

COLLEGE OF MICRONESIA-FSM
ADMINISTRATIVE PROCEDURE NO. 6028

Extended Employment Benefits

Date Adopted: 1 April 1993

Date Revised: 30 May 2015

Date Reviewed: 11 August 2017

References: Chapter 3, Human Resources Manual, August 30, 2017

Key Terms You Need to Know.

- **Housing benefit** – housing allowance or rental fees at \$600 per month is granted to eligible employees and their monthly rent is paid by the college.
- **Shipping allowance** – a minimum of \$2,500 to maximum of \$4,000 is given to new employees who are eligible and who are required to travel by plane or ship to assume the position. When the same employees depart the college at the end of their first contract or thereafter, they are given the same level of allowance to ship personal effects and the shipper used for the service will send the college the billing statement for payment. Shipping allowance in check or cash is not issued to departing employees unless it is a reimbursement for items shipped which the employee paid for upfront.
- **House Lease Agreement**- a contract between employee and a landlord that documents the agreement and use of the residence.
- **Travel authorization** – business office form that is used to implement approved college travel including recruitment and repatriation of employees and their dependents.
- **Per diem** – daily allowance for expenses given to employee on approved college travel to cover the cost of daily living including room and board.

Frequently Asked Questions	
✓ What positions are eligible for extended benefits?	Management positions, faculty positions and professional positions at the 450-499 job evaluation point range.
✓ How do I know if I am eligible for extended benefits?	Number 7 on your current employment contract the contract will indicate what specific extended benefits are offered to you. If you have any questions, ask your supervisor or an HR staff member.
✓ How are housing benefits determined?	HRO follows the eligible criteria established in Board Policy No. 6028 and uses a number of additional documents to further verify eligibility.

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<p>✓ Who approves my housing lease agreement?</p>	<p>You do. You will negotiate your own lease agreements and make sure you can agree to the terms and that the terms are to your satisfaction.</p>
<p>✓ Where do I send my housing agreement for payment?</p>	<p>Once you signed your lease agreement, you will make yourself a copy and send the original to HRO. The director of human resources will certify eligibility and forward the agreement to the Business Office to make payments.</p>

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Frequently Asked Questions	
✓ Who notifies my landlord when I want to move out?	You do. You need to notify your landlord when you want to terminate the lease early and make the necessary arrangements for moving. You will need also to provide the written notice to HRO and the Business Office that shows signature of the landlord agreeing to the early termination. At this time, you should also send to HRO your new lease agreement.
✓ How much is the college obligated to pay for my house?	\$600 per month paid directly to your landlord.
✓ If my rent is \$500 monthly, do I get the \$100?	No, the remaining of the budgeted funds toward the housing benefit will remain in your division's budget and the supervisor will determine relevant uses for it.
✓ What is the difference between the old and the new policy for extended benefits?	In the old policy, shipping of personal affects is given in lb. This change affects only the current employees who were hired under the old policy and prior to 2003.
✓ How do I know which policy I am covered under?	It is stated on your employment contract, under item # 7 for employees who receive extended benefits.
✓ I am a new hire at a remote campus. How do I get my shipping allowance?	You will need to give the accountant or HR representative your bank information. They will provide it to Business Office, and BO staff will use the account information to deposit your funds.
✓ Do I need to pick up the monthly rental check for my landlord?	No. Your landlord will pick the check from Business Office, or if they provide their bank account information to Business Office, BO staff will deposit the rental fees monthly.

Recruitment Benefits

The college provides recruitment benefits to support successful recruitment and retention of personnel. Each benefit program is defined separately and with specific criteria for eligibility and requirements for certification.

Transportation

The college provides travel support for new employees according to Board Policy No. 6028:

The college will provide transportation for eligible employees from the point of hire to the work location by the simplest, most economical, and most direct route for the employee, spouse, and up to three additional dependents who are 18 years or younger, intellectually/ developmentally delayed, or still in high school as of the contract signing.

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Off island Hire is defined as anyone recruited from outside the FSM, who by accepting the job would be required to relocate to the FSM, or any person recruited from inside the FSM, who resided beyond the normal commuting distance from their prospective work location.

Home Island is defined as the island birth of the person or as customarily accepted as their island of origin.

Regular Employee an employee with an established position by the board with a regular employment contract and whose salary is assigned per annum rates.

Employee eligible for the extended benefit(s) are:

1. *Off island hires. This may include FSM citizens returning to their home island, if they meet the other criteria for eligibility. However, the only benefit extended is one-way transportation and shipping allowance.*
2. *For COM-FSM students who came to the island to attend school, and who are hired within 90 days of completion of their schooling, their time in school does not count as normally living on the island, and their home island prior to attending COM-FSM will be used as their place of hire.*
3. *Those employees hired from local agencies that hired the employee from off island and provided extended benefits.*
4. *Employees who are hired while holding a visitor's permit and have been on island for a month or less, and who prior to that time did not reside on the island of hire.*
5. *An employee whose spouse loses the extended benefits regardless of where the spouse is employed.*
6. *An employee who separates from a spouse who is receiving extended benefits, and subsequently lives in a separate residence from the spouse regardless of where the spouse is employed.*
7. *An employee who is an offspring of an employee receiving the extended benefits and the offspring subsequently lives in a separate residence from the parents.*
8. *An existing employee with a current contract up for renewal that provides extended benefits.*
9. *Employees hired under categories 2, 3, 4, 5, 6, 7 and 8 above, are eligible for the extended benefits with the exception of transportation from the point of hire to the work location. However, if they meet the other conditions for extended benefits they may be eligible for transportation from the work location to a location designated as their point of hire, at the conclusion of their employment contract.*

--April, 30, 2015

The HRO director determines individual employee eligibility at the initial contract signing by reviewing these documents against Board Policy No.6028 excerpted above.

- ✓ Vacancy announcement
- ✓ Job Application Form
- ✓ Questionnaire
- ✓ Voting ID
- ✓ Copy of contract with current employer
- ✓ Land Deeds
- ✓ Certificate letter from personnel office of current employer

When HRO determines an employee **is eligible** for the transportation benefits, it will issue a letter advising the employee of the findings.

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When HRO determines an employee *is not* eligible for the transportation benefit, it will issue a letter advising the employee of the findings. That letter will include this specific language:

“You have a right to grieve this matter within 30 days from issuance of this letter, if you disagree with this determination. Failure to file a written grievance within this 30-day period will act as a total bar to the grievance and the acts complained of.”

Transfer Allowance

The college will provide to eligible employees a transfer allowance to cover costs associated with shipping/ sending household effects and for settling in according to the following formula:

Single Employee:	\$2,500
Employee with one dependent:	\$3,000
Employee with two or more dependents:	\$4,000

When a new hire is determined to be eligible for transportation benefits, they are eligible for shipping allowance too based on the formula provided in Board Policy No. 6028 above. Eligible employees will be issued the transfer allowance through a check prepared and given to them after arrival on island. The transfer allowance and applicable per diem are listed on the travel authorization (TA) prepared for new arrivals. HRO will verify through memorandum to the Business Office the arrival of employee and dependents and will request the issuance of the applicable shipping allowance and per diem. The calculation of per diem rate follows current college approved per diem rate.

TO:	<i>Comptroller</i>
FROM:	<i>Director of Human Resources</i>
DATE:	<i>mm/ dd/ year</i>
SUBJECT:	<i>Processing of Shipping Allowance and Per Diem for (name of employee)</i>
<i>This memo serves as an internal notice for check processing for the shipping allowance and per diem for (name of employee) who is scheduled to arrive in Pohnpei August 3, 2015. Copy of his approved TA is attached.</i>	
<i>Please call us when the check is ready so we pick it up for [name of employee].</i>	
<i>Thank you.</i>	

Figure 3.1. Sample Memo Requesting Processing of Shipping Allowance and Per Diem

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If the employee travels first by himself, the college is obligated to issue \$2,500 only. The remaining will be issued when co-responding dependents are certified to have arrived on island by HRO.

Hires at Remote Campuses

For employees who are hired to work at the remote campuses, those employees must open a bank account and provide the account number and name to the Business Office. The college will issue a check and deposit those funds into the corresponding employee's account at the local bank. The remote campus accountant will provide the account number and information to the Business Office at the National Campus.

The accountant at the remote campus will notify employee when the funds are deposited into their bank account.

Housing

The college will provide a housing benefit to eligible employees holding management and faculty positions and employees holding professional positions with a 450-499 job evaluation point range who qualify.

If at any time during the term of the contract or at the execution of the contract, the employee is living by himself or with the employee's parent, spouse, spouse's parent or child, and that parent, spouse, spouse's parent, employee or child owns the residence which is within "normal commuting distance" of the work location, the employee is not eligible to receive housing.

If more than one employee comes from the same household and is eligible for housing, housing will be extended to the household and the benefit not multiplied.

Eligible employees will receive up to \$600 per month with the following conditions:

If two or more persons from the same household are eligible for housing, COM-FSM is the provider of last resort, and other housing policies apply first. Additionally, COM-FSM is not responsible for greater than \$600.00 in housing when counting housing benefits from all sources.

If the rent exceeds the allowed amount, the employee is responsible for the excess.

For eligible employees, the college will pay the housing benefit directly to the landlord, and solely in the amount specified in the written rental agreement, not to exceed the maximum amount for that eligible employee.

If the monthly rental is less than the maximum amount of the benefit to the eligible employee, the amount of benefit in excess of the monthly rental is waived by the employee.

Furnishings, appliances, utilities and telephone not included in the lease agreement(s) are the sole responsibility of the employee.

Source: COM-FSM BP6028

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The director of human resources will determine eligibility of employee based on the policy above and the following documents:

- ✓ Vacancy announcement
- ✓ Job Application Form
- ✓ Questionnaire
- ✓ Voting ID
- ✓ Copy of contract with current employer
- ✓ Land Deeds
- ✓ Certificate letter from personnel office of current employer

When HRO determines that an employee is deemed eligible for the housing benefits, it will issue in writing a letter advising the employee of the findings.

When HRO determines that an employee is deemed not eligible for the housing benefit, the office will issue writing a letter advising the employee of the findings including this specific language:

“You have a right to grieve this matter within 30 days from issuance of this letter, if you disagree with this determination. Failure to file a written grievance within this 30-day period will act as a total bar to the grievance and the acts complained of.”

See Board Policy 6028