

# MS 642 Conditions of Service for U. S. Overseas Staff

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Issuance Memo - Home Service Transfer Allowance

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## Attachments

Attachment A Conditions of Employment with Peace Corps Outside the Continental U.S.

Attachment B Questionnaire for Public Trust Positions (SF-85P)

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### 1.0 Purpose

This Manual Section summarizes general "conditions of service" for U.S. Direct Hire Employees. It deals with overseas allowances, import privileges, use of U.S. Government facilities in countries of assignment, change in family status, and related topics, which do not warrant separate treatment in other sections of the Peace Corps Manual. Where appropriate, cross-references to related sections of the Manual are indicated.

### 2.0 Background

The basic philosophy of Peace Corps U.S. Direct Hire Employee service emphasizes the importance of modest, non-ostentatious styles of living and working in relation to the host culture. The following subchapters of this Manual Section apply this philosophy of U.S. Direct Hire Employee service in more specific terms.

### 3.0 Overseas Quarters and Living Standards

Peace Corps Volunteers are expected to live simply and non-ostentatiously at the level of the people with whom they live and work. Because overseas staff members are charged with leading Volunteers, it is important that they live in a manner that is compatible with the basic philosophy of the Peace Corps.

*MS 733 Leases Procedures* provides specific guidance on staff living accommodations.

### 4.0 Allowances and Differentials

It would be inconsistent for the Peace Corps to compensate its U.S. Direct Hire Employees based upon any standard suggesting that difficult or notably unhealthy conditions or excessive physical hardships, differing substantially from those in the U.S., warrant special rewards or privileges. For this reason, the Peace Corps has concluded that its U.S. Direct Hire Employees may not receive a hardship differential, or any other allowances, except the following:

- Quarters allowances - Temporary lodging allowance and living quarters allowance,
- Education allowance or education travel, and
- Separate maintenance allowance, as outlined under paragraph 4.3. below.

These allowances are provided only to U.S. Direct Hire Employees, except resident hire employees, whose appointments are made under the authority of Section 7 (a) (2) in the Peace Corps Act. However, U.S. "Resident Hire" permanent employees are eligible only for quarters

allowance (see MS 693 for policies on "Resident Hire" overseas employees). Aside from these allowances, U.S. overseas employees, except resident hire employees, are also eligible for travel benefits connected with family emergency visitation and child visitation.

#### **4.1 Quarters Allowance: Living Quarters Allowance and Temporary Lodging Allowance**

Detailed guidance on U.S. Direct Hire Employee living quarters is provided in MS 733 Leases. Please consult Standardized Regulations (Government Civilians, Foreign Areas), Chapter 100 for additional references on the scope of allowances, and Chapter 920 for authorized amounts.

#### **4.2 Education Allowance and Education Travel**

In accordance with the Standardized Regulations, subchapters 270, 280, and 920, U.S. Direct Hire Employees with dependent children may receive an education allowance or education travel; however, the Peace Corps authorizes only one round-trip per tour for dependent children between the Post and the U.S. secondary or college institution (see MS 812 Staff Travel and Transportation Regulations for specific guidance on education travel).

#### **4.3 Separate Maintenance Allowance**

Separate maintenance allowance is an allowance intended to assist U.S. Direct Hire Employees in offsetting the additional expenses incurred by a U.S. Direct Hire Employee who is compelled to maintain a separate household for his or her spouse and/or dependent children away from the assigned Post.

##### **4.3.1 Conditions Governing Determination of Eligibility**

It is the policy of the Peace Corps to grant separate maintenance allowance to an employee only in the following cases:

- Spouse and/or child (children) are directed by the Peace Corps to leave the Post of assignment for reasons of health, safety, or foreign policy; or
- Spouse or child (children) of an employee incur/s an illness or injury at Post which requires the permanent revocation of the individual's medical clearance, and hence, his or her departure from the country of assignment.

The Peace Corps will not authorize a separate maintenance allowance where the U.S. Direct Hire Employee and family member(s) choose to live apart for their own convenience, or where the U.S. Direct Hire has personal reasons of special need or hardship to maintain family member(s) elsewhere, including but not limited to career, educational or family considerations for the spouse, or educational consideration for children.

A separate maintenance allowance shall not be paid on behalf of any child during the period covered by the grant of a "school away from Post" education allowance.

A separate maintenance allowance may be granted only in behalf of spouse and/or dependent child(ren) who have received full medical clearance for accompanying the employee to his or her overseas Post of assignment.

#### **4.3.2 Procedure for Granting Separate Maintenance Allowance**

Requests for separate maintenance allowance shall be submitted, with the recommendation of the Country Director who supervises the U.S. Direct Hire Employee, to the Director, Human Resources Management (D/HRM) through the appropriate Regional Director. Standardized Regulations, Chapter 943, provides authorized payment amounts for granting separate maintenance allowance.

#### **4.4 Staff Emergency Visitation Travel**

U.S. Direct Hire Employee emergency visitation travel is provided for U.S. Direct Hire Employees or spouses in the case of critical illness or death of members of the immediate family. See MS 816 Staff Emergency Visitation Travel for detailed guidance.

#### **4.5 Child Visitation Travel**

Child Visitation Travel is provided for children of legally separated or divorced parents to visit the other parent (see MS 812 for detailed guidance on child visitation travel).

#### **4.6 Home Service Transfer Allowance**

In accordance with the Department of State Standardized Regulations, the Peace Corps will pay its U.S. Direct Hire Employees who are reassigned from an overseas location to a stateside location an HTSA as follows:

- (a) Miscellaneous Expense Portion - A lump sum of \$500; and
- (b) Subsistence Expense Portion - A daily rate of actual lodging expenditures, not to exceed a maximum of seventy-five percent (75%) of the lodging portion of the locality per diem rate, and one hundred percent (100%) of M&IE portion of the locality per diem rate, for a period not to exceed 30 days.

The lodging expense portion of the reimbursement may be authorized by the receiving office for an additional period not to exceed 30 days for compelling reasons beyond the control of the employee. The receiving office may authorize an increase in the lodging portion (not to exceed 100% of the locality per diem rate) on a case-by-case basis, in compelling circumstances.

As a condition for receiving the HSTA, the employee must agree in writing to repay the HSTA unless the employee completes 12 months of United States government service following the effective date of the transfer, unless separated for reasons beyond the employee's control as determined by the Peace Corps. An employee who is separated because the employee's limited

appointment has expired is not required to repay the HSTA. The following language should be used:

### Home Service Transfer Allowance Repayment Agreement

As a condition for receiving a home service transfer allowance, I agree to complete 12 months in United States government service following the effective date of my transfer to a post in the United States, unless separated for reasons beyond my control as determined by Peace Corps. Separation because my limited appointment term has expired is considered a reason beyond my control.

Failure to comply with this agreement will result in my liability for repayment of this allowance.

Name:

Signature:

Date:

## **5.0 Duty-free Privileges**

In accordance with the terms of Peace Corps country agreements, most host governments have agreed to exempt Peace Corps U.S. Direct Hire Employees from certain customs, duties, and local taxes. It is Peace Corps policy to authorize U.S. Direct Hire Employees to use those exemptions only for the duty free importation of non-luxury commodities, such as powdered milk or special baby food, not obtainable in the host country at reasonable prices. U.S. Direct Hire Employees may not use the duty-free privilege for personal luxury items such as tobacco and perfume. Use of custom exemption to profit an employee or other individual will subject the U.S. Direct Hire Employee to disciplinary action (please see paragraph 7 of this Manual Section for additional information).

## **6.0 Use of Commissary and Post Exchange (PX) Facilities, Pouch, and MPS Privileges**

It is the policy of the Peace Corps to encourage U.S. Direct Hire Employees to carry out their activities, to the extent practical and possible, relying on the local economy and services. Although they are expected to refrain from patronizing facilities from which host country people are expressly excluded, U.S. Direct Hire Employees may use the commissary or PX facilities and may have pouch or APO privileges under restricted circumstances as outlined below. Contract personnel, temporary and part-time employees, and Foreign Service National employees are never authorized such privileges.

### **6.1 Use of Commissary or PX Facilities**

The Country Director or Acting Country Director decides, subject to the concurrence of the Regional Director, whether and within what limits U.S. Direct Hire Employees may use commissary facilities at each Post. The Country Director should use discretion in requesting such

privilege by weighing carefully the effect of commissary use by Peace Corps U.S. Direct Hire Employees at the particular post.

The use of commissary facilities should be limited as much as possible to purchasing goods used for representational activities. Under no circumstances should U.S. Direct Hire Employees depend exclusively on the commissary facilities for daily living when necessary goods and services are available at reasonable cost locally.

Access to Post Exchange (PX) facilities is determined in the same manner as that for the use of commissary facilities. The use of PX facilities may be authorized only when there is no commissary in country and only if it is clearly demonstrated that there are no adequate resources available for representational activities outside PX facilities.

The Peace Corps has strived to maintain not only a separation from the U.S. military overseas, but also an appearance of separation. The Country Director shall use utmost care in a decision to request the use of PX facilities by appraising the effect patronizing such military establishments may have on the credibility of the Peace Corps program in country. Under no circumstances may Peace Corps Volunteers be authorized PX or commissary privileges.

## **6.2 Personal Use of Pouch and Military Postal Service**

U.S. Direct Hire Employees may use the State Department diplomatic pouch for mailing and receiving personal mail to the same extent as other U.S. citizen members of the foreign service.

Military Postal Service (MPS) has been extended, under limited circumstances, to Peace Corps. U.S. Direct Hire Employees may use the MPS for sending and receiving personal mail (letters only). See MS 835 Diplomatic Pouch, Military Postal Service, and International Mail for specific guidance on the use of the pouch and MPS.

## **7.0 Importation and Sale of Personal Property Abroad**

Peace Corps' policies, with regard to the importation and sale of personal automobiles and other personal property abroad, are guided by Foreign Affairs Manual Circular No. 378, dated February 1, 1966. U.S. Direct Hire Employees are prohibited from selling automobiles or other personal property at a profit if the profit results from import privileges given to U.S. Direct Hire Employees by the host government. In addition to the regulations contained in Circular No. 378, Peace Corps U.S. Direct Hire Employees are subject to any other importation or exportation policies issued by the Chief of Mission. Peace Corps regulations concerning the shipment and storage of personal effects and shipment of personal automobiles are contained in MS 812.

## **8.0 Change in Family Status**

Any change in the family status of U.S. overseas employees, e.g., birth, adoption, or marriage, should be reported to the Director, HRM within 30 days of the change. A copy of the birth certificate, adoption papers, marriage certificate, etc. should accompany the report. In case of divorce, copies of the custody decrees, if applicable, shall accompany the report. Upon receipt of

the report, the Office of Personnel Management will forward to the U.S. Direct Hire Employee a Residence and Dependency Report (OF-126).

The report should be completed as soon as possible and be returned to the Office of Personnel Management. The U.S. Direct Hire Employee will then be advised concerning the opportunities to change his or her health benefits program, or change beneficiary for life insurance, or any other allowances and benefits that might be affected by the change in family status.

### **8.1 Intended Marriage to Person with Intelligence Background**

A U.S. Direct Hire Employee who plans to marry must notify the Office of the General Counsel D/GC, PC/Washington, of such intention at least 120 days in advance if the intended spouse, regardless of his or her citizenship, has had any connection with a U.S. and/or local intelligence community. The report should be accompanied with brief biographical information on the intended spouse. Under certain circumstances, marriage to a spouse with intelligence experience may be incompatible with the continued employment of the staff member as it may be considered to have negative impact on the Peace Corps program overseas. The Office of the General Counsel (D/GC) will review each case and notify the employee within 30 days from the date information was received in the office whether a proposed marriage to the particular individual with an intelligence background is incompatible with his or her continued employment in the Peace Corps. Further guidance on the intelligence background issue is provided in MS 611 Employment of Applicants with Intelligence Backgrounds.

### **8.2 Marriage to Non-U.S. Citizen**

Peace Corps U.S. Direct Hire Employees who hold security clearances must notify Peace Corps of their intent to marry a non-U.S. Citizen. Marriage to a non-U.S. citizen may affect the clearance holder's eligibility for continued access to classified national security information. Consequently, an evaluation of the impact of the marriage on the clearance holder's continued eligibility to hold a security clearance must be made prior to the marriage. If it is determined that a proposed marriage would necessitate the revocation of an employee's security clearance, and the individual chooses to marry in spite of this determination, the individual's employment with Peace Corps may be terminated or other necessary and appropriate action taken.

Notification must be made, in writing, 120 days in advance of the marriage.

For staff assigned domestically, the notice must be submitted to the Director, HRM and the Office of Safety and Security through the employee's A Delegate.

For staff assigned overseas, the notice must be submitted to the Director, HRM and the Office of Safety and Security through the Country Director and the Regional Director.

The notification must include the following:

- "Questionnaire for Public Trust Positions" (SF-85P) completed by the intended spouse;
- A brief biography of the intended spouse; and

- Certified copies of any divorce decree or other evidence of termination of any former marriage of employee and/or intended spouse.

Upon completion of background checks, the Office of Safety and Security will advise HRM, the Regional Director, and the Country Director whether the planned marriage will negatively affect the employee's security clearance.

For staff assigned overseas, the Country Director will notify the appropriate embassy security official, who will initiate the administrative clearance process (name check, visa-type investigation) on the intended spouse. Upon completion, the embassy security official will advise the Country Director if the embassy has any objection to the proposed marriage.

Within 30 days after the marriage, the U.S. Direct Hire Employee must submit to the Director, HRM a revised Residence and Dependency Report (OF-126). HRM will provide instruction on the medical clearance process for the spouse and any other dependents legally acquired through the marriage.

### **8.3 Marriage to a U.S. Citizen**

Within 30 days after marriage to a U.S. citizen, an employee shall submit a revised Residence and Dependency Report (OF-126) to Personnel. A certified copy of a divorce decree or other evidence of termination of any former marriage of employee and/or spouse must be forwarded with the report. A report of medical examination on the spouse and any other acquired legal dependents should be submitted to the Medical Director, Department of State.

## **9.0 Requirements for Overseas Tour of Duty**

Prior to their departure overseas, direct hire employees are required to sign an agreement that sets out the conditions for their service overseas. Direct hire employees overseas who are reassigned to a new post that requires travel and the shipment of their personal effects or consumables are required to sign a new agreement. Direct hire employees must sign an agreement for each overseas tour. See Attachment A, Conditions of Employment with Peace Corps Outside the Continental U.S.

Among other issues, the agreement specifies the length of the tour of duty, which is generally 30 months at post, and sets out the financial consequences when the employee fails to complete the prescribed tour of duty at post.

Copies of the signed Conditions of Employment Agreement shall be filed in the Office of Human Resource Management and the office of the applicable Regional Director.

### **9.1 Failure to Complete One Full Year of Service or Tour of Duty**

**9.1.1** An employee who fails to complete one full year of a first overseas tour shall reimburse the Peace Corps for any travel and transportation costs from the home-of-record to the post for the



employee and the employee's dependents, and household and personal effects, and shall also be responsible for paying all return travel and transportation costs.

**9.1.2** An employee who fails to complete one full year of a second overseas tour shall reimburse the Peace Corps for all return travel costs from the post to the employee's home of record.

**9.1.3** An employee who fails to complete his or her first prescribed tour of duty at post shall be responsible for paying all return travel and transportation costs for himself or herself, dependents, and household and personal effects from the post.

**9.1.4** Upon completion of five years of duty, whether domestic or overseas, an employee who extends his or her service overseas will have no further liability to repay travel or transportation costs.

## **9.2 Exceptions**

An employee who would otherwise be liable to pay or repay for travel and/or transportation, as set out in Section 9.1, will not be responsible for such costs under the following circumstances:

(a) The failure to complete the period of service is due to involuntary separation initiated by the Agency;

(b) The resignation is precipitated by the Agency in lieu of termination for reasons convenient to the Agency;

(c) The employee's departure is determined by the Director or designee to be for reasons beyond the employee's control;

(d) The employee has been reassigned to a position in the United States and completes not less than six months of service in that or another assignment with the Peace Corps in the United States.

(e) The employee and the Regional Director have agreed that it is in both parties' best interest to shorten the length of the employee's prescribed tour of duty by 180 days at a maximum.

(Requests for such changes in the duration of the tour of duty shall be submitted in writing, along with the recommendations of the Country Director at post, to the Regional Director for approval.).

**9.3** The provisions in this manual section do not apply to home leave. See Section 5.9 of MS 635.

## **10.0 Standard of Conduct**

The Peace Corps "Employees Standards of Conduct" governing the standards observed by all employees, is published in MS 641. This regulation prescribes the extent to which Peace Corps staff members may engage in political activity; and provides standards relating to conflict of interest, writing for publication, and other areas of general interest.

## **11.0 Effective Date**

This manual section shall become effective upon the date of issuance.