

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 [5 U.S.C. § 5911](http://uscode.house.gov/view.xhtml?req=5+usc+59&f=treesort&fq=true&num=73&hl=true&edition=prelim&granuleId=USC-prelim-title5-section5911) (<http://uscode.house.gov/view.xhtml?req=5+usc+59&f=treesort&fq=true&num=73&hl=true&edition=prelim&granuleId=USC-prelim-title5-section5911>), "Quarters and Facilities; Employees in the United States;" and Office of Management and Budget (OMB) [OMB Circular A-45 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf) (<https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf>), "Rental and Construction of Government Quarters."
- 2. SUMMARY OF MAJOR CHANGES/SUMMARY OF CONTENT:** This directive sets forth the approval authorities for providing housing to VA employees in compliance with [5 U.S.C. § 5911](http://uscode.house.gov/view.xhtml?req=5+usc+59&f=treesort&fq=true&num=73&hl=true&edition=prelim&granuleId=USC-prelim-title5-section5911) (<http://uscode.house.gov/view.xhtml?req=5+usc+59&f=treesort&fq=true&num=73&hl=true&edition=prelim&granuleId=USC-prelim-title5-section5911>) and related federal laws and regulations. This policy also implements [OMB Circular A-45 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf) (<https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf>), "Rental and Construction of Government Quarters" and delegates authority to Chief Academic Affiliations Officer to approve no-cost housing for Without Compensation (WOC) students.
- 3. RESPONSIBLE OFFICE:** Office of Acquisition, Logistics and Construction (003), Office Construction and Facilities Management (003C).
- 4. RELATED DIRECTIVE OR HANDBOOK:** VA Handbook 7631, Quarters Management, April 19, 2010.
- 5. RESCISSIONS:** VA Directive 7631, Quarters Management, April 19, 2010.

CERTIFIED BY:

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

/s/
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1. **PURPOSE:** 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 5 U.S.C. § 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 all VA Administrations and Staff offices, especially regarding Veterans Health Administration (VHA) and the National Cemetery Administration (NCA), who 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 is available to VA 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 the protection of the United States property is the responsibility of the agency and cannot be adequately protected unless specific employees are required to live in government quarters at the medical center or cemetery to ensure 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. § 5911\(c\)](http://uscode.house.gov/view.xhtml?req=5+usc+59&f=treesort&fq=true&num=73&hl=true&edition=prelim&granuleId=USC-prelim-title5-section5911) (<http://uscode.house.gov/view.xhtml?req=5+usc+59&f=treesort&fq=true&num=73&hl=true&edition=prelim&granuleId=USC-prelim-title5-section5911>), 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.
 - (1) To avoid potential conflicts of interest, agencies will not assign employee occupants of government housing or their subordinates to perform appraisals or to recommend housing inventories, rents, and other charges. If the occupant is responsible for or involved in rent-setting activities, the occupant's rental rate must be reviewed and approved in writing by an individual no lower than a level above their supervisor.
 - (2) Employees on annual leave, travel duty, or temporary work assignments will continue to be charged for rent and related facility costs, unless the housing unit is vacated and made available for reassignment.
- e. When properly determined in accordance with the provisions of Office of Management and Budget (OMB) [OMB Circular A-45 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf) (<https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf>), "Rental and Construction of Government Quarters," rental rates will be fair as between VA as landlord and the VA employee as tenant 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 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf) (<https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf>). 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 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf) (<https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf>), 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 five 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.
- i. No person will be permitted entrance to, or be assigned to, Government housing without signing an agreement, including a document specifying the method of payment and responsible party.
- j. No Federal employee may be assigned to Government housing without payment of rent through payroll deduction. No non-Federal person may be assigned to Government housing without payment of rent by the benefitting account.
- k. A full record of the findings and recommendations of the appraiser or area survey, as well as documentation to justify administrative adjustments will be kept.

3. RESPONSIBILITIES.

- a. **The Principal Executive Director, Office of Acquisition, Logistics and Construction (003)** shall delegate enterprise responsibilities for enterprise implementation of OMB Circular A-45 (Revised) and coordination of VA Quarters Management policy with VA Administrations and Staff Offices to Executive Director, Office of Construction and Facilities Management.
- b. **The Executive Director, Office of Construction & Facilities Management (003C)** shall:
 - (1) Establish overall quarters management policy and ensuring compliance with existing applicable laws and regulations;
 - (2) Oversee and review VA Housing Officer activities affecting the operation of rental quarters;
 - (3) In accordance with [OMB Circular A-45 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf) (<https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf>), appoint a VA Housing Officer within the Office of Real Property (003C7);
 - (4) Make a final determination on appeals; and
 - (5) Approve waivers and variances to VA policy consistent with applicable law and Federal regulations.
- c. **Under Secretaries, Assistant Secretaries and Other Key Officials** shall ensure compliance with quarters management policies for the programs under their jurisdiction. This includes:

- (1) Developing procedures, consistent with VA Quarters Management policy, to ensure decisions affecting the rental of quarters to employees are made in accordance with appropriate laws and regulations; and
 - (2) Coordinating and implementing compliance activities in accordance with this policy, including:
 - (a) Ensuring that field facility directors, Veterans Integrated Service Network (VISN) directors and district directors are aware of their responsibilities for quarters management.
 - (b) 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.
 - (c) 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.
 - (d) 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.
 - (e) Providing incentives to officials and employees to effectively integrate quarters management compliance and stewardship within the conduct of their missions.
 - (f) Ensuring that quarters management programs are efficiently and correctly evaluated during the reconfirmation of market-based rental rates pursuant to [OMB Circular A-45 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf) (<https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf>).
 - (g) Ensuring that funding requirements for quarters management programs are appropriately addressed in the budget process.
 - (h) 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. See Section 5, Procedures of VA Handbook 7631.
- d. **VISN directors, district directors, regional area office directors and field facility directors as directed by its leadership shall:**

- (1) Ensure that each field facility, district, or regional area office has quarters available for rent to employees has a plan for the implementation of effective quarters management practices in accordance with this directive; and
 - (2) Educate personnel in quarters management compliance requirements and pertinent procedures and methods.
- e. **Chief Academic Affiliations Officers** shall:
- (1) Approve no-cost housing arrangements for Without Compensation students or trainees; and
 - (2) Maintain records for review by the Executive Director, Office of Construction & Facilities Management or VA Housing Officer.
- f. **VA Housing Officer, also referred to as the VA Quarters Program Manager,** shall:
- (1) Administer VA's Quarters Management Program at the national level by providing guidance on program matters; and
 - (2) Maintain VA's nationwide internet Quarters Management Information System ([iQMIS](https://iqmis.ibc.doi.gov/iqmis/) (<https://iqmis.ibc.doi.gov/iqmis/>)) database.
- g. **Housing Officer Representatives** shall:
- (1) Coordinate and implement quarters management activities at the local level; and
 - (2) Update real-time data in iQMIS database.

4. REFERENCES.

- a. [38 U.S.C. 312A](http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title38-section312A&num=0&edition=prelim#:~:text=(a)%20In%20General%20.,(8)%20of%20title%205.) ([http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title38-section312A&num=0&edition=prelim#:~:text=\(a\)%20In%20General%20.,\(8\)%20of%20title%205.](http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title38-section312A&num=0&edition=prelim#:~:text=(a)%20In%20General%20.,(8)%20of%20title%205.)), "Director of Construction and Facilities Management."
- b. [5 U.S.C. § 5911](http://uscode.house.gov/view.xhtml?req=5+usc+59&f=treesort&fq=true&num=73&hl=true&edition=prelim&granuleId=USC-prelim-title5-section5911) (<http://uscode.house.gov/view.xhtml?req=5+usc+59&f=treesort&fq=true&num=73&hl=true&edition=prelim&granuleId=USC-prelim-title5-section5911>), "Quarters and facilities; employees in the United States."
- c. [OMB Circular A-11](https://www.whitehouse.gov/wp-content/uploads/2018/06/a11_web_toc.pdf) (https://www.whitehouse.gov/wp-content/uploads/2018/06/a11_web_toc.pdf), "Preparation, Submission and Execution of the Budget."

- d. [OMB Circular A-25 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2017/11/Circular-025.pdf) (https://www.whitehouse.gov/wp-content/uploads/2017/11/Circular-025.pdf), "User Charges."
- e. [OMB Circular A-45 \(Revised\)](https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf) (https://www.whitehouse.gov/wp-content/uploads/2019/11/Circular-A-45R.pdf), "Rental and Construction of Government Quarters."

5. DEFINITIONS. As used in this directive--

- a. **Agency.** 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. **iQMIS. Internet Quarters Management Information System** is the database used to set and calculate rent and check tenants in and out of rental quarters.
- 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.