

# Board of Contract Appeals

General Services Administration  
Washington, D.C. 20405

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July 2, 2003

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GSBCA 16139-RELO

In the Matter of WILBERT J. HAGGRAY

Wilbert J. Haggray, Conyers, GA, Claimant.

Fran Shivers, Chief, Civilian Personnel Advisory Center, Headquarters United States Army Garrison, Department of the Army, Fort McPherson, GA, appearing for Department of the Army.

**DeGRAFF**, Board Judge.

A civilian employee who was initially hired overseas is not eligible to be reimbursed for real estate expenses upon being transferred to the United States.

## Background

Wilbert J. Haggray was a member of the United States Army serving in the United States when he was posted to Germany. When Mr. Haggray retired from military service, he decided to stay in Germany. Subsequently, he was hired as a civilian employee of the Army in Germany. In 2002, the Army issued a travel authorization in connection with its transfer of Mr. Haggray to a new permanent duty station in the United States. According to the travel authorization, the Army would reimburse many of Mr. Haggray's relocation expenses, including real estate expenses. Mr. Haggray reported to his new permanent duty station in the United States on July 1, 2002.

Mr. Haggray purchased a house near his new duty station and asked the Army to reimburse the expenses he incurred in connection with the purchase. The Army determined that, according to its regulations, Mr. Haggray was not eligible to be reimbursed for real estate expenses because he was initially transferred from the United States as a military member, not as a civilian employee, and was hired as a civilian employee while he was in Germany. The Army also determined that the travel authorization did not provide the authority to reimburse Mr. Haggray for his expenses, because the terms of the authorization were contrary to the regulations. Mr. Haggray asked that we review the Army's determination.

## Discussion

The Army correctly determined that it cannot reimburse Mr. Haggray for his real estate expenses. According to the Joint Travel Regulations (JTR), in most circumstances, a civilian employee of the Department of Defense who is transferred in the interest of the Government from one permanent duty station to another is entitled to be reimbursed for certain real estate expenses. The JTR explain, however, that when an employee is hired overseas and is then transferred to a permanent duty station in the United States, the employee is not eligible to be reimbursed for real estate expenses. JTR C14001. The regulatory provision is based upon a statute that provides agencies with the authority to reimburse real estate expenses incurred by an employee who transfers to the United States from an overseas duty station, so long as the employee was transferred overseas in the interest of the Government from a duty station in the United States. 5 U.S.C. § 5724a(d)(2) (2000). Mr. Haggray was first hired as a civilian employee of the Army in Germany and, therefore, is not eligible to be reimbursed for his real estate expenses. Marcia A. Devine, GSBCA 14878-RELO, 99-2 BCA ¶ 30,498; Theresa F. Zuber, GSBCA 13851-RELO, 97-1 BCA ¶ 28,878. As the Army correctly concluded, the travel authorization does not allow it to reimburse Mr. Haggray, because the authorization is contrary to statute and regulation. Kevin S. Foster, GSBCA 13639-RELO, 97-1 BCA ¶ 28,688 (1996) (citing Office of Personnel Management v. Richmond, 496 U.S. 414 (1990); Federal Crop Insurance Corp. v. Merrill, 332 U.S. 380 (1947)).

The claim is denied.

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MARTHA H. DeGRAFF  
Board Judge