

## **POLICY 004**

### **EXTENDED EMPLOYMENT BENEFITS**

**1.0 POLICY** Extended employment benefits may be added to regular employee contracts for recruitment and/or retention purposes for employees who meet the criteria listed below. These benefits include one or more of the following: transportation, transfer allowance, and housing.

#### **A. Transportation**

- (1) 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.
- (2) The College will provide return transportation from the work location to the point of hire 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 are still in high school as of contract signing.
  - a. A different destination from the point of hire may be authorized by the President or his/her designee if the total charge to the College is less than or equal to what the total charge would be if the employee were to return to his/her point of hire. The College will not refund or pay cash for the difference in fare if such different destination is authorized. If requested, such an alternate destination should be requested at least 90 days in advance of the expected departure.
- (3) The College will pay applicable per diem for the employee only for required recruitment/repatriation layovers, caused by scheduling of the simplest, most economical, and most direct route.
- (4) If the employee completes the first year of employment under the contract providing for transportation, then the benefit extended under subsection A.(1) becomes vested. If the employee fails to complete the first year of employment, then this benefit does not vest, and the employee is obligated to pay to the College an amount equal to the expense undertaken by the College in providing transportation.
- (5) If the employee completes the first contract which provides for transportation, then the benefit extended in the contract under subsection A.(2) becomes vested. If the employee fails to complete the first contract, then this benefit does not vest, and the College is not obligated to provide return transportation for the employee, spouse, and dependents and per diem to the employee. If any member of the family leaves the work

location prior to this subsection becoming vested, then the College is not obligated to reimburse the employee for the return fare when this subsection becomes vested.

- (6) The vested benefits described in Section X.1.A(5) must be used within 90 days of the employee's termination date of the final contract, or the return transportation is waived.
- (7) If an eligible employee renews an existing contract with the College, that provides for repatriation of more dependents than those allowed under the current policy, then the employee can choose to renew this specific term on his or her new contract.

**B. Transfer Allowance**

- (1) The College will provide transfer allowance to cover costs associated with shipping/sending household effects and for settling in to eligible employees according to the following formula:

Single Employee	\$2500
Employee with one dependent	\$3000
Employee with two or more dependents	\$4000

- (2) The College will pay only for the actual costs not to exceed the maximum allowed as described in X.1.B.(1) for shipping personal effects from the work location to the point of hire at the termination of the final contract.
  - a. A different destination from the point of hire may be authorized by the President or his/her designee if the total charge to the College is less than or equal to what the total charge would be if the employee were to return to his/her point of hire. If requested, such an alternate destination should be requested at least 90 days in advance of the expected departure.
- (3) If the employee completes the first year of employment under the contract providing for transfer allowance, then the benefit extended under subsection X.1.B.(1) becomes vested. If the employee fails to complete the first year of employment, then this benefit does not vest, and the employee is obligated to reimburse the transfer allowance.
- (4) If the employee completes the first contract which provides transfer allowance, then this benefit extended under subsection X.1.B.(2) becomes vested. If the employee fails to complete the first contract, then this benefit does not vest, and the College is not obligated to provide the return shipment of household effects.

- (5) The vested benefits described in section X.1.B.(4) must be used within 90 days of the employee's termination date of the final contract, or the return shipment is waived.
- (6) If an eligible employee renews an existing contract with the College that provides for return shipment of personal effects by weight rather than cost as defined under the current policy, then the employee can choose to renew this specific term on his or her new contract.

C. Housing:

- (1) The College will provide a housing benefit to eligible employees on the Faculty Salary schedule, the Management Salary Schedule and the Professional Salary Schedule who are on Pay Level 5 and above, who qualify. The exclusions listed below apply to all persons potentially eligible for the housing benefit:
  - (a) 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.
  - (b) 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.
- (2) Eligible employees will receive up to \$600 per month with the following conditions:
  - (a) 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.
  - (b) If the rent exceeds the allowed amount, the employee is responsible for the excess.
  - (c) 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.

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

**2.0 PURPOSE** In order for the College to attract qualified employees, extended benefits are needed to entice people to come and work for the College. The purpose of this policy is to clearly describe the extended employment benefits offered by the College and to define eligibility for extended employment benefits.

### **3.0 APPLICATION**

A. Employees 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 benefits 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, 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.

- B. Notwithstanding the requirements of the previous section, the Board of Regents in order to retain or hire qualified persons in areas of expertise important to the College which could not otherwise be filled may waive the requirements of the previous section.

#### **4.0 RESPONSIBILITIES**

The President has the overall authority of implementing the Extended Employment Benefits Policy.

The Director of Personnel is responsible for the day to day implementation of this policy. The Director determines eligibility and includes the extended benefits in eligible employees' contracts. The Director works with the employee to make the travel arrangements and arranges for shipment if the employee chooses this option and explains the transfer allowance options to the employee.

Personnel Director/ State Campus Director or Designee is responsible for seeking and negotiating the initial lease and ensuring that housing is acceptable.

The Employee is responsible for negotiating all subsequent lease agreements and notifying the College and landlord of any changes. An employee is also responsible for notifying the Director of Personnel of any change in circumstances that may affect his or her eligibility for the housing benefit, and for providing proof of adult child still in high school and proof of receiving the extended benefits from the previous employer. The employee is to submit all required documents to the Personnel Office in a timely manner. The employee is also responsible for making hotel reservations for any required layovers.

#### **5.0 PROCEDURE**

The Personnel Director will determine eligibility of the Extended Employment Benefits through a questionnaire. If the employee is eligible for the benefits, the Personnel Director gathers the required information to process the Travel Authorization. If the employee is ineligible, the Director notifies the employee at the time of the contract signing that they are not eligible for the extended employment benefits and that they have a right to appeal the determination.

##### **A. Transportation:**

- (1) The Director of Personnel obtains from the employee the names and ages of all dependents to be covered under this policy.
- (2) The employee provides the Director of Personnel with proof of high school enrollment for dependents over the age of 18 prior to travel confirmation.

- (3) The Director of Personnel works with the employee to determine the departure date and flight route for recruitment and repatriation.
- (4) The employee makes arrangements, i.e. hotel reservations for required layovers.

B. Transfer Allowance:

- (1) The Director of Personnel explains the transfer allowance policy and the options available. If the employee chooses to ship his/her household effects from the point of hire to the work location, the Director of Personnel contacts the shipping company to arrange with the employee for the shipment of their household effects. The College pays the shipping company and the employee receives the difference if the bill is less than the allowance, or bears any cost beyond the allowable transfer allowance. If the employee chooses to handle their own shipment or to purchase items on island the employee receives the allowance upon arrival at their work location.
- (2) At the end of the final contract, the employee determines if and how to ship their household effects from their work location back to their point of hire. If the employee chooses to ship his/her household effects, the Director of Personnel contacts the shipping company to arrange with the employee for the shipment of their household effects and the College pays directly to the shipping company. If the employee chooses to handle their own shipment the employee submits the receipts to the Director of Personnel for reimbursement. The College will pay/reimburse for actual costs not to exceed the maximum allowed as described in X.1.B.(1). Any costs exceeding that amount are the responsibility of the employee and no cash differential will be provided for amounts lesser than that amount. At the end of the contract, the College will not pay cash in lieu of the transportation allowance.

C. Housing:

- (1) Personnel Director/ State Campus Director or designee seeks temporary housing based on the size of the immediate family who will be living with the employee.
- (2) Personnel Director/State Campus Director/designee conducts an inspection of the premises before the new employee arrives.
- (3) The Personnel Director/State Campus Director or designee informs the utility company of the date of occupancy of the new employee.

- (4) The employee negotiates subsequent lease agreement(s) and informs the College and landlord beforehand in writing regarding changes in housing arrangements.
- (5) The employee informs the utility company of any changes in residence.
- (6) The employee inspects and documents the condition of the premises prior to entering into a lease agreement and upon vacating the premises. The employee is responsible for any damage to the leasehold.

## **6.0 DEFINITIONS**

**Off Island Hire:** 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.

**Regular Employee:** Employee in a permanent position with an employment contract.

**Home island:** The island of birth of the person, or as customarily accepted as their island of origin.

**Local Agency:** Local government or non-government organization, or private business.

**Normal commuting distance:** All locations on the island of Pohnpei are presumed to be within “normal commuting distance” of the College. All locations on the island of Kosrae are presumed to be within “normal commuting distance” of the Kosrae Campus. All locations within Chuuk Lagoon are presumed to be within “normal commuting distance” of the Chuuk Campus, except for Tol, Pata, Udot and Polle. All locations on Ruming, Maap, Gagil, Tamil, and the island of Yap are presumed to be within “normal commuting distance” of the Yap Campus.

**Employee Dependents:** employee’s spouse, biological child, legally adopted child, and biological child of spouse living in the employees household who are 18 years or younger or are still in high school as of the contract signing or intellectually/developmentally delayed.

**Intellectually/developmentally delayed:** A biological child, legally adopted child, and biological child of spouse living in the employees household who by virtue of a physical or mental handicap, has not graduated from high school and needs parental care and supervision to fulfill their daily living needs.