

## QUARTERS MANAGEMENT

**1. REASON FOR ISSUE:** This Department of Veterans Affairs (VA) Directive revises VA housing policy for use of government rental quarters. This policy sets forth the approval authorities and the criteria for providing housing to VA employees at their respective permanent duty stations in support of VA's missions throughout the United States and implements Title 5 United States Code (U.S.C.), chapter 59, subchapter II, section 5911, "Quarters and Facilities; Employees in the United States;" and Office of Management and Budget (OMB) Circular A-45, "Rental and Construction of Government Quarters."

**2. SUMMARY OF CONTENTS:** This directive sets forth the approval authorities for providing housing to VA employees in compliance with 5 U.S.C. 5911 and related federal laws and regulations. This policy will assist VA personnel in:

- a. Understanding federal quarters management policy;
- b. Recognizing housing considerations in decisions affecting rental of quarters, and balancing these considerations with mission requirements; and
- c. Developing procedures for consistent application of VA housing policy, including assigning VA Housing Officers for each Administration, Veterans Integrated Service Network (VISN), Memorial Service Network, and/or individual facility where quarters are operational.

**3. RELATED ISSUES:** VA Handbook 7631, Quarters Management.

**4. FOLLOW-UP RESPONSIBILITY:** The Office of Construction & Facilities Management (00CFM) is responsible for the contents of this directive.

**5. RESCISSIONS:** VA Directive 7631, Quarters Management, August 14, 1997.

**CERTIFIED BY:**

**BY DIRECTION OF THE SECRETARY OF  
VETERANS AFFAIRS**

/s/

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/s/

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## QUARTERS MANAGEMENT

**1. PURPOSE AND SCOPE:** This directive, under the authority of federal laws and regulations, provides policy and assigns responsibility for the management of quarters that are under the jurisdiction or control of the Department of Veterans Affairs (VA). As provided in Title 5 United States Code (U.S.C.), Chapter 59, subchapter II, section 5911, "Quarters and Facilities; Employees in the United States," the Secretary of Veterans Affairs may provide, directly or by contract, an employee stationed in the United States with quarters and facilities, when conditions of employment or availability of quarters warrant the action. This policy applies to the Office of the Secretary of Veterans Affairs and all VA administrations and offices. It specifically affects the Veterans Health Administration (VHA) and the National Cemetery Administration (NCA), as both administrations manage and operate Government rental quarters.

**2. POLICY:** It is VA policy to comply with federal laws and regulations governing quarters management. VA maintains a comprehensive Quarters Management Program to comply with legally mandated requirements and to promote equitable and consistent employee housing management.

a. The laws and regulations impose specific requirements on VA quarters management programs and activities. Affected VA program and facility managers must adhere to quarters management requirements as prescribed in this directive.

b. Housing may be made available to employees at certain duty stations in the following situations:

(1) When the mission of the agency requires providing service to the community, or to VA beneficiaries, on a 24-hour basis.

(2) When United States property cannot be adequately protected unless specific employees are required to live in government quarters at the medical center or cemetery and it is the responsibility of the agency to provide that protection. **NOTE:** This criterion should not be misinterpreted to mean the protection of government employees.

(3) When the available supply, present and prospective, of government and private housing within reasonable commuting distance will not meet the necessary housing requirements.

c. Pursuant to Title 5 U.S.C., section 5911 (c), rental rates and charges for government quarters and related facilities will be based upon their "reasonable value . . . to the employee . . . in the circumstances under which the quarters and

facilities are provided, occupied or made available.” To comply with this law, VA will determine reasonable value to the employee by the rule of equivalence, namely, that charges for rent and related facilities, when practicable, should be set at levels equal to those prevailing for comparable private housing located in the same area.

d. Rents and other charges may not be set so as to provide a housing subsidy, serve as an inducement in the recruitment or retention of employees, or encourage occupancy of existing VA housing.

e. When properly determined in accordance with the provisions of Office of Management and Budget (OMB) Circular A-45, “Rental and Construction of Government Quarters,” rental rates will be fair as between VA as landlord and the VA employee as resident, and as between employees of different agencies living in the same installation in similar housing, or employees living in rental quarters at different installations. Rents should reflect a consistent local pattern for all VA quarters in a given location.

f. Rental rates shall be established in accordance with OMB Circular A-45. The two methods that may be employed to determine the base rental rate are the regional survey methodology or an individual appraisal.

(1) The regional survey creates a series of economic models based upon a survey of comparable private rental housing throughout a designated region.

(2) The appraisal involves direct comparison with individual private rental housing units located in the nearest established community.

**NOTE:** While both methods are accurate, use of the survey method is preferred because of the costs and administrative burdens associated with conducting individual appraisals.

g. As required by OMB Circular A-45, rental rates and charges for VA quarters shall be adjusted annually. OMB guidelines also provide for reconfirmation of the market-based rental rates at least once every 5 years, or sooner, if conditions warrant as provided by the Circular.

h. Increases and decreases in rental rates shall be implemented in accordance with appropriate memoranda from the responsible office within VA Headquarters.

### 3. RESPONSIBILITIES

a. The Secretary of Veterans Affairs has overall responsibility to ensure that VA's quarters management programs are operated in accordance with the provisions of 5 U.S.C. 5911 and related federal laws and regulations. This includes:

(1) Establishing criteria to justify the provision of housing to employees and approvals required to make such determinations;

(2) Ensuring that applicable federal laws and regulations are followed in the provision of housing to employees; and

(3) Designating a VA Housing Officer, in accordance with OMB Circular A-45, to oversee and coordinate VA's Housing and Quarters Management Program.

b. Under Secretaries, Other Key Officials, Veterans Integrated Service Network (VISN) directors, Memorial Service Network directors, and field facility directors are responsible for compliance with quarters management policies for the programs under their jurisdiction. This includes:

(1) Developing procedures, not inconsistent with VA Quarters Management Directives, to ensure decisions affecting the rental of quarters to employees are made in accordance with this overall policy and appropriate laws and regulations; and

(2) Coordinating and implementing compliance activities in accordance with this policy, including:

(a) Ensuring that field facility directors, VISN directors, and Memorial Service Network directors are aware of their responsibilities for quarters management.

(b) Educating personnel in quarters management compliance requirements and pertinent procedures and methods.

(c) Ensuring, through adjustments in position descriptions and performance elements and standards, that decision makers, whose actions could affect quarters management practices, are responsible for understanding and implementing quarters management requirements and the policy set forth in this directive.

(d) Ensuring that the appropriate official at each facility, network, or regional area office with rental quarters, or that each major program manager designates a Housing Officer Representative, as appropriate to the organization.

(e) Providing the Housing Officer Representative with sufficient training, appropriate information and publications, authority, and access to budgetary, management, and decision making processes to permit effective coordination of its Quarters Management Program.

(f) Providing incentives to officials and employees to effectively integrate quarters management compliance and stewardship within the conduct of their missions.

(g) Ensuring that quarters management programs are efficiently and correctly evaluated during the reconfirmation of market-based rental rates pursuant to OMB Circular A-45.

(h) Ensuring that funding requirements for quarters management programs are appropriately addressed in the budget process.

(i) Obtaining exemptions from and waivers of specific housing management compliance requirements in accordance with applicable laws and regulations where the VA Housing Officer and the facility or agency head agree that such are appropriate.

c. Deputy Under Secretaries, program office heads, VISN directors, regional area office directors, and field facility directors will:

(1) Ensure that each field facility, network, or regional area office, which has quarters available for rent to employees has a plan for the implementation of effective quarters management practices in accordance with this Directive.

(2) Ensure the plan will address:

(a) The designation of a qualified individual (Housing Officer Representative) responsible for ensuring development and integration of the plan, in accordance with this directive, and that the individual has full and total access to the management team with a key role in formulating facility strategies;

(b) Integrating quarters management concerns and requirements into the program and/or facility management decision-making process;

(c) Training needs of facility personnel in quarters management requirements;

(d) Identifying, evaluating, and nominating non-essential quarters for other uses, including disposal;

(e) Ensuring that renovations or repairs to rental quarters that are designated as historical are coordinated with the Cultural Resource Management Officer;

(f) Ensuring that rental quarters are safe and sanitary;

(g) Ensuring that program officials and employee tenants clearly understand that VA assumes the customary responsibilities of the landlord and that those who occupy rental quarters assume the customary responsibilities of the tenant.

(3) Ensure that changes in rental rates are implemented upon notification by the responsible VACO organization.

d. The Director, Office of Construction & Facilities Management (00CFM), is responsible for:

(1) Establishing overall quarters management policy and ensuring compliance with existing applicable laws and regulations;

(2) Ensuring fulfillment of all reporting requirements;

(3) Appointing a qualified VA Housing Officer within Real Property Service (00CFM3C), who has responsibility for coordinating the VA Quarters Management Program; and

(4) Ensuring the VA Housing Officer can effectively monitor compliance requirements and review activities affecting the operation of rental quarters.

(5) Making a final determination on appeals.

(6) Approving waivers and variances to VA policy consistent with applicable law, regulation, and OMB Circular A-45, Revised.

#### **4. REFERENCES**

a. OMB Circular No. A-11.

b. OMB Circular No. A-25.

c. OMB Circular No. A-45.

d. Title 5, U.S.C., Chapter 59, section 5911, "Quarters and facilities; employees in the United States."

#### **5. DEFINITIONS**

a. Agency. For the purpose of this directive, "agency" refers to the VA Administration or office responsible for rental quarters at a specific location or regional area.

b. Facilities. Facilities include household furniture and equipment, garage space, utilities, subsistence, laundry service and other incidentals included in the provision of rental quarters.

c. Housing Officer and Housing Officer Representative. The VA Housing Officer, also referred to as the VA Quarters Program Manager, is responsible for administering VA's Quarters Management Program at the national level. Housing Officer Representatives have specific responsibilities for coordinating and implementing quarters management activities at the local level.

d. Rental Quarters. Rental quarters include all furnished and unfurnished housing supplied under specific government authority to government employees, contractors, contractor employees, and all other persons to whom housing is provided as an incidental service in support of government programs. Rental quarters include, but are not limited to, government-owned or -leased dwellings, apartments, bunkhouses, dormitories, trailer pads, cabins, guard stations and lookouts, mobile homes, house trailers, and housekeeping, as well as non-housekeeping units.