UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

April 17, 2026

CBCA 8585-RELO

In the Matter of WILLIAM J.

Patrick J. Hughes of Patriots Law Group of Lyon & Hughes, P.C., Alexandria, VA, counsel for Claimant.

Thuylieu T. Kazazian and James E. Hicks, Office of Chief Counsel, Drug Enforcement Administration, Department of Justice, Springfield, VA, appearing for Department of Justice.

RUSSELL, Board Judge.

Claimant, a former employee with the Drug Enforcement Administration (DEA or agency) from January 2011 through August 2022, challenges the agency's action to recoup $33,925.45 for relocation expenses related to claimant's return from an assignment in South America to one on the East Coast of the United States (East Coast). For reasons stated below, we deny the claim.

Background

I. Claimant's Employment with DEA

A. Claimant's Relocation

DEA reassigned claimant from a DEA position in South America to one on the East Coast with a reporting date of August 29, 2021.[1] Exhibit 1, Letter from Chief, Relocation

[1] Based on claimant's initial service agreement, which he signed on November 8, 2016, and pursuant to which he was transferred to South America, it appears that claimant's

Management Unit, Office of Finance.[2] Claimant's original travel order had a reporting date of August 15, 2021. *Id.* Claimant states that the two-week delay in his reporting date was due to pandemic-related restrictions which slowed the packing of his household goods. Exhibit 1, Letter from Claimant (June 28, 2025).

In an email dated July 7, 2021, sent prior to his relocation, claimant was informed that he was to review permanent change of station (PCS) entitlements, outlined in DEA's PCS Foreign Assignment Relocation Handbook, which, in relevant part, states:

> [If you fail to] fulfill the terms of the Service Agreement(s) by resigning, voluntarily retiring, vacating position without authority, or removal for cause as distinguished from a reason beyond your control and acceptable to the DEA before the end of the agreed upon service period(s), you will be required to repay the United States Government all costs the DEA has paid towards your relocation expenses.

Exhibit 9 at 5.

In addition, on July 19, 2021, just prior to his reporting date, claimant signed a service agreement which, in relevant part, states:

> In consideration of the payment by the Government for all costs towards my relocation expenses including the withholding tax allowance (WTA) and the relocation income tax allowance (RITA) incident to my transfer . . ., I agree to remain in the employ of the United States Government for a period of not less than twelve months after the date on which I report for duty at that duty station.
>
> Furthermore, I agree that if I fail to fulfill the terms of this agreement by resigning, voluntarily retiring, vacating my position without authority, or if I am removed for cause (as distinguished from a reason beyond my control and acceptable to the Drug Enforcement Administration) before the end of the twelve-month period, I will repay the United States Government all costs the

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home of record was not on the East Coast but elsewhere in the United States.

[2] All exhibits are attached to the Agency's Response submitted October 8, 2025, unless otherwise noted.

> Drug Enforcement Administration has paid towards my relocation expenses including the [WTA] and the [RITA].

Exhibit 1, Service Agreement.

B. DEA's Employment Action Against Claimant

On or around June 29, 2022, the acting chairman of DEA's Board of Professional Conduct proposed removing claimant from his position due to allegations of lack of candor (six incidents), false statements/documents, and poor judgment. Exhibit 8, Letter from Office of the Deciding Official (Aug. 18, 2022). Claimant was given the opportunity to respond to the charges and did provide written and verbal responses. *Id*. Claimant, in his claim, states that, during an initial interview with Department of State (DOS) investigators, he did not wish to disclose certain aspects of his personal life, but, during a subsequent investigation by DEA's Office of Professional Responsibility, he was more forthcoming. On August 18, 2022, the deciding official found, based on a preponderance of the evidence, that the charges against claimant were "fully supported." Exhibit 8. Based on this finding, claimant was terminated from his position on or shortly after August 18, 2022.

Almost three years later, by letter dated April 4, 2025, DEA informed claimant that it was seeking reimbursement of the amounts paid to claimant for his relocation to the United States. Exhibit 1, Letter from Chief, Relocation Management Unit, Office of Finance, at 1 (Apr. 4, 2025). In the letter, DEA stated:

> Based on Sections 302-2.13 through 302-2.15 of the Federal Travel Regulation, DEA policy requires reimbursement of all relocation expenses paid to the employee if the agreed upon period of service as specified in the Service Agreement has not been met and the reason is not acceptable to the DEA. Removal (as distinguished from a reason beyond the control of the employee) is not an acceptable reason for not fulfilling the terms of a Service Agreement.
>
> Consequently, it has been determined that you have a debt to the U.S. Government specific to your last official transfer. Further, you are required to reimburse all costs DEA has paid toward your relocation expenses including the [WTA] and the [RITA]. A review and reconciliation of all charges, vouchers, and invoices associated with your relocation has been conducted resulting in a total debt to the U.S. Government of **$33,925.45**. Based on the above, you are required to submit payment to the U.S. Government to resolve this debt.

Id.

On June 28, 2025, claimant sent a letter requesting that he be absolved of, or released from, DEA's demand for repayment of the relocation expenses due, in part, to the considerable delay in DEA requesting repayment. Exhibit 1, Letter from Claimant (June 28, 2025). He additionally asserted that he was forced to sign the service agreement under duress. *Id*. Claimant stated that a supervisor informed him that, if he did not sign the service agreement, his personal items could be abandoned in the country from which he was departing and he could be subject to having his employment terminated for insubordination. *Id*. Claimant alleged that he had suffered discrimination from his supervisor and eventually filed a formal equal employment opportunity (EEO) claim against the supervisor. *Id*.

On or around August 6, 2025, DEA denied claimant's request to have his debt absolved, reiterating the reasons stated in the April 4, 2025, letter from the DEA's Chief, Relocation Management Unit. In its denial letter, DEA stated:

> [Y]ou violated the terms of the Service Agreement by failing to remain in the service of the Government for a period of not less than twelve (12) months following the effective date of your transfer. Based on 5 U.S.C. § 5724(i) and Sections 302-2.13 through 302-2.15 of the Federal Travel Regulation, DEA policy requires reimbursement from the employee of all relocation expenses paid to/on behalf of an employee if the agreed upon period of service specified in the Service Agreement is not met and the reason is not acceptable to DEA. Removal from your employment for cause is within your control and is not an acceptable reason for not fulfilling the terms of your Service Agreement.

Exhibit 1, Letter from Chief Financial Officer, Drug Enforcement Administration (Aug. 6, 2025).

II. The Parties' Arguments

A. The Claim

Claimant's overriding argument is that DEA's effort to recoup the relocation costs is motivated by a discriminatory animus against him. He asserts that DEA's "unexplained" delay in asserting the debt "supports the conclusion that the debt collection is being pursued as a continuation of the discriminatory treatment [c]laimant experienced throughout his employment."[3] Claimant's Reply at 5. He also argues that he completed 354 out of the 365 days of work under his service agreement with the shortfall due to pandemic-related issues

[3] We do not identify the specific type of discrimination alleged by claimant, finding it not germane to a determination of the merits of this relocation decision.

including moved flights. *Id.*; Exhibit 1, Letter to Agency (June 28, 2025) (requesting release from DEA's payment demand). Thus, he argues that his inability to complete the term of his service agreement was due to reasons that were entirely beyond his control. Claimant's Reply at 4. He urges, at the very least, that the debt should be prorated, given the minimal shortfall in the number of days left in the twelve-month term of his service agreement. *Id.* at 5.

As for the service agreement, claimant notes, in his claim, that "[a]s part of [his] return-move process to the United States, [he] was given a document stating that in order to receive funding for [his] move, [he] would need to stay employed with DEA for one year after [his] return, or else the funds would need to be paid back." Claim at 2. Claimant states that he expressed concern over signing the document to his supervisor, noting that he was under investigation by DEA's Office of Professional Responsibility, and that if DEA terminated him for any reason, he would be in violation of the agreement. *Id*. Claimant alleges that his supervisor ordered him to sign the agreement under threat of termination of his employment for insubordination. *Id*. Claimant argues that his supervisor's actions constitute economic duress rendering the agreement unenforceable. Claimant's Reply at 3. He asserts that "[a] contract is voidable when a party's manifestation of assent is induced by an improper threat that leaves the victim with no reasonable alternative." *Id*. In his claim, claimant also stated that he filed an EEO grievance against DEA and his supervisor but that the agency, as part of arbitration before the Equal Employment Opportunity Commission (EEOC), did not admit that it engaged in discriminatory conduct. Claim at 2.

B. The Agency's Response

In its response, the agency asserts that, under both DEA policy and the service agreement itself, removal for cause is not a valid reason for an employee failing to fulfill a term obligation under a service agreement nor is it an acceptable reason for DEA to grant relief from indebtedness. Agency Response at 7; Exhibit 9 at 5. The agency additionally argues that claimant provided no proof to support his allegation that he was forced to sign the service agreement under threat of termination. Agency Response at 6.

Discussion

I. Standard of Review

By statute, the Administrator of General Services has authority to settle claims involving travel, transportation, and relocation expenses incurred by federal civilian employees. *Michael L.*, CBCA 8477-RELO, 25-1 BCA ¶ 38,919, at 189,426. The Administrator has, in turn, delegated this authority to the Board. *Id*. Under the delegated statutory authority we are exercising here, we review a limited paper record and cannot

conduct "adversarial hearings" to resolve disputes of fact. *Tommy A.*, CBCA 7731-TRAV, 24-1 BCA ¶ 38,477, at 187,021 (2023). Rather, "[i]f there are irreconcilable disputes of material fact between a claimant and the government agency that cannot be resolved on a paper record, we must defer to the agency." *Id.* (citing precedent).

When the agency head or their designee authorizes or approves, an agency must pay travel expenses and costs related to the transfer of household goods for a federal employee who is "transferred in the interest of the Government from one official station . . . to another for permanent duty." 5 U.S.C. § 5724(a) (2018). An agency must pay these and, under the Federal Travel Regulation (FTR), other relocation allowances when a federal employee is transferred from one official station to another. 41 CFR 302-3.100, .101 (2021) (FTR 302-3.100, .101). Under the FTR applicable at the time of the circumstances giving rise to this claim, when an employee transferred from an official station outside the United States to one in the United States, the agency was required to pay or reimburse, among other relocation expenses, transportation and per diem for the employee and the employee's immediate family, temporary quarters subsistence expenses (TQSE), a miscellaneous expense allowance, and a RITA. FTR 302-3.101 (table C).

An employee must sign a service agreement to receive reimbursement for relocation expenses. FTR 302-3.503. An employee is required to serve a minimum period of service of at least twelve months following the effective date of a transfer under a service agreement. FTR 302-3.505(a). The FTR states the following regarding an employee's violation of the terms of a service agreement:

> **§ 302-3.506 May [an agency] pay relocation expenses if the employee violates his/her service agreement?**
>
> If an employee does not fulfill the terms of the service agreement, the employee is indebted to the Government for all relocation expenses that have been reimbursed to the employee or that have been paid directly by the Government. However, if the reasons for not fulfilling the terms of the service agreement are beyond the employee's control and acceptable to the agency, you may release the employee from the service agreement and waive any indebtedness.

FTR 302-3.506.

Although an employee becomes indebted to the United States for incurred relocation expenses when the employee fails to serve the full employment term under a service agreement, the Board has determined that "[t]here is no automatic requirement that an agency establish and collect a debt to recoup" those expenses. *Jeffrey A. Clements*, CBCA 5334-

RELO, 16-1 BCA ¶ 36,445, at 177,632. Instead, "the agency should determine whether it is appropriate to do so given the individual circumstances of an employee's departure from federal service prior to fulfillment of the obligations of the service agreement." *Id*. at 177,633. This Board has recognized that "[i]t is within an agency's discretion to determine whether a separation from service . . . was for a reason beyond the employee's control and acceptable as a reason for not fulfilling the terms of a service agreement." *Paula A. Shimata*, CBCA 1135-RELO, 08-2 BCA ¶ 33,901, at 167,775. "[The Board] will not question the agency's exercise of its discretion so long as it has a reasonable basis." *Kenneth Evans*, CBCA 3446-RELO, 14-1 BCA ¶ 35,484, at 173,936 (2013). "Accordingly, our inquiry is limited to whether the agency reasonably exercised its discretion." *Id*. Claimant has the burden of proof in showing that the agency did not properly exercise its discretion. *Randy C. Davidson*, CBCA 2044-RELO, 11-1 BCA ¶ 34,750, at 171,055. For the reasons stated below, we conclude that claimant has not met this burden.

II. Agency Appropriately Exercised Its Discretion

A. Claimant Fails to Establish That Removal Was Beyond His Control

We first address the question of whether claimant's removal from service before fulfilling the terms of his service agreement reflects a circumstance that was "beyond his control." *David C*., CBCA 8175-RELO, 24-1 BCA ¶ 38,709, at 188,203 ("[O]nly if the employee's early departure from the new [permanent duty station] was for reasons beyond his control that are acceptable to the agency will the agency be barred from recovering the expenses that it paid on the employee's behalf."). Claimant's service agreement and DEA's policy expressly exclude removal from federal service as a valid reason for failing to satisfy the term requirements of a service agreement. We cannot find that claimant's removal—the action preceding and leading to DEA's request for recoupment—stemmed from circumstances beyond his control. Here, claimant admits that he was less forthcoming in an initial interview with a DOS investigator than he was during an investigation by DEA's Office of Professional Responsibility. DEA removed claimant from service for reasons based on actions well within the claimant's control (lack of candor, false statements/documents, and poor judgment). Absent his own conduct, DEA would likely have had no basis for claimant's removal and, thus, no reason to request recoupment for the relocation expenses at issue in this claim.

In *Jonathan E. Pearson*, CBCA 6489-RELO, 19-1 BCA ¶ 37,419 the Board considered whether the claimant's involuntary resignation based on misconduct and failure to meet job qualifications—occurring prior to the claimant meeting the term requirements of his service agreement—was a circumstance within the claimant's control. *Id.* at 181,876. Although the Board ultimately found for the claimant based on both the agency's failure to exercise its discretion by making its own determination regarding the appropriateness of

recouping the relocation funds and the weight of the evidence, it did note, in its consideration of the evidence, that "*[m]isconduct by Mr. Pearson might have been within his control*, but a decision that he did not meet the required qualifications would not be." *Id*. (emphasis added).

Based on the factual circumstances related to claimant's removal, we are satisfied that claimant's failure to fulfill the terms of his service agreement was not based on reasons beyond his control. Further, given the language in both the service agreement and DEA's policy, it is evident that removal from service is not an acceptable one for the agency for the purpose of relieving claimant of the obligation to reimburse the agency for the relocation expenses at issue here. Exhibits 1 (Service Agreement), 9 (DEA's Foreign Assignment Relocation Handbook).

B. DEA Did Not Abuse Its Discretion in Pursuing the Debt

1. Claimant's Allegation of a Discriminatory Animus by DEA

Having found claimant's reason for not completing the terms of his agreement unpersuasive and unacceptable to DEA, we turn to the question of whether the agency reasonably exercised its discretion. *Donavan L. May*, CBCA 2188-TRAV, 11-1 BCA ¶ 34,658, at170,746 (The Board will not question an agency's exercise of its discretion so long as it has a reasonable basis.). The Board resolves this question under an abuse of discretion standard. *Jonathan E. Pearson*, 19-1 BCA at 181,875. Claimant's primary argument here is that the agency's actions were motivated by a discriminatory animus. Claimant notes that he was terminated just nine days short of fulfilling the terms of his service agreement. He argues that, under this circumstance, the agency's actions were unreasonable.

At the outset, we note that we cannot resolve claimant's allegation that DEA's attempted recoupment was motivated by a discriminatory animus. We conclude that such a claim is not within our authority to resolve. There is a separate, comprehensive remedial scheme pursuant to which employees can seek relief (as claimant did here) for alleged discriminatory practices by their employers. As the United States Court of Appeals for the Federal Circuit stated:

> Congress has provided that federal district courts have jurisdiction over an aggrieved employee's employment-discrimination action under Title VII[, 42 U.S.C. §§ 2000e–2000e–17]. *See* [*id*.] §§ 2000e–5(f)(3), 2000e–16(c). And the Supreme Court has described Title VII as "an *exclusive*, pre-emptive administrative and judicial scheme for the redress of federal employment

> discrimination." *Brown v.* [*General Services Administration*], 425 U.S. 820, 829 [(1976)].

Baker v. United States, 642 F. App'x 989, 991 (Fed. Cir. 2016) (emphasis added); *see also* 42 U.S.C. § 2000e–16(c) (federal employee can pursue a discrimination claim or complaint in federal court where (1) the employee disagrees with a certain final agency disposition; (2) if the employee pursued a discretionary appeal to EEOC and disagrees with EEOC's disposition; or (3) if either the agency or EEOC's disposition is delayed).

Federal courts and EEOC have decided cases concerning federal employees' discrimination (or related) claims regarding travel and relocation issues consistent with their jurisdiction to hear such claims. *See*, *e.g.*, *Batuyong v. Gates*, 337 F. App'x 451 (6th Cir. 2009) (hostile work environment claim based on denial of travel reimbursement to attend conference); *Hinds v. Mulvaney*, 296 F. Supp. 3d 220, 236 (D.D.C. 2018) (discrimination claim based on denial of travel expense reimbursement); *Gazdick v. Solis*, No. 3:10-CV-1062, 2013 WL 1909576, at *12-14 (M.D. Pa. May 8, 2013) (retaliation claim based on denial of relocation benefits); *Latricia P. v. McDonough*, EEOC Appeal No. 2022002146, 2023 WL 5275241 (July 17, 2023) (discrimination claim in which complainant sought moving expenses); *Duckworth v. Harvey*, EEOC Appeal No. 01A54037, 2005 WL 2137495 (Aug. 24, 2005) (discrimination claim in which complainant sought relocation costs); *Beausoleil v. Thompson*, EEOC Appeal No. 01996281, 2001 WL 1158796 (Sept. 25, 2001) (EEOC affirmed the agency's decision denying reimbursement to complainant for moving expenses because complainant failed to fulfill one year time-in-service or probationary period requirement); *Boyd v. Glickman*, EEOC Appeal No. 01990736, 2000 WL 270327 (Mar. 6, 2000) (claim based on delay of payment of relocation costs).

Thus, in the context of this relocation claim, we initially look to see whether there has been a finding of discrimination against DEA from a tribunal with a say over the issue. Although claimant availed himself of Title VII's exclusive remedial scheme, the record reflects that he did not pursue the case to a resolution resulting in a judgment or decision in his favor. He states that he attempted to arbitrate before the EEOC, but the DEA, as part of this process, did not admit it engaged in discriminatory conduct. Thus, there is no finding of discrimination from the EEOC, or a federal court, nor is there an admission of discriminatory conduct from DEA on which the Board can tie the agency's actions to a discriminatory purpose against claimant. We cannot conclude that DEA's effort to recoup relocation expenses from claimant was motivated by an unlawful or improper purpose and, thus, that the agency abused its discretion. *See Jeffrey A. Clements*, 16-1 BCA at 177,633.

Although the Board does not have authority to actually decide claimant's discrimination allegation against DEA, we note that claimant presents no evidence of discrimination other than his own conjecture. This type of evidence is insufficient to support

a decision in his favor. *Jeffrey C.*, CBCA 8762-RELO, 26-1 BCA ¶ 39,006, at 189,962 (mere conjecture is insufficient to support claimant's evidentiary burden). Additionally, both the removal and the decisions related to recoupment were considered and decided by DEA officials who were not claimant's supervisor. They were officials with DEA's Offices of Deciding Officials and Finance. Claimant has presented no specific facts, let alone evidence, suggesting specific discriminatory conduct or animus on the part of these officials in the course of their dealings with him.

Similarly, claimant's assertion that he would have fulfilled the terms of his service agreement absent pandemic-related restrictions and issues (e.g., packing delays, flight availability) lacks evidentiary support. There is also no evidence that the timing of the removal was intentional so that the agency could recoup the relocation expenses it had incurred. If DEA's request for recoupment had been close in time to claimant's removal, perhaps such a circumstance *might* weigh against a finding that DEA exercised its discretion appropriately in seeking recoupment. However, the request for recoupment came from DEA's Office of Finance approximately three years after claimant's removal. While the timing is unfortunate for claimant, there is no evidence in the record that this office was doing anything more than collecting monies it believed were due to the agency. In sum, we cannot find that DEA acted unreasonably or abused its discretion in deciding to recoup from claimant the relocation expenses that it incurred.

2. Claimant's Allegation That He Was Compelled to Sign the Service Agreement

Claimant alleges that his supervisor compelled him to sign the service agreement under threat of termination and that his supervisor's conduct constituted economic duress. Presumably, claimant means to argue that the agency could not enforce the terms of a voided agreement and that, therefore, it would be unreasonable for the agency to recoup the amount it is seeking from claimant. As stated above, the relevant FTR provisions mandate that a federal employee agree, in writing, to remain in government service for twelve months after a transfer, unless separated for reasons beyond the employee's control that are acceptable to the agency concerned. FTR 302-3.503, .505(a), .506. The FTR does not permit the agency to waive this written service agreement requirement. Claimant fails to reference any statute or FTR provision that would allow us, as a matter of law, to void or set aside the requirements of his signed service agreement except in the case that he was separated for reasons beyond his control acceptable to the agency concerned. As discussed previously, this exception does not apply to this claim.

III. Agency Is Encouraged to Consider the Feasibility of a Discretionary Waiver

We note that claimant does not allege that DEA's calculations of the amount due is inaccurate. Specifically, DEA is seeking reimbursement of $33,925.45, for approximately four, thirty-day blocks of TQSE, miscellaneous expenses, and the withholding tax allowance associated with claimant's service agreement dated January 19, 2021. Agency Response and Clarification at 2-3; *see also* FTR 302-6.104 (TQSE may be authorized for no more than a total of 120 consecutive days). However, claimant does request some relief from this amount particularly given that he was so close to fulfilling the terms of his service agreement. His request is perhaps not an unreasonable one.

As indicated previously, "[t]here is no *automatic* requirement that the agency establish and collect a debt in the amount of the relocation costs should an employee fail to complete a full twelve months of service after moving at the Government's expense." *Melinda K. Kitchens*, GSBCA 16639-RELO, 05-2 BCA ¶ 33,062, at 163,878 (emphasis added). Although the Board cannot waive or reduce the debt owed, *see Pedro D.*, CBCA 8234-TRAV, 25-1 BCA ¶ 38,724, at 188,276, the agency has considerable discretion in deciding whether to release an employee from this obligation. *Melinda K. Kitchens*, 05-2 BCA at 163,878; *see also Pedro D.*, 25-1 BCA at 188,276 (claimant can request waiver from indebtedness arising from an agency's erroneous payment to him of certain per diem expenses from the appropriate agency official); 5 U.S.C. § 5584 (The head of an executive agency or an authorized agency official has full authority to waive, in whole or in part, a debt arising out of an erroneous payment of travel, transportation, or relocation expenses and allowances, "the collection of which would be against equity and good conscience and not in the best interests of the United States."). Given the short time period that remained under claimant's service agreement, we encourage the agency to consider the possibility of waiving at least some of claimant's debt consistent with 5 U.S.C. § 5584 and based on, for example, claimant's financial or other mitigating circumstances. *See*, *e.g.*, *David C.*, 24-1 BCA at 188,207 (discussing the possibility of an agency waiving some or all of the claimant's debt in light of financial circumstances).

Decision

The claim is denied.

Beverly M. Russell
BEVERLY M. RUSSELL
Board Judge