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# ADS Chapter 535

## Real Property Management Overseas

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*\*An asterisk and yellow highlight indicate that the adjacent material is new for this chapter or substantively revised.*

## ADS 535 – Real Property Management Overseas

### 535.1 OVERVIEW

Effective Date: 05/02/2011

This chapter provides the mandatory policies and required procedures that govern USAID's management of the real property overseas that it owns and leases on a long-term basis. Management includes accountability, maintenance, oversight, and reporting.

USAID adheres to the policies and procedures for management of real property overseas in [15 FAM 100, Overseas Buildings Operations Management of Real Property Abroad](#) through [1022, Guidelines for USAID Construction](#). However, if there is a conflict between the instructions in this ADS chapter and **15 FAM**, then the specific USAID policy directives and required procedures contained in this chapter apply.

USAID also complies with [Executive Order \(E.O.\) 13327, Federal Real Property Asset Management](#). (See section **535.3.1** of this chapter)

The delegations of authorities for specific positions within the USAID Management Bureau, Office of Management Services (M/MS), to acquire, manage, and dispose of real property are contained in [ADS 103, Delegations of Authority](#), sections **103.3.10.6** through **103.3.10.9**. The delegation of authority for USAID Mission Directors and Executive Officers (EXOs) to sign, execute, renew, or amend short-term or long-term leases and to manage U. S. Government (USG)-owned property is specified in section **103.3.25**.

The policy directives and required procedures covering the USAID physical security program to protect employees, facilities, classified national security, and Sensitive But Unclassified (SBU) information are contained in [ADS 562, Physical Security Program \(Overseas\)](#).

### 535.2 PRIMARY RESPONSIBILITIES

Effective Date: 05/02/2011

- a. The **Director, Bureau for Management, Office of Management Services (M/MS)**, provides oversight of the management of USAID's real estate program (overseas and domestic). The Director is also the Agency's Senior Real Property Officer (SRPO), responsible for the development and implementation of an Asset Management Plan (AMP) to comply with requirements of [Executive Order \(E.O.\) 13327](#).
- b. The **Chief, Overseas Management Division (M/MS/OMD)**, is responsible for:
  - Preparing long-range plans for USAID overseas property acquisitions, capital repairs and improvements, and disposals;

- Managing USAID's Property Management Fund (PMF) (See [ADS Chapter 629.3.7](#) for details on the PMF);
  - Monitoring USAID acquisition, leasing, and real property management practices overseas;
  - Serving as the official repository for USAID deeds and leases overseas;
  - Advising USAID Missions on a wide range of issues involving real property acquisition, use, disposition, construction, renovation, and capital improvements;
  - Acting as liaison between USAID and the Department of State (DoS), Bureau of Overseas Buildings Operations (OBO); and
  - Establishing policy for the management and control of USAID-held real estate assets overseas and implementing overseas real property management regulations and procedures.
- c. The **USAID Mission Director or USAID Principal Officer** at each post is responsible for implementing all policy directives and required procedures relating to the USAID real property program, including:
- Annually certifying to the Chief of Mission (COM) that all USAID-owned, leased, or occupied properties, as listed in the OBO's Real Property Application (RPA), are properly managed and utilized (See [15 FAM 144, USAID Certification](#) and [15 FAM 174.5, USAID Annual Certification](#)); and
  - Submitting to M/MS/OMD the annual RPA inventory and certification of the accuracy of USAID real property holdings data contained in the RPA.
- d. The **USAID Executive Officer (EXO)** is responsible for assisting the USAID Mission Director in administering and reporting on the USAID overseas real property program, including implementing all mandatory policies, procedures, and regulations pertaining to real property that USAID owns or leases long-term.
- e. The **Post Embassy Management Officer (MO)** is responsible for
- Managing Embassy compound facilities occupied by U.S. foreign affairs agencies at posts, including USAID; and
  - Managing the Post Interagency Housing Pool Program and USAID residential properties (such as short-term leases) pooled in the post housing program.

- f. The **Office of Security (SEC)** has primary responsibility for interpreting, supplementing, and developing physical security policy directives and required procedures, and for oversight of physical and technical security enhancements for USAID offices.
- g. The **Agency Regional Bureaus**, in coordination with the USAID's Office of Human Capital and Talent Management (HCTM) and the non-regional Bureaus and Independent Offices (B/IOs), are responsible for working closely with M/MS/OMD to identify short-term and long-term space requirements of their overseas organizations and to coordinate the utilization of assigned space in these locations.
- h. The **Office of the General Counsel (GC)** is responsible for ensuring that terms and conditions of Memoranda of Understanding (MOU) with OBO, as well as USAID direct leases for privately-owned space, are in compliance with all applicable laws and regulations. The Office of the General Counsel (GC) also provides legal counsel regarding real property acquisition and disposal actions.
- i. The **Bureau for Management, Office of the Chief Financial Officer, Central Accounting and Reporting Division (M/CFO/CAR)**, records in USAID's general ledger accounts any real property acquisitions, additions, improvements, alterations, rehabilitations, or replacements that meet the capitalization criteria threshold of \$25,000 or more and that have a useful life of two years or more.  
  
Also, M/CFO/CAR tracks the proceeds of real property sales deposited into the Agency's Property Management Fund (PMF) for use to purchase similar property, as authorized by [Section 585, Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1991](#).
- j. The **Office of Legislative and Public Affairs (LPA)** is responsible for reporting to Congress, prior to the obligation of Operating Expense or Capital Investment Funds, its intention to construct, purchase, or long-term lease offices in excess of \$1,000,000.
- k. The **U.S. Office of Management and Budget (OMB)** oversees all Federal agencies' accountability and management of real property and monitors both current performance and progress made toward meeting asset management program goals.

### 535.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

Effective Date: 05/02/2011

This section contains the mandatory policies and required procedures of USAID's real property management overseas.

### 535.3.1 Real Property Management Overseas

Effective Date: 05/02/2011

#### a. Executive Order 13327 Compliance

The primary objective of [Executive Order \(E.O.\) 13327](#) is to promote efficient and economical use of the Federal Government's real property assets. To be in compliance:

1. USAID designates a Senior Real Property Officer (SRPO). The SRPO is the Director, Bureau for Management, Office of Management Services (M/MS).
2. USAID and the Department of State (DoS) have a **Joint Asset Management Plan (AMP)**. The AMP incorporates the 10 guiding principles that the Federal Real Property Council has established in its "Guidance for Improved Asset Management."
3. USAID will report annually to the Federal Real Property Profile (FRPP) database, through the DoS Real Property Application (RPA) database system, its inventory of real property holdings. This inventory excludes facilities acquired through General Services Administration (GSA) Occupancy Agreements.

#### b. Space Allocation

The USAID Mission Director or USAID Principal Officer allocates USAID-held properties and reports to the Chief of Mission (COM) on the allocation and effective use of those properties. (See [15 FAM 130, Allocation of Office and Other Functional Space](#).)

#### c. Records

The USAID Mission EXO is required to keep overseas real property records, such as, copies of leases, maintenance records, and inventories, current and accurate. (See [15 FAM 350, Required Lease Documentation](#).)

#### d. RPA System

USAID maintains its official real estate holdings data in OBO's worldwide Real Property Application (RPA) system. The RPA data must contain information on USAID-owned real property, structures, land and other properties, and all leases (long-term, short-term, and private). (See section **535.3.3.3** for Living Quarters Allowance (LQA).)

Missions must work closely with their respective Post MO to update their RPA information as transactions (such as acquisitions, lease renewals, lease terminations, property sales, property disposals, and housing occupancy changes) occur throughout

the fiscal year.

USAID holds M/MS/OMD, OBO, and Missions fully accountable for the accuracy and integrity of the RPA data in the certification. The data is reviewed annually by Congress, OMB, and the Government Accountability Office (GAO) to determine whether USAID is appropriately managing its real property holdings and funding.

**e. RPA Certification**

Missions must submit the annual RPA certification of USAID real property holdings, including a copy of their RPA inventory, to M/MS/OMD by September 15 of each year.

When conducting the review prior to certification, Executive Officers (EXOs) and Mission Directors must look for the following errors:

- Incorrect measurements;
- Annual rent that appears to be too much or not enough;
- Leases that have expired;
- Leases with start dates not equal to the beginning of the current term;
- Occupants whose tour end dates have passed;
- Government-owned properties not previously documented; and
- Disposals (sales and lease terminations) and new acquisitions (leased and owned) that have not yet been recorded.

EXOs must bring errors to the attention of the Embassy Single Real Property Manager (SRPM) or the Embassy General Services Officer (GSO) for correction. The Embassy SRPM or GSO must sign and date a copy of the updated RPA and submit it to the EXO. The EXO must confirm that the corrections have been made in the RPA copy and sign and date it. The EXO then submits it to the USAID Mission Director for signature and date. The certification will state:

“I have reviewed USAID’s RPA and determined that all additions, corrections, and dispositions of real property have been recorded. I certify that “USAID/post name” RPA is current, complete, and accurate.”

Missions must forward the signed and dated certification, including a copy of the signed and dated RPA inventory, to M/MS/OMD.

**f. Chief of Mission (COM) Certification Housing Program**

Before the end of each fiscal year, the USAID Mission Director or USAID Principal Officer certifies to the COM that all properties under their control are being properly managed and utilized. The certification statement and accompanying report must follow the procedures outlined in [15 FAM 144](#); [15 FAM 173](#); [15 FAM 174.4, Principal Officer \(PO\) Certification](#); [15 FAM 174.5](#); and [15 FAM 175.2, USAID](#).

### **g. Maintenance of Properties**

The EXO must ensure that USAID-owned or long-term leased real property is maintained in good condition and in a cost-effective manner. The EXO is responsible for the development of a long-term plan for completing capital repairs and improvements to fulfill this requirement.

Missions should use USAID's Facility Maintenance Planning (FMP) Manual posted on the EXO Toolbox as a guide for performing annual inspections to determine long-term capital maintenance projects.

The EXO must provide their Mission's annual capital repair and improvement project requirements to M/MS/OMD by April 30, per annual guidance issued by M/MS/OMD to Missions. M/MS/OMD consolidates approved worldwide capital repair and improvement projects into the M/MS annual Operating Expense (OE) budget request. Based on the OE budget allotment, M/MS provides funding to Missions, via the regional Bureaus, to execute the projects.

The EXO must also ensure that USAID-held residential quarters are left in good condition by departing occupants and that the employee properly accounts for any damages and losses.

### **h. Operating Costs**

M/MS/OMD may authorize various funds to maintain and repair USAID-owned or long-term leased properties. (See [15 FAM 1022.1.c.](#)) M/MS/OMD may charge, as appropriate, OE funds or project funds. Alternate Service Provider Missions may also use working capital funds. (See [ADS 635, Working Capital Fund.](#)) The Mission should also consider using trust funds for properties that are leased or were purchased with trust funds, if available, and with the agreement of the host government. The Mission determines which funds to use.

### **i. Capital Security Cost Sharing Program (CSCS)**

In compliance with the [Secure Embassy Construction and Counterterrorism Act \(SECCA\) of 1999, as amended](#), USAID provides funding in advance for its share of costs of providing new, safe, and secure U.S. diplomatic facilities. The amount of USAID's funding is based on the total overseas presence of each agency, as determined annually by the Secretary of State in consultation with each agency. The funding amounts USAID advances to the DoS are credited to the Embassy Security, Construction and Maintenance account, and remain available until expended.

## **535.3.2 Real Property Management Authorities**

Effective Date: 05/02/2011

The DoS and USAID acquire real property under different legal authorities. DoS



operates under the provisions of the [Foreign Buildings Act of 1926, as amended](#). USAID operates under the provisions of the [Foreign Assistance Act of 1961, as amended](#), for both short-term lease and purchase authority using the Agency's OE budget.

### **535.3.3 Leasing of Swimming Pools and Other Recreational Facilities**

Effective Date: 05/02/2011

USAID must adhere to the policy directives and required procedures contained in [15 FAM 412.2, Residences with Swimming Pools](#).

#### **535.3.3.1 Operating Costs of Swimming Pools and Other Recreational Facilities**

Effective Date: 05/02/2011

USAID must adhere to the policies and procedures contained in [15 FAM 632.2-2, U.S. Government-Owned/Long-Term Leased \(GO/LTL\) or Short-Term Leased \(STL\) Residences](#) and [15 FAM 632.3, Grounds Maintenance Responsibilities and Funding](#).

Facilities that USAID acquires under section **535.3.3** may be maintained at U.S. Government (USG) expense, only to the extent required to protect the lease commitment, in regard to the condition of the property.

To encourage the occupant to pay maintenance costs without imposing the financial hardship of installing meters, the USG may officially pay utility bills when separate meters are not installed. The occupant or the Lessor, and not the USG, must bear all costs of operating the facility, such as labor, equipment, supplies, and material related to personal use of the facilities.

#### **535.3.3.2 Swimming Pool Safety**

Effective Date: 05/02/2011

USAID must adhere to the policy directives and required procedures contained in [15 FAM 957.4, Swimming Pool Requirements](#).

#### **535.3.3.3 Living Quarters Allowance (LQA) Leases**

Effective Date: 05/02/2011

The conditions for leasing properties with swimming pools cited in section **535.3.3** also apply to individual employee leases of residences under a Living Quarters Allowance (LQA).

LQA leases, excluding those that include common recreation facilities as in the case of apartments, must conform to the leasing standards established in [15 FAM 210](#).

Individuals receiving the LQA must seek legal counsel to protect themselves against

liability for accidents resulting from the use of facilities such as swimming pools on their rented property.

**535.3.4 Basic Furniture, Furnishings, Appliances, and Equipment (FFA&E), Supplemental FFA&E, and Other Items**

Effective Date: 05/02/2011

USAID must adhere to the policy directives and required procedures contained in [15 FAM 723, Basic Furniture, Furnishings, Appliances, and Equipment \(FFA&E\), Supplemental FFA&E, and Other Items](#).

In addition to the policy found in [15 FAM 723](#), microwave ovens and dishwashers may be issued for employees in USG furnished residential or LQA properties at post, subject to funds availability and the approval of the Single Real Property Manager (SRPM), the USAID Mission Director, and in accordance with the U.S. Mission housing agreement. (See [15 FAM 720, Residences](#) for Conditions and Restrictions.)

Prior to post procurement of appliances, the Mission must ensure the following:

- a. Local facilities (sufficient water pressure, sewerage accommodation, electricity, and maintenance/repair capabilities) are available to service these items; and
- b. Energy conservation and efficiency FFA&E products are taken into consideration.

**535.4 MANDATORY REFERENCES**

**535.4.1 External Mandatory References**

Effective Date: 05/02/2011

- a. [15 FAM 100-1022, Overseas Building Operations Management of Real Property Abroad; Guidelines for USAID Construction](#)
- b. [E.O. 13148, Greening The Government Through Leadership in Environmental Management](#)
- c. [E.O. 13287, Preserve America](#)
- d. [E.O. 13327, Federal Real Property Asset Management](#)
- e. [Foreign Assistance Act \(FAA\) of 1961, as amended, Section 636\(c\), P.L. 87-195](#)
- f. [Foreign Assistance Appropriations Act \(P.L. 101-513\) of November 5, 1990, Section 585 \(a\)](#)

- g. [Foreign Buildings Act of 1926, as amended](#)
- h. [Section 306, of Title 5, U.S. Code](#)
- i. [Secure Embassy Construction and Counterterrorism Act \(SECCA\) of 1999, as amended, by Section 629 of Division B of the Consolidated Appropriations Act, 2005 \(P.L. 108-477, 12/08/04\)](#)

#### **535.4.2 Internal Mandatory References**

Effective Date: 05/02/2011

- a. [ADS 103, Delegations of Authority](#)
- b. [ADS 562, Physical Security Programs \(Overseas\)](#)
- c. [ADS 627, Local Currency Trust Fund Management](#)
- d. [ADS 629, Accounting for USAID-Owned Property and Internal Use Software](#)
- e. [ADS 635, Working Capital Fund](#)

#### **535.5 ADDITIONAL HELP**

Effective Date: 05/02/2011

There are no Additional Help documents for this chapter.

#### **535.6 DEFINITIONS**

Effective Date: 05/02/2011

The terms and definitions below have been included into the ADS Glossary. See the [ADS Glossary](#) for all ADS terms and definitions.

##### **adequate quarters**

Housing that is comparable to what an employee would occupy in the Washington, D.C. metropolitan area, with adjustments for family size and locality abroad. (Chapter 535)

##### **Chief of Mission (COM)**

Chief of Mission is the principal officer in charge of a diplomatic Mission of the United States or of a United States office abroad which is designated by the Secretary of State as diplomatic in nature, including any individual assigned to be temporarily in charge of such a Mission or office. (Chapters [530](#), 535)

##### **functional space**

All nonresidential U.S. Government-held real property, such as office buildings, warehouses, garages, and special program space. ([15 FAM 120](#)) (Chapter 535)

##### **Living Quarters Allowance (LQA)**

An allowance intended to cover the average costs of rent and utilities incurred by U.S. citizen civilian employees living in a foreign area by reason of employment with the U.S. Government. The LQA is available if U.S. Government quarters are not provided. The amount of the allowance varies by post, employee grade or rank, and size of family. (See Standardized Regulations, section 130; [15 FAM 120](#); [3 FAM 3230](#)) (Chapters [477](#) and 535)

**real property**

A parcel or plot of land and structures contained thereon, including, but not limited to, offices, garages, warehouses, residences, schools, and recreational facilities. (Chapters 535, [629](#), [518](#))

**Senior Real Property Officer (SRPO)**

The individual responsible for developing and implementing the Agency asset management planning process, managing all real property owned and utilized by the Agency, and annually reporting on real property to the Director of the Office of Management and Budget and the Administrator of General Services. In USAID, the Director, Bureau for Management, Office of Management Services (M/MS) is the delegated SRPO. ([E.O. 13327](#)) (Chapter 535)

**Single Real Property Manager (SRPM)**

The Department of State, Bureau of Overseas Buildings Operations (OBO) is the designated SRPM worldwide. This responsibility is delegated through the Chief of Mission to the administrative counselor or officer at each embassy. This person is responsible for acquisition and management of all officially leased and U.S. Government-owned real property in the country, except for certain USAID property. ([15 FAM 120](#)) (Chapter 535)

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