

RECORD OF PROCEEDINGS

IN THE MATTER OF:

DOCKET NUMBER: BC-2022-01582

XXXXXXXXXX

COUNSEL: NONE

HEARING REQUESTED: YES

APPLICANT'S REQUEST

Her records be corrected reflect she was separated under PALACE FRONT instead of PALACE CHASE and her Active Duty Service Commitment (ADSC) be waived.

APPLICANT'S CONTENTIONS

According to the Air Force Personnel Center (AFPC), when she applied for separation, she would also submit a waiver for the additional ADSC received for accepting tuition assistance (TA). This waiver was submitted as part of her package and the package was approved by the Secretary of the Air Force. Additionally, she failed the courses while on active duty and paid back the debt incurred for TA. She was advised by her In-Service Recruiter (ISR) to separate under PALACE CHASE rather than End of Service in order to be gained into the [State] Air National Guard (ANG), avoid a gap in service, and avoid losing medical benefits. He also explained that she was going to be PALACE FRONT because she had requested to separate on her initial ADSC/Date Eligible to Return from Overseas (DEROS) (8 August 2021). Further, due to her records being incorrect, she is not eligible to receive the bonus for 17S (Cyberspace Operations Officer) in the ANG.

The applicant's complete submission is at Exhibit A.

STATEMENT OF FACTS

The applicant is a currently serving ANG captain (O-3).

On 4 February 2016, according to DD Form 214, *Certificate of Release or Discharge from Active Duty*, the applicant entered the Regular Air Force.

On 14 January 2020, according to AF Form 1227, *Authority for Tuition Assistance – Education Services Program*, provided by the applicant, she applied and was approved for TA and incurred a two-year ADSC with an end date of 31 July 2022.

On 17 February 2020, according to ISR Form 1, *Air Guard In-Service Recruiter*, provided by the applicant, she submitted a request to the ISR regarding an interest to transfer to the Air Force Reserve via PALACE FRONT.

On 17 January 2021, the applicant signed AF Form 2631, *PALACE CHASE Statement of Understanding*, which indicates the applicant's request to transfer to the Air Force Reserve via the PALACE CHASE program. Paragraph k of the contract states, "My PALACE CHASE contract expiration date will be triple my remaining active duty service commitment (ADSC for officers)...for a minimum of 1 year and a maximum of 6 years."

On 17 January 2021, the applicant signed AF Form 1288, *Application for Ready Reserve Assignment*, and applied for a position with the ANG. On 16 April 2021, the application was approved for a position to join the [State] ANG.

On 17 March 2021, the Secretary of the Air Force with delegated Authority to Headquarters AFPC, accepted the resignation tendered by the applicant on 28 January 2021, for the PALACE CHASE Program and directed she be honorably discharged from the Air Force effective 8 August 2021. This approval does not excuse any other indebtedness to the United States Government.

On 8 August 2021, according to DD Form 214, the applicant resigned from active duty in the grade of O-3 and transferred to the [State] ANG. She was credited with 5 years, 6 months, and 5 days of total active service. Her narrative reason for separation is “Intradepartmental Transfer.”

For more information, see the excerpt of the applicant’s record at Exhibit B and the advisory at Exhibit C.

APPLICABLE AUTHORITY/GUIDANCE

DoD Instruction (DoDI) 1304.34, *General Bonus Authority for Officers*, Section 3: Procedures

Paragraph b. Eligibility. In accordance with Paragraph 3.1.a., the Secretaries of the Military Departments only may pay a bonus to a person or officer who...(7) Is not serving a service obligation, except as noted in Paragraph 3.1.h.(1) of this issuance.

Paragraph h. Service Obligations. (1) An officer who has a service obligation is not eligible for a bonus pursuant to this issuance, except when the officer: (a) Serves his or her initial service obligation incurred at time of commissioning or appointment in accordance with DoDI 1304.25, *Fulfilling the Military Service Obligation*; (b) Incurs a service obligation due to a permanent change in duty station or promotion; (c) Incurs a service obligation for attending and completing professional military education or government-funded education courses (this exception does not apply to undergraduate education); or (d) Incurs a service obligation as a result of transferring his or her Post 9-11 GI Bill benefits.

DAFI 36-3211¹, *Military Separations*, paragraph 2.3.1.1., authorizes AFPC/DP2SSR, ANG, and AFR [Air Force Reserve] personnel to adjudicate enlisted PALACE CHASE applications. For officer PALACE CHASE applications, the Director, Secretary of the Air Force Personnel Council (SAFPC) has delegated authority to AFPC to approve, but not deny, officer PALACE CHASE applications, regardless of the length of the ADSC at issue. AFPC Military Transition Operations must refer any officer PALACE CHASE case where a recoupment determination is required to SAFPC. Any case where AFPC recommends denial must be referred to SAFPC for final decision.

24.1. Program Description. The PALACE CHASE program is a voluntary separation provision that provides regular component officers a process to request to transfer from the active component to an Air Reserve Component unit. The office of the Secretary of the Air Force may waive a portion of applicant’s remaining ADSC when the applicant agrees to all of the terms and conditions outlined in the AF Form 2631. In exchange for waiving the ADSC the applicant incurs an extended commitment within the ARC. Regular component officers will resign their

¹ AFI 36-3207, *Separating Commission Officers*, dated 9 July 2007, is no longer available on the e-publications website; however, AFI 36-3211 now supersedes AFI 36-3207 and does not change the overall intent of the PALACE CHASE and PALACE FRONT programs.

current commission in order to accept a reserve commission. Transfer must be to either an ANG unit or to an AFR position within the selected reserve.

24.6.1. The PALACE CHASE contract period is the time in which a PALACE CHASE participant must serve in the ARC in order to fulfill the PALACE CHASE contract. PALACE CHASE participants must agree to an extended service commitment in the ARC in accordance with 10 U.S.C. § 12301(d), Reserve Components Generally. 24.6.2. The contract date is calculated by determining the specific period of time remaining on the applicant's unfulfilled ADSC beyond the requested DOS. Calculate years, months, and days remaining then, triple the time remaining on the officer's ADSC. Add this time to the day following the member's final approved DOS. That date is the PALACE CHASE contract date. The contract period will be no less than one year and no more than 6 years.

26.1. Program Description. The PALACE FRONT program is an intra-service transfer program which allows active Air Force or Space Force officers and enlisted members to transfer from the active component to the ANG or the AFR the day after their approved date of separation (DOS) from the regular component. The PALACE FRONT program is not a voluntary separation program or a pre-ETS process that waives a current enlistment contract or ADSC. The purpose of the program is to allow members that already have an approved DOS to seamlessly transfer from the active component of the Air Force or Space Force to selected reserve service within the ARC. Transfer must be to the selected reserve as defined by DoDI 1215.06, *Uniform Reserve, Training, and Retirement Categories for the Reserve Components*.

AIR FORCE EVALUATION

AFPC/DP2SSR recommends denying the application. A review of the applicant's personnel record shows she submitted a request to separate early and join the Air Reserve Component (ARC) under the PALACE CHASE program due to having remaining ADSC for tuition assistance. The applicant's application was processed through AFPC for SAFPC review and approval. SAFPC approved the applicant's request for early release under the PALACE CHASE program to go into the ARC and on 8 August 2021, the applicant was discharged under the provisions of AFI 36-3207. PALACE FRONT is a transfer program which allows active Air Force officers to transfer from the USAF to an ARC the day after separation from the Air Force upon completing their ADSC. Officers apply as a "completion of required active service" and the application is finalized at HQ AFPC. PALACE CHASE is an early release program which allows active Air Force officers to request transfer from active military service to an ARC. The Air Force may waive the member's remaining ADSC if the member agrees to the terms of the PALACE CHASE statement of understanding/contract and repays any unserved portion of bonuses, tuition assistance, or scholarships as required. Repayment does not reduce commitment to the ARC. Applications are processed through AFPC to the SAFPC for final approval. SAFPC waiving the remaining ADSC only means they are approving early release from the Regular Air Force. The remaining unfulfilled ADSC is added to the contract with the ARC. Any bonus related qualifications for joining the ARC are the responsibility of the member determining criteria with their ISR prior to separation from REGAF.

The complete advisory opinion is at Exhibit C.

APPLICANT'S REVIEW OF AIR FORCE EVALUATION

The Board sent a copy of the advisory opinion to the applicant on 11 July 2022 for comment (Exhibit D), and the applicant provided emails regarding ADSC Waiver Request/Separations and other documentation/duplicates that can be found in her DD Form 149 submission.

The applicant's complete response is at Exhibit E.

FINDINGS AND CONCLUSION

1. The application was timely filed.
2. The applicant exhausted all available non-judicial relief before applying to the Board.
3. After reviewing all Exhibits, the Board concludes the applicant is not the victim of an error or injustice. While the applicant initially submitted a request for PALACE FRONT, she was ineligible for PALACE FRONT due to her ADSC. The only program she was eligible to separate under prior to the expiration of her ADSC was the PALACE CHASE program. Furthermore, in exchange for waiving the ADSC, the applicant agreed to all of the terms and conditions outlined in AF Form 2631. Consequently, according to DAFI 36-3211, the applicant incurred an extended ARC commitment. Therefore, the Board concurs with the rationale and recommendation of AFPC/DP2SSR and finds a preponderance of the evidence does not substantiate the applicant's contentions. Finally, according to DoDI 1304.34, *General Bonus Authority for Officers*, officers who are serving under a military service obligation (i.e., PALACE CHASE) are not eligible for a bonus. Accordingly, the Board recommends against correcting the applicant's records.
4. The applicant has not shown a personal appearance, with or without counsel, would materially add to the Board's understanding of the issues involved.

RECOMMENDATION

The Board recommends informing the applicant the evidence did not demonstrate material error or injustice, and the Board will reconsider the application only upon receipt of relevant evidence not already presented.

CERTIFICATION

The following quorum of the Board, as defined in Air Force Instruction (AFI) 36-2603, *Air Force Board for Correction of Military Records (AFBCMR)*, paragraph 1.5, considered Docket Number BC-2022-01582 in Executive Session on 16 February 2023:

- , Panel Chair
- , Panel Member
- , Panel Member

All members voted against correcting the record. The panel considered the following:

- Exhibit A: Application, DD Form 149, w/atchs, dated 2 June 2022.
- Exhibit B: Documentary evidence, including relevant excerpts from official records.
- Exhibit C: Advisory Opinion, AFPC/DP2SSR, dated 8 July 2022.
- Exhibit D: Notification of Advisory, SAF/MRBC to Applicant, dated 11 July 2022.
- Exhibit E: Applicant's Additional Documentation, undated

Taken together with all Exhibits, this document constitutes the true and complete Record of Proceedings, as required by AFI 36-2603, paragraph 4.11.9.

X

Board Operations Manager, AFBCMR