



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Mr. Laird D. Allshouse and Mr. Galen G. Garlick--Costs of Government-Furnished Quarters Overseas

File: B-245710

Date: April 30, 1992

DIGEST

Customs Service employees occupying government quarters on a Navy base in the Philippines received a living quarters allowance (LQA), pursuant to 5 U.S.C. § 5923 and the Standardized Regulations, from Customs that they used to pay rent to Navy. Navy raised the rent above the LQA, but due to political unrest prohibited the employees from taking non-government quarters. The employees paid the difference and claimed reimbursement for the few months until Customs could arrange an agreement to pay Navy directly pursuant to 5 U.S.C. § 5912, under which an agency may furnish government quarters without charge to an employee. Since the agency intended that the employees be provided quarters without cost the arrangement may be given retroactive effect and the claims may be paid.

DECISION

The U.S. Customs Service, Department of the Treasury, requests our decision whether payment may be made on the claims of two employees for rent they personally paid while living in government-owned quarters overseas.¹ As explained below, we authorize payment of the claims.

BACKGROUND

Mr. Laird D. Allshouse and Mr. Galen G. Garlick were Customs Service liaison officers at the Subic Bay U.S. Naval Station in the Philippines, although at different times. The Navy provided them government-owned quarters. Customs states that because there was no interagency agreement between Customs and Navy to provide the quarters without charge to the employees, Customs paid the employees a living quarters allowance (LQA) as authorized for federal employees stationed overseas by the Department of State's Standardized

¹Mr. Elderson L. Harrison, Chief, Payroll Branch, National Finance Center, requested the decision.

Regulations (Government Civilians, Foreign Areas), issued pursuant to 5 U.S.C. § 5923 (1988). The employees used the LQA to pay rent to the Navy. Before March 1, 1990, the rent charged by the Navy was within the LQA. However, on that date, the Navy increased the rent above the LQA rate. Because of political unrest in the Philippines, the employees were not allowed to seek less expensive civilian quarters off base.

The two employees, therefore, paid the difference between the LQA and the rent out of their pockets. This amounted to \$269.33 for Mr. Allshouse for March through June 1990 and \$670.34 for Mr. Garlick for August through September 1990. These amounts, the differences between the employees' LQA and the rent paid to Navy, are at issue here.

Customs initially asked State to waive the limits on the LQA. However, in a November 28, 1990 letter to Customs, State replied that the LQA's established by the Department of State in the Standardized Regulations are for employees leasing private quarters abroad and State does not establish allowances for employees occupying government-owned quarters. State further advised that when an employee of a federal agency occupies overseas quarters provided by another agency, it is the responsibility of the two agencies to determine the appropriate reimbursement for housing, and it forwarded the matter to the Navy for review of a lease agreement between Customs and Navy.

As a result, Customs entered into an agreement with the Department of Defense whereby Navy provides the quarters and Customs reimburses the Navy directly without cost to the employees. This agreement, however, was not effective until October 1, 1990, and the claims at issue here are for periods prior to that date. Customs states that, because of the emergency circumstances arising from the political unrest in the Philippines, there was insufficient time to obtain such an agreement before the Navy required the employees to occupy government quarters.

Customs asks whether the claims may be paid pursuant to 5 U.S.C. § 5912, which authorizes agencies to provide living quarters in a government-owned or -rented building without cost to employees stationed overseas.

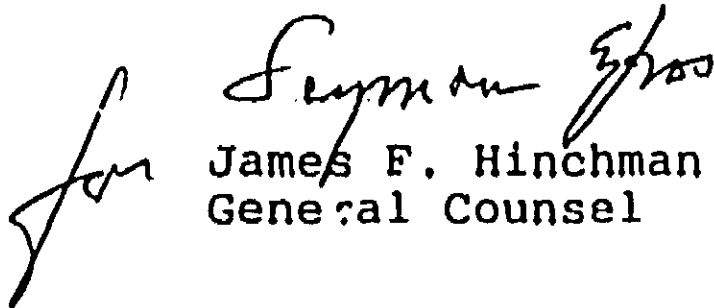
OPINION

Pursuant to 5 U.S.C. § 5912, agencies may provide government quarters without charge to employees under regulations

prescribed by Secretary of State,² Apparently, there was no such arrangement available for furnishing quarters without charge to these employees until the arrangement was made, at the State Department's suggestion, between Customs and the Navy effective October 1, 1990.

As noted above, State advised Customs to arrange to reimburse Navy directly for the cost of the quarters, but because of the emergency situation that existed, that arrangement was not completed in time to cover the period of these claims. However, it was Customs' intent that these employees be provided quarters without charge.

In these unusual circumstances the arrangement may be given retroactive effect to cover the excess rent costs for the limited period involved. Payment of the claims is authorized accordingly.


James F. Hinchman
General Counsel

²See Executive Order No. 10903, § 1(g), Jan. 11, 1961, as amended.