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Chapter 3

ALLOWANCES and BENEFITS

Allowances exist as incentives for overseas service and as assistance to Foreign Service families in meeting the expenses incurred in moving and living overseas. All allowances, except the Subsistence Expense Allowance (SEA) during an evacuation, are payable to the *employee* only. Some allowances and benefits are not subject to federal income tax. However, Post Differential, Difficult to Staff Incentive Differential, and Danger Pay are considered extra compensation and are subject to tax. They are included in gross income on the employee's Form W-2.

The allowances discussed below are followed by a reference number from the *Department of State Standardized Regulations* (DSSR). For more information, go to the Office of Allowances website at http://aoprals.state.gov (Internet) or http://aoprals.a.state.gov/ (intranet). In addition, unique allowances exist for specific posts and situations. Information on these should be obtained from the employee's assignment office or the Management Officer at your post abroad. Information about specific allowances can also be found in DSSR Section 920, Post Classification and Payments Table, now also available online at the Office of Allowances website (http://aoprals.state.gov/Web920).

Note: All allowance worksheets and forms are available on the Directives Management website under Forms. Use Form Flow or Visual Forms format.

BEFORE DEPARTURE FROM THE UNITED STATES

Advance of Pay Allowance (DSSR 850)

Advance of Pay is intended to ease the financial burdens of the transition period by insuring that funds are available to meet required expenses and emergencies. It allows up to three months advance pay upon the assignment of the employee to a foreign post. The amount advanced must be paid back to the Department over a maximum of 18 pay periods. Advance of Pay can be received only after getting travel orders but not more than 45 days before departure or within 60 days after arrival at post. Advance of Pay may also be authorized for medical emergencies that may arise while assigned overseas.

Foreign affairs agency employees claim the advance of pay through the payroll system, using **JF-55**, *Request and Voucher for Advance Pay*.

Foreign Transfer Allowance (DSSR 240 and Section 960 FTA Worksheet)

The Foreign Transfer Allowance is provided for extraordinary but necessary and reasonable expenses not otherwise compensated for, but incurred by an employee incidental to leaving the United States and getting established at a post overseas. The Foreign Transfer Allowance is composed of four elements: a miscellaneous expense portion, a lump-sum wardrobe expense portion, a pre-departure subsistence expense portion, and a lease-penalty expense portion. This allowance is not subject to federal tax.

Calculate claims on the **DS-240 FTA,** *Foreign Transfer Allowance (DSSR 240).*

Apply for the expenses below using the **SF-1190**, *Foreign Allowance Application, Grant and Report*.

Miscellaneous Expenses (DSSR 242.1)

1) This allowance is provided to partially reimburse the employee for certain extraordinary expenses incurred because of changing residences, such as:

   - disconnecting and connecting or converting appliances, equipment, and utilities
   - cutting and fitting rugs, drapes, curtains (but not the purchase of new items)
   - utility fees not offset by eventual refunds
   - auto registrations, driver's licenses, and similar fees
   - personal cable and telephone costs attributable to the relocation exclusive of such costs intended to be reimbursed by travel per diem
   - agent fees paid directly to an agent for housing
   - transporting of pets to the foreign area *(Note: This is only what the airline is charging to transport the pet – no other auxiliary costs. Due to budgetary constraints, State Department is not reimbursing for quarantine costs at this time).*

2) It is granted only on transfers involving a foreign relocation (that is, from U.S. to foreign or foreign to foreign), including U.S. territories, possessions, the Commonwealth of Puerto Rico, and the Commonwealth of the Northern Mariana Islands.

3) For an employee without family, a flat amount of $500 or one week's salary (whichever is less) is payable without receipts. An employee with family may receive a flat payment of $1000 or two weeks' salary (whichever is less) without receipts. Claims above these flat amounts must be supported by receipts ***for the entire miscellaneous expense claim***. The maximum amounts that may be granted for the miscellaneous expense portion are one week's salary for an employee without family or two weeks' salary for an employee with family, with a maximum salary ceiling of Grade GS-13, step 10, whichever is the lesser amount.

Pre-departure Subsistence Expenses (DSSR 240.3)

1) This allowance is applicable to costs incurred for temporary lodging, meals (including tips), laundry, dry cleaning and pressing for up to 10 days after moving out of permanent quarters and before departure from the employee's **post of assignment in the United States** to a post in a foreign area. Subsistence in the foreign area is covered under the Temporary Quarters Subsistence Allowance (TQSA). *Note: Expense of local transportation is not allowable*.

2) It is not applicable to employees transferred directly from a temporary duty station in the United States to a foreign area. However, if the new hire is here on per diem but has family still located where they were hired from and in their permanent home, once the employee gets orders and the family vacates the permanent residence, he or she may claim the subsistence portion of Foreign Transfer Allowance for those family members. *Note: The 10 days may be spent anywhere in the United States; however, the employee and/or family members MUST RETURN to the U.S. post of assignment (or where employee was hired from if family members) PRIOR TO commencing travel on orders for the foreign post.*

3) The initial occupant of temporary quarters, age 12 or older, may receive up to the full per diem rate (including a high locality rate) in effect for the locality from which transferred (*or hired from*). Each additional occupant age 12 or older may receive up to three-fourths of the rate established for the first person. Children under 12 may receive up to one-half of the rate established for the first person. These rates help to defray costs for meals, laundry, and dry cleaning.

4) Under the actual subsistence method of reimbursement, receipts are required for lodging. A certified statement, without receipts, is required for daily meals, laundry, and dry cleaning expenses. There is also a partial flat rate reimbursement option available which is further explained in section DSSR 242.3. *Note: This option is currently not available in the FAM for foreign affairs agencies.*

5) An advance of funds may be drawn on this allowance. Reconciliation of the advance must be claimed with subsistence expenses on an employee's SF-1190 after arrival at the post of assignment.

Wardrobe Expenses (DSSR 242.2)

1) A lump-sum wardrobe expense allowance is granted only for transfers between tropical (zone 3) and cold climatic zones (zone 1). It is intended to cover a portion of the additional clothing required because of the extreme change in climate.

2) Amounts payable are $450 (employee without family), $750 (with one family member), and $1000 (with two or more family members).

3) The wardrobe expense portion applies to relatively few foreign transfers. **The conterminous United States (zone 2) is never included.**

4) It is paid in a lump sum.

Lease Penalty Expenses (DSSR 242.4)

1) This portion is to help offset the expense of a lease penalty unavoidably incurred by an employee due to an agency-generated action and may be claimed in the U.S. or foreign post.

2) Reimbursement shall not exceed the amount required by the specific terms of a rental contract signed by the employee as a prior condition of obtaining the lease, or the equivalent of three months' rent, whichever is less.

3) Amounts may be reimbursed only after an appropriate authorizing official certifies in writing that all criteria have been met. Criteria are shown in both DSSR 242.4 and on the 960 FTA worksheet.

Separate Maintenance Allowance (DSSR 260, Section 960 Omnibus Exhibit)

This allowance has three distinct categories—involuntary, voluntary, and transitional. It is available to employees who have to maintain families elsewhere other than at posts of assignment. It is not subject to federal taxes.

For rates see **DSSR** 267.1, Determination of Rates. Apply for SMA using the **SF-1190**, *Foreign Allowance Application, Grant and Report*, submitted through the employee's bureau.

Involuntary Separate Maintenance Allowance (SMA) may be granted when an agency determines that adverse, dangerous, unhealthful living conditions, such as lack of medical facilities, warrant exclusion of your family from your post of assignment or when the agency determines that there is a need to exclude family members from accompanying an employee to the area. Involuntary SMA may be paid until age 21 for children.

Voluntary SMA may be authorized when there are special family needs or hardship prior to or after arrival at post for reasons including but not limited to career, health, educational or family considerations for the spouse, children, or other family members. Dependent children must be under age 18 or incapable of self-support to receive voluntary SMA, unless they are attending secondary school.

Transitional SMA may be authorized when a post converts to an unaccompanied status following the termination of an evacuation when family members are not allowed to return to post. It is intended to assist family members with the extraordinary expenses of temporary commercial housing and is paid for a maximum of 90 days. Family members will be paid involuntary SMA following the termination of transitional SMA. The Department of State Standardized Regulations (DSSR) were amended in July 2007 to add two new sections under Transitional Separate Maintenance Allowance (TSMA), both designed to assist employees on unaccompanied tours with the costs incurred by their families for temporary commercial quarters at an Involuntary Separate Maintenance Allowance (ISMA) location. DSSR 262.3d allows up to 60 days of TSMA when the family relocates to an ISMA point and temporarily occupies commercial quarters while the employee proceeds to an unaccompanied post. DSSR 262.3e allows up to 10 days TSMA to assist with the costs of temporary commercial quarters as the family prepares to depart the ISMA point to rejoin an employee transferring from an unaccompanied to an accompanied post.

1) To be considered an eligible member of your family for the separate maintenance allowance, your parent, brother, or sister must have resided with you for at least one year prior to the separation for which the allowance is requested.

2) Separate maintenance is paid only after an agency determines that it is appropriate and only for family members who would normally reside with the employee at the foreign post of assignment.

3) The allowance is not intended to cover all expenses for the family member not residing at post, but to assist in offsetting the additional expense of maintaining a separate household.

4) Family members for whom the allowance is paid may visit your post for up to 30 days without reduction in the allowance. (Such travel would be at the expense of your family.) Visits of such family members to post may not exceed a total of 90 days during a 12-month period.

5) After **voluntary** SMA is elected, only one change in status for each affected family member is permitted during your tour of duty, although there is an exception when an official evacuation from post is involved [see DSSR 264.2(2) exception]. Check your agency for definition of tour of duty. (Note this does not apply to involuntary SMA.)

6) Flat amounts are paid to cover some of the additional costs of maintaining a spouse and/or family member(s) in the United States while the employee is at a post in a foreign area. The following are the usual procedures for payment:

   - The employee must apply for SMA with the appropriate agency official (with State Department that will be the Executive Director of the regional bureau).
   - Rates vary by the number of eligible family members of the employee.
   - It is paid with biweekly salary to the employee.
   - The allowance is not taxable.

Travel Per Diem Allowance: Foreign Areas (DSSR 925 and 6 FAM 150)

The Travel Per Diem allowance for foreign areas is a payment to cover the cost of lodging and meals at adequate, suitable, and moderately priced facilities, plus cost for mandatory service charges, such as tips and taxes. It is also paid for necessary incidentals such as laundry and dry cleaning for employees and eligible family members. (Expenses relating to actual transportation, baggage, and household effects do not fall within this category.)

1) Foreign Per Diem rates are based primarily on costs reported in the Hotel and Restaurant Report (Form DS-2026) submitted by foreign posts.

2) Payment is provided to employees and eligible family members for daily expenses while on temporary travel status on official business away from an official post of assignment.

3) Reimbursement may be authorized based on Actual Subsistence Expenses for travel involving special or unusual circumstances. The reimbursement of actual and necessary itemized

subsistence expenses shall not exceed 300% of the applicable foreign travel per diem allowance (rounded to the next higher dollar).

4) Per Diem for foreign areas is calculated in two portions: the maximum lodging amount and a portion for meals and incidental expenses.

5) Receipts for lodging are necessary to support actual expenses for claims.

6) Per Diem allowance is paid following submission of a Travel Reimbursement Voucher or online through Travel Manager.

7) It is not subject to taxes.

WHILE IN A FOREIGN AREA

Temporary Quarters Subsistence Allowance (DSSR 120 and Section 960 TQSA Worksheet)

The Temporary Quarters Subsistence Allowance (TQSA) is available to pay the costs of temporary quarters, meals, and laundry and dry cleaning expenses after initial arrival at a foreign post or upon final departure from the post. Post will determine if you receive this allowance. Most posts make every effort to put you into permanent quarters upon arrival.

Calculate claims on DS-120,
Temporary Quarters Subsistence Allowance (TQSA) (DSSR 120).

Process your claim using the SF-1190,
Foreign Allowance Application, Grant and Report.

1) This allowance is paid for reasonable costs for periods up to 90 days after first arrival at post and, when authorized, for 30 days immediately preceding final departure from post. The 90- and 30-day periods may be extended up to an additional 60 days when the head of an agency determines that compelling reasons beyond the control of the employee require continued occupancy of temporary quarters.

2) It is not paid concurrently with the Living Quarters Allowance (see exception at 124.1) and Post (Cost of Living) Allowance.

3) It is intended to assist in covering the average cost of adequate but not elaborate or unnecessarily expensive accommodations in a hotel, pension, or other transient-type quarters at the post of assignment, plus reasonable meal and laundry expenses.

4) Actual expenses are reimbursed up to a maximum rate, based on the foreign post per diem rate as shown in Section 925 of the Standardized Regulations. Maximum rates payable also depend upon the age and number of family members.

5) Submit evidence of daily costs at post on the SF-1190.

Living Quarters Allowance (DSSR 130, 920 and LQA Worksheet)

The Living Quarters Allowance is authorized to cover the annual cost of suitable and adequate living quarters for the average employee and family, if government quarters are not provided at post.

Calculate expenses on the DS 130 LQA,
Living Quarters Allowance Annual/Interim Expenditures Worksheet (DSSR 130).

Process your claim using the SF-1190,
Foreign Allowance Application, Grant and Report.

1) This allowance is not paid concurrently with the temporary quarters subsistence allowance (see exception at DSSR 132.41). It is not paid if government quarters are available.

2) It covers the average employee's costs for rent, heat, light, fuel, gas, electricity, water, and trash and garbage disposal (DSSR section 960 LQA worksheet).

3) The allowance is designed to be paid at an amount equal to the employee's allowable expenditures up to the applicable maximum rate listed by foreign post in Section 920.

4) The maximum rates vary by post costs, grade, and family size.

5) It is paid with biweekly salary; it is not subject to federal income tax.

Extraordinary Quarters Allowance (DSSR 138, 920 and 960 EQA Worksheet)

Extraordinary Quarters Allowance (EQA) is designed to assist with lodging and meal costs when it is determined that an employee and eligible family members must necessarily vacate their permanent quarters due to U.S. Government renovations/repairs or other unhealthy or dangerous conditions not to exceed 90 days. If the permanent quarters does not require vacating, but kitchen facilities are unavailable, then the meal portion of the EQA may be paid.

Calculate expenses on the DS 138 - EQA *Extraordinary Living Quarters Allowance (DSSR 138)*.

Process your claim using the SF-1190, *Foreign Allowance Application, Grant and Report*. Lodging receipts are required.

Post (Cost of Living) Allowance (SR 220, 920 and 960 Omnibus Exhibit)

Post (Cost of Living) Allowance, referred to as COLA, is authorized to reimburse for certain excess costs and to compensate for serving at a post where the cost of living (excluding the cost of quarters and the cost of eligible family members' education) is substantially higher than in the Washington, DC, area.

1) It is determined by biennial review of reports from posts and reviewed every two weeks as international exchange rates fluctuate. (Posts experiencing hyper-inflation are not adjusted for incremental exchange rate fluctuations.) Prices reported are compared to Washington prices collected by the Bureau of Labor Statistics.

2) This allowance is a percentage of spendable income—that part of the salary available after deductions for taxes, life insurance, retirement contributions, estimated housing costs, and savings.

3) It is payable upon arrival of employee or family at post unless they are receiving a temporary quarters subsistence allowance.

4) It varies by salary and family size.

5) Initiate Post Allowance using the SF-1190, *Foreign Allowance Application, Grant and Report*. It is paid with biweekly salary and is not subject to federal income tax.

Post (Hardship) Differential (DSSR 500, 920 and 960 Omnibus Exhibit)

The Post Differential, often referred to as a "hardship differential," is designed to compensate for serving at a post with extraordinarily difficult or notably unhealthful conditions or excessive physical hardships. It serves as an incentive in recruiting and retaining personnel for locations where unusual hardship conditions exist.

1) This Post Differential is provided only to employees whose foreign residence is attributable to their employment by the U.S. Government. (That is, they are eligible to receive a Living Quarters Allowance).

2) It is paid to employees on temporary detail to one or more hardship posts from the 43rd day on of such detail or to employees on extended TDY from the U.S.

3) The benefit is granted only at those posts where the degree of hardship is in excess of that which employees are expected to accept as a necessary part of overseas service.

4) It is subject to federal income tax.

5) Initiate Post Differential using the SF-1190, *Foreign Allowance Application, Grant and Report.* It is paid with biweekly salary.

6) Posts having extremely adverse conditions carry a maximum of 35% differential. Posts having lesser

degrees of hardship have differentials of 30%, 25%, 20%, 15%, 10%, and 5%.

Difficult to Staff Incentive Differential (DSSR 1000)

(Also known as the "Service Needs Differential") The head of agency or designee may grant the Difficult to Staff Incentive Differential (DTSID) to an employee assigned to a differential post of 15%, 20%, 25%, 30%, or 35% when especially adverse conditions of environment warrant additional pay as a recruitment and retention incentive to fill the employee's position at that post.

The amount of the DTSID is 15% of basic compensation and is subject to Federal income tax.

Restriction (in Law): The combination of Danger Pay for the post of assignment plus the DTSID cannot exceed 35% of basic compensation. Therefore, if Danger Pay becomes effective at a post (where Danger Pay is 25%, 30% or 35%), the DTSID would be reduced or eliminated while Danger Pay is in effect.

Danger Pay Allowance (DSSR 650, 920 and Section 960 Omnibus Exhibit)

The Foreign Service Act of 1980 initially mandated Danger Pay. This allowance was authorized to provide additional compensation above basic compensation for service at foreign posts on the basis of civil insurrection, civil war, terrorism, or wartime conditions that threaten physical harm or imminent danger to the health and well-being of employees.

Initiate Danger Pay using the **SF-1190**, *Foreign Allowance Application, Grant and Report.*

1) Danger pay does not apply where economic crime is the chief element of threat.

2) It may not exceed 35% of the basic compensation of employee.

3) It is subject to federal income tax.

4) This allowance may be paid to part-time and temporary duty employees, as well as to full-time employees.

5) The amount of danger pay allowance shall be at the rates of 15%, 20%, 25%, 30%, and 35%, based on the determined level of danger and the presence of non-essential personnel and eligible family members.

Education Allowance (DSSR 270, 920, DS-270 Education Worksheet)

The Education Allowance is available to assist in meeting the uncompensated, necessary, and extraordinary expenses of educating eligible family member children while serving in a foreign country. It is designed to help in providing adequate elementary and secondary education for children while overseas, in place of services normally provided without charge by public schools in the United States.

Calculate allowable expenses on the **DS 270**, *Education Allowance Worksheet EDA (DSSR 270).*

Process your claim using the **SF-1190**, *Foreign Allowance Application, Grant and Report.*

1) It is granted at posts where the cost of adequate schooling exceeds the cost in a U.S. public school, grades K-12.

2) If adequate schools are available at post and the child is sent to school away from post, no higher allowance than the at-post rate will be paid. If some grades at post are inadequate, then an additional higher boarding school allowance is established for the inadequate grades (see item 4 below). If a school at post is adequate and the child goes away from post, tuition, room and board, and periodic transportation to and from post may be reimbursed.

3) In addition to the at-post rate (*when a child attends a school at the foreign post*), a supplementary instruction allowance up to a maximum amount per school year may be paid. Its purpose is:

   - instruction in basic American subjects or advanced placement courses not offered by the local school

- necessary language tutoring if the local school offers its curriculum in a foreign language
- additional instruction to enable the student to enter a grade or remain in the same grade in school (see DSSR 274.12a and 276.9 for amount and allowable expenses)
- additional instruction to complete successfully the current school year for a student returning to post following authorized/ordered evacuation
- instruction for a Gifted and Talented (GT) academics-only program if the school does not offer a GT or equivalent program. (See DSSR 274-12a and 276.9 for amount and allowable expenses).

To be reimbursable, the supplementary instruction must be given by a competent person other than the employee or a family member.

4) If local schools are inadequate, a higher allowance (away from post) will assist with costs of tuition, room and board, and periodic transportation for adequate schooling elsewhere. Effective July 2007, the away-from-post allowance also defrays once-yearly shipping expenses for unaccompanied personal baggage between the employee's foreign post and the school. At the election of the employee, in lieu of the transportation of the unaccompanied personal baggage, the costs incurred to store the baggage at or in the vicinity of the school during the dependent's annual trip between the school and the employee's duty station may be paid or reimbursed to the employee. Travel may be allowed between the school and the home of a designated relative or family friend or to join the parent at any location as long as the expense does not exceed the cost between post and school. The away-from-post allowance up to the maximum may be used in these circumstances for boarding schools in the United States or abroad. If the student attends a public school in the United States and resides with friends or relatives other than parents, a set room and board cost, nonresident public school fees, periodic transportation to/from post, and local school transportation costs to/from private residential or non-dormitory facility on school days are allowable up to the maximum rate of the allowance.

5) In situations where school attendance is not practical, an allowance for correspondence courses covers the cost of tuition, books and supplies, airmail postage, and online advisory service for lesson correspondence and material. See DSSR 274.12b for amounts and DSSR 277.3 for allowable expenses.

6) If the school at post charges allowable nonrefundable one-time fees (e.g., registration, matriculation, building), the fees may be granted in addition to the basic allowance.

7) A special needs child or a child with a learning disability may receive a special allowance for education either at post or away from post without reference to the rates set for that post. See DSSR 274.12c for rates and DSSR 276.8 for allowable expenses.

8) You must apply for the education allowance at post (SF-1190 and DSSR section 960 Education Allowance Worksheet).

9) The education allowance is paid to the employee as reimbursement upon presentation of receipts. It may be granted in installments or a lump sum as necessary. The full allowance may be advanced up front only if the school requires full initial payment, or if there is a savings to the U.S. Government.

10) No education allowance is available if the child attends school in the United States while a parent with legal custody also resides in the United States.

11) The supplementary instruction allowance has recently been expanded to ensure that

    a) children successfully complete the school year upon return to post after the end of an evacuation and
    b) a gifted and talented (GT) equivalent program exists.

12) Employees may be reimbursed against the school "at post" for education costs when the school has established a program to provide continuity of education via the Internet (**DSSR 600, Evacuation Allowance**).

Educational Travel (DSSR 280)

Educational Travel covers annual round-trip travel expenses of children between post and a secondary school, undergraduate or graduate institution, or an accredited post-secondary vocational or technical school.

1) It covers actual expenses for transportation of the student at lowest available fare rates, travel per diem, and expenses for unaccompanied personal baggage between the employee's foreign post and the school. At the election of the employee, in lieu of the transportation of the unaccompanied personal baggage, the costs incurred to store the baggage at or in the vicinity of the school during the dependent's annual trip between the school and the employee's duty station may be paid or reimbursed to the employee, provided that the storage costs do not exceed those of shipping the UAB from school to post.

2) Either the educational travel or the education allowance may be paid for secondary-school students (grades 9-12). It is generally advantageous to choose the education allowance.

3) To be eligible for post-secondary educational travel, the student must be enrolled full-time in a program at an undergraduate, graduate, or post-secondary vocational or technical institution and must not have reached his/her 23rd birthday. (This age ceiling can be extended further if military service intervenes, on a year-for-year basis.) The age limit for high school travel is up to the 21st birthday.

4) The annual trip for educational travel is defined as one round trip at any time within any one 12-month period of the eligible child's schooling. Any portion of the round trip not taken in the 12-month period does not accrue to the subsequent period.

5) Educational travel is available in addition to any other travel for which the child may be eligible (i.e., home leave, transfer, and rest and recuperation).

6) Educational travel may commence from either school or post.

7) A return trip to post is not authorized under educational travel where the employee's transfer to the United States or home leave is anticipated within 30 days of the scheduled date of the child's departure for the post.

8) The travel-authorizing officer generally writes educational travel orders at post.

(Also see DSSR section 960 Omnibus Exhibit, *Educational Travel*)

Representation Allowance (DSSR 300)

This allowance may be granted to American or Foreign Service National (FSN) employees or to adult family members. Its purpose is to defray expenditures for official entertaining and related authorized activities of employees in establishing and maintaining those relationships valuable to the U.S. Government in furthering foreign policy objectives.

Allowable activities include entertainment of a protocol nature, such as on the Fourth of July and other holidays and important occasions; entertainment of members of the U.S. Government other than **solely** those who are members of the Executive Branch and their families; and entertainment by employees to promote personal relationships that are necessary to the performance of their duties.

This allowance is available under the following conditions:

1) Only those expenses incurred abroad are allowable.

2) Claims not covered due to insufficient funds may be tax deductible, when expenses are properly certified by appropriate authorizing officials. (See IRS Publication 516.)

3) Because of variable factors, posts are not classified for representation allowances nor is a table of rates prescribed. Rates are based on an annual review and analysis of each post's requirements based upon previous

expenditures, cost of living at post, political and economic importance of post, and the relative requirements of the several categories of personnel at diplomatic missions.

4) Vouchers for previously authorized expenses must be submitted.

Official Residence Expenses (ORE) (DSSR 400)

In order to carry out the representational functions cited earlier, a principal representative at a post often requires reimbursement for those unusual housekeeping expenses incurred in the operation and maintenance of an official residence. Keeping official residences staffed and operational during intervals such as the recall or transfer of the principal representative also requires official expenses.

The Secretary of State has been given authority to designate the positions at post that qualify as principal representative positions. Generally, the principal representative must personally pay 3.5% of his or her salary toward usual household expenses, on an annual basis, unless total expenses are less than the 3.5%.

Reimbursement of the official residence expenses (ORE) is based on the normal living pattern of principal representatives at the posts. It is also based on the difference between normal housekeeping expenses and the cost the principal representative is required to bear and the size and condition of the official residence at the post. It should be noted that:

1) reimbursement is paid in a lump sum to the employee; and

2) vouchers must be submitted for specific expenses.

The above information answers the allowance questions most frequently asked by Foreign Service employees and their family members. There are other benefits available to you, such as a consumables allowance, a layette allowance, and medical travel allowance, which are not covered in this section. If unable to locate the allowance information that applies to you in the *Standardized Regulations* or the *Foreign Affairs Manual*, you should be able to locate specific information at the Office of Allowances, or from your personnel officer or the administrative staff at your post.

WHEN RETURNING TO THE UNITED STATES

Home Service Transfer Allowance (DSSR 250)

The Home Service Transfer Allowance provides benefits for those persons returning from a foreign post assignment to the United States. It defrays expenses incurred by an employee in establishing a residence in the United States after the employee agrees, in writing, to serve 12 months in U.S. Government service.

Calculate claims on the **DS-250**,
Home Service Transfer Allowance (HSTA) (DSSR 250).

Process your claim using the **SF-1190**,
Foreign Allowance Application, Grant and Report.

1) The Miscellaneous Expenses (DSSR 252.1) and Wardrobe Expenses (DSSR 252.2) portions are processed under the same procedures and guidelines as discussed above in the Foreign Transfer Allowance. Because the wardrobe expense portion is payable only between widely varying climatic zones, it is not available on transfers to the conterminous U.S.

2) The Subsistence Expense portion (DSSR 252.3) offsets costs of temporary lodging, meals, dry cleaning, and laundry for up to 60 days. This may be extended for up to an additional 60 days when, in the judgment of the head of an agency, there are compelling reasons beyond the control of the employee.

3) Actual expenses are reimbursed up to a predetermined maximum rate, based on the standard CONUS (Continental United States) per diem rate (not the rates established by locality). Maximum rates payable also depend upon the age and number of family members. There is also a

fixed rate reimbursement not adopted in the FAM for foreign affairs agencies.

4) The Lease Penalty Expense (DSSR 252.4) portion helps offset the expense of a lease penalty unavoidably incurred abroad as a result of a transfer to the United States by an employee receiving the living quarters allowance. Reimbursement and certification are as discussed earlier under Foreign Transfer Allowance.

5) Funds for the subsistence-expense portion of the Home Service Transfer Allowance may be advanced by the authorized disbursing officer. Effective December 2006, the FAM no longer authorizes advance of other portions of this allowance. (However, employees of non-foreign affairs agencies may still be granted advances of the other portions under the DSSR.)

6) Final claim and payments are made upon application with supporting receipts. The Home Service Transfer Allowance is claimed after arrival at the new U.S. post of assignment using SF-1190 submitted through the employee's Bureau.

Evacuation Payments (DSSR 600)

Calculate claims on the **DS-600** *– Evacuation Payments Worksheet (EPW).*

Authority is granted to facilitate payment of salaries, post differential, and allowances in the event of an emergency evacuation or authorized departure of employees or their eligible family members, or both, from post because of military action or because of imminent danger to their lives.

Travel expense allowances are granted to and from the designated safe haven, usually the continental United States. Your eligible family members may travel to any place in the continental United States, while employees are authorized travel only to Washington or another duty station.

Air freight may be authorized for both departure from and return to post. Although conditions may preclude shipments from post, shipments back to post may still be authorized. In lieu of an air freight shipment when evacuating from a post, an air freight replacement allowance may be authorized.

Following arrival at the authorized safe haven, a daily local transportation allowance of $25 is authorized regardless of family size.

The **Subsistence Expense Allowance** (SEA, DSSR 632) commences on the date following arrival at the authorized safe haven and terminates when the evacuation is ended, or on the 181st day after the evacuation order is issued, whichever arrives first. The rate of payment varies according to your use of commercial or non-commercial lodging, and reduces after 30 days following arrival at the authorized safe haven. A higher lodging amount may be approved for special family composition. The following conditions therefore exist:

1) The maximum period covered is 180 days.

2) It provides salary advance for 30 days, if necessary, and continuance or adjustment of allowances at evacuated post, depending upon circumstances.

3) Salary will continue and certain allowances may continue to be paid for up to 180 days, but regulations provide for terminating or reducing the Post Differential, Danger Pay and most allowances after various periods of absence from the post and under other varying conditions. See DSSR 621.

4) Special allowances may be paid to offset the direct added expenses incident to the evacuation. These expenses normally are those incurred for travel, meals, lodging, children's education, and miscellaneous items.

5) It is paid by various methods to employee, adult eligible family members, or a designated representative of the employee.

Payment of an education allowance may be affected by evacuation, but the circumstances are so specific that you should refer to DSSR 633.

Under educational travel, the official safe haven replaces the post as the travel destination from school, if the parent so elects.

RESOURCES

Office of Allowances (A/OPR/ALS)
Room L314, SA-1
Columbia Plaza
2401 E Street, NW
Bureau of Administration
U.S. Department of State
Washington, DC 20522-0103
Phone: (202) 261-8700
FAX: (202) 261-8707; (202) 261-8708
Internet: http://aoprals.state.gov
Intranet: http://aoprals.a.state.gov
Standardized Regulations, Interpretation
AllowancesO@state.gov

Foreign Service Institute Transition Center
(M/FSI/TC)
George P. Shultz National Foreign Affairs Training Center (SA-42)
Washington, DC 20522-4202
Physical location: 4000 Arlington Blvd., Arlington, VA
(do not send mail to this address)
Internet: www.state.gov/m/fsi/tc
Intranet: http://fsi.state.gov/fsi/tc

Directions, maps, parking and other information
http://www.state.gov/m/fsi/tc/c16687.htm

Overseas Briefing Center (M/FSI/TC/OBC)
Room E2126
Tel: (703) 302-7277
Fax: (703) 302-7452
E-mail: FSIOBCInfoCenter@state.gov

Related training videos can be viewed on site or checked out for two days from the OBC Information Center.

Transition Center Training Division (M/FSI/TC/T)
Foreign Service Life Skills Training
Tel: (703) 302-7268
E-mail: FSITCTraining@state.gov

Related Transition Center Training
Regulations, Allowances and Finances in the Foreign Service Context (MQ 104)
http://www.state.gov/m/fsi/tc/c6950.htm