



DEPARTMENT OF THE NAVY  
HEADQUARTERS UNITED STATES MARINE CORPS  
3044 CATLIN AVENUE  
QUANTICO, VIRGINIA 22134-5103

IN REPLY REFER TO:

12000

MRG

FEB 03 2017

From: Commandant of the Marine Corps  
To: Distribution List

Subj: LETTER OF INSTRUCTION (LOI) FOR LIVING QUARTER ALLOWANCES (LQA)

Ref: (a) MCO P12000.11A Ch 1-5, Marine Corps NAF Personnel Policy Manual

Encl: (1) Living Quarters Allowance Eligibility Worksheet

1. Situation. In 2008, the Office of Personnel Management (OPM) began denying LQA claims for compensation under a revised interpretation of the definition for "Substantially Continuous Employment," as prescribed in Department of State Standardized Regulation (DSSR) 031.12b(4). This new and more restrictive interpretation tightened up the eligibility criteria under the DSSR, thus identifying that prior LQA entitlement determinations were being applied inconsistently OCONUS.

2. Mission. To issue guidance and procedures for Marine Corps Nonappropriated Fund (NAF) LQA requests. Marine Corps Installation Pacific (MCIPAC) NAF LQA determinations will require a second level review conducted by CMC (MRG) for all NAF LQA determinations to alleviate inconsistencies in LQA determinations and ensure compliance with the DSSR and other regulations.

3. Execution

a. Commander's Intent and Concept of Operations

(1) Commander's Intent. LQA determination has become a highly visible matter in recent years. Commands will follow the process outlined in this LOI to accurately determine LQA eligibility OCONUS.

(2) Concept of Operations

(a) MCIPAC Human Resources Offices will continue to conduct an initial first level review of LQA at the local level by utilizing enclosure (1).

(b) MCIPAC will designate primary and alternate points of contact to serve in the capacity as the regional subject matter experts (SME) for LQA and other overseas allowances.

(c) The first level determination will be conducted by the designated MCIPAC regional SME, with a subsequent review and final determination being made by MR/ MRG.

(d) All corresponding documentation used by the command to support the initial determination shall be provided for the second level review.

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(e) CMC (MRG) will provide a timely determination response to the command within 3 business days.

b. Subordinate Element Missions

(1) Human Resources Branch, CMC (MRG) will:

(a) Provide process guidance for the management of the Marine Corps NAF LQA and other overseas allowances.

(b) Conduct second level review of LQA packages received from MCIPAC.

(c) Provide an official response with a final determination within 3 of business days.

(d) Provide oversight of the LQA reconciliation process and related reporting.

(e) Collect, analyze, and maintain records of Marine Corp NAF LQA.

(f) Report metrics to higher headquarters, as required.

(2) Commanders and Heads of Local NAFIs. Assist with communicating the changes described herein , ensure implementation, and adjust local operations to conform to this guidance.

(3) Installation (MCIPAC) MCCS Directors will:

(a) Ensure compliance with this LOI.

(b) Ensure all worldwide hires have been provided accurate guidance/training for LQA eligibility and other overseas entitlements.

(c) Utilize enclosure (1) to identify the appropriate questionnaire scenario to determine LQA eligibility. Locally created LQA questionnaires are no longer authorized.

(d) Provide HQMC all supporting documentation used to make the first level determination.

(e) Provide an annual LQA reconciliation report to CMC (MRG) by 30 April. The reconciliation report should validate that all individuals receiving LQA have submitted required receipts, the reconciliation was completed, and, if necessary appropriate adjustments to the employees LQA entitlements were made.

4. Administration and Logistics. Recommendations concerning this LOI may be forwarded to CMC (MRG) via the appropriate chain-of-command.

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5. Command and Signal

a. Command. This LOI is applicable to those commanders and staff responsible for MCCA staff and miscellaneous NAFIs.

b. Signal. This LOI is effective on the date signed.



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