

USAREUR NAF Living Quarters Allowance (LQA) Policy

(Extract from Army in Europe Regulation 215-3 dated 29 January 2004)

7. ALLOWANCES AND DIFFERENTIALS

Except as otherwise stated in this paragraph or in the terms of a servicing agreement, foreign allowances and differentials are authorized under the provisions of the Department of State Standardized Regulations (DSSR) and DOD 1400.25-M, chapter 1200, subchapter 1250. The CPAC will determine eligibility for allowances each time an employee changes positions. Employees will receive authorized allowances for which they are eligible.

a. Quarters-Allowance Eligibility.

(1) Living quarters allowance (LQA) and temporary quarters subsistence allowance (TQSA) are authorized for individuals recruited from the United States for NAF regular full-time positions, at any pay level or grade, when the period of residency in the United States immediately preceding the date of appointment was at least 12 months.

(a) On subsequent voluntary change to a pay level or grade below that for which initially recruited, the quarters allowance authorization terminates. LQA terminated under this provision will be reinstated on the effective date of appointment, without a break in service of more than 3 days, to a position at NF-4 or above, or NF-3 or above in the 1701 occupational series in the Child and Youth Services (CYS) Program.

(b) On subsequent involuntary change to a lower grade or pay level for reasons not related to conduct or performance, the quarters-allowance authorization continues.

(c) Individuals recruited on regular limited-tenure appointments are authorized LQA only for the scheduled term of the initial appointment. LQA may be continued if the provisions of (2) below are met.

(d) A waiver of the 12-month residency requirement may be granted when there is clear and compelling evidence of a substantive period of domicile in the United States by the individual, the individual's immediate family, and the individual's household goods before the individual applies for employment. Waiver requests must be endorsed by the area support group commander, the activity commander or director for separate activities, or the HQ USAREUR/7A staff principal, and will be sent to the USAREUR G1 (AEAGA -C), Unit 29351, APO AE 09014-9351, for consideration. Requests will be evaluated in the manner for determining place of actual residence specified in the Joint Travel Regulations. Waivers will not be approved if there is indication that U.S. residency of less than 12 months was established to acquire LQA in deliberate circumvention of the 12-month requirement.

(2) LQA and TQSA are authorized for individuals recruited outside the United States for NAF regular full-time positions if, at the time of appointment, the individual is already receiving a quarters allowance as a NAF or APF employee or as a military member. These individuals are also subject to the limitation in subparagraph (4)(b) below and must meet basic eligibility requirements of the DSSR. In addition, the individuals must be appointed, without a break in service of more than 3 calendar days, to a position at pay level NF-4 or above, or NF-3 or above in the 1701 occupational series in the CYS Program.

(a) On subsequent voluntary change to a lower pay level, the quarters-allowance authorization terminates. LQA terminated under this provision will be reinstated on the effective date of appointment, without a break in service of more than 3 days, to a position at pay level NF-4 or above, or NF-3 or above in the 1701 occupational series in the CYS Program.

(b) On subsequent involuntary change to a lower pay level for reasons not related to conduct or performance, the quarters-allowance entitlement continues.

(3) LQA and TQSA are authorized for individuals recruited outside the United States for regular full-time positions designated as hard-to-fill if they meet the eligibility criteria in DSSR, section 031.1. LQA

granted under this provision is limited to the period of assignment in the position. Designation of a hard-to-fill position requires approval of the G1 (AEAGA -C) and will be based on a written request with documentation showing that worldwide, open recruitment has not produced the necessary number or quality of candidates.

(4) Employees receiving LQA because they met the eligibility criteria at the time of initial selection, but who do not now meet the criteria in this regulation, are authorized to continue receiving LQA as long as they remain employed without a break in service of more than 3 calendar days.

(a) This provision will not extend or reinstate payment of LQA when termination of payment has been directed by law, regulation, or policy.

(b) Employees whose LQA was based on a management-directed reassignment retain LQA as long as they remain employed in the same NAFI at the same duty location. This includes former APF employees who retained LQA under the provision of (2) above. If the employing NAFI merges with another NAFI, or is divided into more than one NAFI, or if the employee is involuntarily reassigned to another location within the same NAFI, the quarters allowance will continue. This provision will not be used to establish eligibility for an employee not already receiving a quarters allowance.

(5) APF morale, welfare, and recreation (MWR) employees who convert to NAF in their current position, without a break in service under the Uniform Funding and Management Program, will continue to receive LQA if they meet the basic eligibility requirements in the DSSR and are receiving LQA at the time of the NAF appointment. LQA will continue as long as the employee occupies an MWR position at the same or higher pay level or grade without a break in service.

(a) On subsequent voluntary change to an MWR position at a pay level or grade below that at which initially converted, the quarters-allowance authorization terminates, unless the criteria in subparagraph a(2) or a(3) above are met.

(b) On subsequent voluntary change to a non-MWR position, LQA eligibility will be determined in accordance with the criteria in subparagraph a(2) or a(3) above.

(c) On subsequent involuntary change to any position at a lower pay level or grade for reasons not related to conduct or performance, the quarters-allowance authorization continues.

b. Quarters-Allowance Administration.

(1) When quarters allowance is granted, the CPAC will require an official document, such as a rental contract, to determine the cost of the quarters. The CPAC will help employees determine accurate estimates for utility costs. Employees will provide an initial receipt for each utility when it is received, but not later than 15 months after the grant is initiated.

(2) During the 10-year period of eligibility for receiving the rental portion of LQA for personally owned quarters, payment will be limited to the lesser of the amount the employee pays for the quarters or 10 percent of the purchase price (or appraised value for acquired quarters), not to exceed the maximum rate authorized by the DSSR.

c. Pay Advances. Employees authorized official-travel orders for a permanent change of station to an assignment in a foreign area may request a pay advance in a lump sum of up to 6 pay periods of their net base pay. The advance may be requested on arrival at the new post and up to 2 months after arrival. Employees must agree to repay the advance by payroll deduction over a maximum of 26 pay periods, beginning with the first pay period after receiving the advance. Outstanding amounts must be repaid immediately if employment is terminated before settlement of the advance.

d. Post Allowance. Employees will receive post allowance, provided they meet the criteria in DSSR, section 040i. The amount of the entitlement will be in accordance with DSSR, section 226. The rules for

married couples apply whether the spouse of the NAF employee is a NAF or APF civilian employee or a military member. When the spouse of the NAF employee is military, the NAF employee may not claim the spouse but may claim other dependent family members if they are not included in a cost-of-living allowance received by the military spouse.