EMPLOYMENT CONTRACT

Contract No.:_____

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 the Republic of Palau.

Witnessed:

Government requires the Services of a qualified: _____ (position title).

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 has determined that Employee's position is classified as Grade _____, Step _____ Of the Base Wage and Salary Schedule contained in the National Government Salary and Wage Act of 2013, RPPL No. 9-8. The annual salary for this grade and step is $_____, which shall be paid bi-weekly. The bi-weekly pay shall be $_____.

3. SERVICE PERIOD

The period of service of this Contract shall be from _____, through _____.

4. DUTY STATION AND WORK ASSIGNED

4.1 The duty station of Employee shall be _____. Employee may be transferred to any duty station, i.e., in Palau or wherever Government maintains official offices, during the life of this Contract. In the event of a transfer to another duty station, Employee shall be entitled to travel and other cost reimbursements provided for by Section 7 of this Contract.

4.2 Employee is primarily employed for the specific position previously identified, unless subsequently reassigned by Government to another position which is reasonably related to Employee's purpose of employment.

4.3 Employee shall provide training to employees of Government as required. It is a policy of Government to replace expatriate employees with qualified Palauan citizen employees as such positions become vacant and remains funded.

5. OUTSIDE EMPLOYMENT

Employee shall not engage in any employment outside of his/her position with Government as defined by this Contract.

6. EMPLOYEE'S MARITAL STATUS AND DEPENDENTS

Dependents are Employee's spouse and children. "Children" include natural and legally adopted children who are unmarried; primarily living in Employee's household, and not older than eighteen (18) years of age at the time of Contract's execution. Children reaching the age of twenty (20) during the period of this Contract and who no longer permanently reside with Employee are not considered dependents for repatriation purposes at the termination of Contract.

Employee declares that the following dependents will reside with him/her at the duty station:

		Name	Age
Spouse	:	_____	xxx
Children	:	_____	___
		_____	___
		_____	___
		_____	___
		_____	___
		_____	___
		_____	___

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 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 Employee is to be at established Government rates not to exceed necessary travel time by the shortest direct route from point of recruitment to duty station. Necessary travel time includes an allowance for an overnight layover enrooted for travel that exceeds more than twelve hours total travel time.

7.1.3 Transportation of household goods and personal effects not to exceed 3,000 pounds net weight for Employee with dependents or 1,500 pounds net weight for Employee without dependents, via surface shipment from Employee's point of recruitment to 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). Trade-offs of surface shipment allowances for lesser amounts of air parcel post may be made in accordance with current travel policies and procedures.

7.1.4 Upon completion of the agreed upon period of contractual service, 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 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 described in section 7.1 and subsections 7.1.1 and 7.1.2 above; home leave may be taken to another location 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 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

Employee shall be released from work with pay on all legal holidays. 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 Employee's workday and workweek may vary from time-to-time according to the needs of Government. Every effort will be made to maintain a reasonable five-day, forty-hour workweek.

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

10. HOUSING

10.1 Employee shall receive free housing. Free housing includes any one of the following: a 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. Both a washing machine and a dryer will also be furnished within the residence, or in the case of a multi-family dwelling access to laundry facilities on the premises will be available.

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 Employee is responsible for keeping the interior, including furnishings, of the Government-owned or –leased house, apartment, etc. in which he/she resides in good condition, excepting normal wear-and-tear. Additionally, if Employee occupies a Government-owned house he/she 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 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 working 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 to Employee's supervisor as soon as practical any on-the-job related injury or illness.

13. LIMITATIONS OF GOVERNMENT LIABILITY

13.1 Employee is advised that Government provides no insurance except that described in Section 12 preceding. Government assumes no liability for loss or damage in other circumstances. It is recommended that Employee provide his/her own insurance coverage, including but not limited to:

13.1.1 Health and life insurance, including coverage for dependents where applicable. However, Employee shall become eligible for any and all health insurance benefits offered to Public Service System employees at Government expense at any time during the duration of this contract.

14. LEAVE

14.1 Annual leave shall accrue to Employee at the rate of ___ 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 on 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 Employee shall be three-hundred and sixty (360) hours. Any excess over such maximum shall be forfeited.

14.3 Employee shall not be entitled to payment of unused accrued annual leave upon termination of employment, provided that if Employee resigns or is otherwise terminated prior to the end of this contract, and is unable to use the remaining balance of his/her annual leave prior to the termination date, or Employee is denied, as indicated in writing, the taking of annual leave by his/her supervisor(s), Employee shall be entitled to payment of unused accrued annual leave upon termination of employment. Employee's supervisor(s) shall make a reasonable effort to allow the taking of annual leave by Employee.

14.4 Paragraph 14.3 shall not apply to those employees under contract as of the effective date of RPPL No. 4-21, or those same employees who enter into subsequent contracts with Government. Such employees remain entitled to full payment of unused annual leave upon termination of employment, provided, however, that their most recent contract did provide for payment of unused annual leave. Employee does or does not qualify for exemption from paragraph 14.3 (exemption to be determined by Director of Personnel).

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

14.6 Where an offer and acceptance for a new period of employment is agreed upon under a new employment contract or a revised employment status such as civil service or appointment, all accrued and unused annual and sick leave credits from this Contract may be carried over, provided that there has not been a break in service in excess of one year.

14.7 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.

14.8 Sick leave may not be used at the end of the employment contract as a means of shortening the contract. Annual leave may not be similarly used except in the case of Employee having been previously denied use of annual leave as described in subsection 14.3. In this situation, Employee may choose to use annual leave for such purposes rather than accept a cash payoff upon termination of employment, at the expressed written consent of Government.

14.9 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 of pay (as calculated by dividing the annual salary by 2,080 and rounded to the nearest 100th of a dollar).

15. SUBSEQUENT EMPLOYMENT

Government has no obligation upon Employee's completion of this Contract to provide further employment. Government may, at its option, offer a new period of employment to Employee. However, a decision by 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 cancelled by either Government or Employee on the giving of written notice of termination at least sixty (60) calendar days prior to the effective date of cancellation of this 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 Contract. If in the discretion of the President it is found that there are compelling reasons of a humanitarian and /or emergency nature, President may waive the 60-calendar-day advance notice of termination and permit Employee to immediately resign and to allow this Contract to be canceled.

16.3 If during the term of this Contract, Employee willfully fails to fulfill the terms of employment by vacating his/her position, refuses to perform the contractual duties, or refuses to abide by all terms and conditions of this Contract, and is terminated from employment for any of these reasons or for other just causes or voluntarily resigns under the conditions of subsection 16.1 but not under subsection 16.2, he/she is obliged to repay Government for certain expenses.

16.3.1 If this is an initial contract, Employee shall repay all Employees' 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.

16.3.2 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, or any home leave transportation costs incurred under the terms and conditions of a preceding contract if such home leave was taken within the six month period prior to the termination date of this Contract.

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 his/her 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 Section 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 tax. Employees working in duty stations outside of Palau may also be subject to other taxes established by governments within the jurisdiction in which Employee 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 the prevailing rates. The rate as of the effective date of this contract is 6% on the first $8,000 earned income, and 12% 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 6% on the first $5,000 earned income each quarter. This is subject to change at any time during the duration of this Contract.

18.4 Employee acknowledges that the National Healthcare Financing Act requires contributions from Employee's earnings to the Medical Savings Account. The rate as of the date of this contract is 2.5% of Employee's total remuneration. This is subject to change during the duration of this contract.

19. PROFESSIONAL CERTIFICATIONS

Government does / does not require that Employee provide proof of professional licensing. If so required, Employee hereby certifies that he/she is a licensed _____ in the State(s) of _____ in the Unites States of America, and/or the United States territory of _____, and/or in the country of _____.

20. SPECIAL CONTRACT CONDITIONS

Under certain special circumstances allowed by Republic of Palau Law, or allowed by the Director of Personnel and the President of the Republic, a section(s) of this Contract may be modified. The following section(s) is hereby modified as follows (if no modifications, so state):

_____
_____
_____
_____
_____
_____

(Attach a continuation sheet if necessary)

20.1 Government Obligations Contingent upon Appropriations.

All obligations of Government under this contract shall be contingent upon the appropriation of funds for this contract during applicable fiscal year(s). Government shall not be liable for any obligations under this contract for which funds are not appropriated. At this time, no funds have been appropriated for this contract after the fiscal year ending September 30, _____. Employee and Government expressly agree that Employee cannot reasonably rely upon Government's performance of this contract after September 30, _____. This section shall not apply to contracts being paid solely from funding which is non-lapsing at the end of the current fiscal year.

IN WITNESS WHEREOF, the parties have executed this Employment Contract.

REPUBLIC OF PALAU NATIONAL GOVERNMENT

Requesting Official Approval:

Signature : _____ Date: _____
Name of official: _____
Title : _____

Certification/Procurement Officer Approval:
This Contract and Employee are exempt from the National Public Service System pursuant to 33 PNC _____.

_____ Date: _____
Umerang A. Imetengel
Director, Bureau of Public Service System

Certification of Availability and Type of Funds:

_____ Date: _____
Casmir E. Remengesau
Director, Bureau of Budget and Planning

Charge to Account _____ Lapsing _____ Non-Lapsing _____

Form and Legality Certified:

_____ Date: _____

Attorney General, Republic of Palau

Appropriate Management Official Approval:

_____ Date: _____
Tommy E. Remengesau, Jr.
President, Republic of Palau

EMPLOYEE

_____
Typed or printed name

_____ Date: _____
Signature

DISTRIBUTION:
1. Official Personnel Folder (OPF)
2. Division of Finance & Accounting, Payroll Section
3. Employee
4. Organization Head