



General and Flag Officer Quarters (GFOQ) Lay Down

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General and Flag Officer Quarters

Purpose

To provide an overview of Army GFOQ management

BLUF

- Congressional interest and focus on GFOQ management, and the high costs of operations, maintenance, and repairs require extensive management
- OACSIM provides GFOQ policy, programming, and oversight of all quarters occupied by General Officers with associated Appropriated Fund expenditures.



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GFOQ Goals

- Provide adequate housing to Soldiers and their families
- Implement Congressional directives
- Demonstrate good stewardship of resources



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- **All quarters occupied by General Officers are subject to statutory spending thresholds and reporting requirements for appropriated fund expenditures.**
- **This includes privatized Executive Homes with appropriated fund expenditures (mostly for Furnishings), Government Owned GFOQs, Government Leases, and AFH GFOQ Diverted to Unaccompanied Personnel Housing**



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Army GFOQ Strategy

- Privatize where feasible
 - Nearly all domestic Army installations that have GFOQs have been or are scheduled for privatization, resulting in approximately 150 GFOQs privatized by 2010
 - The Army is developing a strategy for the family housing inventory at small installations that cannot be privatized through traditional RCI
 - The strategy may entail using other authorities to achieve some level of privatization of housing at these small installations, thereby reducing the annual cost to operate and maintain these GFOQs
 - These small installations include Fort Myer (29 GFOQs), Fort McNair (15 GFOQs), Natick Soldier Systems Center (1 GFOQ), and Rock Island Arsenal (1 GFOQ increasing to 8 GFOQs due to BRAC 2005)



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Army GFOQ Strategy (continued)

- Eliminate or convert to alternative uses if practicable
 - Rock Island Quarters 1 was included in an Enhanced Use Lease awarded to the Rock Island Golf Course in December 2006
 - 31 GFOQs are scheduled for closure under BRAC 2005
 - Conversion to other uses may be limited due to several factors:
 - Location on a military post restricts the choices for alternative uses
 - Opposition from State Historical Preservation Offices (SHPO) if the appearance/nature of the structure is changed or replaced
 - Alternative uses may require significant interior/exterior work (especially changes in floor plan, amenities, functional requirements, or structural changes) whose costs exceed a whole-house renovation
 - In rare cases, increasing the number of personnel in a structure may trigger a requirement for additional Anti-Terrorism/Force Protection measures that are not needed for single-family homes



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Army GFOQ Strategy (continued)

- After BRAC and additional privatization/divestiture of GFOQs, the Army will continue to operate, maintain, and repair any remaining GFOQs
 - Ensuring that they are safe, sanitary, and adequate
 - Able to meet security and representational requirements of the personnel assigned to those quarters
 - Meet the Army's responsibility to preserve and maintain historic GFOQs in accordance with the National Historic Preservation Act, P.L. 89-665, as amended
 - Many of the projected remaining domestic GFOQ were constructed prior to current size standards, are generally larger than contemporary structures, older and less energy efficient



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Europe Strategy

- Develop plan to divest of extremely expensive High Cost Leases.
 - Congress has considered establishing a cap on High Cost Leases of \$60K.
 - ACSIM requested \$8 Million in POM FY 12 to construct 7 homes to replace HCL's in Brussels.
 - As of FY 08, all foreign High Cost Leases require a 21 day notify and wait period.
 - Legal opinion in FY 08 determined that make ready costs for High Cost Leases count against the \$35K limit.



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GFOQ Inventory

- Pre-1999 ± 323
- Beginning of FY07 ± 199
- Beginning of FY 08 ± 189
- Scheduled for privatization by 2010 - 16
- BRAC 2005 closures by 2011 - 31
- Final anticipated inventory ± 142
(after privatization – 53 owned & 7 leased CONUS / 82 OCONUS)



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GFOQ Statistics

- Average Age 72 years
- Average Size (1,496 NSF – 11,011 NSF) 3,428 NSF
- Historic 54%
- Average FY07 O&M per unit \$36,153
 - O&M Total of \$ 8,098,307 for 224 GFOQs
- Average FY06 O&M per unit \$35,070
 - O&M Total of \$7,821,300 for 223 GFOQs
- Average FY05 O&M per unit \$34,560
 - O&M Total of \$8,329,100 for 241 GFOQs



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GFOQ Statistics- Europe

- Median Age: 52 years
 - (from 6 to 138 years old)
- Median Size (1,023 NSF – 10,010 NSF) 1,650 NSF
- Historic (Five ~100+ years) 7%
- Average FY07 O&M per unit \$52,350
 - O&M Total of \$ 3,716,883 for 71 GFOQs
- Average FY06 O&M per unit \$42,055
 - O&M Total of \$2,523,300 for 60 GFOQs
- Average FY05 O&M per unit \$42,098
 - O&M Total of \$2,736,400 for 65 GFOQs-



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Army GFOQ Management System

- Entire management system is web-based
- Six year plans are required for each GFOQ
 - Submitted annually by each site (only for appropriated funds at privatized installations – usually furnishings)
 - Reviewed/approved by respective Regions and then IMCOM / HQDA
- Quarterly Cost reports are a new requirement
 - Previously only annual submissions at end of year for total expenditures.
 - Regions review/approve 1st, 2nd, 3rd quarters
 - IMCOM / HQDA can view these, but does not approve
 - 4th quarter requires IMCOM / HQDA review/approval



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ARMY POLICY

- Administrative - Army
 - Thresholds
 - \$25K M&R threshold for installations/regions/IMCOM
 - \$20K for single maintenance project
 - \$3K incidental improvement threshold
 - Reporting Requirements
 - 6YPs
 - Quarterly expenditure reports (in addition to the annual end of year required by Congress)



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ARMY POLICY ON FURNISHINGS

- Furnishings are a cost item in the AFHO account (1913)
 - Furnishings are included in the O&M expenditure thresholds and reporting requirements
 - Includes acquisition, maintenance, drayage and repair of household equipment (appliances), furniture, window treatments, area rugs, and special allowance items (table linens, dishes, glassware, silver, and kitchen utensils)
 - Does not include
 - Floor repairs, wall to wall carpet, permanently installed window coverings such as blinds and shutters, decorative items.
 - Special allowance items have an initial issue expenditure cap of \$16,000, and an annual cap of \$2,000
 - Includes repair and replacement of special allowance items
 - Additional functional items needed specifically for official entertainment purposes as an exception to policy. Must be approved by HQDA.
 - Authorized items are listed in AR 420-1 and CTA 50-909



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ARMY POLICY ON FURNISHINGS

- FY 09 6 Year Plan Submittal provides opportunity to program for specific furnishings items.
- Furnishings approval authorities in AR 420-1 Table 3-20 page 141 are incorrect.
- Currently, approval for all Furnishings requests is ACSIM.
- Beginning in FY 09, approval authority for all routine repair/replacement furnishings items that have been included in the 6 Year Plan submittal will be delegated to the IMCOM Region.
- 6 Year Plan will be due 20 Jun 08.



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ARMY POLICY ON FURNISHINGS

	Special Command Positions (US) & SMA	Special Command Positions (Overseas)	GFOQ (US) /Privatized Exec Home (GO occupant)	GFOQ (Overseas)	Installation Commanders (COL)	Special Command Sergeant Majors
Equipment						
Double-oven cooking range (1)	Y	Y	Y	Y	Y	Y
Two refrigerators (2, 1-with icemaker)	Y	Y	Y	Y	Y	Y
Food Freezer (1)	Y	Y	Y	Y	Y	Y
Built-in dishwasher (1)	Y	Y	Y	Y	Y	Y
Carpet shampooer (1)	Y	Y	Y	Y	Y	Y
Microwave oven (1)	Y	Y	N	Y	N	N
Fireplace ensemble (1-per open fireplace)	Y	Y	Y	Y	Y	Y
Clothes washer (1)	Y	Y	N	Y	N	N
Clothes dryer (1)	Y	Y	N	Y	N	N



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Furnishings						
Area rugs (as required in official entertainment areas) - Project	Y	Y	Y	Y	Y	Y
Draperies and/or sheers (as required in official entertainment areas)	Y	Y	Y	Y	Y	Y
Draw curtains in place of shades or blinds (per window or sliding glass door) - Project	1 set	1 set	1 set	1 set	1 set	1 set
Draperies, bomb blast, in place or standard window coverings identified above (per window or sliding glass door) - Project	1 set	1 set	1 set	1 set	1 set	1 set
Lawn/patio furniture	N	Y	N	Y	N	N
Beds (mattresses/box springs, as required)	N	Y	N	Y	N	N
Mattresses (single, double, queen, as required)	N	Y	N	Y	N	N
Pad, mattress (1-per mattress)	N	Y	N	Y	N	N
Pillow (1-per person)	N	Y	N	Y	N	N
Chest of drawers (1-per bedroom)	N	Y	N	Y	N	N
Dresser (1-per bedroom)	N	Y	N	Y	N	N
Table, night (1-per bed)	N	Y	N	Y	N	N
Light, table (2-per night table)	N	Y	N	Y	N	N



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ARMY POLICY ON FURNISHINGS

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<u>Furnishings</u>						
Sofa in place of two straight chairs (2-per living room)	N	Y	N	Y	N	N
Chair, straight (2-per living room)	N	Y	N	Y	N	N
Table, end (1 set per living room)	N	Y	N	Y	N	N
Table, dining and chairs (1-per dining room)	N	Y	N	Y	N	N
Hutch (1-per dining room)	N	Y	N	Y	N	N
Server (1-per dining room)	N	Y	N	Y	N	N
Table, kitchen (1)	N	Y	N	Y	N	N
Table, pivot top (as required)	N	Y	N	Y	N	N
Rugs, sized (as required)	N	Y	N	Y	N	N
<u>Special Allowance Items</u>						
China	Y	Y	N	N	N	N
Crystal	Y	Y	N	N	N	N
Silver flatware	Y	Y	N	N	N	N
Silver hollowware	Y	Y	N	N	N	N
Special utensils	Y	Y	N	N	N	N



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Expediting Furnishings Requests

- Make sure funds are available to support request. ACSIM does not hold back funds.
- Provide a furnishings management plan with the request.
- Provide all of the relevant facts and substantial justification in the request including alternate options/costs; how was the vendor selected (ie., GSA schedule, lowest bid, etc.) justification for the recommended COA (buy new vs. repair/refinish); necessary backup documentation – be prepared to offer translations if not in English or German); price quotes; etc.
- Avoid combining unrelated issues into one request if possible.



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POLICY

- Congressional
 - Expenditure Threshold - \$35,000 Operations/Maintenance (excluding utility costs and lease costs) (AR 420-1 incorrect)
 - Includes Lease Make Ready Costs and most Security Costs
 - Does not include Mission Communications Equipment
 - Reporting Requirements
 - Service report of total year expenditure for each GFOQ
 - Listing of all GFOQ anticipated to exceed \$35K O&M and \$35K M&R
 - At least a year in advance with the budget submittal
 - “Notify and Wait” - During that year for any additional expected to exceed (out of cycle request)
 - As of FY07 new requirement to list separately all Army controlled GFOQ exceeding 6,000 NSF
 - Requires listing proposed alternative uses and justification why GFOQ is being retained as AFH



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Recent Congressional Actions

- FY07 Request
 - Congress reduced request for major interior/exterior repairs to EUCOM Deputy Commander's GFOQ at 39 Richard Wagner Strasse from \$2.172M to \$960K for interior repairs only
 - EUCOM agreed to pursue host nation funding for exterior repairs
 - Congress adds new reporting requirement for GFOQs exceeding 6,000 NSF
- FY08 Request
 - Congress expands notification requirement to 21 day notify and wait provision for all High Cost leases, including new or renewal leases.



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Management Challenges

- Strict funding and reporting requirements
 - Limited flexibility.
 - High barriers for out-of-cycle funding requests
 - Housing managers either tend to over-program to avoid being short of necessary resources, or under-program to avoid scrutiny of over-\$35,000 O&M or M&R requests.
 - Meticulous cost accounting requirements for all expenditures against quarters to include security costs, lease start up costs.
 - Exercise caution– do not be “creative” in interpreting GFOQ funding guidelines to avoid Anti-Deficiency Act Violation.

Often insufficient or erratic funding

- Forces garrisons to defer essential M&R from year to year
- Creates “break and fix” maintenance behavior



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Near-term Challenges in Europe

- High-cost leases in Belgium and the Netherlands.
- Impact of currency exchange rate on costs. Need to program appropriately on M&R side to avoid an out of cycle.
- Final Stationing of USAREUR to Wiesbaden.
- Final Stationing for AFRICOM
- Strategy to expend funds appropriately which both meet short term requirements and prepare to meet end state GFOQ needs.
- Ensuring that occupants are protected in an environment with changing Personal Vulnerability Assessments.



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Questions



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Backup



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Final Inventory Locations

- Fort Myer - 29
- Fort McNair - 15
- Rock Island Arsenal – 8 (includes 7 additional GFOQs due to BRAC 2005)
- Natick Soldier Systems Center – 1
- Miami - 7
- Europe ~ 55+
 - Belgium – 13
 - Netherlands – 2
 - Italy – 1
 - Germany – approximately 40+
 - Bamberg -1
 - Baumholder – 1
 - Garmisch – 2
 - Grafenwoehr – 1
 - Heidelberg – 15 (will decrease due to USAEUR relocation)
 - Stuttgart – 18 (will increase due to AFRICOM, final number tbd)
 - Wiesbaden – 3 (will increase due to USAEUR relocation, final number tbd)
- Korea – 22
- Japan - 1



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SPECIAL COMMAND POSITIONS (SCP)

- These are positions where the public relations responsibilities require the incumbent to represent US interests in official and social entertainment activities
- The Director of Administration and Management (DA&M), Office of the Secretary of Defense (OSD), is responsible for the establishment of SCP
- DoD Directive 1100.12 is the primary policy document for SCP
 - Sec. 3.1.1 - position is a general, flag officer, or civilian official of equivalent rank (O-10)
 - Sec. 3.2 - for positions of lesser rank, one of the following criteria must apply:
 - Sec. 3.2.1 - position is directly responsible to SecDef or SecArmy
 - Sec. 3.2.2 - requires the position to be the top US representative in an international, political, or military group
 - Sec. 3.2.3 - position is the head of a DoD or Army Service college or academy