284. D.V., DSSR.) Thereafter, for subsequent annual trips, round trip travel may begin at the post or at the school in the United States. However, once the child has travelled to the post after college graduation, no educational travel is available for return to the United States.

e. An annual trip for educational travel is defined as one round trip at any time within any one 12-month period of the dependent's schooling. Any portion of the round trip not taken in the 12-month period does not accrue to a subsequent period. Authorizing officers must ensure that not more than one round trip under educational travel orders is taken within any given 12-month period. The 12-month period baseline is established by the time the child begins the first annual round trip; for example, if the child begins the first round trip in August, the return half may be taken any time in the following 12 months, but a second annual trip may not be authorized until the following August, and the third in August a year after that.

8-2. Eligibility. Eligible employees are those who meet the criteria for quarters allowance as provided in the DSSR's section 031.1 and as supplemented by Subchapter 2 of this regulation.

SUBCHAPTER 9. REPRESENTATION ALLOWANCE

This allowance, provided for in Chapter 300 of the DSSR, ordinarily does not apply to DoD employees. The Secretary of Defense specifically designates positions for which the allowance is authorized. Once the position is so designated, the allowance may be paid to the employee in the position or to an adult family member acting with or on behalf of the employee. If it is believed that an employee's official position entails responsibilities requiring a representation allowance, a request, with fully detailed justification, should be submitted through channels to the OASD(MRA&L), Washington, D.C. 20301.

SUBCHAPTER 10. OFFICIAL RESIDENCE EXPENSE ALLOWANCE

10-1. General. This allowance, provided for in Chapter 400 of the DSSR, is authorized only to principal representatives of the United States Government serving in a foreign country who have been designated by the Secretary of State as occupying positions of such importance that the government should defray the unusual expenses incident to the operation and maintenance of an official residence. If it is believed that reimbursement for such expense should be made, a request, with fully detailed justification, will be submitted to appropriate Component/Agency headquarters.

10-2. Reimbursement Procedure

a. Reimbursements will be claimed on a monthly basis and vouchered on an SF 1034 (Public Voucher for Purchase and Services Other Than Personal). The words "Official Residence Expenses" followed by the period covered, a list of each category of expense (sections 451, 452, and 453 of the DSSR) and the amount of the items claimed will be shown on the voucher. The usual monthly household expenses will be deducted from the total amount of the claim at one-twelfth of the annual rate prescribed in section 440 of the DSSR, and the balance of the claim will be paid to the eligible employee. Receipts will be attached to all payment vouchers. Copies of documents that support initial entitlement will be attached to the first payment voucher. Reference to the voucher number will be placed on subsequent payment vouchers.

b. When initial payment covers more than a 1-month period, one voucher may be prepared for the entire period. The corresponding deduction of usual monthly household expenses will be adjusted accordingly.

SUBCHAPTER 11. POST DIFFERENTIAL

11-1. General. The post differential provides added compensation to eligible employees stationed in or detailed to foreign areas when environmental, physical security, and living conditions are substantially different from those in the continental United States. The added compensation is a recruiting and retention incentive. The DoS designates foreign posts authorized for payment of the differential. (See section 920, DSSR).

11-2. Eligibility. A full-time U.S. citizen employee who meets the conditions of section 031.3, DSSR, will be authorized the differential according to section 500, DSSR.

a. When both spouses are U.S. Government employees who qualify under the above paragraph, each may receive the differential even though only one spouse is granted the LQA.

b. The differential will not be authorized for a non-spouse member employee of the household of either a U.S. civilian government employee or of a U.S. military member.

c. An employee whose permanent duty post is at any location in a foreign area, the 50 States, or the District of Columbia may become eligible for the foreign differential while on detail, subject to the conditions in paragraph 11-6.

11-3. Limitation of Differential. Notwithstanding the rate of differential prescribed for a differential post, the per annum post differential rate at which payment is made will be reduced, if necessary, so that the combined per annum post differential and basic compensation or post differential and salary authorized for the employee does not exceed an amount that is \$100 less than the per annum salary authorized for a chief of mission position, established at the Class 1 level (salary currently set at \$60,662.50 per annum).

11-4. During Absence from Permanent Duty Differential Post. Under provisions of Chapter 500, DSSR, the eligible employee may be entitled to the differential payment at his/her permanent duty differential post when he/she is temporarily absent from the post.

a. Payment during absence. When the employee is entitled to receive the payment during a temporary absence, it may be paid each pay period during the absence. The employee who fails to return to the permanent duty post in the foreign area forfeits his or her right to payment of the differential from the date he or she left that post, unless the DSSR authorizes payment in his/her circumstances. Overpayments that occur because the employee does not return to the permanent post of assignment are subject to collection. If return appears doubtful, payment of the differential may be withheld during absence from the post until the amount payable can be definitely determined.

b. Termination--travel away from post. The following information should be used to determine when the differential must terminate for an employee who commences travel under orders (see section 532a, DSSR).

(1) Travel under orders. Travel under orders means that the employee travels using either government expense travel orders such as temporary duty (TDY), training, or a government-issued authorization for space available travel aboard Military Airlift Command (MAC) aircraft. In such circumstances, the post differential must be terminated when required by the DSSR.

(2) Leave in United States. The provisions for stopping payment of the differential when leave is taken in the United States apply whether or not the employee travels under orders.

(3) Detail during travel to the United States. Section 532a, DSSR, requires termination of the differential on the date the employee begins travel under orders to the United States, except when a spouse or family member at least 21 years of age remains at the post. However, if the travel orders require the employee to perform detail at one or more foreign area locations on his/her way to the United States, the employee continues to receive the differential applicable at the permanent duty post even though no family member remains at the post. The differential terminates on the date the employee leaves the last foreign post where detailed on his/her way to the United States, unless other provisions of the DSSR require a different termination date.

11-5. Lump-Sum Leave Payment. The post differential will be included in the lump-sum payment for annual leave only if the employee is separated at the foreign post at which he/she has been receiving the differential. It will not be included in the lump-sum payment for employees who are separating elsewhere. This provision is in accord with 32 Comptroller 323 (1953), which states that inclusion of additional compensation in the lump-sum payment is not precluded because the employee is allowed return transportation to the United States after separation. (See Federal Personnel Manual (FPM) Sup. 990-2, Book 550, S2-3e.)

11-6. Differential While on Detail. During an absence from an employee's permanent duty post, the employee may perform detail service at one or more posts in foreign or nonforeign areas. In general, if detail service is in a foreign area, the DSSRs apply. If detail is in a nonforeign area, the applicable provisions are in FPM Chapter 591 and FPM Sup. 990-1, Book III, Part 591. Part 591 also applies to detail performed in a foreign area by an employee whose permanent duty post is a nonforeign differential post.

a. Determining entitlement. The servicing CPO determines the employee's entitlement to a differential payment for detail. Questionable cases are referred to the next higher command level for a decision prior to effecting any differential payment for detail. If the decision cannot be made by the Major Command concerned, the documented case may be referred to Component headquarters.

b. Documenting entitlement. It is recommended that the CPO use a letter, with appropriate attachments if necessary, to notify the civilian pay office of the employee's entitlements to differential while on detail. In this case, the notice should cover one entire period of absence while on detail from the date the employee departs from until he/she returns to the permanent duty station. Notice for less than 42 calendar days of absence is prepared only if needed to end the differential entitlement for the employee's permanent

duty post (see paragraph 11-4, above). The CPO's letter to the civilian pay office normally must include the following:

(1) Creditable days and applicable differential rates. The administrative decision that the employee is entitled to payment of differential while on detail, with complete data for computing the payment. Complete data include

(a) Each creditable day showing date, place, and proper differential rate.

(b) Identifying the 42 qualifying days.

(c) Identifying the subsequent creditable days.

(d) Stating that the amount of differential payable is computed by multiplying the proper rate by the basic compensation paid on that date.

(e) When appropriate, indicating the date (not in excess of the 42nd calendar day of absence from the permanent duty post) when the differential at the permanent duty post must cease.

(2) Limit on combined nonforeign allowance and foreign differential. The rate of an employee's nonforeign allowance for the permanent duty post must be reduced when needed to comply with FPM Sup. 990-1, Book III, Part 591. The section limits the combined payment of the nonforeign allowance and foreign differential for a day of detail not to exceed 25 percent of the employee's statutory salary. The foreign differential for detail must be paid in full.

(3) Continuance of nonforeign differential at foreign differential detail post. To comply with FPM Sup. 990-1, Book III, Part 591, payment of the employee's nonforeign differential rate for a day on detail at a foreign post for an employee who is absent while on detail from a nonforeign differential post where he/she is paid the nonforeign differential will be specified. See footnote 13 of Table 11-1.

(4) Limit on combined nonforeign allowance and nonforeign differential. A maximum of 25 percent of the employee's statutory salary on combined payment of nonforeign allowance for the employee's permanent duty post and nonforeign differential for detail at the nonforeign differential post will be indicated. See footnote 10 of Table 11-1.

(5) Attaching copy of travel voucher. A copy of the employee's DD Form 1351-2 (Travel Voucher or Subvoucher) must be attached to document the detail. On this form, the CPO can notate the (foreign or nonforeign) differential rate that was in effect and applied to the employee on the date he/she was at each place.

(6) Other documentation. In some cases, appropriate documentation of the detail may be a copy of the SF 52 for formal detail, time and attendance reports, or a memorandum with complete differential rate identification data.

c. Employees who may earn foreign post differential on detail. The DSSR states that the employee must be a U.S. citizen in a full-time position either in a foreign area or in the United States. If the employee's permanent duty post is in a foreign area, the employee must be eligible for the LQA. The DSSR does not apply to

(1) A 5 U.S.C. 3104 (formerly P.L. 313 and 10 U.S.C. 1581) position.

(2) A wage employee whose permanent duty post is in Hawaii or in Alaska.

(3) An employee whose permanent duty post is in a nonforeign area other than Hawaii or Alaska.

d. Employees who may earn nonforeign differential on detail. FPM Sup. 990-1, Book III, Part 591, applies in determining entitlement to differential for detail in nonforeign areas. The employee must be a citizen or national of the United States whose basic compensation is fixed by statute, and his/her permanent duty post must be outside of the nonforeign differential area where detail duty is performed.

e. Meeting qualifying time limits. The employee must accumulate creditable days at foreign and nonforeign differential posts during one TDY before becoming eligible for the differential for subsequent days of detail at differential posts. The differential is payable beginning with the 43rd day of detail and subsequent days at differential posts.

f. Payment of the differential and travel per diem allowance. Concurrent payment of a post differential and a per diem allowance to an eligible employee is proper because these separate entitlements serve different legal and regulatory purposes.

g. Table for differential on detail. Table 11-1 supplements the above information. It shows eligibility for

(1) Counting creditable days for service at a different place on detail.

(2) Differential rate payable at the detail place after an employee serves the required qualifying creditable days.

Table 11-1. Differential on Detail

Eligibility for counting creditable days for service at differential place on detail. Differential rate payable at detail place after employee serves required qualifying creditable days.¹

Permanent Duty Location	Employee is US Citizen With Basic Salary Set By ²	What Happens to Additional Compensation ³ For Permanent Duty Location While Absent On Detail (NF = Nonforeign; F = Foreign)	Location of Place of Detail				
			Nonforeign Differential Place ⁴		Foreign Differential Place ⁵		
			Earns Creditable Days ¹	Differential Rate ⁶	Earns Creditable Days ¹	Differential Rate ⁷	
48 Contiguous States & DC	Statute		Yes	Full	Yes	Full	
	Federal Wage System		No ⁸		Yes	Full	
	Other Administrative Action		No		Yes	Full	
Nonforeign Allowance Place	Hawaii or Alaska	Statute	NF Allowance Continues & ⁹	Yes	Yes ¹⁰	Yes	Full ⁹
		Federal Wage System		No ¹⁰		Yes	Full
		Other Administrative Action		No		No ¹¹	
	Other than Hawaii and Alaska	Statute	NF Allowance Continues ¹⁰	Yes	Yes ¹⁰	No ¹¹	
		Federal Wage System		No ¹⁰		No ¹¹ & ¹²	
		Other Administrative Action		No		No ¹¹ & ¹²	
Nonforeign Differential Place	Statute	If eligible for NF differential, it continues for 42 days continuous absence on detail	Yes	Full	Yes ¹³	Yes ¹³	
		Not eligible for NF differential at permanent post	Yes	Full	No ¹³ & ¹⁴		

See footnotes at end of the table.

Table 11-1. Differential on Detail—Continued

Permanent Duty Location	Employee is US Citizen With Basic Salary Set By ²	What Happens to Additional Compensation ³ For Permanent Duty Location While Absent On Detail (NF= Nonforeign; F= Foreign)	Location of Place of Detail			
			Nonforeign Differential Place ⁴		Foreign Differential Place ⁵	
			Earns Creditable Days ¹	Differential Rate ⁶	Earns Creditable Days ¹	Differential Rate ⁷
Nonforeign Differential Place	Federal Wage System	When basic salary includes recruitment incentive differential, basic salary continues during absence on detail. ¹⁵	No ⁸		No ¹¹ & ¹²	
		When basic salary does not include recruitment incentive differential.	No ⁸		No ¹²	
Foreign Area Place	Statute	Eligible for quarters allowance. F/differential (if any) continues for 42 days absence on detail.	Yes	Full	Yes	Full
		Not eligible for quarters allowance and F/differential.	Yes	Full	No	
	Federal Wage System	Eligible for quarters allowance. F/differential (if any) continues for 42 days absence on detail.	No ⁸		Yes	Full
		Not eligible for quarters allowance and F/differential.	No ⁸		No	
	Other Administrative Action	Eligible for quarters allowance. F/differential (if any) continues for 42 days absence on detail.	No		Yes	Full
		Not eligible for quarters allowance and F/differential.	No		No	

Notes to Table 11-1

1. Creditable days are counted during one continuous period of detail from the time the employee departs from his or her permanent duty post until he/she returns to his or her permanent duty post. An employee receives only one creditable day for a specified date. If a., b., c., or d. would result in 2 days' credit for a specified date, the creditable day is determined by the location of the employee at 2400 hours on that date. An employee cannot receive creditable days at a differential place if he or she is not eligible to earn entitlement for payment of the differential while on detail at that place. Creditable days for service at differential posts on detail:

a. For foreign areas, see Chapter 500 of the DSSR. An employee must be at least 24 consecutive hours at a differential place before a day is creditable; then a day is credited for each midnight (2400 hours), including the first midnight, when the employee remains at that place. A creditable day may be any calendar day (workday, nonworkday, or day of leave).

b. For nonforeign areas for employees with salary fixed by statute, see FPM Sup. 990-1, Book III, Part 591. While serving on detail at a nonforeign differential post, the employee receives a creditable day for any day of the year, including all leave, counting from the date of arrival until the date of departure from the post of detail (both dates inclusive). Fractional days are considered whole days.

c. For employees from permanent duty nonforeign differential post on detail at foreign differential post, see footnote 13.

d. Federal wage system (FWS) employees on detail to a nonforeign area differential post are not eligible for the nonforeign differential.

2. If the employee's position is not listed, the employee is probably ineligible for the differential on detail. The Major Command may ask Agency headquarters for a decision if a determination is not possible under governing regulations.

3. Additional compensation is the nonforeign differential, nonforeign allowance, or foreign differential established for the employee's permanent duty post and payable only to eligible employees. See DSSR for the possibility of continuing payment of foreign area allowances to the eligible employee while absent on detail.

4. Nonforeign differential places are listed in FPM Sup. 990-1, Book III, Part 591. Except as otherwise noted on the chart, FPM Sup. 990-1, Book III, Part 591, is the authority for payment of the differential on detail.

5. Foreign differential places are listed in section 920, DSSR, which is the authority for payment except as noted on the chart.

6. The nonforeign differential rate for a place is published in FPM Sup. 990-1, Book III, Part 591. The full nonforeign differential rate will be paid, unless otherwise specified.

7. The foreign differential rate for a place is published in section 920, DSSR.
8. An FWS employee's salary is not fixed by statute. Therefore, the wage employee is not eligible for the nonforeign differential.
9. Under FPM Sup. 990-1, Book III, Part 591, a combined limit of 25 percent of an employee's basic statutory salary applies to payment of the nonforeign allowance and foreign differential for detail on the same day. The nonforeign allowance is reduced, if necessary, to comply with the combined limit.
10. FPM Sup. 990-1, Book III, Part 591, requires that the combined limit not exceed 25 percent of the employee's basic statutory salary on payment of both the nonforeign allowance and nonforeign differential for the same day.
11. The DSSR is not applicable because the salary is not a Continental United States (CONUS) salary rate.
12. The DSSR is not applicable because the permanent duty post is not in a foreign area, in the 50 States, or in Washington, D.C.
13. Under FPM Sup. 990-1, Book III, Part 591, after the employee's 42nd day of absence on detail from his/her permanent nonforeign differential post, his/her differential for his/her permanent post is paid for days of detail at a foreign differential post.
14. FPM Sup. 990-1, Book III, Part 591, first sentence, applies only to the employee who is eligible for a nonforeign differential at his/her permanent duty nonforeign differential post.
15. This provides payment equivalent to the maximum differential payable to a statutory salaried employee.

SUBCHAPTER 12. SPECIAL INCENTIVE DIFFERENTIAL

12-1. General. The special incentive differential is designed to provide additional compensation to employees assigned for service at places in foreign areas when conditions of environment differ very substantially from conditions of environment in the Continental United States (CONUS), so that staffing of some or all positions is difficult--thereby warranting additional compensation as a recruitment and retention incentive. Detailed regulations governing authorization and payment of this differential are found in Chapter 570, DSSR.

12-2. Eligibility. The special incentive differential is granted to individual DoD employees when the head of the DoD Component has determined that a post with very difficult environmental conditions (20 percent or more post differential authorized) also has unusual difficulties in staffing one or more specific positions at that post. The special incentive differential is payable only to assigned full-time employees eligible for the LQA under section 031.1, DSSR. Employees on temporary duty are not eligible.

12-3. Requesting Establishment of Special Incentive Differential. Civilian personnel offices responsible for recruiting for overseas positions that are experiencing difficulty in staffing one or more positions at a foreign post with a post differential of 20 or 25 percent may submit a request to the head of the DoD Component through channels, for establishment of a special incentive differential for those positions. This differential may not be requested until a positive recruitment effort locally and/or in CONUS, including use of the DoD Overseas Employment Program and appropriate civil service registers, has failed to locate a well-qualified candidate for the position. A request to establish the differential will include a description of the effort made to fill the position and a recommendation as to the rate desired (5, 10, or 15 percent). Once established, the special recruitment differential will apply to all employees holding identical positions at the post (that is, same title, series, and grade level). DoD Components making head-of-agency determinations will coordinate with other Components who have employees at that post.

12-4. Termination. DoD Components will assess the need for continuing the special incentive differential at least annually. Should it be determined that the differential no longer is needed, it will be terminated no later than the end of the first pay period following such determination.

SUBCHAPTER 13. DANGER PAY ALLOWANCE

13-1. General. The danger pay allowance is additional compensation of up to 25 percent over the basic compensation granted to employees at posts designated as danger pay posts by the Secretary of State. Detailed instructions governing authorization and payment of this allowance are in Chapter 650, DSSR.

13-2. Eligibility. The danger pay allowance is granted to all DoD U.S. citizen civilian employees serving at posts that have been designated as danger pay posts by the Secretary of State, including employees on temporary duty at such posts longer than 24 consecutive hours.

SUBCHAPTER 14. COMPENSATORY TIME OFF AT CERTAIN POSTS IN FOREIGN AREAS

14-1. General. U.S. citizen employees may be granted compensatory time off instead of premium pay in certain limited situations abroad (5 U.S.C. 5926).

14-2. Eligibility. All DoD employees who are assigned or detailed to functions in foreign areas are eligible. Employees need not be eligible for the quarters allowance under section 031, DSSR, and may be in a temporary duty status or may be working part-time regardless of the prohibition in section 031.5, DSSR.

14-3. Definitions

a. Isolated post is a remote and desolate post

(1) That operates as a self-contained community.

(2) Where access to alternative sources of social contact is limited by physical barriers of distance and restrictions of the post.

(3) Where some or all functions are required to be maintained on a substantially continuous basis. (The Sinai Field Mission is the only post so designated.)

b. Substantially continuous basis means at least 16 hours a day, 7 days a week.

14-4. Compensatory Time Off at Isolated Posts

a. General. On the request of an employee, an authorizing officer may approve compensatory time off.

b. Authority

(1) To recommend and approve designation. The post commander may recommend to the OASD (MRA&L), through channels, that a post be designated as an isolated post. The OASD(MRA&L), after coordination with other services, will decide whether the post should be approved as an isolated post.

(2) To order, authorize, and approve regularly scheduled overtime work. The head of each overseas establishment, or designee, at an isolated post will order and approve regularly scheduled overtime work. The official may revise or terminate such an order without advance consultation with the employee affected; however, the employee must be notified promptly of such a change.

c. Conditions

(1) Compensatory time off under this paragraph may be granted for regularly scheduled overtime performed by a full-time employee who has a workweek, whether regular or irregular, established under FPM Chapter 610.

(2) Part-time and intermittent employees are eligible for compensatory time off for overtime in excess of 8 hours in a day. However, they are not eligible for that benefit for hours worked in excess of 40 hours in a week.

(3) Compensatory time off may be granted for an equal amount of time spent in regularly scheduled overtime work.

d. Payment for regularly scheduled overtime. Employees who perform regularly scheduled overtime may elect to receive compensation under 5 U.S.C. 5542 instead of compensatory time off. This request must be made in writing at the beginning of the pay period in which the overtime is scheduled, and may not be changed for that pay period.

e. Time limitation

(1) Compensatory time earned under this paragraph will be for use only while the employee is assigned to the post where it is earned. Any compensatory time not used at the time the employee is reassigned to another post will be forfeited.

(2) The date of reassignment to another post for the purpose of this paragraph will be that shown in the effective date block of the SF 50.

(3) If an employee has unused compensatory time credited at the time of departure from the post on renewal agreement travel and leave, the compensatory time off may be approved for use during such leave.

14-5. Compensatory Time Off at Certain Other Foreign Posts

a. General. On the request of an employee serving at a post in a locality that customarily observes irregular hours of work, or where other special conditions are present, an authorizing officer may approve compensatory time off.

b. Authority to order, authorize, and approve regularly scheduled overtime work. The head of each overseas establishment, or designee, will order and approve regularly scheduled overtime work. The officer may revise or terminate such an order without advance consultation with the employee affected. However, the employee must be notified promptly of such a change.

c. Conditions

(1) Compensatory time off may be granted for regularly scheduled overtime performed by a full-time employee who has a basic workweek, whether regular or irregular, established under FPM Chapter 610.

(2) Part-time and intermittent employees are eligible for compensatory time off for overtime in excess of 8 hours a day. However, they are not eligible for that benefit for hours worked in excess of 40 hours in a week.

(3) Compensatory time off may be granted for an equal amount of time spent in regularly scheduled overtime work.

d. Payment for regularly scheduled overtime. Credit for compensatory time off earned under 5 U.S.C. 5926 will not be the basis for any additional compensation. Thus, pay for overtime under this paragraph is not authorized.

e. Limitation. Compensatory time earned under this paragraph will be for use only while the employee is assigned to the post where it is earned; it must be used during the pay period in which it is earned.

14-6. Scheduling and Granting Compensatory Time Off

a. Both management and employees are responsible for planning and scheduling of compensatory time off to avoid its loss at the end of the assignment to an isolated post (par. 14-4, above).

b. An employee does not have the right to take compensatory time off without regard to the needs of the office, but a supervisor should not arbitrarily deny the time off.

c. Supervisors should plan work schedules well in advance to include using compensatory time off along with other leave and absences from duty.

d. Employees at a designated isolated post should ask their supervisors for compensatory time off as far in advance of its proposed use as possible. This will enable supervisors to minimize problems in granting the time off and to avoid its loss.

SUBCHAPTER 15. ADVANCE IN PAY

15-1. General. Subject to the conditions of section 850, DSSR, employees being assigned to a post in a foreign area may be provided one advance of up to 3 months' pay.

15-2. Advance Payment. Procedures for obtaining an advance in pay are contained in agency finance and accounting regulations. An employee desiring an advance will complete the required application. Advances may be made during the period 3 weeks before the estimated departure date for assignment to a foreign duty post or up to 2 months after arrival. Salary and length of time at the post will be verified by the CPO. Advance payment will be made by either the CONUS or local overseas disbursing station. No allotment will be made from such advance payment.

15-3. Repayment. Repayment must be made within 6 months from date of advance payment. It may be made by payroll deductions of up to 13 subsequent pay periods or by lump-sum payment.

SUBCHAPTER 16. REPORTING REQUIREMENTS AND FORMS

16-1. General. The DoS periodically will review the living conditions, costs for quarters, and retail purchases for each foreign duty post. The required reports are the basis for setting the rates of differentials and allowances published in the DSSR. Reports should be submitted as required by the DSSR and this subchapter. Voluntary, off-schedule reports should be submitted when changed conditions and costs may justify changes in the differential or the allowances for the foreign duty post.

16-2. Responsibilities

a. Major Command. The Major Command will assure that reports are submitted for each foreign area duty post at which that command services eligible civilian employees.

(1) New post. In addition to the reports required in section 072.11, DSSR, reports in advance of assignment of employees to a new post may be necessary. Advance reports should be submitted when the country classifications in section 920, DSSR, do not provide adequate allowances and differentials.

(2) Scheduled reports. The Major Command ensures that the CPO submits the required reports as scheduled.

(3) Review of reports. The Major Command receives a copy of each report and reviews each one for completeness and accuracy. The Major Command may send, directly to DoS, recommendations on actions, with an information copy to DoD Component headquarters. Recommendations may be sent to DoD Component headquarters if help is desired in securing the DoS decision.

b. CPO. The CPO prepares and submits each required report and any voluntary, off-schedule report considered appropriate. The report must cover all eligible civilian employees serviced by that office. The CPO should assess conditions and costs. The assessment may justify reports in advance of assignment of eligible employees to a new post. Also, voluntary, off-schedule reports for posts already classified in section 920, DSSR, may be needed. Accurate, current, complete data on a report is the basis for classification. Delay or failure to submit may result in improper allowance or differential payments. For example, the "unlisted post" classification may be inadequate to cover the TLA and LQA costs, resulting in financial hardship to assigned employees at a new post. Or, the "unlisted post" differential rate may not be justified by conditions at the new post. Also, changes in quarters costs at a listed post may justify a higher or lower LQA.

16-3. Summary of Required Reports (RCS 1168-ODS-AN, 1169-DOS-XX, 1170-DOS-AN)

a. Reports on prescribed forms. According to an arrangement made with the DoS, the preparing office submits the following three reports directly to the Director, Allowance Staff, Department of State, Washington, D.C. 20520. An information copy of each report will be sent to the Major Command. An information copy of the transmittal letter will be sent to DoD Component headquarters. The preparing office retains a copy until the report has been

superseded by a completely revised report. The original of each report (except the original SF 1190) is sent to the DoS. The original of the SF 1190 will be sent to the Finance and Accounting Office, per subparagraph 1-3.a.(15) of this chapter.

(1) Retail Price Report, RCS 1168-DOS-AN. Either Form DSP-23 (Retail Price Schedule) or Form DSP-23W (Hotel and Restaurant Schedule), as specified in sections 072 and 920, DSSR.

(2) Reports of Cost of Permanent Residence Quarters, RCS 1170-DOS-AN. Submitted for a post by letter transmitting an SF 1190 for each employee receiving an LQA at the post.

(3) Foreign Post Differential Questionnaire, RCS 1169-DOS-XX. A report on Form DSP-1733 (Post Differential Questionnaire) or by memorandum.

b. Special reports. The CPO must send a letter or message notice directly to the DoS, with an information copy to the Major Command and DoD Component headquarters as follows:

(1) Delayed report. Notice of delay in submission of any scheduled report mentioned in a., above, must be given, including the reason for the delay and the estimated submission date.

(2) Continued listing. Notice that a post should continue to be listed when a DSSR contains advance notice of the deletion of a post where eligible employees are stationed or early assignments are anticipated.

c. Closed and new posts. In compliance with section 072.2, DSSR, each Major Command must furnish immediate notice to the DoS with an information copy to DoD Component headquarters on

(1) Closed posts. When the Major Command no longer has eligible employees assigned at a foreign area post for which that agency is the reporting agency and future assignment is not anticipated, the post is considered closed.

(2) New posts. When that Major Command first assigns an eligible employee to any foreign area post to which no eligible employee of the command is currently assigned, that post is considered new.

16-4. Instructions for Required Reports

a. Form DSP-23

(1) Information submitted on this report provides the DoS with data to determine post allowance classification, TLA, and rates of travel per diem. Instructions are provided on the form and in section 074, DSSR.

(2) This report will be submitted by the appropriate DoD Component listed in column 8, section 920, DSSR. Each Component is responsible only for its own reports.

(3) When completion of the full DSP-23 (Y-Type) report is required by section 920, DSSR, eligible employees will complete the Living Pattern Questionnaire as indicated in section 950, paragraph 8, DSSR.

(4) All the U.S. Government agencies at the post should participate in the report as indicated in section 950, DSSR. Each agency must coordinate on the report. For any unresolved differences, the DoD post with reporting responsibility must submit a memorandum report.

(5) Reports should be sent to the DoS not later than the 15th of the month in which required. DSP-23 also may be submitted at any time to show a significant change in prices.

b. Form DSP-1733

(1) Information submitted on this report provides the DoS with data to determine the differential posts in foreign areas and the differential rate.

(2) This report will be submitted only by installations at posts classified at 10 percent or higher where a DoD activity is designated as the reporting agency in column 8, section 920, DSSR.

(3) All changes must be reported in full even though they may be considered insignificant or unsubstantial. Submission may be by a completely revised DSP-1733 or by letter changing only those pages or questions affected. Each agency must coordinate on the report. For any unresolved differences, the DoD post with reporting responsibility must submit a memorandum report.

(4) If all employees at a post do not live in the same locality, it may be necessary to report on one or more additional areas in order to report the employee's total situation. Conditions described on Form DSP-1733, or the memorandum report, must be those affecting the majority of the eligible employees of the post. However, when one-third or more of the employees live in a different locality from the majority and conditions in this locality differ substantially from conditions affecting the majority of employees, conditions in both localities must be reported. The report must describe each locality and the proportion of the employees affected. Additional pages of Form DSP-1733 must be used when reporting on more than one locality. A separate report form is not used. If another post or agency reports on Form DSP-1733 for the additional locality, that report and the proportion of employees affected should be noted.

(5) Reports will be dispatched to the DoS not later than the 15th of the month in which required. Late reports may result in loss of the differential for the entire post. When there is little or no change in environmental conditions, changes will be reported by letter, and the DSP-1733 need not be completed. When significant changes occur, the complete DSP-1733 will be submitted. In either case, a formal or informal report will be submitted each time reporting is required by section 920, DSSR. A report also may be submitted at any time, regardless of present differential status of the post, when changes in conditions indicate the need for establishing or changing the differential.

c. Form SF 1190

(1) All CPOs will submit this report according to sections 072.11, 072.12, and 077.21, DSSR. The report will be submitted even at posts where another agency may be designated as having primary reporting responsibility in column 8, section 920, DSSR.

(2) Each report will be the current, fully legible SF 1190 for each employee receiving an LQA, complete in all applicable items. Because the original SF 1190 is a payroll document, a copy (first is used) is sent to the DoS. For this report, the SF 1190 may be a duplicate copy of the latest SF 1190 on file, if it is known that reported quarters costs are current. If there is any possibility that the latest SF 1190 on file is not current, the employee must complete a new SF 1190. A new SF 1190 is strongly recommended for each employee whose latest report was in connection with the previous annual report to the DoS.

(3) The CPO will submit the reports as early as possible but no later than the 15th of the reporting month to the DoS. The transmittal letter to the DoS will indicate

(a) The number of forms enclosed for each post as listed in section 920, DSSR.

(b) The name of each employee for which a required report is not enclosed.

(c) An approximate date by which each missing report will be furnished.

(4) Section 077.2, DSSR, requires in addition to the SF 1190s, a listing of the U.S. Government-leased (not owned) quarters that are provided without rental charge to employees. Information regarding only one unit may be submitted, providing the expenses shown are similar to those for all other units. When units fall into two or more categories, information should be given for one of each type of unit. The range of pay grades occupying each type of quarters should be indicated; but names should not be given.

(5) The CPO may submit Form SF 1190 anytime he/she believes that the quarters allowance rates are inconsistent with current quarters costs. If the LQA rates will not cover annual LQA expenses for newly assigned employees, SF 1190s for all employees assigned within the last 6 months may be submitted as an interim report. This complies with the intent of section 077.21, DSSR. The DoS provides rates that cover the average employee's expenditures. This usually results in at least 50 percent of the employees being fully covered and the majority covered for 90 percent of their costs.

16-5. Requisitioning Report Forms. Forms required for the above report will be ordered by the CPO as follows:

a. Requests for Forms DSP-23 will be made to the Office of Operations, General Services Division, Department of State, Washington, D.C. 20520.

b. Requests for Forms DSP-1733 will be made directly to the Allowances Staff, Department of State, Washington, D.C. 20520.

c. Requests for Forms SF 1190 will be made through normal publication supply channels.

APPENDIX A

INSTRUCTION FOR REVIEW AND AUTHORIZATION

OF SF 1190 BY CIVILIAN PERSONNEL OFFICE

A-1. General. The SF 1190 documents an employee's eligibility to receive foreign allowances and differentials and the amount to be paid. It serves as the source document for payroll purposes concerning allowances and differentials; and it is used for reporting the employee's living quarters costs to the DoS.

A-2. Completion of SF 1190 by Employee

a. Each employee who is eligible for an allowance or differential will complete the SF 1190. Completing the form is part of preemployment processing for those newly appointed in a foreign area. Those appointed in CONUS or who are reassigned from another foreign area post will complete the form on arrival at the new post.

b. An employee must submit a new SF 1190 whenever a change occurs in the employee's personal status or costs that might impact on the grant of allowances or differentials. Employees do not have to report utility expense changes, except if requested by the CPO.

c. An employee also must submit a new SF 1190 upon request of the CPO. Failure to do so within a reasonable time may result in reducing or discontinuing allowances or differentials. The approving officer will decide whether there is insufficient documentation for continuing the previously granted allowances or differentials.

d. The instructions and suggested letter at Appendices B and C, respectively, of this chapter will help the employee complete the SF 1190. Appendix B also will guide the employee in making personal and family arrangements to get full benefits from the program. The letter and instructions may be modified locally to refer only to the differentials and allowances payable at the local post. Employees should become more knowledgeable of their entitlements in this area; any modification of the instructions must not deprive them of necessary information.

A.3. Review of SF 1190 by Civilian Personnel Office

a. The CPO will designate a civilian personnel office member, well qualified in applying the allowances and differentials program (normally the chief of a branch), as the approving officer for the SF 1190. The reviewing officer may not serve as the approving officer. Both reviewing and approving officers' signatures are required unless the personnel office staff is so small that this requirement is not feasible.

b. The employee will complete the SF 1190 in original and two copies. If application is being made for a quarters allowance, an original and four copies are needed. Copies of the completed SF 1190 may be made by any process that makes legible copies. A typewritten form is encouraged, but not required.

When quarters are shared with another civilian employee serviced by another civilian personnel office, an extra copy of the SF 1190 will be completed and will be furnished to the other civilian personnel office.

c. Section 077.2, DSSR, requires annual submission of quarters expenditures.

(1) CPOs will review SF 1190s on file for each employee receiving an LQA 2 months before the first day of the reporting month.

(2) The likelihood that significant changes in expenses or status have occurred will be determined for those employees who have not filed the SF 1190 (with item 21 completed) since the last annual review.

(3) Pen and ink changes should be made on the SF 1190, when possible, if changes in status are identified (such as a promotion that places the employee in a new quarters allowance group or a revaluation of currency).

(4) If updated information is needed from the employee, he/she will submit a new SF 1190.

d. Except where instructions permit leaving an item blank, each item of the SF 1190 will contain an entry of "NA" (not applicable), when appropriate.

(1) Conversion Rate. Current rate will be entered for initial application and average annual rate for annual review.

(2) Grant No. Leave blank.

(3) Item 1. Place of official duty station including country as listed in column 1, section 920, DSSR. If a post or area is included under an "unlisted Post-Area" category under a country in section 920, it will be identified and followed by "Unlisted" and the name of the country. The blank in the letter at Appendix C of this chapter will have the appropriate entry for item 1 for the employee's information.

(4) Item 2. Army, Navy, Air Force, or other DoD, as appropriate. If serviced by another agency, agency servicing will appear in parentheses.

(5) Item 3. The date is a convenience and will be the same date the employee signs the form in item 27.

(6) Items 4, 5, 6, and 7. As shown on SF 50.

(7) Item 8. Last post of assignment other than current post. If the current post is the employee's first employment after a break in service, the last post of assignment is entered with a date of separation.

(8) Item 9. Start of current period of continuous residence (that is, date of arrival for current tour of duty; date of arrival in the foreign area to work for the previous employer, to study, or to visit; date of arrival as a dependent).

(9) Item 11. If applicable, date shown on SF 50 is used.

(10) Item 12. Social security number.

(11) Item 14. Item 26 is used if further space is required.

(12) Items 15 and 16. See section 040m, DSSR, for definition of family with respect to dependency. When deciding those cases where section 040m requires at least 51 percent financial dependency to qualify a relative as a member of the employee's family, the rules for federal income tax purposes will apply (para. 2-3.e. of this chapter). When dependents are not physically residing at the post, but meet the special rules of section 134.11 and 134.12, DSSR, their names are entered in item 15 (instead of item 16) followed by "(Arrival Pending)," "(At School)," or "(At College)." When "(Arrival Pending)" is used, item 20E is checked and completed with the expected date of family's arrival.

(13) Item 19. Regarding part A: In each case, the name of the employing agency is inserted in addition to the title of the position.

(14) Item 20.

(a) Regarding part C: This is the date an employee or a family member becomes responsible for quarters by virtue of occupancy, lease, title, or expense. The approving officer in item 29, however, will apply the rules in sections 123.1, 124.1, and 132.1, DSSR, in determining the date of commencement of the grant.

(b) Regarding part E: If all furnishings in the quarters are owned by the government, "unfurnished" is checked. The appropriate box is checked to describe the physical type of quarters, furnishings, and ownership. The item on the family's pending arrival should be checked and completed, if applicable.

(15) Item 21.

(a) The employee will check which type of expense is being submitted. If neither box is checked, NA is inserted at the extreme right of the same line. NA is not inserted elsewhere in this item; unused spaces are left blank. If quarters are shared with relatives dependent on the employee for total lodging cost, but who do not qualify as "member of the family for LQA purposes," total costs are entered. (See instructions under item 22.) If quarters are shared with persons other than relatives, only the employee's (and family's) proportionate costs should be entered in item 21 as prescribed in paragraph 2-3.c. of this chapter. If the employee lets or sublets a portion of owned or leased quarters, total expenses should be shown and item 24 completed.

(b) Evidence for the initial estimate of quarters expenses may include allowable utilities and tax costs or similar items incurred by employees or other U.S. citizen personnel in comparable quarters at the post. Evidence of the purchase of personally owned quarters will be a deed, receipts for payments, or other bona fide proof of the initial purchase price in U.S.

dollars at the time of purchase. If acquired other than by purchase, evidence will be submitted as to value of the property at the time the title passed, in U.S. dollars as of that time. Price or value may include items (such as recording fees) considered part of the purchase price in U.S. Government purchase of similar properties. Rental contracts that convey ownership of the property after a specified period are not considered rental contracts for the purpose of this regulation.

(c) Applicants for temporary lodging allowances will complete either lines (1) and (2) or line (3). Mandatory charges for utilities, taxes, and obligatory service charges (including the service charge for government-owned, transient-type quarters) may be claimed. Amounts are entered as applicable in lines (4) through (10), and "Mandatory" is inserted after the line caption at left. Line (5) is used for obligatory service charges, striking out printed captions and inserting "Service Charges-Mandatory." When a combined charge is made for lodging and meals and it is impossible to identify the portion applicable to lodging only, the total amount is entered in line (1) and 60 percent of the total in line (2). Line (1) is not to be included in computing the totals at the bottom of item 21. When line (1) is used, and the taxes and obligatory services charges are listed separately, only those charges not in excess of 60 percent may be claimed.

(d) When a TLA is not payable but an employee eligible for an LQA resides in government-type, transient quarters for which service or other charges are made, the LQA will be paid in a reduced amount. This amount will be the regular LQA based on his or her total costs (including service charges) for the quarters less the amount the employee would spend for cleaning and for laundering of bed linens and towels were he/she occupying private rental quarters. The CPO will decide the amount for this deduction.

1. Expenditures approved for an LQA will not include such items as concierge's, agent's, or notary fees (for exception, see section 131.2, DSSR); deterioration of property or furnishings; servant's wages or maintenance tips; cleaning; storage; gardening; lawn service; separate servant's quarters; repairs and painting; telephone installation and maintenance; or guard service.

2. Re: Line (4). Taxes may not be claimed for personally owned quarters.

3. Re: Line (5). Directly under the caption at left, "10 percent of" is inserted followed by the original purchase price (or initial value). An amount equal to 10 percent of the original purchase price (or initial value), using the conversion rate in effect at the time of purchase, is entered in columns A-C, as applicable.

4. Re: Line (9). The reviewing official will determine whether rental furniture is necessary and whether obtained from a bona fide source (such as a regular furniture rental agency). The reviewer also will ensure that the cost of rental of furniture and garage does not exceed 25 percent (for each) of the annual LQA rate in the DSSR.

5. Re: line (10): Insurance may not be claimed for personally owned quarters.

(16) Item 22. If quarters are shared with persons other than relatives provided support or family members for allowance purposes, the information requested is shown.

(17) Item 23 and 24. Completed, if applicable.

(18) Item 25. Employee will leave this item blank.

(19) Item 26. Insert maximum authorized allowances and actual allowable expenses. (See figure A-1). Use as needed to complete or explain other items or show additional information. Continue on a separate sheet of plain paper, if necessary. The continuation sheet should be signed by the employee and the reviewing officer.

(20) Item 27. The date should be the date the form is signed, and should agree with item 3. After the employee signs in this item, any entries, corrections, or deletions made in item 1-26 by other persons will be initialed by the persons inserting them to indicate the employee's lack of responsibility for their accuracy. This will not apply to items 10, 17, 18, and 25, which have been set aside for use by the reviewing officer.

(21) Item 28. In signing the form, the reviewing officer certifies that the information is complete and accurate.

(22) Item 29. Indicate only the allowance or differential begun, changed, continued, or terminated based on information on the SF 1190. Beginning dates need not be shown on termination action unless both dates are based on the same SF 1190. Unused spaces should be left blank. Amounts will be set as prescribed in the DSSR. The blocks "Appropriation, Allotment, and Agency Use" will be left blank for optional use by the Finance and Accounting Office.

(a) If the employee is determined to be ineligible for an allowance or differential, insert after italic printing at top of item 29 "None Authorized--See Memorandum Attached."

(b) If an employee is determined to be eligible for a differential, the applicable percentage will be inserted in the appropriate place. Post differential amount and special incentive differential amount will be listed separately.

(c) If an employee is determined eligible for an allowance, the amount granted will be inserted in the appropriate spaces.

(d) Item 29 will be completed and signed by the approving officer.

A-4. Determinations

a. Before an allowance or differential may be paid, the employee must be found eligible for and authorized to receive the allowance or differential.

Determinations as to eligibility for government quarters or a living quarters allowance and for the post differential will be recorded using a form similar to the sample at enclosure 1 to Appendix A. A copy of the form will be placed in the Official Personnel Folder, and the employee will be given a copy.

b. Most of the difficulty in making determinations in the allowances and differentials program results from a lack of adequate verifiable information. DoD Component headquarters should not be asked to make determinations when the authority has been redelegated, as discussed in paragraph 1-2. of this chapter. However, DoD Component headquarters should decide whether a determination appears to conflict with set policy and procedure. Requests for waivers should not be submitted unless approval of the waiver is recommended by the submitting command. Submissions of requests for determinations and waivers to DoD Component headquarters must include a full factual background, an analysis of the facts, and a command recommendation.

c. When a negative determination is made, every effort should be made to ensure that the employee understands the basis for the determination. Records should be maintained while the employee remains overseas. All explanations to the employee, written or verbal, should be sufficiently detailed to ensure the employee's complete understanding of his/her entitlements, obligations, and options.

A-5. Disposition of the SF 1190

a. Upon completion of the SF 1190 by an employee, the original and all copies will be submitted to the CPO. After an employee is found eligible and authorized payment of allowances and differential, the CPO will send the original to the civilian pay office and one copy to the employee. All other copies will be placed in the Allowances and Differential File.

b. When a new SF 1190 is placed in the Allowances and Differential File, all but one copy of any previous SF 1190 will be removed and destroyed.

c. When an SF 1190 is prepared and the employee is found to be ineligible, the employee will be given an explanation and all but one copy of the form. One copy of the explanation and the SF 1190 will be placed in the Official Personnel Folder or in an appropriate allowance file.

d. At the end of the annual review, one copy of the latest SF 1190 for each employee will be forwarded to Director, Allowances Staff, Department of State, Washington, D.C. 20520, per sections 070 and 920, DSSR. The SF 1190 submitted will be the last form completed before the start of the reporting month set by section 920, DSSR. The total report will be sent no later than the 15th of the reporting month.

(1) The transmittal letter will

(a) Reference the applicable section of the DSSR.

(b) Identify the post (as identified in section 920) and the number of forms for each post.

(c) Contain the information regarding government quarters (section 077.2, DSSR), and the certifying statement signed by the CPO.

(2) A copy of the transmittal letter and the SF 1190 will be given to the Major Command of the servicing civilian personnel office.

(3) Should a reason ever arise that prevents the CPO from sending the report by the 15th of the reporting month, written justification for the delay must be submitted. (See subparagraph 15-3.b.(1)). Reports will not be delayed to allow employees to update the SF 1190.

SAMPLE

STANDARD FORM 1190 (REV 7-78) DEPT OF STATE SEC 0734 STD REGS (GCFA) FOREIGN ALLOWANCES APPLICATION, GRANT, AND REPORT						GRANT NO (if required)	
(1190 -102)							
COMPLETE ALL BOXES MARK "NA" IN BOXES NOT APPLICABLE USE SUPPLEMENTARY SHEET IF NECESSARY COMPUTE ALLOWANCES AT MOST FAVORABLE EXCHANGE RATE AT WHICH YOU OBTAIN FOREIGN CURRENCY ON THE DATE OF THIS APPLICATION (\$1 U.S. EQUALS _____) IF MORE THAN ONE SUCH RATE IS CURRENT AT POST. QUOTE AND EXPLAIN IN BOX 26 ALL RATES AND STATE WHICH IS USED BELOW							
1. POST AND COUNTRY OF ASSIGNMENT Augsburg, Germany		2. AGENCY Army		3. DATE OF FORM 19 Oct 81		4. NAME OF EMPLOYEE (Last - first - middle initial) Early, John W.	
5. GRADE GS 12/4		6. TITLE OF POSITION Equipment Specialist		7. BASIC ANNUAL SALARY \$25,397		8. LAST PREVIOUS POST OF ASSIGNMENT Ft. Sheridan, Ill.	
9. DATE OF ARRIVAL AT POST 2 August 1981		10. (AGENCY USE)		11. DATE OF ENTRY ON DUTY AT POST IF RECRUITED LOCALLY		12. (AGENCY USE) SSN 184-22-4999	
13. (AGENCY USE)				14. REASON FOR PRESENCE IN AREA IF HIRED LOCALLY (Explain fully)			
15. FAMILY DOMICILED AT POST							
NAME		RELATIONSHIP	DATE OF BIRTH	% OF DEPENDENCY	U.S. CITIZEN YES NO	PLACE OF RESIDENCE STREET ADDRESS AND CITY	DATE OF ARRIVAL AT POST
(1) Mary Virginia		Wife	11 Oct 35	57+	X	3/Unterberg Weg, Augsburg	2 Aug 79
(2) Meg Carpenter		mother-in-law	30 May 11	57+	X	" " " "	" " " "
(3) Mark John		son	8 Nov 60	100	X	" " " " (away at college)	" " " "
(4)							
(5)							
(6)							
16. FAMILY DOMICILED AWAY FROM POST							
NAME		RELATIONSHIP	DATE OF BIRTH	% OF DEPENDENCY	U.S. CITIZEN YES NO	PLACE OF RESIDENCE STREET ADDRESS CITY AND COUNTRY	DATE OF DEPARTURE FROM POST
(1)							
(2)							
(3)							
(4)							
17. (AGENCY USE)				18. (AGENCY USE)			
19. IF SPOUSE EMPLOYED BY U.S. GOVERNMENT, COMPLETE THE FOLLOWING:							
A. TITLE OF POSITION Clerk-typist		B. GRADE GS3/1	C. BASIC ANNUAL SALARY \$8366		D. POST DIFFERENTIAL OR TYPE OF ALLOWANCES RECEIVED Post allowance		
20. DESCRIPTION OF QUARTERS OCCUPIED BY EMPLOYEE							
A. STREET ADDRESS 37 Unterberg Weg, Augsburg, Germany			B. APARTMENT OR ROOM NO.	C. DATE OCCUPIED 1 Oct 81	D. SIZE OF QUARTERS 7 ROOMS, 2 BATHS		
E. TYPE OF QUARTERS (Check appropriate boxes): <input checked="" type="checkbox"/> HOUSE <input type="checkbox"/> APARTMENT <input type="checkbox"/> HOTEL <input type="checkbox"/> PENSION <input checked="" type="checkbox"/> UNFURNISHED <input type="checkbox"/> FURNISHED (DATE) <input type="checkbox"/> PARTLY FURNISHED <input type="checkbox"/> GOVT. OWNED OR LEASED <input checked="" type="checkbox"/> PRIVATELY LEASED <input type="checkbox"/> OWNED BY EMPLOYEE OR SPOUSE							
21. EMPLOYEE'S <input type="checkbox"/> DAILY EXPENSES FOR TEMPORARY LODGING OR <input type="checkbox"/> ANNUAL EXPENSES FOR LIVING QUARTERS (Check applicable box)							
EXPENSE ITEMS (SUPPORT EXPENSES BY SUBMITTING COPY OF LEASE OR RENTAL AGREEMENT, RECEIPTS OR CANCELLED CHECKS IF UNOBTAINABLE. EXPLAIN WHY AND CERTIFY UNDER REMARKS)				FOREIGN CURRENCY PAYMENTS A	U.S. DOLLAR EQUIVALENT OF COLUMN A B	U.S. DOLLAR PAYMENT (COMPLETE IF PAID IN U.S. DOLLARS) C	U.S. DOLLARS (TOTAL OF COLUMNS B AND C) D
(1) COMBINED RATE FOR LODGING AND MEALS, WHEN APPLICABLE							
(2) SEPARATE RATE FOR LODGING UNDER COMBINED RATE							
(3) RATE FOR QUARTERS OR LODGING ONLY				976 DM	\$4800		
(4) TAXES REQUIRED BY LAW TO BE PAID BY LESSEE (OR LAND RENT FOR PERSONALLY OWNED QUARTERS) (Specify)							
(5) IF EMPLOYEE OR SPOUSE OWNS QUARTERS INSERT ORIGINAL PURCHASE PRICE							
(6) GAS							
(7) ELECTRICITY				697.75 DM	325		
(8) OTHER HEAT, LIGHT, FUEL, WATER (Specify)				1122 DM	600		
(9) SEPARATE RENTAL FOR GARAGE, OR FURNITURE (Specify)				224.40 DM	120		
(10) INSURANCE REQUIRED BY LOCAL LAW TO BE PAID BY LESSEE							
TOTAL COSTS (2) THROUGH (10)				10,930 DM	\$5845		
22. IF EMPLOYEE SHARES QUARTERS GIVE NAME OF PERSON(S) WITH WHOM SHARING AND EMPLOYING FIRM OR AGENCY NA							
23. IF EMPLOYEE RENTS QUARTERS FROM ANOTHER GOVERNMENT EMPLOYEE, GIVE NAME OF THAT EMPLOYEE AND EMPLOYING AGENCY NA							
24. IF EMPLOYEE LETS OR SUBLETS PORTION OF HIS OWNED OR LEASED QUARTERS, COMPLETE THE FOLLOWING:							
A. NAME OF SUBLESSEE AND EMPLOYING AGENCY OR FIRM NA		B. AMOUNT RECEIVED FROM SUBLESSEE		C. HAS AMOUNT RECEIVED FROM SUBLESSEE BEEN DEDUCTED FROM EXPENSES SHOWN IN ITEM 21?		D. DATE LET OR SUBLET	

25. EMPLOYEE'S EXPENSES FOR CHILDREN'S EDUCATION

CHILDREN'S NAMES	NAME AND ADDRESS OF SCHOOL	SCHOOL		U.S. GRADE EQUIV. ALENT	DATE ENTERS	DATE LEAVES
		AT POST	AWAY FROM POST			
1						
2						
3						
4						
5						
6						

	CHILD 1	CHILD 2	CHILD 3	CHILD 4	CHILD 5	CHILD 6
BASIC TUITION						
BOOKS, SUPPLIES, AND NECESSARY ELECTIVE COURSES						
TRANSPORTATION						
ROOM AND BOARD						
OTHER (ITEMIZE AND EXPLAIN UNDER REMARKS)						
SUB-TOTAL						
SUPPLEMENTARY INSTRUCTION						
TOTAL						
HOME STUDY - GRADES 1 - 12						

26. REMARKS (Or computations for education allowances)

Support of Mrs. Carpenter verified (see attached sheet). *AM/B*

Qtrs Grp 3, WF - \$6100 plus 10% (\$610) - \$6710

Total expenses \$5845

PRIVACY ACT STATEMENT

"Solicitation of this information is authorized under 5 U.S.C. 5922(c), E.O. 10903 - Section 1(b-2), and section 073.4 of the Standardized Regulations (Government Civilians, Foreign Areas). It is used to determine employee eligibility for and appropriate amounts of allowances. After granting, forms are subject to fiscal audit by parent agency and General Accounting Office, and review by Allowances Staff, State, to set LOA rates. Lack of information may result in erroneous or unauthorized allowances."

27. EMPLOYEE STATEMENT

The information given on the application is true and correct to the best of my knowledge and belief. I also understand that I am obligated to notify the authorizing office immediately of any change in conditions which may affect the amount of allowances and/or differential authorized herein.

DATE: 10 October 1981

SIGNATURE OF EMPLOYEE: *John W. Early*

28. SIGNATURE OF REVIEWING OFFICER, WHEN REQUIRED: *William M. Brown*

29. APPROVAL OR GRANT

The following post differential and/or allowances are authorized or granted in the amounts shown, subject to change in accordance with governing regulations.

TYPE	AMOUNT	EFFECTIVE DATES		TYPE	AMOUNT	EFFECTIVE DATES	
		BEGAN	TERMINATED			BEGAN	TERMINATED
POST DIFFERENTIAL	%			EDUCATION ALLOWANCE PLUS SUPPLEMENTARY INSTRUCTION (P/SCHOOL YR)			
FOREIGN TRANSFER ALLOWANCE	A MISL WAHD-HJBE (LUMP SUM) B SUBSISTENCE U.S. (P/DAY)			CHILD 1			
TEMPORARY LODGING ALLOWANCE (P/DAY)				CHILD 3			
LIVING QUARTERS ALLOWANCE (P/A)	\$5845	1 Oct 81		CHILD 4			
POST ALLOWANCE (P/A)				CHILD 5			
SUPPLEMENTARY POST ALLOWANCE (P/DAY)				CHILD 6			
HOME SERVICE TRANSFER** ALLOWANCE	A LODGING (P/DAY) B MISCELLANEOUS (LUMP SUM)			SEPARATE MAINTENANCE ALLOWANCE (P/A)			

DATE: 20 Oct 81

TITLE OF APPROVING OR GRANTING AUTHORITY: Chief, Tech Svcs Branch

SIGNATURE: *Harold Smedley*

APPROPRIATION: ALLOTMENT

(AGENCY USE)

Enclosure 1 to Appendix A

SAMPLE FORM

TO: (Name)

(Address)

The following information pertains to certain benefits to which you may or may not be entitled as an employee of the Department of Defense:

_____ A determination has been made that you are eligible to negotiate a transportation agreement in accordance with the provisions of the Department of Defense Joint Travel Regulations, Volume 2. The benefits and responsibilities of this agreement are briefly described on the agreement form, and a member of this office will provide you with further information upon request.

_____ A determination has been made that you are not eligible to negotiate a transportation agreement in accordance with the provisions of the Department of Defense Joint Travel Regulations, Volume 2. This volume is available for your review, and a member of this office will provide clarification upon request.

_____ A determination has been made that you are entitled to government-owned and -operated quarters or to an allowance, in accordance with the provisions of the Department of State Standardized Regulations, as implemented by Chapter 592, DoD Civilian Personnel Manual (CPM). To properly utilize this entitlement, you must follow the directions of the housing officials in regard to government quarters or complete the application forms and provide documentation for the allowance.

_____ A determination has been made that you are not entitled to government-owned and -operated quarters or to an allowance, in accordance with the provisions of the Department of State Standardized Regulations, as implemented by Chapter 592, DoD CPM. These regulations and implementing guidance are available for your review, and a member of this office will provide clarification upon request.

_____ A determination has been made that you are entitled to a post differential of _____ percent in accordance with the provisions of the Department of State Standardized Regulations as implemented by Chapter 592, DoD CPM. This differential is subject to change or cancellation without prior notice.

_____ A determination has been made that you are not entitled to a post differential in accordance with the provisions of the Department of State Standardized Regulations, as implemented by Chapter 592, DoD CPM. These regulations and implementing guidance are available for your review, and a member of this office will provide clarification upon request.

Signature, Name, and Title of Personnel Office Representative

Date

I acknowledge that I have received and read this form after completion.

Signature and Name of Employee

Date

(The signed copy of this form is to be retained by the civilian personnel office.)

(The form may be modified as necessary to meet local conditions of employment.)

APPENDIX B

INFORMATION AND INSTRUCTIONS FOR COMPLETING SF 1190

B-1. Printed form. This form must be filled out in black ink or typed in black. Typewritten forms are preferred. If a typewriter is not available, print the information.

B-2. Where to send the SF 1190. Send the original SF 1190 and all copies to: (CPO enters address here).

B-3. General instructions. Complete all items through item 27. Do not write in items 28 and 29.

- a. Most of the information required needs no explanation.
- b. Mark "NA" in every box that is "not applicable."
- c. If there is not enough space, mark it "see attached"; then attach a sheet that identifies those items in numerical order. By the appropriate number, include all of the pertinent information that belongs in the item.
- d. Be sure to date and sign the form in item 27.

B-4. Item instructions

a. Item 1: Identify your post and country of assignment as shown in paragraph 4 of the cover letter.

b. Enter Army, Navy, Air Force, or DoD, as appropriate.

c. Item 5. Enter your position grade (or class) and step. For example, GS-11/3 or Class I/4.

d. Item 7:

(1) Wage employee. Your "basic annual salary" is your basic hourly compensation rate multiplied by 2,080 hours (52 weeks a year for 40 hours per week). Your basic hourly compensation rate is the rate before any deduction is made and before adding any compensation, such as overtime pay, night differential, extra pay for work on holidays, post allowance, or post differential.

(2) P.L. 86-91 employee (teacher) hired for summer school only. Although your salary is at a daily rate, it is necessary to estimate a "basic annual salary" for the foreign area allowance other than the quarters allowances. Compute the "basic annual salary" by multiplying your daily rate by 260.

(3) General schedule, merit pay, and SES employees. Enter your basic annual salary rate (before any deductions and before any additions, such as overtime, allowances, or differential).

e. Item 12: Enter your social security number.

f. Item 14: Local hires are required to complete this item in initial application only. Item 26 may be used if further space is required.

To be considered eligible, your reasons for being out of a U.S. area and at the foreign duty post must be fairly attributable to your own employment with the U.S. Government. To determine whether or not that is so, we need to know

- (1) When and where you last lived in a U.S. area.
- (2) When you left that place.
- (3) From that time to the present, the places you have been, the dates you were there, and the reasons you were at each place.

g. Item 15

(1) If you claim you support your child (including a stepchild or adopted child) who is unmarried, over 21 years of age, and incapable of self-support, you must supply information to show that the child is incapable of self-support.

(2) If you claim that any one of the following relatives residing with you at your post is at least 51 percent dependent upon you for support, you must submit information to prove such support:

(a) A parent (including stepparents and legally adoptive parents) of you or your spouse.

(b) Sisters and brothers (including stepsisters or adoptive sisters or stepbrothers, or adoptive brothers) of you or your spouse, if they are unmarried, under 21 years of age, or, regardless of age, are incapable of self-support. Supply facts to show that they are incapable of self-support.

(3) You must submit proof of 51 percent dependency when dependency is required for a member of the family. The criteria for determining support are based on the rules that apply for federal income tax. Federal income tax rules do not include as part of support such things as income taxes, life insurance payments, or buying cars, even though needed for transportation. In the information you provide, include

(a) Proof that the claimed dependent's income, if any, from any source is not enough to support him or her and that you provide at least 51 percent of the support.

(b) The dependent's total income.

(c) The dependent's expense, such as lodging costs, medical expenses, clothing, education, and costs for other personal needs.

(d) Lodging and goods furnished at fair market value.

(e) For shelter, rent (or, if in personally owned quarters, real estate taxes, mortgage payments and interest, and repair costs), utilities, fuel, and other monthly shelter payments. You may list the average costs by the month or by the year.

(f) Proof of your cost claims.

(g) All cost information.

h. Item 16: You may need to furnish supplementary information about the members of your family you list in item 16. If required, the information is like that for item 15, and for the same categories of dependents. You should submit the information if

(1) You are at a post where a "separate maintenance allowance" (SMA) is in effect;

(2) As a condition for getting a travel order for your family to come to your post, you have had to rent family housing in advance of their arrival, and you want the "with family" LQA for that family housing before your family arrives at your post; or

(3) The CPO requests this supplementary information.

i. Item 19: Identify spouse's government employer by agency and address in block 26. If your spouse receives, or is eligible to receive, an allowance or quarters from the U.S. Government, the CPO will advise you of the rules about the quarters costs you may claim and the limitations in determining possible payment of the LQA and post allowance.

j. Items 20 through 24 (general information). There are two kinds of quarters allowance: Temporary Lodging Allowance (TLA) and Living Quarters Allowance (LQA). Information applicable to each is in paragraphs n and o. Information that applies to both follows.

(1) Quarters costs can be claimed only for quarters in which you live at or near your foreign area permanent duty post, and from which you commute daily to work.

(2) You can claim quarters costs only for your living quarters. In order to claim with-family quarters costs, you must have relatives (who are members of your family for quarters allowance purposes) living with you in your quarters at your permanent duty post. For one exception, see h(2), above.

(3) If you share quarters with someone (other than a visitor) and that person is not a family member, your quarters costs are only a part of the total costs for those quarters. More details are in paragraph o., below.

(4) You cannot receive the TLA and LQA for the same day.

(5) Payment will be included in your regular paycheck. You may apply for a TLA by submitting an SF 1190 with a receipt for 1 or 2 days' lodging. Subsequent receipts should be given to your CPO on a weekly or biweekly basis to continue the approval and payment. Once you have reported your costs for permanent residence quarters and they have been approved, your LQA payments will be based on that report. When you have changes in those costs or when a new report is required by the CPO, you must submit a new report.

(6) Advance payments may be authorized for your temporary lodging costs or for your permanent residence costs when you meet the criteria and an advance is approved by your CPO. You may request advance payment of the TLA if you obtain temporary lodging under a lease in which the lessor requires an advance rental payment. Annotate this fact and request the advance in item 26. You may request advance payment of the LQA if you obtain permanent quarters in a locality where your lessor and local custom requires advance payments for at least 3 months. Annotate this fact and request the advance in item 26. Before you sign any lease or make any agreement for an advance payment of rent for temporary or for permanent lodging, ask your housing referral office about provisions you should have in the lease for your protection. There is a limit on the amount of the advance payment that you receive and, if you do not subsequently earn entitlement to that advance, you may be obligated to repay the government the unearned amount of the advance. Your CPO can explain this to you before you sign the agreement to make an advance payment of your rent.

k. Item 20A: Include the complete local address.

l. Item 20E: Put an "X" in three blocks to describe your quarters. Also, if you have rented family housing before your family arrives, check that item and indicate the anticipated date of arrival. If you check the item "owned by employee or spouse," be sure to fill out item 21(5), as indicated in p, below. Check "unfurnished" if the basic furnishings are government-owned.

m. Item 21: You must attach documents (lease receipts, canceled checks, or similar documents). If these are not obtainable, explain why you cannot furnish them and certify costs in item 26 so the CPO can verify them. If you already are receiving an LQA for permanent quarters and you are submitting a new SF 1190 for the same quarters, you do not have to submit a document for a cost item that has not changed in cost since it was verified by the CPO; however, you must furnish the document if it is requested. This request normally would apply only to rent under an unchanged lease or to the verified initial purchase price of the personally owned quarters (POQ) (owned by you or your spouse, or both).

n. Item 21 (Daily Expense for Temporary Lodging). TLA is a quarters allowance. It reimburses you (up to a set maximum for your post) for temporary lodging occupied by you and your family at your permanent duty post. You must itemize your temporary lodging costs and submit documents to prove them. No matter how you are billed for temporary lodging costs, you must compute a daily rate for each allowable cost item (for you and your family). Enter a daily rate in item 21, SF 1190.

(1) TLA reimbursement costs. For TLA reimbursement, you may claim costs for

(a) Rent (for a hotel, pension, or other transient-type quarters at your permanent duty post).

(b) Heat, light, fuel, water, and mandatory service charges if they are not included in your rent.

(c) Mandatory service charges for government quarters that are assigned to you as temporary lodging.

(d) Mandatory taxes imposed by the management or local government.

(e) A temporary lodging (as in a pension) where meals and lodging are furnished at a single combined rate. Food and meals cannot be claimed for TLA reimbursement; but 60 percent (maximum) of the combined rate may be claimed (rent, mandatory service fees, and taxes). The costs may be less than 60 percent if reduced rates apply or family members share rooms. Tips, beverages, or personally ordered services cannot be claimed.

(2) Time limits. Payment will be limited to

(a) Three months after first arrival at a new foreign area permanent duty post; or

(b) A period ending with a move to permanent residence quarters at that post, if sooner than 3 months; and

(c) One month before you leave your post permanently. This pertains if your LQA has stopped and you are living in temporary lodging. If you apply for a TLA, you must give reasons (in item 26, SF 1190, or an attachment to SF 1190) for occupying temporary quarters; the CPO must approve your reasons.

(3) Arrival at new post. If you arrived at your new post before your family, the TLA can begin upon arrival. If your family, on government travel orders, got there first and you were delayed because of government orders, the TLA could begin with your family's arrival. In this case, explain the situation on the SF 1190. As soon as you obtain permanent residence quarters, notify the CPO of the date you will occupy those quarters. Also, submit a new SF 1190 to claim the costs for the new quarters so your LQA rate can be determined.

(4) Departure from post. When you are departing permanently from a foreign permanent duty post (for transfer or separation), you must notify your CPO of the date temporary lodging costs start and give reasons for having to occupy temporary lodging. Your LQA will be stopped the day before your TLA begins. The TLA is limited to one month, and your temporary lodging must be at your permanent duty post. The TLA stops earlier if

(a) Your costs stop.

(b) You are separated earlier. The allowance may be continued up to the date of departure for a teacher who is required to await authorized transportation.

(c) You leave earlier on transfer orders, unless your family remains temporarily. In this case, the TLA must stop the day you arrive at your new post of assignment.

o. Item 21. (Annual Expenses for Living Quarters)

(1) You must itemize your costs for permanent residence quarters and submit documents to prove those costs. Compute an annual rate for each cost item for the quarters you are occupying (or have already made a formal lease or agreement to occupy). Attach cost documents (lease, contract to purchase privately owned quarters, canceled checks, or other pertinent documentation).

(2) If you occupy leased or rented quarters, allowable expenses that you should report follow:

(a) Your rent. What you pay for furnished quarters is the rent you report in item 21(3) of SF 1190.

(b) Heat, light, fuel, gas, electricity, and water costs.

(c) Taxes levied by the local government and required by law or custom to be paid by the lessee.

(d) Insurance required by local law to be paid by the lessee.

(e) One-car garage space, but not open-area parking space. The cost may not exceed 25 percent of your applicable maximum LQA.

(f) Necessary furniture not to exceed 25 percent of your applicable maximum rate LQA. Included are tables, chairs, beds, rugs, refrigerators, and similar items. Not included are musical instruments, radios, television sets, and similar items. "Separate rental" means from a source other than your landlord. (Rental of furniture and space from the same source under two agreements or contracts is considered to be rental of "furnished quarters.") If rental contract conveys ownership of the property after a specified period, it is considered purchasing POQ.

(3) Do not claim costs for

(a) Concierge's, agent's, or notary's fees.

(b) Telephone installation, monthly charges, or maintenance.

(c) Deterioration of property or furnishings.

(d) Servant's wages or maintenance.

(e) Tips.

(f) Cleaning.

(g) Storage.

(h) Garden or lawn service.

(i) Servant's quarters, unless on the same property with the living quarters.

(j) Any other expenses not directly related to rent.

(k) Meals. If meals and living quarters are furnished at a single combined rate, the cost of quarters must be estimated at a fair amount and cannot exceed 60 percent of the combined rate.

p. Item 21(5)

(1) If you occupy quarters personally owned (by you, your spouse, or dependent), report the cost on this line. If the quarters were purchased, you may claim 10 percent of the initial purchase price as your "annual rent." If the quarters were otherwise acquired, you may claim as your "annual rent" 10 percent of the appraised value as of the time you acquired the title. If the quarters are on leased land and you have to pay "land rent" or "ground rent," you can claim that cost. The only other costs you can claim are utilities (heat, light, fuel, gas, electricity, and water). You cannot claim taxes, insurance, or rental of garage or furniture. In item 21(5), in the column headed "Expense Item," enter your total initial purchase price (or appraised value) in terms of U.S. dollars at the time you or your spouse purchased the quarters.

The total initial purchase price is the price stated in the deed, sales contract, or construction contracts at the time you or your spouse or both agreed to buy or to have the quarters constructed. If you have any doubt about whether a cost item can be considered as part of your initial purchase price, ask your CPO to check it for you. Items considered part of the purchase price of government-owned properties may be included in considering the purchase price of personally owned quarters for a civilian employee. For example, a property recording fee must be paid by the new owner each time the property changes hands. The total purchase price is allowable if the arrangement to purchase an incompletely dwelling stipulates that the original owner will complete the dwelling for a predetermined total purchase price. When you must use an appraised value because there is not an initial purchase price, consideration similar to the above apply. The appraised value is determined on an "as is" basis. If you built your quarters for your own use, and thus had costs for materials, while contributing your own labor to the construction, ask your CPO about setting an "initial purchase price" valuation for LQA purposes. In item 21(5)(C), enter one-tenth of your approved initial purchase price as your "rent," unless the following paragraphs reduce your rent. Payment of the rental portion of the LQA will not exceed 10 years at the same post. After that time, you will be entitled only to the utility expenses and land rent.

(2) When you share quarters with someone (other than visitors) and that person is not your dependent or family member for quarters allowance purposes, your quarters costs are only part of the total quarters costs. Be sure to report that you share quarters, so your costs can be properly determined. The following are some common examples:

(a) If you have rented a large house and you sublet part of it to someone, you have reduced your own expenses by the amount of money you receive from the sublease.

(b) If you share quarters with one or more persons, not relatives supported by you or family members for quarters allowance purposes, your own expenses are a share of the total annual allowable quarters costs.

(c) If both you and your spouse are eligible to receive a quarters allowance from the United States Government (the civilian LQA and military basic allowance for quarters), seek more information from your CPO. In general, the governing regulations recognize that two eligible spouses, each receiving a quarters allowance, share the costs of the family's quarters and accordingly provide limits on the rate of LQA payment to the civilian spouse. If both spouses are eligible civilian employees, the married couple may elect to have one or both receive an appropriate rate of LQA within the limits prescribed and based on the allowable quarters costs.

(3) If you occupy government quarters assigned as permanent lodging, no LQA is payable. The quarters are without charge for rent and utilities. Charges for telephone services, linens, and maid service are not reimbursable charges for LQA purposes.

q. Item 25: Mark this entire item "NA" (not applicable).

r. Item 26:

(1) In this item, identify all attachments to the SF 1190. To the extent possible, include all remarks. Each attachment and each remark should be identified by the item number to which it refers. You may use supplementary pages if needed. The above instructions indicate remarks and attachments that are necessary. When appropriate, your claim for the supplementary post allowance (SPA) is entered in item 26, and substantiating documents are attached; see the following instructions. The SPA helps an employee defray part of the expenses for food. The CPO determines whether payment of this allowance is justified. It is justified only if you have large expenses for hotel or restaurant meals for the family. This may be approved if suitable quarters with kitchen facilities are not available. Communal-type kitchens in government transient facilities do not qualify as adequate housekeeping facilities. You are expected to cover meals costing a moderate amount while living in temporary quarters. If the SPA is justified, it helps defray the extra high costs of meals. Ask the CPO about the possibility of the SPA for the period you occupy temporary quarters and receive a TLA.

(2) Identify spouse's government employer by agency and address.

s. Item 27: Date and sign the SF 1190.

t. Item 28 and 29: Enter nothing in these boxes. The boxes are completed by the CPO.

B-5. Reporting Occurrences That May Affect Entitlement to Foreign Area Differential and Allowances

a. Pay status. As a general rule, allowances and differentials can be paid only to an eligible employee who is in a pay status and is physically present at the permanent duty post in the foreign area. When "with family" rate computations apply, the eligible employee's family must be living with the employee. Under certain restrictions, the governing regulations allow continued payment during the employee's or family members' temporary absences. If payment is allowed, there are time limitations on payment during that absence.

b. Nonpay status. If you are in a nonpay status, the general rule is that the allowances and differentials cannot be paid; but exceptions are allowed.

c. The CPO must determine whether the differentials or allowances can be paid during the absence when in a nonpay status and while a family member is not residing with you at your permanent duty post.

B-6. Avoiding Payment Errors. To avoid the possibility of an erroneous payment, and the possibility that you must make a refund of an erroneous payment, it is your responsibility to keep your CPO informed of any occurrence that may affect your entitlements.

B-7. Changes in Number of Family Members. Notify your CPO about any changes in the number of your family members or other persons residing with you at your permanent duty post because this affects the rate of some allowances.

a. For each family member who leaves the post, give the date of departure and state whether it is permanent or temporary. If temporary, indicate where the member went and the anticipated date of return. Advise the CPO when the member returns.

b. Notify the CPO if a family member moves out of your quarters because of divorce or separation (legal or by mutual agreement) or other reasons.

c. Notify the CPO of the date you acquire a family member. (The date they began living with you at your post). This may be by marriage, birth, or by travel to your post.

B-8. Shared Quarters. Notify the CPO if you enter into an agreement for sharing your quarters with another party or sublet a portion of your quarters.

B-9. Travel Away from Post. Notify the CPO if you travel away from your post. Depending on the circumstances, the information should include

a. Date of your departure and date of your return.

b. Reasons for your departure. These may include annual leave, transfer, reassignment, official temporary duty, medical evacuation, or renewal agreement travel.

c. A copy of your travel orders. Also, indicate whether or not you actually used the travel order during travel. If you have no travel orders, so indicate. Your travel order may be either

(1) Travel orders for travel at government expense with or without per diem; or

(2) Authorization to use space-available government transportation.

d. Identification of any family members who leave the post during your absence. Indicate the date they left, where they went, and the date of return to your permanent duty post.

e. Where you are and where your family is. Significant dates and places to include are

(1) Date of departure from your post.

(2) Date of departure from your country of assignment.

(3) Date of return to your country of assignment.

(4) Date of return to your post of assignment.

(5) Date you began travel to the United States. Normally, this date is when you left your permanent duty post. There is one exception. If you leave your post on official temporary duty travel orders and perform temporary duty at one or more locations, the date you leave the last location to go to the United States is considered the date you began travel to the United States.

B-10. Nonpay Status Affects Your Entitlements

a. If you are absent without permission and are thus in a nonpay status or if you are suspended for disciplinary reasons, no foreign area allowance or differential can be paid during that nonpay status.

b. In other circumstances, if your leave without pay does not exceed 14 calendar days, the foreign area allowances may be continued. If the leave without pay exceeds 14 calendar days, the foreign area allowance cannot be paid during that leave. The LQA may be an exception. When it is determined to be in the interest of the government, the LQA may be authorized for not more than 30 days of leave without pay. But if the leave without pay exceeds 30 days, the LQA cannot be paid for any part of the leave without pay.

c. As an exception to b., above, there is special authority to pay the LQA during the school summer recess at a permanent duty post to a P.L. 86-91 teacher. The teacher must have taught during the last school year and must have agreed in writing to teach the following school year. Failure to teach the following full school year results in an obligation to pay back that quarters allowance for the summer recess. However, if the person's reasons for failure to return to duty or work the full school year are beyond his/her control and acceptable to the government, repayment of the allowances may be waived. The P.L. 86-91 teacher who fails to return to duty the next school year, as agreed, should explain to the CPO his/her reasons for not fulfilling the agreement.

B-11. Separate Maintenance Allowance. This allowance is for the extra housing costs you have for those family members from whom you are separated because the United States Government prohibits your family or you elect not to have your family with you at post because of special needs or hardship. Regulations prohibit the government from paying twice for the same costs. You cannot be paid an SMA if your family is occupying government quarters without cost in a foreign area. This means you cannot be paid an SMA if your family receives a foreign area quarters allowance. For example, if your spouse is at a foreign area post and is a government employee assigned (with family, if any) to government quarters without charge or paid an LQA, you cannot be paid an SMA. Family members on whose behalf this allowance may be paid must be dependents as explained in section 261, DSSR. Your CPO can advise you which members are included. You can count a member of family only if that person normally would be living with you, including a child attending school or college. You cannot count a child whose legal custody is vested wholly, or in part, in a person other than yourself unless joint custody is established. You cannot count your spouse if there is a breach in domestic relations that would result in your living apart. You cannot count a member of family who, for any personal reason, would not be living in your home. If you acquire a child, such as by birth or adoption, this should be reported. Report each change, the date of the change, and the reasons, so your CPO can determine whether this makes a difference in your SMA. The amount of the SMA depends on how many family members you have and whether one of those is an adult. When applying, include on the SF 1190, item 26, the following:

- a. Date of your assignment to the foreign duty post.
- b. Date when you begin official travel to your new foreign duty post for assignment.
- c. Date on which separation from your family occurs.

B-12. Keeping the CPO Informed. The CPO, based on all pertinent information you give and the limitations in the governing regulations, determines your entitlement. Furnish any additional information that the CPO requires as a basis for decision. The CPO will advise you of its decision.

B-13. Availability of Governing Regulations. The governing regulations are available in your civilian personnel office. You may review them there, and ask your CPO how those regulations apply to you.

B-14. Grievance Procedures. If you are dissatisfied with a decision regarding allowances or differentials, you may submit a grievance in accordance with agency or negotiated grievance procedures, whichever applies. Any action that you decide to take should be immediate because of established time limits. Your CPO will guide you on your request.

APPENDIX C

SUGGESTED LETTER TO EMPLOYEES

Subject: Foreign Area Allowances and Differentials

TO:

The foreign area allowances and differentials authorized at your permanent duty post may be paid only to a U.S. citizen civilian employee who meets the eligibility criteria and the limitations that govern payment of those benefits, as provided in the governing regulations. At enclosure 2 are copies of SF 1190 (Foreign Allowances Application, Grant, and Report). Enclosure 3 is instructions for completing the form.

A U.S. citizen civilian employee must complete the SF 1190:

- a. When applying for the foreign area differential and allowances.
- b. To report any change that may require revision or termination of the allowances or differential.
- c. Anytime when required by the CPO.

Based on your first application, this office will notify you whether or not you are eligible. You are responsible to keep this office informed of all changes that may affect your entitlement.

Please read the information and instructions carefully. It is crucial that you provide accurate, complete, and current information on the SF 1190. This is important to you for several reasons. For example, the quarters costs for permanent residence quarters are used by the Department of State in establishing the rate of the living quarters allowances for your duty post. If you do not report all of your allowable costs for quarters, you may not receive as much as you are entitled to receive. If you misrepresent the information for the purpose of getting something to which you are not entitled, there are possible legal penalties. Or if you receive too large a payment or benefits to which you are not entitled, the government must collect the overpayment.

This office can answer any questions you may have about the completion of the SF 1190 or about your possible entitlement under the governing regulations. For item 1 of the SF 1190, your post and country of assignment is _____. The original and all copies of the completed SF 1190 must be returned to the following address: _____.

A statement of "Conditions of Eligibility for Living Quarters Allowances" is attached as enclosure 1. A signed copy attesting that you understand conditions of eligibility for an LQA should be returned with your completed SF 1190.

(Signature Block)

3 Encl
a/s

Enclosure 1 to Appendix C

CONDITIONS OF ELIGIBILITY FOR LIVING QUARTERS ALLOWANCE

U.S. CIVILIAN EMPLOYEES

The amount of Living Quarters Allowance (LQA) that you receive is largely dependent on the information that you furnish to the civilian personnel office. The importance of submitting prompt, accurate, and complete information cannot be over-emphasized. Since actual quarters costs are used by the Department of State in establishing LQA rates for your post, failure to report all allowable costs will result in your receiving less LQA than you are entitled to receive; if you misrepresent information for the purpose of obtaining something to which you are not entitled, there are possible legal penalties; if you get too large a payment of benefits to which you are not entitled, the government must collect. In order to avoid such situations, the following program requirements must be kept in mind.

1. The LQA rates payable may be affected by changes in the number of family members residing with the employee by reason of arrivals or departures; attainment of age 21 by children; change in the grade of position; change in duty station; or by implementation of new rates, with or without prior notice, as directed by higher headquarters.
2. Employees must maintain receipts to support the expenses upon which payment of the LQA is based and must submit them to the civilian personnel office upon request.
3. Employees must submit a revised SF 1190 (Foreign Allowances Application, Grant, and Report) with supporting receipts, to the civilian personnel office within 10 days if any of the following changes occur:
 - a. Significant (approximately 10 percent) increase or decrease in expenses.
 - b. Loss or gain in number of dependents.
 - c. Movement from one set of rented quarters to another.
 - d. Purchase or sale of residence.
 - e. A portion of the residence is subleased or occupied by persons sharing costs.
4. Falsification or misrepresentation of an item in a claim may result in forfeiture of the entire claim as provided in 28 U.S.C. 2514, as well as in removal from employment in the federal service.
5. Employees are not eligible to receive an LQA while occupying permanent government quarters.

I have read and understand the above conditions of eligibility for an LQA.

DATE:

SIGNATURE:

APPENDIX D

ALTERNATE PROCEDURE FOR PAYMENT OF THE LQA

D-1. The annual period for payment of the LQA will be established by the country of assignment according to the reporting period specified in section 920, DSSR. It will end 2 months prior to the quarters cost report month. Annual periods will begin and end with pay period dates.

D-2. The employee submits actual expenses (estimated if new employee) on an SF 1190. Allowable expenses, plus 15 percent, not to exceed the authorized maximum, becomes the employee's LQA authorization and will be paid in even amounts on a biweekly basis throughout the annual period. Individual changes resulting from changes in quarters, family status, post of the assignment, or quarters group will be processed.

D-3. Group changes resulting from changes to authorized rate and local currency conversion rates will not be processed unless there has been a 10 percent or more reduction in the authorized rate since the beginning of the covered period.

D-4. At the end of the annual period, the employee will submit an SF-1190 and proof of expenses. Personnel offices will reconcile the amount paid (obtained from FAO) with actual expenses, determine the amount to be authorized for the coming year, and determine the lump-sum payment or recoupment required. This is done by averaging the maximum rates and conversion rates that were effective during the year being reconciled, weighted by the time they were in effect. The maximum allowable amount for the new annual period is determined using the maximum rates in effect on the date the new authorization is approved.

D-5. A reconciliation will be done whenever an employee changes payroll offices or his/her LQA is terminated. Employees who transfer in the overseas area (and remain with the same agency) and who will continue to be paid by the same payroll office will have the expenses reconciled at the time of the annual reconciliation. (Individual changes discussed in paragraph D-3, above, will be processed, however, if allowable expenses and/or authorized maximum change.)