

EXECUTIVE ORDER NO. 107

*For the Purpose of Putting Into Effect
A Standard Employment Contract*

WHEREAS, the Republic of Palau National Government fills a number of personnel positions with people who are employed by limited term contracts; and

WHEREAS, over the years since this Constitutional government was formed the standard Trust Territory Prime Contract form and separate Conditions of Employment originally in use have been by-and-large abandoned, to the extent that there now exists many variations of said employment contracts; and

WHEREAS, a standard contract form that incorporates all conditions of employment is considered a desirable management tool that will lessen unwarranted inequities among employment contracts, reduce hard feelings by, between, and toward contract employees, and promote fewer misunderstandings between the National Government and contract employees;

NOW, THEREFORE, by virtue of the authority vested in me by the Constitution and laws of the Republic of Palau, I do hereby proclaim and order that the document entitled EMPLOYMENT CONTRACT shall be put into effect as of this date;

IN WITNESS WHEREOF, I have hereunder set my hand and affixed my official seal this 13th day of November, 1991, in the State of Koror, Republic of Palau.

Ngiratkel Etpison
President

EMPLOYMENT CONTRACT

This Employment Contract is entered into by and between the Government of the Republic of Palau, hereinafter referred to as Government and _____, hereinafter referred to as Employee, who is a citizen of _____, whose Social Security number is _____, which is under the Social Security System of _____.

Witnesseth:

Government requires the services of a qualified:

(Position Title)	(Position No.)	(Duty Station)
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The general duties and responsibilities of the Employee shall be:

_____.

Now, therefore, in consideration of the promises, agreements and conditions herein set forth, the parties agree as follows:

1. EMPLOYEE DECLARATION:

Employee represents that he/she is qualified, competent and desirous of performing the duties and services of the position above described. Employee agrees to express and demonstrate loyalty to the government at all times and shall perform the duties of his/her position in an ethical manner and to the best of his/her ability. Employee further agrees not to engage in or promote any strike against the Government. Employee certifies that he/she has not paid or promised to pay anyone to arrange his/her employment with the Government.

2. SALARY:

Government agrees to pay the Employee the bi-weekly salary of \$ _____ (\$ _____ annually). All official rates are bi-weekly; the approximate annual equivalent is computed by multiplying the bi-weekly total by 26 pay periods per year and rounding to the nearest \$100.

3. SERVICE PERIOD:

The period of service of this contract shall be from _____ 199__ through _____, 199__.

7. TRAVEL, TRANSPORTATION AND MOVING:

7.1. For recruitment and repatriation, travel and transportation expenses shall be paid by the Government as follows:

7.1.1 Economy class air transportation by the shortest direct route, or surface transportation not to exceed this cost, for the Employee and dependents of Employee from the Employee's designated point of recruitment to his/her duty station. Employee's point of recruitment is _____.

7.1.2 Per diem for the Employee is only at established National Government rates not to exceed necessary travel time by the shortest direct route from point of recruitment to duty station.

7.1.3 Transportation of household goods and personal effects not to exceed 3,000 pounds net weight for employees with dependents or 1,500 pounds net weight for Employee without dependents, via one surface shipment from Employee's point of recruitment (or not to exceed equivalent cost) to the Employee's duty station; plus 300 pounds gross weight of air parcel post for Employee with dependents or 150 pounds gross weight for Employee without dependents; provided such shipments originate within three (3) months of the date of entry on duty, unless extended by the Director of the Bureau of Public Service System (hereinafter referred to as the Director of Personnel).

7.1.4 Upon completion of the agreed upon period of contractual service, the Government shall pay all return travel and transportation expenses to the point of recruitment or another destination not to exceed the cost to the point of recruitment, to the same extent and subject to the same limitations set forth in subparagraphs 7.1.1 through 7.1.3 above.

7.2 If Employee successfully completes two consecutive one-year employment contracts, or one two-year contract, and has entered into a new contract for a new period of employment of at least one year, the following applies:

7.2.1 The Employee shall be entitled to home leave transportation for Employee and Employee's dependents to his/her place of recruitment to the same extent and subject to the same limitations as described in section 7.1 and subsections 7.1.1 and 7.1.2 above, or elsewhere provided that the cost does not exceed that to the point of recruitment.

7.2.2 The dates of leave and travel provided under subsection 7.2.1 are subject to approval consistent with the needs of the Government, however, said

leave and travel must commence not later than six (6) months after the effective date of the new employment contract.

8. HOLIDAYS:

The Employee shall be released from work on all legal holidays with pay. In the event that Employee is required by Government to work on a holiday, Employee shall be allowed compensatory time off with pay equal to twice the number of hours worked on said holiday. Time off shall be taken only at times approved by Employee's supervisor.

9. COMPENSATION AND WORK SCHEDULES:

9.1. The Employee's workday and workweek may vary from time to time according to the needs of the Government. Every effort will be made to maintain a reasonable five-day 40-hour workweek.

9.2. The Employee is not eligible for overtime pay, holiday pay (beyond regular compensation), or compensatory time off except to the extent allowed in Section 8 preceding.

10. HOUSING:

10.1 The employee shall receive free housing. Free housing includes any one of the following: Government-owned house, a privately owned house or apartment leased by Government, a hotel room on a temporary basis paid by Government, or a housing allowance in the form of cash paid to Employee. The type of free housing provided is solely at the discretion of the Government.

10.2 Except in the instance in which Employee receives a housing allowance, furniture and appliances shall be provided by Government or lessor as needed in all free housing provided. Also furnished will be both washer and dryer within the residence, or in the case of multifamily dwelling, access to laundry facilities on the premises.

10.3 Employee shall pay for electricity, water, and sewer utilities charges. Telephone installation, disconnection, and monthly use fees and charges for personal long distance communications must be paid by Employee.

10.4 In addition to keeping the interior of ROPNG-owned houses and their furnishings in good condition, occupants of such houses shall be responsible for upkeep of yards and grounds. Lawns shall be kept mowed and raked. Junk such as abandoned vehicles and storage containers must not be kept in the yard or surrounding grounds. Continued unsightly or unsafe conditions may result in eviction.

11. VEHICLE USAGE:

Employee shall not be furnished a vehicle by Government. Government vehicles are available for use for Government business purposes only, either during or after normal business hours. Proper authorization, including a Government operator's license, is required before Employee may drive a Government vehicle.

12. WORKMEN'S COMPENSATION:

Employee may be entitled to compensation for time loss and disability for injuries or illnesses occurring on the job according to the terms of a worker's compensation insurance policy held by Government. Employee is responsible for reporting any on-the-job work related injury or illness to Employee's supervisor as soon as practical.

13. LIMITATIONS OF GOVERNMENT LIABILITY:

13.1 Employee is advised that Government provides no insurance except that provided in paragraph 12, and Government assumes no liability for loss or damage in the circumstances set out below. It is recommended that Employee provide his/her own insurance coverage, including but not limited to the following:

13.1.1 Health and life insurance, including dependents where applicable.

4. LEAVE:

14.1 Annual leave shall accrue to Employee at the rate of 8 hours per pay period. Employee on an initial contract shall be entitled to use of annual leave only after having been employed for a continuous period of ninety (90) days without a break in service. Advance approval is required to use annual leave.

14.2 The maximum accumulation of annual leave for the employee shall be three-hundred and sixty (360) hours. Any excess over such maximum shall be forfeited.

14.3 Upon termination of employment at the completion of the contract, or early resignation or termination, Employee shall receive on the next regular payday a lump sum payment of all unused annual leave. However, where an offer and acceptance for a new period of employment is agreed upon under a new contract, all accrued and unused annual leave credits from the prior contract may be paid immediately or carried over, at Employee's election.

14.4 Sick leave shall accrue to Employee at the rate of four (4) hours per pay period and may be accumulated without limit. Employee is entitled to use of sick leave from the time the leave is first earned.

- 14.5 Upon completion of the present employment contract or early termination of employment, no payment will be made for accrued and unused sick leave credits. However, where an offer and acceptance for a new period of employment is agreed upon under a new employment contract, all accrued and unused sick leave credits from the prior contract will be carried over, provided there has not been a break in service in excess of one year.
- 14.6 Where, for good reason, Employee requires an advance of annual or sick leave, the Director of Personnel may grant up to a maximum of one-half (1/2) of the total earnable leave credits for one year from the date the request is approved or for the remainder of the employment contract, whichever is shorter. Subsequent leave earnings shall serve to replace the amount of advance leave granted and taken.
- 14.7 Sick leave may not be used at the end of the employment contract as a means of shortening the contract, nor may annual leave be similarly used except at the expressed written consent of Government.
- 14.8 Unauthorized leave or leave without pay, recorded as hours not worked, shall be deducted from Employee's pay in hourly units, based on Employee's hourly rate.

15. SUBSEQUENT EMPLOYMENT:

The Government has no obligation upon completion of this employment contract to provide further employment. The Government may, at its option, offer a new period of employment to Employee. However, a decision by the Government not to offer a new period of employment and not execute a new employment contract shall not constitute a basis for a grievance or cause of action against Government.

16. RESIGNATION AND TERMINATION:

- 16.1 Employment may be canceled by either Government or Employee on the giving of written notice of termination at least 60 calendar days prior to the effective date of cancellation of the contract.
- 16.2 Under special circumstances an appeal may be made to the President to waive the advance notice requirement for Employee's termination of the contract. If in the discretion of the President it is found that there are compelling reasons of a humanitarian and/or emergency nature, the President may waive the 60-calendar-day advance notice for termination and permit Employee to immediately resign and that this contract be canceled.
- 16.3 If during the term of this contract, Employee willfully fails to fulfill the terms of the employment contract by vacating his/her position, refusing to perform the contractual duties, and/or is removed for just cause, he/she is obligated to repay Government for certain expenses.

If this is an initial contract, Employee shall repay all Employee's expenses including travel, per diem, and shipment of household goods and personal effects. Employee shall bear the cost of his/her own return transportation and that of his/her dependents and the cost of return shipment of household goods and personal effects.

If this is a renewal contract, Employee shall repay all expenses of home leave transportation incurred for himself/herself and dependents in this Contract, if any.

16.4 Government's liability to pay return travel and shipment of household goods and personal effects at the termination of employment is contingent on Employee initiating such travel and departing Palau or other duty station not later than thirty (30) calendar days following the date of termination of this contract.

17. FINAL COMPENSATION:

Government may deduct from the employee's final compensation any indebtedness to Government, including travel advances, salary advances, utilities, debts created by the invocation of paragraphs 16.3 herein, and advance leave or other allowances covering a period beyond the date of cancellation or termination of this contract.

18. EMPLOYMENT STATUS AND TAXES:

18.1 Employee is employed by the Republic of Palau National Government. Under United States Internal Revenue Service regulations, United States citizens and United States resident aliens may be subject to United States income taxes. Employees working outside of Palau may also be subject to other taxes established by governments within the jurisdiction in which he/she resides.

18.2 Employee acknowledges that the earnings provided for under this Contract are subject to the Republic of Palau Salary and Wages Tax at prevailing rates. The rate as of the effective date of this contract is ___% on the first \$ _____ earned income, and ___% thereafter. This is subject to change at any time during the duration of this contract.

18.3 Employee acknowledges that current law requires contributions from Employee's earnings to the Republic of Palau Social Security system. The rate as of the date of this contract is ___% on the first \$ _____ earned income each quarter. This is subject to change at any time during the duration of this contract.

19. PROFESSIONAL CERTIFICATION/SPECIAL CONDITIONS:

(When certification of professional licenses is required for doctors, dentists, nurses, engineers, accountants, lawyers, etc., Employee shall certify such licensing. This section may also be used to provide for any special conditions of employment.)

IN WITNESS THEREOF, the parties have executed Employment Contract.

REPUBLIC OF PALAU NATIONAL GOVERNMENT

Civil Service Board Certification:

This Contract and Employee are exempt from the National Public Service System pursuant to 33 PNC 205(a)(1).

Chairman, Nat'l Civil Service Board

Date: _____

Approved:

Date: _____

Name: _____

Title: _____

Procurement Officer Approval:

Director, Bureau of Public
Service System

Date: _____

Certification of Availability of Funds:

Director, Bureau of Program Budget
& Management

Date: _____

Charge to account: _____

Form and Legality Certified:

Attorney General, ROP

Date: _____

EMPLOYEE

Signature: _____

Date: _____

Name: _____

(Typed or printed)

DISTRIBUTION:

- 1. Employee
- 2. Finance & Accounting, Payroll Branch
- 3. Pers. Folder (OPF)
- 4. National Civil Service Board
- 5. Organization Head

