



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

March 20, 2026

CBCA 8806-RELO

In the Matter of CRISTIN S.

Cristin S., Claimant.

Gabrielle Y. Doty, Director, Travel Mission Area, Enterprise Solutions and Standards, Defense Finance and Accounting Service, Indianapolis, IN, appearing for Department of Defense.

SULLIVAN, Board Judge.

Defense Finance and Accounting Service (DFAS) submitted on behalf of claimant, a former employee of an agency within the Department of Defense (DoD), a claim for reimbursement of real estate expenses in conjunction with claimant's transfer back to the continental United States (CONUS) for the purpose of retirement. Because claimant's transfer back to the United States was not for the purpose of taking another position within the Government, we deny the claim.

Background

Pursuant to travel orders issued in January 2021, claimant was transferred from a CONUS permanent duty station (PDS) to a PDS in the United Kingdom. The 2021 permanent change of station (PCS) orders indicated that the purpose of the travel was "between official stations" and authorized, among other expenses, the reimbursement of real estate expenses. In the remarks section, the travel orders included the following explanation: "Real estate is reimbursed once the employee returns from their [outside the continental United States (OCONUS)] tour and to a different duty station." In October 2023, claimant received additional travel orders that extended the overseas benefits provided, noting that the overseas tour had been extended to July 2025.

Claimant sold her residence at her old duty station in March 2021 and sought reimbursement of real estate expenses for the first time in July 2021. According to the February 2026 DFAS denial of claimant's current claim, the agency denied this first claim for real estate expenses in 2021 because of the "tour completion requirement," specifying "that such expenses are reimbursable only upon the employee's return from an [OCONUS] tour to a different permanent duty station."

In 2025, claimant opted to participate in the deferred resignation program (DRP) and retire at the end of September 2025. The agency issued a travel authorization, dated June 9, 2025, which indicated that the purpose of travel was "return from overseas for separation." The orders identified Springfield, Virginia, as claimant's new duty station and included a reporting date of July 16, 2025. In the space for claimant's title, the orders stated "return to separate." Claimant traveled to the United States in July 2025 and was placed on paid administrative leave, as permitted by the DRP. Claimant retired on September 30, 2025.

Upon return to the United States, claimant submitted a second claim for the real estate expenses that she incurred in 2021. DFAS denied the claim because claimant did not execute a new transportation agreement in conjunction with her transfer back to the United States.

Discussion

Federal government employees are entitled to relocation benefits when transferred from one duty station to another, when the transfer is in the interests of the Government. 5 U.S.C. § 5724a (2018); *Thomas D. Mulder*, 65 Comp. Gen. 900, 903 (1986).¹ To receive an allowance for real estate expenses, regulations require that the new duty station be in the United States. 41 CFR 302-11.2(a)(4) (2024) (Federal Travel Regulation (FTR) 302-11.2(a)(4)); Joint Travel Regulations (JTR) 053607 (July 2025).² An agency may

¹ In her appeal to DFAS, claimant asked for reimbursement of her real estate expenses as one of her retirement benefits. Agencies are authorized to pay relocation benefits pursuant to 5 U.S.C. §§ 5724, 5724a. The Administrator of General Services is charged with promulgating regulations to implement the statutory authorization, 5 U.S.C. § 5738(a), and deciding claims from employees for relocation benefits. 31 U.S.C. § 3702(a)(3). The authority to decide claims has been delegated to the Civilian Board of Contract Appeals. *Roy L. Edgar*, CBCA 1985-RELO, 11-1 BCA ¶ 34,702, at 170,893. Relocation benefits are not retirement benefits, which are administered by the Office of Personnel Management (OPM).

² As a civilian employee of an agency within DoD, claimant was subject to the requirements of both the FTR and the JTR. *Nelson R.*, CBCA 8107-TRAV, 24-1 BCA

authorize real estate expenses reimbursement when an “employee has completed an agreed upon tour of duty overseas and is returning to the United States to an official station that is at least 50 miles away from the employee[’]s last official station in the United States.” FTR 302-11.401(b); *see* JTR 054502-A. However, the agency may only authorize reimbursement “when an employee is performing a permanent change of station in the interest of the Government and has signed a service agreement” for the new duty station. FTR 302-11.401; *see* JTR 054502-A.1.c (requiring the employee to “sign[] a service agreement to the new PDS.”). For positions within CONUS, the service agreement must require a period of service of not less than twelve months. FTR 302-2.14(a). Typically, when “an employee exercises his return rights to come back to the United States from an overseas assignment for separation from Government service or retirement, the transfer is for the benefit of the employee and relocation benefits may not be paid.” *Glenda F. Wall*, CBCA 3230-RELO, 13-1 BCA ¶ 35,397, at 173,668. Relocation for the purpose of retirement does not entitle an employee to reimbursement for real estate expenses. *Freddie O. Jarvis*, CBCA 5129-RELO, 16-1 BCA ¶ 36,524, at 177,935.

Claimant’s claim for real estate expenses arises with her transfer back to CONUS in 2025, rather than her transfer overseas in 2021. Claimant could not receive reimbursement of real estate expenses in 2021 because her transfer was to a duty station OCONUS. *See* FTR 302-11.2(a)(4) (2021). In 2025, claimant could have been eligible for real estate expenses if she had transferred in the interests of the Government and signed a new service agreement in which she agreed to remain in federal service at the new duty station for a period of at least twelve months.³ Here, claimant transferred to her new duty station for a period of less than three months, and then retired, and did not sign a new service agreement. Although claimant fulfilled the terms of her service agreement for the overseas transfer in 2021, the regulation requires that claimant fulfill both the terms of her overseas service agreement and sign a new service agreement to receive real estate expenses. FTR 302-11.2(b), 302-11.401. Without an agreement to remain at the new duty station for the minimum period of twelve months, claimant is not eligible to receive real estate expenses.

Claimant’s participation in the DRP also does not change this analysis. The DRP was a voluntary program that allowed federal employees to be placed on administrative leave and

¶ 38,648, at 187,874. Relocation allowances and entitlements are determined based upon the regulations in effect on the date that the employee reports to the new duty station. FTR 302-2.3. The FTR was not published in 2025, so the applicable FTR is dated 2024.

³ It is not clear whether claimant’s new duty station was more than fifty miles from her old duty station. We need not reach this issue because claimant did not sign a new service agreement.

then either separate or retire from federal service on September 30, 2025. OPM, Guidance Regarding Deferred Resignation Program (Jan. 28, 2025), <https://www.opm.gov/media/3oaf3vs0/opm-guidance-memo-re-deferred-resignation-program-01-28-25-final.pdf> (last visited Mar. 19, 2026); OPM, Legality of Deferred Resignation Program (Feb. 4, 2025) at 1, <https://www.opm.gov/media/xmxfp34k/opm-memo-legality-of-deferred-resignation-program-2-4-2025-final-1.pdf> (last visited Mar. 19, 2026). Claimant noted in communications with the agency that, pursuant to the DRP guidance, the Government was willing to waive service obligations in exchange for the employee's resignation or early retirement. Under the circumstances here, there was no service obligation to waive. Claimant fulfilled her obligations under her service agreement for her transfer in 2021, and claimant did not sign a new service agreement when she returned to CONUS. To the extent that claimant argues that the DRP guidance eliminated the need for her to sign a new service agreement prior to obtaining reimbursement of her real estate expenses, we find nothing in the DRP guidance that eliminates this requirement from either the FTR or JTR.

Decision

The claim is denied.

Marian E. Sullivan
MARIAN E. SULLIVAN
Board Judge