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Opportunity For Savings
In The Management Of
Bachelor Officers' Quarters
In The Department of Defense

B-133316

UNITED STATES
GENERAL ACCOUNTING OFFICE

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MARCH 2, 1972



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

DEFENSE DIVISION

B-133316

Dear Mr. Secretary:

The General Accounting Office has examined into the manner in which the military services implemented Department of Defense (DOD) Instruction 4165.47 dated April 6, 1967. This instruction authorized minimum standards of adequacy for involuntary assignment of bachelor officers' quarters (BOQ), including assignment of all military personnel in a travel status as well as unaccompanied married personnel.

Our examination included a comparison of the regulations issued by each of the military services to implement the DOD instruction. Also we visited selected military installations during fiscal year 1971, to review the actions taken by local commanders in compliance with their respective services' regulations. (See app. I.)

Implementation of the DOD instruction brought about a general reclassification from adequate to inadequate for a significant number of bachelor housing units. This change emphasized the need for local commanders to use the most effective and economical means for providing housing for the above classes of military personnel.

Since the number of available bachelor housing units was reduced, many military personnel, particularly those on temporary duty (TDY), were permitted to obtain their lodgings off base. This resulted in a substantial increase in the total amount of basic allowance for quarters (BAQ) and per diem being paid at many installations. The increased cost of housing military personnel was especially noticeable at locations where large numbers of officers were temporarily assigned to attend courses of instruction lasting from 30 to 120 days.

At the installations visited we found that the individual service regulations generally complied with the intent of the DOD instruction. We noted, however, some exceptions to the uniform implementation of the instruction and other matters which we believe should be brought to your attention. Details of these matters follow.

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STANDARDS FOR HOUSING OFFICERS
DIFFER AMONG MILITARY SERVICES

We noted differences among the military services in the implementation of DOD Instruction 4165.47 regarding minimum standards for housing officers on TDY. The DOD instruction provides that, for all officers in a travel status, the authorized minimum accommodations in a permanent or semipermanent facility consist of an unshared combination sleeping-living room and a bath.

The implementing Army regulation includes an exception to the standard regarding the housing of officers on TDY. This regulation states that:

"*** until such time as adequate quarters have been constructed, TDY personnel may be required to occupy an unshared sleeping/living room with a gross living area of approximately 300 square feet with a bath shared by not more than one other person in a permanent or semi-permanent facility if such quarters have been designated as VOQ [visiting officers' quarters] and meet the common standards of adequacy as prescribed."

The related Air Force regulation is comparable to the Army's; however, the Navy and Marine Corps regulations do not include the exception outlined above. We discussed this matter with Navy and Marine Corps officials who indicated that it would be feasible to adopt the exception features of the Army and Air Force regulations. It was conceded that this action could provide installation housing to accommodate additional TDY personnel when necessary and could result in reduced expenditures for BAQ and per diem.

We suggest that you consider these differences among the service regulations, to determine whether the exception features of the Air Force and Army regulations comply with the intent and purpose of DOD Instruction 4165.47. We believe that, in the event you agree that the implementing regulations issued by these two military departments support the objectives of the instruction, the Navy and Marine Corps regulations should be revised, for the sake of uniformity, to incorporate the exception features of the Air Force and Army regulations regarding shared accommodations.

ACTIONS TAKEN AT INSTALLATION LEVEL
WERE GENERALLY IN ACCORD WITH REGULATIONS
IMPLEMENTING DOD INSTRUCTION 4165.47

At the installations visited we found, in general, that the responsible commanding officers had complied with regulations implementing DOD Instruction 4165.47 to upgrade the standards of adequacy. As a result significant numbers of housing units were declared inadequate for involuntary occupancy. We inspected these units and found that the housing units, with exceptions at two locations, did not meet DOD's minimum standards of adequacy. Details of the exceptions noted follow.

Naval Air Station (NAS), Memphis, Tennessee

There are 150 BOQ units at NAS that are housed in a single facility of semipermanent construction. This facility has been declared inadequate for involuntary occupancy. The units, however, are occupied on a voluntary basis by officers on permanent assignments at the installation and by reservists on duty during weekends. We inspected this facility and noted that 129 units provided for shared accommodations and therefore did not meet minimum housing standards. The remaining 21 units, however, each provide a sitting room, bedroom, and private bath. These unshared accommodations meet DOD's minimum standard for housing; therefore it appears that these units should be declared adequate for involuntary occupancy.

NAS officials agreed that the 21 units providing unshared accommodations physically met the minimum standards for adequate housing. They explained, however, that the units had been declared inadequate due to the austere design and other deficiencies in the building. Later, after giving further consideration to the facts surrounding the determination, Navy officials agreed to redesignate the 21 units as adequate for involuntary occupancy.

Marine Corps Base, Quantico, Virginia

Two BOQ facilities at this Marine Corps Base were determined to be inadequate for involuntary occupancy as a result of DOD Instruction 4165.47. These facilities are of a permanent-type construction and include accommodations as follows:

1. 22 units having bedrooms, living rooms, and private baths.
2. 55 single bedrooms having shared adjoining baths.
3. 63 single bedrooms having use of a community bath.

These facilities were declared inadequate because of the ages and locations of the buildings. Marine Corps regulations permit the installation commander to declare the facilities inadequate if, in his judgment, such factors render them inadequate. These inadequacy determinations, however, are required to be forwarded for review to the Commandant of the Marine Corps. We found that this latter requirement had not been complied with.

We discussed this matter with Marine Corps officials who agreed that the inadequacy determinations had not been reviewed by higher authority, contrary to the regulations. They agreed also that the inadequacy determinations were questionable, and they advised us that they would inspect the facilities to determine whether some units could be redesignated as adequate for involuntary occupancy.

We suggest that you initiate action to obtain assurance that the military services comply with the requirements of DOD Instruction 4165.47 regarding inadequacy determinations by installation commanders that are based on considerations other than the minimum standards of adequacy, such as noise, overall building conditions, or location.

POLICIES AND PRACTICES
FOR ASSIGNMENT TO BOQ FACILITIES
DIFFER AMONG MILITARY SERVICES

We found that the military services followed different policies and practices in the assignment of officers to available BOQ facilities. The principal differences relate to priorities in assigning available BOQ facilities to officers on TDY and to those permanently assigned at installations. The Air Force has assigned a priority for accommodating TDY personnel in BOQ facilities; however, the reverse is true for the other services. The Army, Navy, and Marine Corps each have adopted a policy of providing BOQ facilities initially to permanent-party personnel and of assigning remaining units to TDY personnel.

We were advised by Army, Navy, and Marine Corps officials that the assignment policies adopted by these services were based on the fact that permanent-party personnel usually were assigned to installations for extensive periods of time. They expressed an opinion that therefore permanent-party personnel should be given a preference for residing on base as a means of maintaining good morale.

We were advised that the Air Force assignment policy had been adopted to realize reductions in per diem costs and to provide housing to TDY personnel who usually had only limited periods of time in which to locate and acquire suitable housing off base.

Army, Navy, and Marine Corps officials advised us that they believed that there would be morale problems if TDY personnel were given priority for assignment to available onbase housing. They could not provide us with any studies or research data to substantiate this anticipated problem. Air Force officials advised us that they had received no indications of adverse morale resulting from that Department's assignment policy. Further details illustrating differences in assignment policies adopted by the departments are included in appendix II.

There is a significant difference in the costs of providing housing to TDY and permanent-party personnel. Generally, when TDY personnel are not provided with Government accommodations, they are paid a per diem allowance to acquire housing and subsistence off base. This allowance exceeds the BAQ paid to permanent-party personnel when they are required to obtain accommodations off base because BOQ facilities are not available.

On the basis of allowance rates in effect at the time of our fieldwork, this difference could be as much as \$4,000 a year for one officer. From the standpoint of cost, therefore, it is to the Government's advantage to accommodate TDY personnel in available BOQ facilities when the rate of occupancy of these facilities is sufficient and when suitable housing is available to adequately house permanent-party personnel in the civilian community.

At a number of installations visited, we found that economies in housing costs could be realized because TDY personnel were present in sufficient numbers for extended periods of time. Our reviews of occupancy data for BOQ facilities at these installations showed that relatively high occupancy rates could have been maintained by the assignment of TDY personnel in lieu of permanent-party personnel to these facilities. This action would have resulted in significant per diem savings and in an overall reduction in the cost of providing housing to both TDY and permanent-party personnel.

We estimated that this reduction would aggregate about \$1.3 million annually at the installations we visited. The following example illustrates these potential economies.

Fort Benning, Georgia

Fort Benning had 1,431 BOQ units that met the minimum standards of adequacy as prescribed by Army Regulation 210-16, dated June 18, 1970. Of the 1,431 BOQ units, 283 were reserved for and were occupied by permanent-party personnel.

Although most of the available BOQ facilities were occupied by student officers on TDY, our review showed that there was a sufficient number of TDY personnel at Fort Benning to provide an annual occupancy rate of 96 percent for all BOQ facilities--excluding 80 units occupied by personnel who, we were advised, might be required to be housed on the installation. Also Fort Benning officials advised us that adequate facilities were available in the civilian community to accommodate demands for offbase housing.

Therefore we believe that 203 BOQ units currently occupied by permanent-party personnel can be redesignated for occupancy by TDY personnel. We estimated that annual savings of \$560,000 would result from this action. Details of our estimate are included in appendix III.

As noted the Air Force adopted a policy regarding priority of assignments of personnel to BOQ facilities that differed from related policies adopted by other military services. We visited three Air Force installations and found that quarters assignments to personnel were made in accordance with established priorities. Generally each installation followed the practice of providing available BOQ

facilities first to TDY personnel and then to permanent-party personnel.

At one installation (Wright-Patterson Air Force Base, Ohio), we found that 124 of 609 adequate BOQ units had been designated for occupancy by permanent-party personnel; however, our review showed that, in accordance with Air Force regulations, the total number of TDY personnel at the installation justified redesignating 36 of these units for their use. We discussed this matter with installation officials who concurred in our conclusion and who took action to designate 36 additional units available for occupancy by TDY personnel. We estimated that annual savings of \$100,000 in per diem and other allowances could result.

In view of the above illustrations, we believe that significant economies in the cost of providing housing can be realized. Therefore we believe that you should assess the policies adopted by the military services for the assignment of personnel to BOQ facilities, to make sure that the most effective and economical practices are uniformly followed.

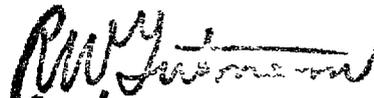
We shall appreciate receiving your comments regarding any actions you take on these matters.

Copies of this letter are being sent to the Director, Office of Management and Budget; the Secretaries of the Army, Navy, and Air Force; the Commandant of the Marine Corps; and the House and Senate Committees on Appropriations, Government Operations, and Armed Services.

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Sincerely yours,



Acting Director
Defense Division

The Honorable
The Secretary of Defense

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INSTALLATIONS VISITED DURING REVIEW
OF IMPLEMENTATION OF DOD INSTRUCTION 4165.47
BY MILITARY SERVICES

AIR FORCE:

Keesler Air Force Base, Mississippi
Perrin Air Force Base, Texas
Wright-Patterson Air Force Base, Ohio

ARMY:

Fort Sam Houston, Texas
Fort Benning, Georgia
Fort Benjamin Harrison, Indiana
Fort Knox, Kentucky

NAVY:

Naval Air Station, Memphis, Tennessee
Naval Air Station, Miramar, California

MARINE CORPS:

Marine Corps Base, Quantico, Virginia

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APPENDIX II

ORDER OF PRIORITIES ADOPTED BY MILITARY SERVICES
FOR ASSIGNMENT OF PERSONNEL TO BOQ

<u>Priority</u>	<u>Air Force</u> (Air Force Manual 30-7 dated January 1, 1970)	<u>Army</u> (Army Regulation 210-16 dated June 18, 1970)	<u>Navy</u> (Naval Operations Instruction 11012.2A dated September 28, 1967)	<u>Marine Corps</u> (Marine Corps Order 11012.7B dated March 18, 1971)
1.	Assign units to TDY personnel to the extent that the units provide a minimum annual occupancy rate of 65 percent	Provide permanent-party personnel without dependents with the option to reside in BOQ	Provide permanent-party personnel without dependents with the option to reside in BOQ	Provide permanent-party personnel without dependents with the option to reside in BOQ
2.	Assign remaining units to permanent-party personnel without dependents	Provide permanent-party personnel separated from dependents with the option to remain in BOQ	Provide permanent-party personnel separated from dependents with the option to remain in BOQ	Assign remaining units to TDY personnel
3.	Provide remaining units to permanent-party personnel separated from their dependents	Assign remaining units to TDY personnel	Assign remaining units to TDY personnel	Provide remaining units to permanent-party personnel separated from dependents

Note: In addition to requiring the above, regulations for all the military services provide that personnel required to reside on the installation because of military necessity be given priority for assignment to available quarters.

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ESTIMATED ANNUAL SAVINGS THAT MAY BE REALIZED
 BY DESIGNATING 203 BOQ UNITS FOR OCCUPANCY
 BY TDY PERSONNEL AT FORT BENNING

Annual cost for one officer on TDY at Fort Benning to reside off the installation:		
\$19 per diem rate X 360 days		\$ 6,840
Annual cost for one officer on TDY at Fort Benning to reside on the installation:		
\$5.50 per diem rate X 360 days	\$1,980	
\$2 daily service charge X 360 days	<u>720</u>	<u>2,700</u>
Difference		4,140
Less estimated average annual BAQ for one officer on permanent duty to reside off the installation:		
\$105 a month X 12 months		<u>1,260</u>
Difference		<u>2,880</u>
Annual savings (\$2,880 X 203 spaces X 96-percent occupancy rate)		<u>\$561,254</u>

Notes:

1. Officers on TDY who reside off the installation because adequate quarters are not available are entitled to a BAQ. At Fort Benning this allowance averages \$85 a month. We did not include this cost factor in our computations because information was not available to identify those who were receiving BAQ prior to their TDY assignment at Fort Benning, such as members receiving BAQ for dependents not residing on the installation at the permanent-duty station and those who began receiving BAQ because adequate quarters were not available upon assignment at Fort Benning. Therefore our estimate of annual savings is conservative.
2. We did not include an estimate for mileage allowed to TDY personnel residing off the installation because the amount involved is not readily determinable. Since mileage is not allowed to permanent-party personnel residing off the installation, our estimate of annual savings again is conservative.
3. All computations are based on allowances payable prior to November 14, 1971, the effective date of allowance increases authorized by Public Law 92-129, approved September 28, 1971.

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