



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON DC

09 JAN 2004

MEMORANDUM FOR ALMAJCOM/DP/DPC

FROM: HQ USAF/ADP
1040 Air Force Pentagon
Washington DC 20330-1040

SUBJECT: Air Force Policy and Guidance on Temporary Quarters Subsistence Expense (TQSE)

Attached for your information and use is the Air Force policy and guidance on the authorization of TQSE and extensions beyond the initial period. This guidance is to be used in conjunction with the Joint Travel Regulation, Volume 2, Chapter 13. The guidance contained in the attachment supersedes all previous policy letters issued by this office.

TQSE is a discretionary allowance, not an entitlement, which is intended to provide reimbursement for subsistence expenses "reasonably and equitably" incurred. TQSE should only be authorized when it is actually required and necessary. With today's technology, advance notification for new assignments, and round trip house hunting, 30 to 60 days of TQSE should be sufficient for employees to locate and settle into new permanent quarters. Employees must understand that TQSE extensions will only be approved on a case-by-case basis and only when "circumstances are beyond the employee's control" and are acceptable to the agency.

This Air Force policy and guidance will be posted on the AFPC Civilian Permanent Change of Station Home Page at <http://www.afpc.randolph.af.mil/dpc/pcs/pcs.htm>. The TQSE policy and guidance should be provided to employees who are making a permanent change of station move.

Questions from Civilian Personnel Flights on Air Force TQSE policy and guidance should be directed through the MAJCOM/FOA/DRU. Air Staff POC is AF/DPPCE at DSN 225-7186 or 224-9370.

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Assistant Deputy Chief of Staff,
Personnel

Attachment:
TQSE Policy Guidance

AIR FORCE POLICY GUIDANCE ON TEMPORARY QUARTERS SUBSISTENCE EXPENSE (TQSE)

AIR FORCE POLICY:

An organization, in the interest of the government that transfers an employee from one permanent duty station to another, may authorize "Temporary Quarters Subsistence Expense" (TQSE) allowances to help defray the costs when it is necessary for the employee and/or his or her dependents to occupy temporary quarters incident to the employee's transfer to a new duty station.

BASIS FOR ENTITLEMENT:

The source of this entitlement is Title 5, United States Code, Sections 5724 and 5724a. The entitlement is implemented in the Federal Travel Regulations (41 CFR Chapter 302) and the Joint Travel Regulations (JTR) Volume 2, Chapter 13. <http://www.dtic.mil/perdiem/jtr/jtr-c13.txt>, with case laws listed from General Services Administration Board of Contract Appeals (GSBCA) - <http://www.gsbca.gsa.gov/>.

PURPOSE:

TQSE allowance is a discretionary allowance, not an entitlement, that is intended to provide reimbursement "reasonably and equitably" for subsistence expenses incurred as a result of occupying temporary quarters while seeking a permanent residence in connection with the employee's transfer to a new duty station. TQSE is approved only for the time spent in temporary quarters that is actually required and necessary. The transferee (employee) is expected to act in a prudent manner and not incur unnecessary and unusual expenses - (GSBCA 15682-RELO). Likewise, the servicing Command/Base Civilian Personnel Flights (CPF), Branch Offices, officers and approving officials are also expected to act in a prudent manner when authorizing initial periods of TQSE and when recommending or approving requests for extensions.

TYPES OF SUBSISTENCE EXPENSE ALLOWANCES:

There are two different subsistence expense allowances prescribed:

- a. TQSE(AE). Actual expense reimbursement for subsistence expense allowances;
- b. TQSE(F). Fixed amount payment for subsistence expense allowances;

APPROVING OFFICIALS:

The authority to authorize and extend TQSE for employees is the authorizing/order-issuing official. The authorizing/order-issuing official is the official who directs travel and has responsibility for the funding. Responsibility for the issuance of PCS travel authorizations belongs to commanders who have received delegated authority to fill positions. For Non-Career Program moves, the employee's servicing CPF has the authority to authorize/extend TQSE. For Career Program moves, initial TQSE is authorized in the original travel orders approved by AFPC/DPKD. When an employee requests extension of TQSE, the servicing CPF will forward the request with a recommendation to the authorizing/order-issuing official, HQ AFPC/DPKD, Randolph AFB, TX. This official, in concert with the respective career program, will review the request and determine whether approval is warranted. Requests for extension of TQSE must include justification. The justification submitted by the employee will be a primary factor although the corresponding additional cost to the government will also be considered. The employee must demonstrate, in their justification, his/her prudent use of the initial period in seeking new quarters at the new duty station.

ELIGIBILITY:

- a. **Eligibility Conditions:** TQSE for the employee and/or each dependent, is authorized under the following conditions:
 - 1) the employee signs a written transportation agreement.
 - 2) a PCS is authorized/approved and the new PDS is located in the United States or in a non-foreign area (i.e., Alaska, Guam, Hawaii, etc).
 - 3) the old and new PDS are 50 or more miles apart. All measurements will be made according to Defense Table of Official Distances (DTOD) <http://dtod1.mtmc.army.mil/>.
- b. **Eligibility Exclusions:** TQSE is not authorized for:
 - 1) a new appointee assigned to a first PDS or an employee transferred to a foreign PDS;
 - 2) an employee performing renewal agreement travel, except when return is to an OCONUS PDS in a different town or city located in Alaska, Hawaii, U.S. territories and possessions, Commonwealths of Puerto Rico and the Northern Mariana Islands, or the former Canal Zone area;
 - 3) an employee assigned to an OCONUS PDS returning to place of actual residence for separation; or
 - 4) an employee authorized transportation for dependents and/or HHG to or from a training location instead of per diem or actual expense allowances while at the training location.

TQSE/Actual Expense (AE) - INITIAL PERIOD:

The authorizing/order-issuing official, not the employee, determines whether TQSE(AE) is warranted. If it is warranted, the TQSE(AE) should only be authorized for the time actually required.

- a. The initial authorization will be for the time period determined necessary by the authorizing/order-issuing official, not to exceed 60 consecutive days unless individual circumstances warrant a shorter period. TQSE(AE) will never exceed a total of 120 days.
- b. If a house-hunting trip (HHT) is authorized, the initial TQSE(AE) period will be reduced by the number of days used for the HHT.

EXTENSIONS OF TQSE BEYOND THE INITIAL PERIOD:

The approving official may, under certain circumstances, grant an extension for TQSE(AE) beyond the initial period. The maximum number of days of TQSE(AE) authorized by statute is 120.

APPROVAL CRITERIA FOR EXTENDING TQSE(AE) PAST THE INITIAL PERIOD:

The criteria for extending TQSE(AE) beyond the initial period shall be "uniformly applied". The authorizing/order-issuing official must determine there are "compelling reasons" for the continued temporary quarters occupancy. Extensions may only be granted on a case-by-case basis and in situations where there is a demonstrated need for additional time due to "circumstances beyond the employee's control and is acceptable to the agency". Circumstances that exist at the time of transfer, such as high cost of housing, high interest rates, or a poor housing market may not in themselves be sufficient to warrant extending the TQSE(AE) period.

SITUATIONS WHERE TQSE(AE) MAY BE EXTENDED:

The JTR lists examples of "compelling reasons" or "circumstances", which might be considered as beyond the employee's control, although they are not all inclusive. We have listed additional situations where an employee might be entitled to a TQSE(AE) extension as determined by the local authorizing official, who is recognized to be in the best position to make determinations of this nature.

- a. The employee contracts to build a home or buy a home under construction and the contract establishes a completion date within the initial TQSE period. If the completion date slips due to unforeseen circumstances beyond the employee's control, the TQSE period may be extended. TQSE may not be extended if the delay is caused by buyer changes to the specifications.
- b. The employee applies for a mortgage to purchase a home and has sufficient time remaining on the initial TQSE period to allow for normal loan processing. If the mortgage delays settlement beyond the normal processing time, the TQSE period may be extended. Normal processing time is 30 days. However, if the employee is informed by the mortgage company that an excessive processing period is required because of the special type of mortgage applied for, this is not considered to be "circumstances occurring during the initial TQSE period" and an extension shall **not** be granted.
- c. The shipment and/or delivery of household goods to the new residence are delayed due to extended transit time upon return from overseas, strikes, weather, etc. Employees are expected to make arrangements for delivery of their household goods in sufficient time to have them delivered within the initial period.
- d. Sudden illness, injury, or death of employee or immediate family member.
- e. Lack of suitable housing at the new duty station (the employee must show that quarters are not available to either purchase or rent). High cost of housing and personal preferences that are not justified, such as minimum square footage or a garage, may not be used to support an extension request (GSBCA 15455-RELO & 15687-RELO).
- f. An employee who rents temporary quarters until they can find suitable permanent quarters, and has a partial delivery of HHGs or does not unpack most of the HHGs may be authorized a TQSE(AE) extension). The determination as to whether the quarters were initially temporary in nature is based on the intent of the employee at the time he/she moved into the dwelling (GSBCA 16089-RELO).

EXAMPLES WHERE TQSE MAY NOT BE EXTENDED:

- a. Failure to sell home at the old duty station, regardless of the market conditions. A homeowner generally has some control over ability to sell residence -- primarily by reducing the sale price, modifying other terms of prospective sale, and improving the appearance of the house. Changes in market conditions are not usually catastrophic events, and when they occur at an employee's old duty station they can hardly be said to affect the physical availability of permanent housing at the new station (GSBCA 14654-RELO & 14294-RELO).
- b. The employee is having a home built with the completion date as specified in the contract beyond the initial TQSE period (GSBCA 14663-RELO & 15180-RELO).
- c. The employee purchases a residence and accepts the seller's closing date outside the initial TQSE(AE) period unless the employee can provide extenuating circumstances outside of the employee's control. The nature of the housing market, timeframe of relocating, or how soon the contract was signed from the date of PCS may not alone be sufficient to approve. The employee still has the control of signing the contract (GSBCA 15832-RELO & 15064-RELO).

- d. The employee elects to leave the household goods in the former residence to increase the likelihood of sale or the employee does not make arrangement for the delivery of household goods from temporary storage. This is a personal choice and is not beyond the employee's control.
- e. The employee elects to rent a home/apartment while looking for a home to purchase. Quarters rented on a one-year lease could be considered to be permanent. Whenever an employee rents temporary quarters on other than a month-to-month basis, the employee must be prepared to demonstrate that the intent is to occupy those quarters temporarily (GSBCA 15424-RELO, 15986-RELO, & 15999-RELO).
- f. Agencies are not authorized to pay TQSE(AE) of a transferring employee once that employee has occupied permanent quarters. The occupancy of temporary quarters which eventually become the employee's permanent residence will not necessarily preclude payment of TQSE(AE) if the employee can show, in a manner satisfactory to the agency, quarters are initially intended to be occupied temporarily. Generally, the types of factors impacting approval include considerations such as the duration of lease, movement of household effects into the quarters, type of quarters, expressions of intent, attempts to secure a permanent dwelling, and the length of time the employee occupies quarters (GSBCA 15940-RELO & 14592-RELO).
- g. Generally, when an employee undertakes to rent a house at the same time he or she has arranged to purchase it, the period for which the house is rented cannot be regarded as temporary occupancy and TQSE may not be paid for that period (GSBCA 15940-RELO & 14157-RELO).
- h. The employee delays settlement to allow time for the occupants to vacate the property, or delays occupancy to complete repairs, paint, etc. These are done for personal reasons and are not considered to be beyond the employee's control. This is different than delayed occupancy of the new quarters because of unanticipated problems as stated in the JTR (GSBCA 15481- RELO).
- i. The employee does not actively seek a permanent residence during the initial TQSE period.

REQUIRED DOCUMENTATION

To clearly demonstrate the need for a TQSE extension the employee must submit the following information and documentation:

- a. Date the employee reported for duty at the new permanent duty station.
- b. Date employee began TQSE.
- c. Date employee's dependents began occupying temporary quarters and qualifying for TQSE.
- d. Number of days initially authorized for TQSE.
- e. Number of days taken for a househunting trip, if any.
- f. Anticipated date of occupancy of permanent quarters based on any specific authority?
- g. Number of day's extension requested.
- h. Copy of the contract to purchase or lease permanent quarters showing closing or occupancy date.
- i. If request is based on delay in delivery of household goods, a statement from the Traffic Management Office showing when household goods were picked up and anticipated date of

receipt. If applicable, this should include a statement explaining the delay in delivering out of temporary storage.

- j. If request is based on delay in processing mortgage application, a statement from the mortgage company showing when the employee applied for the mortgage, the normal processing time, and the reason for the delay.
- k. Other supporting documentation as deemed appropriate by the employee or agency.

TQSE FIXED – TQSE(F)

The order-authorizing official may offer employees a fixed amount to cover TQSE up to 30 days, if warranted, on a case-by-case basis. TQSE(F) is a flat rate payment based on the locality per diem rate where temporary quarters are occupied in the United States (CONUS) or in a non-foreign (OCONUS) area that is intended to reimburse an employee for subsistence expenses incurred when it is necessary for the employee and/or dependents to occupy temporary quarters.

The determination to offer TQSE(F) may be based on factors to include ease of administration and relative cost considerations. Ease of administration for TQSE(F) reimbursement is based on elimination of expense review because receipts and supporting documents are not required. Relative cost consideration for TQSE(F) is based on the locality per diem rate for 30 days versus possible payment under TQSE (AE) of the standard CONUS rate for up to 120 days.

If the order-authorizing official offers the employee the option of a TQSE(F) reimbursement, the employee must choose between TQSE(F) and the TQSE(AE) method of reimbursement. The TQSE(F) method of reimbursement option is only an offer. The employee *is not obligated* to accept the TQSE(F) option and cannot be denied TQSE(AE) if the employee does not want TQSE(F).

NOTE: Once the employee has selected a method of reimbursement, the selection shall not be changed except where there are errors apparent on the face of the original orders or where all the facts and circumstances surrounding the issuance of the original orders clearly demonstrate that some provision which was previously determined and definitely intended had been inadvertently omitted in their preparation. (GSCBA –15902-RELO)

ADMINISTRATIVE APPEAL PROCESS:

Non-Career Program employees may appeal TQSE determinations to their servicing major command (MAJCOM) and then to HQ USAF/DPPCE, 1040 Air Force Pentagon; Washington DC 20330-1040. Career Program employees may appeal TQSE determinations to AFPC/DPKD and then to HQ USAF/DPPCE. Appeal packages must include the request, accompanying justification, and all decisions made by lower administrative levels. Employees who are dissatisfied with the administrative determination may file an appeal claim with: Board of Contract Appeals; General Services Administration (GSA); Room 7022; 1800 F Street, N.W.; Washington DC 20405 IAW procedures listed at <http://www.gsbca.gsa.gov/>. Recommend employees submit appeals to HQ USAF/DPPCE prior to sending to GSA.