

MGIC Policies and Procedures – Human Resources

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4- HUMAN RESOURCES

Definitions

Award: A legal instrument – usually a cooperative agreement, grant, or contract – that provides financial assistance to a recipient to carry out a project.

Change in duty station: A geographic change in work site that is outside of the original work site by a distance established by the relevant MGIC office.

Competitive recruitment: A recruitment process where the position announcement is posted publicly and open for acceptance of applications for a reasonable minimum period of time, and selections to fill the vacancies are not pre-selected, but based on education, work experience, skills, training, demonstrated expertise in a particular field, aptitude, and performance during the interview process and on any related tests.

Conflict of Interest: A situation in which a person is in a position to derive personal benefit from actions or decisions made in the person's official capacity; a situation in which the interests of the person compete with the interests of Maryland Global Initiatives Corporation (MGIC) or the University of Maryland, Baltimore (UMB).

Consultant: *see Independent Contractor*

Cost allocation methodology: The methodology used to distribute costs that benefit two or more projects or activities to the appropriate funding sources in a way that is fair, transparent, consistent, and compliant with U.S. government requirements ([2 CFR 200.405](#) in the [USG Uniform Guidance](#)).

Country director (CD): The lead manager of a country office. The CD position directly supervises senior management positions in an MGIC country office and reports to the designee of the MGIC President. In non-traditional MGIC structures (such as MGIC USA, small teams or embedded positions), the CD role is referred to as a Country Representative (CR).

Country office (CO): An MGIC branch, corporate affiliate, field office, or program office established in a physical facility outside the United States, to conduct business in a country where UMB's education, research and related programs are implemented.

Country representative (CR): The senior-most representative of MGIC based in a country or representing MGIC in that country remotely, as designated by the MGIC President. In countries where MGIC operates a full country office, the senior-most MGIC representative is the Country director (CD). In countries where MGIC is not legally registered, does not have a full country office, or has another operating model (e.g. embedded within a partner institution), the MGIC Country Representative role may be held by the AVP of International Operations, an MGIC consultant or employee hired through the MGIC under an Employer of Record (EOR) contract, or another position as designated by the MGIC President.

Director of finance and administration (DFA): The lead manager of MGIC financial and accounting functions for an office or team, who may oversee and direct the office's administrative/operational functions as well, and whose title might be Director of Finance and Administration, Head of Finance, International Finance & Procurement Manager, or some other title indicating their leadership role in MGIC financial management.

Duty of care: Responsibility to provide all employees with a reasonably safe work environment, free from recognized hazards, and to warn of any reasonably foreseeable risks.

Duty station: An employee's assigned place of work as documented in their employment agreement or as amended in writing.

Effort: The proportion of time spent on any activity and expressed as a percentage of the total professional activity for which an individual is compensated.

Effort certification: After-the-fact certification that documents the actual distribution of an individual's effort (professional activity) among the projects on which they expended effort during the time period.

Effort commitments: The level of effort to which MGIC commits key personnel on a sponsor-funded project, typically committed during the funding proposal and award process.

Effort reporting: The process used to commit effort, charge salary expense to projects, and certify effort to support those charges.

Employer of Record (EOR): A professional employment firm that takes on the role of managing payroll, benefits, and risk management for a company's employees on its behalf, relieving the company of these responsibilities.

Equal-opportunity employer: Non-discrimination in recruiting, hiring, training and promoting personnel.

Expatriate: An employee directly hired by UMB who is a citizen of or is authorized to work in the United States, and is assigned to a MGIC duty station outside the U.S. with requisite work authorization in that country.

Flexible time: Working full-time or less than full-time on a schedule that has been modified from the office's regular business hours.

Fraud: Wrongful or criminal deception that is intended to result in financial or personal gain or to deprive a victim of a legal right. Fraud can violate civil law or criminal law, or it may cause no loss of money, property, or legal right but still be an element of another civil or criminal wrong.

Gross misconduct: Severe negligence or willful conduct that is violent, unlawful, or has the potential to severely harm the organization or others within the organization.

Harassment: Unwelcome conduct that is based on gender, marital status, pregnancy, race, ethnicity, tribe, color, religion, age, ancestry, national origin, sex, gender, gender identity or expression, sexual orientation, or physical or mental disability, and that interferes with an individual's work performance or creates an intimidating, hostile, humiliating, demeaning, or sexually offensive working environment.

Human resources (HR) lead: The lead specialist in an MGIC office with responsibilities related to human resources management, which could in some cases be the DFA or a project manager.

Independent contractor: An individual or firm engaged to provide services specified in an agreement that includes a clear description of the activities, services, reports, and deliverables to be provided, also may be referred to as a *consultant*.

Local employee: A locally hired MGIC staff member who is either a citizen of the host country or is a resident who is authorized to work in the host country with a valid work permit.

MGIC office: A unit, team, or designated representative within MGIC who maintain a physical presence in a country (such as a Country Office), or operate remotely when there is no physical office in country (such as MGIC USA).

MGIC office leadership: The CD or designated Country Representative, director of finance and administration (DFA), and other senior managers whom the CD supervises and who are collectively accountable for office or team management, operations, and programs.

MGIC Personnel: All employees working in an MGIC position, whether on UMB payroll, MGIC payroll, or another UMB-authorized payroll, including staff, UMB faculty with MGIC positions, fellows, students, other temporary workers, and individuals formally seconded to MGIC under professional services agreements with MGIC.

MGIC USA: The operational structure of MGIC procedures and services provided to UMB Funding Units outside of an MGIC country office. MGIC USA's services include procurement, financial transactions, recruitment and employment, and facilitation of legal services in countries where MGIC is not registered or operational. MGIC USA is an MGIC Office and is subject to the MGIC policies and procedures.

Performance management cycle: Also referred to as "rating cycle", the timeframe (typically one year in duration) for meeting performance objectives, ongoing monitoring, communication, and feedback throughout the period, and completion of a performance review at the end.

Probationary period: Specified amount of time during which the performance of an employee who has been recently hired, transferred, or promoted to a new position is evaluated by supervisory staff.

Retaliation: Any action taken against someone who raised a concern about suspected misconduct, which includes making threats, demoting, terminating employment, or other punishment or unfair treatment.

Salary scale: UMB-approved scale showing minimum and maximum rates of pay for MGIC employees working at each level of the organization.

Safety and security focal point (SFP): The person holding chief responsibility for implementing, administering, monitoring, and evaluating the safety and security policies, procedures, and plans of the MGIC office.

Sensitive data: Any personal, confidential, and legally protected information, including personally identifiable information (PII) associated with patient and study participant data.

Sexual harassment: Unwelcome sexual advances, unwelcome requests for sexual favors, and other unwelcome verbal or physical conduct of a sexual nature.

Sponsor: A funder of a sponsored project; an awarding agency or institutional donor; a funding source; an institution that funds activity that is separately budgeted and accounted for according to the terms the institution lays out in a subagreement.

Sponsored project: A project funded by a sponsor (as opposed to those funded by UMB lightly restricted or unrestricted funds).

Third-country national (TCN): An employee who is neither a citizen of the United States nor of the country in which the MGIC position is based (host country). A TCN is hired internationally by MGIC or through an MGIC EOR, is authorized to work in the host country with a valid work permit, is paid in US dollars, and receives additional benefits as stipulated in the employment agreement.

Total professional activity: Time spent working, which will vary each day and week, and which includes time devoted to sponsored projects as well as projects funded by UMB/MGIC lightly restricted funds.

UMB department administrator: The person in a UMB Funding Unit who typically serves as chief financial and operating officer for the UMB unit and is responsible for the planning and execution of compliance, financial, personnel, and other administrative affairs for the department's programs. When multiple UMB Funding Units engage the same MGIC office, the MGIC President designates one individual to serve as the UMB department administrator for that MGIC office's approvals and oversight purposes.

UMB department operations lead: The person in a UMB Funding Unit with responsibilities related to program operations, human resources management, and administration. When multiple UMB Funding Units engage the same MGIC office, the MGIC President designates one individual to serve as the UMB department operations lead for that MGIC office's approvals and oversight purposes.

UMB department program lead: The person in a UMB Funding Unit who directs the program. This role is often performed by the Principal Investigator or equivalent program director named in UMB's award agreement. This role may directly supervise MGIC technical leads in collaboration with the CD/CR.

UMB Funding Unit: A UMB school, department, institute, center, or other structure that manages international program awards and engages and funds MGIC to implement those programs.

UMB lightly restricted or unrestricted funds: UMB private funds (versus award funds) that are provided to MGIC with minimal spending restrictions indicated; sometimes referred to as "discretionary funds."

Whistleblowing: Reporting issues of suspected or known fiscal irregularities, illegal activity, and violations of policy.

4-1 Overview of MGIC Human Resources Policies and Procedures

Organization of the Human Resources Policies and Procedures

This section of the Maryland Global Initiatives Corporation (MGIC) Policies and Procedures directs and guides MGIC human resources (HR) management, from development of job descriptions and recruitment through transfer and separation from employment. It describes the requirement that each MGIC office maintain an up-to-date Human Resources (HR) Handbook and ensure safe, respectful, and productive work conditions. It also lays out timekeeping and effort reporting requirements and standards for performance management and professional development. Where there is no country office, the responsibility for developing and maintaining applicable content of an HR Handbook will lay with International Operations (IO) Department.

About “Designees”

These policies and procedures assign authorities and responsibilities to certain leadership positions. However, directors and managers may designate or delegate those authorities and responsibilities to colleagues, unless otherwise indicated and in accordance with the [5-4 Signature Authorities](#) and with appropriate internal controls in place.

MGIC should ensure consistency among the key HR documents an employee receives and provide clarity on the documents’ different purposes, as follows:

1. **Offer of employment letter:** This is signed by the country director (CD) for local hires to country office positions, or the MGIC President or designee for all other MGIC personnel categories and extended by the HR lead. It includes the salary, mentions some benefits and allowances, and refers the employee to the HR Handbook, and states the duty station. For employees engaged under an Employer of Record (EOR), the offer letter will be extended by the EOR.
2. **Employment agreement:** This is signed by MGIC following the same division of authorities as the Offer Letter, and countersigned by the employee and has the **job description** attached. It includes the employee’s job title and specifies the terms and conditions of employment. For employees engaged under an EOR, the contract will be signed by the EOR and countersigned by the employee.
3. **HR Handbook:** This lays out HR policies, procedures, and other guidance specific to that MGIC office and flowing from these MGIC Policies and Procedures for human resources. It reflects local labor law and customs. It is provided upon hiring to employees, who sign an HR Handbook Employee Acknowledgement statement that signifies their commitment to adhere to the policies and procedures described in the Handbook, including MGIC’s standards of ethics and professional conduct.

These MGIC Human Resources Policies and Procedures are complementary to other MGIC Policies and Procedures, notably [2-Ethics and Conduct](#), which dictates acceptable behavior by personnel, [3-Administration and Operations](#), [5-Financial Affairs](#), and [8-Safety and Security](#). They are supplemented by country-specific rules and regulations with which MGIC must comply and by HR procedures documented in the country offices’ HR Handbooks. They align with relevant policies of the University of Maryland, Baltimore (UMB), of which MGIC is an affiliate, and reflect applicable laws and regulations of the United States government (USG).

Important Notes for the MGIC Human Resources Policies and Procedures:

1. *Some HR policies and procedures relevant to the small number of MGIC employees in the categories of **expatriate** and **third-country national (TCN)** are not included here and are provided by UMB directly to those individuals to whom they apply. Faculty and staff of UMB who are assigned to an MGIC duty station have obligations under the State of Maryland ethics guidelines and other obligations as outlined in their agreements with the University.*
2. *Standards of conduct and some aspects of working conditions within these policies and procedures generally apply to **independent contractors** (also known as consultants). See [4-5 Categories of Personnel](#) and [5-15 Procurement](#) for procedures for recruiting and managing consultants.*

Code of Ethics and Professional Conduct

CO personnel are called upon to develop and maintain the highest standards of integrity and professionalism in conducting MGIC business. CO personnel subject to this Code include staff, faculty, fellows, students, interns, and volunteers.

In fulfilling the responsibilities of their positions, CO personnel are expected to adhere to and act in accordance with this Code and all laws, rules, regulations, policies, and procedures applicable to their MGIC activities.

Personnel Action Forms and other HR-related forms

These procedures include the mandatory use of a [Personnel Action Form \(PAF\)](#) for all HR transactions. Managers are responsible for initiating a PAF for any change to an employee's status, including hiring, salary/wage, title, duty station, supervisor, duties, and separation. A completed PAF is submitted to the HR lead to update HR files and a copy is sent to the finance team to provide the information required for making any adjustments to payroll. For employees engaged via EOR, the International Operations (IO) department's Manager – International HR will coordinate the change processes in liaison with the EOR.

In addition to the PAF, MGIC Human Resources Policies and Procedures reference other standardized forms and formats, as well as samples. These are available in the [MGIC Forms Library](#) in editable formats, to facilitate MGIC offices adapting the forms to their specific needs. Such adaptations will range from adding the office name and address to including an additional signatory. **Where an online version of a form exists, the country office should use the online version and not the version provided in the [MGIC Forms Library](#).**

CO human resources duties

The country director or country representative (CD or CR) is ultimately responsible for HR management and compliance and ensures there is a designated person to lead this function in larger MGIC offices or teams, known as the *human resources (HR) lead*. This person may report to the CD/CR or to the director of finance and administration (DFA), or the equivalent MGIC leadership position, and is responsible for working closely with the UMB department operations lead and Manager, International HR to ensure policy compliance and high-quality performance of the HR function.

While MGIC offices will have distinct human resources structures depending on the office's size and scope, the duties of the HR lead/team are consistent from one office to the next, and the core responsibilities are:

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- Monitor changes to local labor law and take action when these affect MGIC or UMB policies and procedures
- Maintain an up-to-date HR Handbook for the office
- Foster productive, respectful, safe, and healthy working conditions for all personnel, upholding MGIC core values (see [2-Ethics and Conduct](#))
- Ensure all personnel have an active employment agreement with an accurate job description, and all independent contractors (consultants) have an active consulting agreement
- Manage recruitment in accordance with stated policies and procedures and in compliance with applicable rules and regulations
- Manage a hiring and orientation process that is efficient and effective to fulfill the HR needs
- Manage a transparent and equitable process for promotions and title changes
- Ensure that HR records are properly filed and retained
- Ensure equitable compensation and suitable benefits are in place and clearly communicated
- Manage the office's leave management system
- Foster and promote appropriate professional development opportunities
- Establish and oversee the performance management process for office personnel
- Guide and ensure compliance with disciplinary, grievance, and dispute resolution procedures
- Manage the personnel separation process

Of special note: As the person responsible day-to-day for HR compliance, the HR lead must handle professionally any pressure to deviate from laws, rules, regulations, policies, and procedures applicable to HR management. The CD/CR must support the HR lead in these instances and make it clear that ***it is unacceptable for CO personnel to harass, threaten, or otherwise retaliate against HR personnel (or any other personnel) for ensuring compliance.***

Exceptions and exceptions request process

Exceptions to policies and procedures may be warranted when in the course of MGIC operations, a situation or scenario arises that does not fall within the prescribed standards. These HR policies and procedures specify in certain cases what action senior MGIC staff should take to seek approval for an exception to a policy requirement, such as when an office would like to post a senior-level job opening for a time period that is shorter than the minimum number of days required.

Where not specified, a CD/CR may seek an exception to an HR Policy by submitting a completed [Policy Exception Request Form](#) to the Manager – International HR who will consult with the UMB department operations lead and seek approval from the MGIC President or their designee. The request should specify the following:

- The MGIC Policy for which an exception is being requested
- The nature of non-compliance or deviation from the policy
- Why an exception is required
- How the office will minimize any potential risk associated with deviating from the policy
- Additional information, as needed to support the request

It is the MGIC CD/CR's responsibility to submit requests in advance to allow sufficient time for the approval process.

The MGIC office is required to attach approved exception requests as supporting documentation for applicable HR transactions.

Checklist for CDs/CRs

A tool for managing policy implementation and conducting compliance monitoring

- ☐ Ensure the leadership team understands HR requirements, particularly in the recruitment, performance management, and separation phases
- ☐ Clearly lay out the duties of the HR lead/team and include all the core responsibilities noted in this Policy
- ☐ Ensure consistency among the key HR documents an employee receives
- ☐ Ensure job descriptions are attached to each employment agreement
- ☐ Support the HR lead in handling any pressure to deviate from these Policies, and foster a work environment in which harassment, threats, and retaliation are not tolerated
- ☐ Mandate the consistent use of a [Personnel Action Form](#) for all human resources transactions
- ☐ Ensure the HR lead/team closely follows core responsibilities
- ☐ Where these Policies do not specify how to handle an exception that the office thinks is warranted, submit a [Policy Exception Request Form](#) to the Manager, International HR for UMB approval

Key references

- [Personnel Action Form](#)
- [Policy Exception Request Form](#)
- [2-Ethics and Conduct](#)
- [2-2 MGIC Code of Ethics and Professional Conduct](#)
- [3-Administration and Operations](#)
- [4-5 Categories of Personnel](#)
- [5-Financial Affairs](#)
- [5-4 Signature Authorities](#)
- [5-15 Procurement](#)
- [8-Safety and Security](#)

4-2 Human Resources Handbook

Policy statement

MGIC offices are required to maintain human resources policies, procedures, and other guidance specific to that office in the form of an HR Handbook. Where there is no physical MGIC office, the IO Department's Manager – International HR will maintain the HR Handbook or appropriate equivalent guidance for remote and EOR-hired employees.

Every MGIC office physically located outside the US must have an HR Handbook that reflects local labor law and customs, has been reviewed and approved by local legal counsel, and has been approved by the MGIC VP – Policy & Administration, in coordination with the UMB department operations lead. Any substantial updates to the HR Handbook may be made in consultation with the Manager – International HR for policy compliance, and must be reviewed and approved by local legal counsel and the MGIC VP – Policy & Administration.

All employees upon hiring must receive the HR Handbook relevant to their duty station, and any revision memoranda released since the handbook was last updated. All employees must sign an HR Handbook Employee Acknowledgement statement that confirms they have read the HR Handbook and signifies their commitment to adhere to the policies and procedures described in the Handbook, including MGIC's standards of ethics and conduct. When disseminating substantive revisions to the Handbook, the MGIC office must collect newly signed acknowledgement statements from all employees. The Manager – International HR will coordinate the process for MGIC employees on EOR contracts.

Procedures

Creation of the Handbook: The Manager – International HR will provide a template and collaborate closely with a country office that is creating the HR Handbook for the first time. Local legal counsel must review and approve the Handbook, along with the MGIC VP – Policy & Administration and the designated UMB department operations lead.

Revisions: The MGIC office's HR lead is responsible for monitoring changes to local labor law that may in turn require MGIC to adjust or revise policies and procedures. When such situations arise, the HR lead should advise MGIC management of the changes and proceed with addressing them in the Handbook.

In addition, the HR lead should endeavor to update the HR Handbook at least once every two years. Once substantive updates are approved by local legal counsel and the MGIC VP – Policy & Administration, the changes to the HR Handbook can be issued to employees by circulation of a revision memorandum detailing the changes or by issuance of a revised HR Handbook.

Agreement Statement: Each new employee receives, upon hire, the HR Handbook and any revision memoranda released since the Handbook was last updated. Revisions to the Handbook are disseminated to all MGIC personnel assigned to that duty station whenever issued. In all cases, signed Employee Acknowledgement statements are collected from each employee and placed in their personnel file.

Access to the Handbook: The HR Handbook should be readily accessible to all employees for sustained use in quality management of the MGIC office. This includes accessibility to both hard copies and the digital version. Translation of key portions or of the entire handbook into a local language may be warranted.

Checklist for CDs/CRs

- ☐ Maintain an up-to-date HR Handbook that has been through legal review and has MGIC approval
- ☐ Create an environment in which the HR Handbook is readily accessible, frequently referenced, and explicitly cited
- ☐ Have employees sign an HR Handbook Employee Acknowledgement statement whenever they receive the Handbook for the first time, a Handbook revision memorandum, or a revised Handbook, and store the signed forms in their personnel files

4-3 Organizational Structure

Policy statement

Organizational chart: Each MGIC office must have an organizational chart that is approved by the UMB department operations lead and is accessible by all employees. The organizational structure shall be sufficient to ensure sound management of project activities, human and financial resources, statutory and regulatory requirements, legal obligations, and partner relationships pertaining to the research and programs being delivered. To the extent feasible, all positions shall be shown on the organizational chart. Any substantial modifications to the organizational chart shall be approved by the UMB department operations lead before implementation.

UMB approval and supervisory roles: Several approval and process management responsibilities within the MGIC HR Policies and Procedures are assigned to designated roles held by UMB employees, as described throughout this document. These roles include UMB Department Administrator, UMB Department Operations Lead, and UMB Department Program Lead.

When an MGIC office is implementing programs funded by more than one UMB Funding Unit, the MGIC President will designate specific UMB employees to fill the roles of UMB Department Administrator and UMB Department Operations Lead, for purposes of fulfilling the responsibilities described in these policies and procedures. The MGIC President will also designate a UMB employee to directly supervise the MGIC CD or CR in the case of multiple UMB Funding Units implementing programs through the same office. These standard practices are necessary to facilitate sound oversight and efficient decision-making when more than one Funding Unit is implementing programs through the same MGIC office.

In MGIC structures that are not traditional country offices – such as smaller teams, remote workers reporting to UMB or to a regional or global MGIC structure, or staff embedded in another institution – the UMB IO department will support the development of appropriate reporting lines, segregation of duties, and supervisory relationships to ensure policy compliance and efficiency of operations. In cases where more than one UMB Funding Unit is implementing program activity through a non-traditional MGIC structure, the IO department will also recommend UMB leads to fill the roles of department administrator, department program lead, and department operations lead, for MGIC President approval.

Position grading system: Each MGIC office must have a position grading system to ensure clear, consistent, and equitable treatment of all employees. Each position must be graded, and the grades made available to all personnel. If the MGIC office would like to revise the position grades, the HR lead should consult with the Manager – International HR on the revision and then seek approval from the UMB department operations lead.

Salary scale: Each MGIC office must have a UMB-approved salary scale showing minimum and maximum rates of pay for employees working at each level of the organization. All salaries must fall within the approved salary scale for that grade unless an exception is granted by the UMB department operations lead – see more on the salary scale in [4-12 Compensation](#). As with the position grading system, if the MGIC office would like to revise the salary scale, consultation with the IO Department and approval from the UMB department operations lead are required.

MGIC Office leadership team: All MGIC offices must have an established leadership team that meets on a regular basis to discuss and address strategic and other issues of importance to programming and operations. The membership of the leadership team shall be known to office personnel via internal communications. Major decisions made at the leadership team meetings shall be documented in notes or minutes.

Checklist for CDs/CRs

- ☐ Create, maintain, and make accessible an office organizational chart that is approved by the UMB department operations lead
- ☐ Ensure that all office positions are graded and that the salary for each position is aligned with the UMB-approved country salary scale
- ☐ Convene the office leadership team regularly and maintain documentation of major decisions taken
- ☐ Establish and closely follow delegation of authority levels that are approved by the head office

Key references

- [4-12 Compensation](#)

4-4 Standards of Conduct

Policy statement

MGIC requires that all personnel abide by the MGIC Code of Ethics and Professional Conduct and other Policies and Procedures dictated in [2-Ethics and Conduct](#). MGIC is committed to protecting employee rights and has a zero-tolerance policy for violations of the Code. More specific guidance on standards of conduct are detailed in each MGIC HR Handbook. These standards aim to ensure that the country office implements UMB's research and programs in an orderly, efficient, and safe fashion.

Anyone found to be engaging in any type of improper, unethical, or illegal behavior, violating the general standards of conduct, retaliating against a whistleblower, or violating MGIC Policies and Procedures shall be subject to disciplinary action, up to and including termination, as appropriate.

Overview of procedures

Detailed procedures for better understanding and enforcing standards of conduct are outlined in [2-Ethics and Conduct](#) and, in accordance with the local legal requirements, in the HR Handbook. The following summarizes key points.

Reporting and whistleblowing

As described in [2-2 MGIC Code of Ethics and Professional Conduct](#) and [2-5 MGIC Whistleblower Policy](#), MGIC does not permit retaliation against any person who reports known or suspected unethical behavior, violations of the standards of conduct, discrimination, harassment, or other unlawful behavior. Reports of this nature should be directed through the same channels as other reports of misconduct – that is, to a manager or through the [Ethics Hotline](#).

The Ethics Hotline provides a confidential and anonymous mechanism for such reports to be made by personnel and by outsiders who interact with MGIC, such as contractors, vendors, applicants for employment, program or research participants, and clients.

Our Values

MGIC's core values are at the heart of our mission to improve the human condition and serve the public good through education, research, clinical care, and service. These core values guide our programs, operating philosophy, and commitment to our constituents, while supporting our dedication to global enhancement and social progress.

Respect and Integrity: We value each other and hold ourselves accountable for acting ethically and transparently using compassion and empathy.

Well-Being and Sustainability: We care about the welfare of our people, planet, communities, and University.

Equity and Justice: We embrace and are committed to diversity, and we value inclusive and just communities. We oppose racism and oppression in all its forms.

Innovation and Discovery: We imagine and explore new and improved ways to accomplish our mission through education, research, clinical care, and service.

A manager who receives a report of a violation of the Code is responsible for notifying MGIC office leadership of the reported violation and/or submitting information on the reported violation through the [Ethics Hotline](#). Those who fail to make such notifications may be subject to disciplinary action, up to and including termination of employment, as appropriate.

Country directors and country representatives are responsible for **immediately** notifying UMB of any violation of this Code, including criminal offenses, suspected, or known fraud, sexual misconduct, or other serious offenses that could potentially result in litigation, damage the reputation of MGIC or UMB, or otherwise pose a serious risk to MGIC or UMB. CDs/CRs shall report such situations to their UMB supervisor and the MGIC President **as soon as the concern comes to their attention**. See details on reporting

violations and notifying leadership in [2-2 MGIC Code of Ethics and Professional Conduct](#).

Conflict of interest

Integrity is critical to the operations of the work that MGIC performs on a day-to-day basis. To uphold MGIC core values and avoid damage to the reputation of MGIC and UMB, all personnel and service providers are required to follow [2-3 MGIC Conflict of Interest Policy](#) and avoid conflicts of interest or apparent conflicts of interest between their obligations to MGIC and their personal affairs.

All MGIC personnel are required to abide by the Conflict of Interest Policy in all their dealings with sponsors (institutional donors), suppliers, vendors, consultants, and other MGIC and UMB contacts. MGIC personnel must promptly and fully disclose all known and potential conflict to:

- the HR lead, DFA, or other manager **and/or**
- through the [Ethics Hotline](#) **and/or**
- by completing the [Conflict of Interest Disclosure](#).

Encourage reporting - "Do not wait or hesitate"

- CO leadership should actively encourage reporting of known or suspected misconduct, making sure employees understand the importance of **speaking up**.
- CO leadership should encourage personnel to use the [Ethics Hotline](#) without hesitation.

All disclosures must be placed in individuals' personnel files. Any relationship or activity which could or would appear to be a conflict of interest must be disclosed in accordance with this Conflict of Interest Policy as soon as possible. This includes any relationship or activity that could influence performance of one's duties with MGIC and interfere with one's loyalty to MGIC and UMB.

MGIC personnel who suspect an unreported situation where a conflict of interest exists or appears to exist are encouraged to communicate their concern to a **manager** or through the Ethics Hotline and/or through submission of a [Conflict of Interest Disclosure](#).

Examples of Conflict of Interest

- When a staff member's family member works for an MGIC sponsor or supplier
- When a staff member has a financial stake in an MGIC business transaction
- When a staff member accepts a gift (something of value) from or gives a gift to a supplier or potential supplier, a government official, a competitor, or a subgrantee representative
- When a supervisor proposes promoting a subordinate staff member in whom they have a romantic interest

Nepotism

MGIC permits the employment of members of the same family in select circumstances only and never in a supervisor-subordinate relationship or for employees in MGIC leadership roles or who perform finance, procurement, or HR functions. See details relating to hiring of family members under [Nepotism](#) in [2-2 MGIC Code of Ethics and Professional Conduct](#).

Prohibition of harassment and discrimination

MGIC is committed to providing a working and learning environment free from all forms of harassment and discrimination. As described in [2-7 MGIC Policy Prohibiting Harassment and Discrimination](#), MGIC prohibits and does not tolerate **any** type of harassment or discrimination. MGIC does not discriminate on the basis of race, ethnicity, tribe, color, religion, age, ancestry, national origin, sex, gender, gender identity or expression, sexual orientation, pregnancy, physical or mental disability, marital status, status as a veteran, HIV status, or any other legally protected status. Overarching requirements for **reporting** violations or concerns are provided in [2-2 MGIC Code of Ethics and Professional Conduct](#), and more specific reporting requirements are specified in the HR Handbook.

Harassment includes **sexual misconduct**, which MGIC considers a serious offense (gross misconduct), and which includes sexual and gender-based harassment, sexual violence, dating violence, domestic violence, sexual exploitation, and sexual intimidation. MGIC endeavors to foster a work environment free from sexual misconduct through training, education, prevention programs, and policies and procedures. These are designed to promote prompt reporting, prohibit retaliation, and promote timely, fair, and impartial investigation and resolution of sexual misconduct cases in a manner that ends the sexual misconduct, prevents its recurrence, and addresses its effects.

Additional details on what constitutes sexual misconduct and how to report known or reasonably suspected harassment are provided in the HR Handbook.

Combatting trafficking in persons and safeguarding children

In accepting to work for MGIC, all personnel accept the humanitarian and moral values that underlie MGIC's work and vouch that their individual behavior will positively reflect those values. They agree to carry out their duties in ways that avoid any suggestion of exploitation, partiality, or gain.

The principles that guide this behavior are included in [2-8 MGIC Policy on Combatting Trafficking in Persons](#) and [2-9 MGIC Policy on Child Safeguarding](#).

MGIC has zero tolerance for trafficking in persons, which means it must strictly enforce this Policy to prevent the undesirable actions and impose immediate consequences for violating it. Violation of the Child Safeguarding Policy constitutes an act of gross misconduct and is, therefore, grounds for termination.

Fraternization

To mitigate possible misunderstandings, conflict of interests, complaints of favoritism, and claims of sexual harassment, MGIC strongly discourages fraternization and romantic relationships among personnel, as well as romantic relationships between personnel and clients, vendors, consultants, and contractors.

Both the [MGIC Code of Ethics and Professional Conduct](#) and the HR Handbook provide MGIC personnel with definitions, reporting, and other details related to fraternization and romantic relationships.

Confidentiality of sensitive data

At the time of hire, MGIC personnel must sign a [Data Confidentiality Agreement Form](#), which requires personnel to limit the use and disclosure of **sensitive data**, which is any personal, confidential, and legally protected information. This includes personally identifiable information (PII) associated with patient and study participant data. Confidentiality is particularly important for protecting the privacy of individuals' healthcare information, including their HIV status.

Personnel must not publish or otherwise divulge sensitive data in whole or in part, nor authorize others to do so, unless requested by MGIC as part of the person's normal duties. Personnel must also take such reasonable measures as are necessary to restrict access to such information while in their personal possession, including use of equipment locks, password protection, and encryption.

MGIC files and documents must be stored in MGIC offices, on MGIC- or UMB-owned IT equipment, and in MGIC or UMB online repositories and not in employees' homes, on personal IT devices, or in other personal spaces. If an exception is warranted, the CD/CR or DFA may give permission for storing MGIC files and documents in physical or online spaces not owned or controlled by MGIC or UMB. Such permission must be documented in writing and include a statement as to the measures that will be taken to mitigate the risk of violation of security and confidentiality.

All personnel must not use or disclose **confidential and proprietary information** relating to the activities or business affairs of MGIC and UMB, except as may be necessary in carrying out MGIC duties and collaborating on program implementation and research with partner organizations. This includes not disclosing information about MGIC and UMB processes, inventions, fundraising strategies, and funding proposals, all of which are the sole property of MGIC or UMB.

MGIC personnel should know that if they become aware that sensitive data, including confidential information, has been shared or otherwise divulged contrary to confidentiality obligations in the [MGIC Code of Ethics and Professional Conduct](#), they should immediately notify their supervisor and the CD/CR, preferably in writing, and/or through the [Ethics Hotline](#)

Checklist for CDs/CRs

- ☐ Ensure all personnel agree to and abide by the [MGIC Code of Ethics and Professional Conduct](#)
- ☐ Foster a work environment where MGIC core values are upheld and where unethical behavior, harassment of any kind, and discrimination are not tolerated
- ☐ Encourage reporting of any known or suspected unethical behavior, harassment, or other violations of the standards of conduct
- ☐ Notify UMB of any violation of the [MGIC Code of Ethics and Professional Conduct](#), including fraud, sexual misconduct, or other serious offenses that could potentially result in litigation, damage the reputation, or otherwise pose a serious risk to MGIC or UMB
- ☐ Protect those who report suspected misconduct from any retaliation or reprisal actions
- ☐ Require that MGIC personnel abide by the Conflict of Interest Policy in all their dealings with sponsors, suppliers, vendors, consultants, and other contacts, including reporting requirements
- ☐ Require submission of [Conflict of Interest Disclosures](#) upon hiring and on an annual basis thereafter
- ☐ Discourage and manage family and romantic relationships in the workplace and encourage disclosure
- ☐ Develop and maintain procedures to protect confidentiality of sensitive data and other confidential and proprietary information
- ☐ Ensure all personnel sign a [Data Confidentiality Agreement Form](#) upon hiring

Key references

- [Conflict of Interest Disclosure](#)
- [Data Confidentiality Agreement Form](#)
- [2-Ethics and Conduct](#)
- [2-2 MGIC Code of Ethics and Professional Conduct](#)
- [2-3 MGIC Conflict of Interest Policy](#)
- [2-5 MGIC Whistleblower Policy](#)
- [2-7 MGIC Policy Prohibiting Harassment and Discrimination](#)
- [2-8 MGIC Policy on Combatting Trafficking in Persons](#)
- [2-9 MGIC Policy on Child Safeguarding](#)
- [Ethics Hotline](#) (<https://www.umaryland.edu/mgic/ethics-hotline/>)

4-5 Categories of Personnel

Policy statement

All MGIC employees must have an active employment agreement, either directly with MGIC when assigned to a country office where MGIC is registered, or via an Employer of Record (EOR) contracted by MGIC in countries where MGIC is not registered as a business. Similarly, all independent contractors must have a consulting agreement in place that clearly outlines the terms of the engagement and deliverables. MGIC may not compensate employees as independent contractors, unless pre-approved by the UMB department operations lead.

Personnel categories

To the extent possible, MGIC endeavors to engage full-time, local employees for the duties required. If the occasion arises where alternative categories of personnel are required, e.g., in response to new or rapid program growth or specific technical needs, MGIC may employ one of the below alternative categories of personnel in consultation with the applicable UMB Funding Unit and with the approval of the MGIC President or designee.

These are the established categories of professional engagement:

A **local employee** is a locally hired staff member who is either a citizen of the host country or is a resident who is authorized to work in the host country with a valid work permit.

A **full-time local employee** is regularly scheduled to work at least 40 hours per week or 100 percent of the full-time workweek, based on a standard 40-hour workweek. Benefits, such as annual and sick leave, are provided for full-time employees.

A **part-time local employee** is regularly scheduled to work fewer than 40 hours per week. Benefits such as annual leave and sick leave are not provided for part-time employees, unless otherwise stipulated in the MGIC HR Handbook and in accordance with local labor law.

A **temporary employee** is regularly scheduled to work for a specified short-term period. Benefits such as vacation leave and sick leave are not provided for temporary employees unless otherwise stipulated in the MGIC HR Handbook and in accordance with local labor law. Short-term employees are paid through payroll and must complete timesheets in order to receive compensation. Employees contracted through third-party providers must also complete timesheets that are signed by the supervisor and retained with the vendor documentation.

An **expatriate** is hired directly by UMB under the laws of the State of Maryland, is a US citizen or is authorized to work in the US with a valid residency or work permit, is also authorized to work in the host country with a valid work permit and may receive additional benefits as stipulated in the employment agreement.

A **third-country national (TCN) employee** is hired internationally by MGIC or through an MGIC EOR, is authorized to work in the host country with a valid work permit, is paid in US dollars, and receives additional benefits as stipulated in the employment agreement. Benefits and allowances are approved by the MGIC President and the UMB department administrator, and MGIC may set limitations on these offerings.

Individuals in these personnel categories typically have a country-based supervisor who manages their performance, but in certain cases individuals are supervised by and report to a manager based regionally or in UMB.

Consultant or Employee?

Consider questions like these and contact the UMB department administrator for guidance.

Consultant:

- Does the person have their own business, providing consulting services to others besides MGIC?
- Does the person set their own working hours?
- Does the person provide their own equipment?
- Does the person work with minimal supervision, focused on producing deliverables?

Employee:

- Does the person work onsite and/or follow CO work hours?
- Does MGIC provide the person with a computer?
- Does the person have a regular supervisor?
- Does MGIC provide the person with training to do the job?

MGIC offices execute employment contracts for local personnel categories when MGIC is registered to do business in the country and operates a physical office. The UMB department of International Operations (IO) executes MGIC employment contracts for all MGIC TCN personnel, regional MGIC positions and IO positions based outside the US, and for all local personnel in countries where MGIC does not operate a physical country office. The IO department manages MGIC's EOR service in countries where MGIC is not registered.

Engaging and utilizing consultants

A **consultant** is an individual or firm engaged to provide services in a role that is clearly differentiated from that of an employee. MGIC must hire a consultant under an **independent contractor agreement**. Primary differences between a consultant and an employee include:

1. A consultant is hired to perform a well-defined and often highly technical scope of work, whereas an employee is hired to perform a job description that encompasses a broader set of responsibilities and a specified role within the MGIC offices or team's organizational chart.
2. A consultant's scope of work is to be completed within an expressly stated time period of no more than twelve months, whereas an employee is hired for a fixed-term employment contract and whom MGIC may consider engaging under a new employment contract subject to local labor law.
3. A consultant does not supervise MGIC employees nor hold approval or signatory authority over MGIC organizational functions, finances, or assets.
4. A consultant is normally paid at a daily rate or a fixed fee with no employee benefits or statutory withholdings, whereas an employee is paid a base wage or salary in line with MGIC's salary scales and is subject to benefits and withholdings as required by local labor law.
5. A consultant's payments are tied to concrete deliverables subject to acceptance by the client (MGIC), whereas employee payroll is based on hourly Level of Effort consistent with the MGIC salary scale and local law.

Incorrectly utilizing an independent contractor for work that should be performed by an employee – in other words, compensating individuals as consultants who are performing the work of an employee, may result in liability for fines and for retroactive payment of benefits, compensation, tax withholdings, and contributions to other legally required benefit plans. MGIC offices contemplating the engagement of a consultant for a scope of work that is not clearly differentiated from an employee role should contact the Manager – International HR or the UMB department operations lead for guidance.

When engaging a consultant, the following procedures are important from the Human Resources perspective for mitigating financial and legal risk and for optimizing performance:

- MGIC uses the [Contract for Services of an Independent Contractor \(Template\)](#) to create a consulting agreement specific to applicable local laws and taxation requirements of the jurisdiction under which the agreement is made, and has local legal counsel review that version each time the MGIC office makes substantive changes to it.
- Each consultant has a **signed independent contractor agreement** prior to beginning any work for MGIC, that provides a clear description of the activities, services, reports, and deliverables to be provided. This description may be in the form of a Scope of Work or Terms of Reference. Payments to independent contractors are tied to those deliverables and must not be based solely on hours or days that represent their level of effort. The agreement also includes clauses related to intellectual property, confidentiality, conflict of interest, and, where applicable, the terms and conditions that apply from the award that is funding the consultancy (e.g., USG regulations as applicable).

- Agreements are **amended** any time the MGIC office changes the nature, scope, or duration of the services the consultant will provide, as well as to reflect other changes such as to the vendor information or compensation amount.
- A **file** is maintained for each consultant and includes documentation of sponsor approval, where applicable. Any concerns with the contractor's performance are documented.
- MGIC assigns a senior-level MGIC or UMB staff member to serve as **manager** for each independent contractor hired by MGIC. Typically, for technical consultants, this is a person who manages programs in a UMB Funding Unit; at a minimum, the manager should be very familiar with the type of work the consultant is undertaking. The manager directs and supervises the consultant's work and authorizes each contractor payment to indicate the work was completed satisfactorily.

More information about procurement of consultant and other independent contractor services can be found in [5-15 Procurement](#).

Internships

MGIC offices may host internships for professionals in training or students. While these engagements may or may not be paid depending on local circumstances and requirements, interns are not considered employees of MGIC, and there is no obligation to hire individuals who have served as interns. All internship engagements must be carried out in accordance with local labor law.

Checklist for CDs/CRs

- ☐ Ensure all MGIC personnel have an active employment agreement or, in the case of independent contractors, a valid consulting agreement
- ☐ Endeavor to engage full-time, local employees for the duties required, and take care not to compensate employees as independent contractors
- ☐ Engage independent contractors only when approved by the sponsor and via a competitive procurement process and utilize competitive procurement process unless prior approved sole source is documented in sponsor award, or justification can be made per MGIC policy.

Key references

- [Contract for Services of an Independent Contractor \(Template\)](#)
- [Goods and Services Received Note](#)
- [Sole-Source Justification Form](#)
- [5-15 Procurement](#)

4-6 Recruitment

Policy statement

Critical to MGIC success is the ability to attract and select highly qualified personnel whose competencies – their knowledge, skills, attitudes, and behaviors – "fit" the assignment at hand. UMB and MGIC can only fully attain strategic goals and major objectives when the workforce is comprised of highly qualified, exceptionally skilled, and widely diverse personnel.

MGIC is required to be an equal opportunity employer and to manage recruitment processes that are transparent, efficient, and thorough in their screening of candidates to ensure that the best available individual is recruited for each role. UMB and MGIC prohibit the use of discriminatory practices in employment, and do not discriminate on the basis of race, ethnicity, tribe, color, religion, age, ancestry, national origin, sex, gender, gender identity or expression, sexual orientation, pregnancy, physical or mental disability, marital status, status as a veteran, HIV status, or any other legally protected status. MGIC permits the employment of members of the same family in select circumstances only and never in a supervisor-subordinate relationship or for employees in leadership roles or who perform finance, procurement, or HR functions.

MGIC should strive to fill all new and open positions through a competitive recruitment process, with an understanding that there are exceptions where an internal transition may be needed, in which case clear documentation and a justification are required. In order to fill a new or open position without competitive recruitment, the MGIC HR lead or equivalent leadership position must seek approval for this exception from the UMB department operations lead.

Where MGIC does not operate a physical office and is not registered as a business, the International Operations (IO) department will collaborate with the UMB Funding Unit seeking to hire employees outside the U.S. In these instances, MGIC employees will be engaged through an Employer of Record (EOR). IO's Manager – International HR, will be responsible for coordinating and managing the recruitment process for all employees hired through a EOR, and serves as the "HR lead" to complete the procedures described below.

Job descriptions

A job description is required for all regular and temporary positions. It states the job title, job duties, days and hours of work, the supervisor to whom the position will report, the duty station, and any specific knowledge, skills, and experience needed to perform the job duties (see [Job Description Template](#)). The relevant job description must be attached to each employment agreement.

The HR lead assists with development of job descriptions and is responsible for reviewing all job descriptions in a systematic way to ensure compliance with MGIC policies and procedures.

Supervisors hold the responsibility to:

- Fully review the job description with new personnel as part of their orientation
- Revise job descriptions when duties change for positions under their supervision
- As part of the annual performance assessment process, review job descriptions and update them as needed (see [4-16 Performance Management](#))
- Attach an up-to-date job description to any [Personnel Action Form](#) requesting a new hire or a change in title, duties, or level of responsibility (promotion, demotion)

Approval of new positions

A **new position** may be identified in an award received from a sponsor or by a UMB Funding Unit to meet MGIC needs. Once a position need is identified, the steps are as follows:

- The manager develops the job description in consultation with the HR lead and others.
- The manager completes a [Personnel Action Form](#) with the proposed salary, job grade, and funding source(s) for the position, attaches the job description, and obtains sign-off from their supervisor and the finance team.

- The manager provides the HR lead with the PAF and job description, and the HR lead collaborates with the manager on any revisions.

Once the HR lead signs the PAF, approval to recruit and hire for the position is sought from the appropriate parties:

- Positions that were included in the budget of an approved award do not need further approvals.
- New positions that are not listed in the approved budget may require approval by the sponsor. When sponsor approval is required, the MGIC office must submit a request to the UMB Funding Unit via the UMB department operations lead who coordinates review and approval and the solicitation of sponsor approval. Once the UMB Funding Unit receives sponsor approval, the UMB department operations lead will inform the MGIC office in writing, at which point the recruitment may proceed.
- New positions that are not listed in the approved budget and that do not require sponsor approval are approved by the CD. Additional UMB approval is required if the position is an MGIC leadership position.

Sponsor requests: It is important to note that in any instance where a sponsor's country-level representatives place HR demands on the country office or raise HR-related questions, the country office should coordinate a response to the sponsor with the UMB department operations lead.

UMB engagement in interviews and selection: When hiring for MGIC leadership positions, a UMB representative with the relevant technical or functional expertise shall be invited to participate in final interviews and selection scoring. For example, the UMB department monitoring and evaluation (M&E) lead of a UMB Funding Unit would be invited when MGIC is recruiting an M&E director.

The MGIC President or their designee will be invited to participate in interviews and final selection for MGIC Country Directors, Country Representatives, and equivalent MGIC leadership positions. Final approval and appointment of MGIC CDs/CRs lies with the MGIC Board of Directors.

Filling existing positions that are open

When an **existing position** opens up because of employee promotion, transfer, or separation, the HR lead collaborates with the supervisor to update the basic information about the job duties, days and hours of work, and the specific knowledge, skills, and experience needed to perform the job duties. Typically, this requires creating an updated job description.

The position is approved for recruitment and hiring by the CD, except in the case of MGIC leadership positions, for which approval by the UMB department operations lead is also required and a functional HO representative is invited to participate in final interviews and selection scoring.

The MGIC President or their designee will be invited to participate in interviews and final selection for MGIC Country Directors, Country Representatives, and equivalent MGIC leadership positions. Final approval and appointment of MGIC CDs/CRs lies with the MGIC Board of Directors.

Equal employment opportunity

As a recipient of USG funds and a concerned member of the global community, MGIC is firmly committed to the principle of equal employment opportunity. The MGIC work environment should

fully reflect a commitment to ensuring that all people are accorded respect and are evaluated and advanced in the workplace on the basis of their abilities and accomplishments.

MGIC recognizes that implementation of such a policy requires constant attention and effort. MGIC will take every step necessary to guarantee that this commitment is honored, not only in principle but also in practice.

MGIC does not discriminate on the basis of race, ethnicity, tribe, color, religion, age, ancestry, national origin, sex, gender, gender identity or expression, sexual orientation, pregnancy, physical or mental disability, marital status, status as a veteran, HIV status, or any other legally protected status. MGIC is committed to recruiting, hiring, training, and promoting persons in all job titles, and administering all personnel actions, according to the principles of equal employment opportunity.

Advertisement of positions

All positions must be advertised at least internally to the MGIC office. As much as possible, open positions shall be advertised by external advertisement or with support from a human resources recruitment agency.

Unless otherwise stated in the HR Handbook or in accordance with local labor law, job advertisements are generally posted for one week internally and at least 14 days externally. For senior-level positions, MGIC **must** post job advertisements for a minimum of 14 days externally.

The IO Manager – International HR will collaborate with the UMB Funding Unit to post openings and review applicants when there is no MGIC country office.

MGIC may also choose to leverage the expertise of a human resources recruitment agency to assist with identifying candidates for key management positions. Any costs of advertising a position shall be charged to the project(s) to which the new employee will contribute.

Competitive recruitment and exceptions

In most cases MGIC will undertake a competitive recruitment to fill a position. A position announcement is posted publicly and indicates the time period in which applications will be accepted. The HR lead determines that time period, guided by what is appropriate to the nature of the position and the state of the labor market, but never less than 7 calendar days. It is strongly recommended that positions be posted for no less than 14 calendar days, which is the minimum standard required for all senior-level MGIC positions. Open-ended (“open until filled”) postings may be warranted for hard-to-fill positions.

Exceptions for non-competitive recruitment: In the rare and exceptional case that MGIC would like to fill a new or open position without competitive recruitment, the CD/CR must seek prior approval for this exception from the UMB department operations lead. The MGIC office provides a written justification and a copy of the employee’s most recent performance review that demonstrates satisfactory service. If approval is granted to proceed, then the transition is documented in a [Personnel Action Form](#), of which copies are provided to the finance team and the employee, while the original is stored in the employee’s personnel file.

When a UMB Funding Unit seeks an exception to MGIC’s competitive recruitment policy, such as when the IO Department is facilitating recruitment through MGIC USA, or for any request to waive

the competitive recruitment process for an MGIC CD or CR position, only the MGIC President or designee may grant that approval.

Applications

All recruitment processes require standardized applications from interested candidates that include an up-to-date resume or curriculum vitae (CV) and any other locally requested documentation such as a cover letter, a completed application form, certificates and licenses, a copy of national identity document (ID), or a professional reference list. Applicants are given a clear deadline for submission and are made aware that provision of false information will result in serious consequences (see [below](#)).

Selection

A selection process is documented in the HR Handbook and is coordinated by the HR lead in compliance with local labor law.

Typically, the following selection process is recommended:

1. Applications are reviewed according to the criteria set out in the job description and advertisement.
2. Upon receiving internal and/or external applications, shortlisting of candidates is carried out.
3. Depending upon the position, candidates may be pre-screened by the HR lead and then interviewed by the supervisor and one other person, or by an interview panel. If recruiting for an MGIC leadership position, UMB personnel may be involved as well (see above).
4. The interviewers or interview panel score the applicants following each interview and provide documentation to the HR lead.
5. A skills or competency-based test is administered, whenever useful for assessing candidates for certain positions.

In general, selection procedures should address the following:

- How the candidates will be selected for an interview
- Who shall conduct the interview
- What questions should be asked
- What questions may not be asked
- Information that shall be provided to the candidate, such as information about MGIC and information about the timetable for selection

Resources available to HR Leads

MGIC HR staff are encouraged to reach out to the IO Manager – International HR for tools to use in the hiring and selection process, including:

- Skills and competency-based tests
- Standardized questions to ask candidates

Selections to fill job vacancies will be based on education, work experience, skills, training, demonstrated expertise in a particular field, aptitude, and performance during the interview process and on any related tests. Selections are made on a fair and equitable basis. Pre-selection of candidates is strictly prohibited.

Discrimination in hiring based on race, ethnicity, tribe, color, religion, age, ancestry, national origin, sex, gender, gender identity or expression, sexual orientation, pregnancy, physical or mental

disability, marital status, status as a veteran, HIV status, or any other legally protected status is strictly prohibited.

Any individual with a prior relationship to external candidates being considered must not be part of the selection process.

Immigration

Employees who are not national citizens are required to, at all times, have valid work and residence permits or hold valid work permit exemptions. Continued employment with MGIC is dependent on obtaining and maintaining the applicable work and residence permits. For those with the status of local employee (see [Personnel categories](#)), these obligations are fully the responsibility of the employee, not MGIC or UMB.

Conflict of interest checks

MGIC should be on alert for existing or potential conflicts of interest held by applicants and by employees in relation to applicants. The earlier a conflict of interest is disclosed, the earlier MGIC may determine whether it is manageable or constitutes a barrier to selecting an applicant.

Regarding nepotism, as mentioned in the Policy statement, MGIC permits the employment of members of the same family in select circumstances only and never in a supervisor-subordinate relationship or for employees in leadership roles or who perform finance, procurement, or HR functions. See details relating to hiring of family members under [Nepotism](#) in [2-2 MGIC Code of Ethics and Professional Conduct](#).

Screening checks

Compliance with applicable USG export controls and sanctions requires MGIC to perform screening checks on individuals whom MGIC proposes to hire and to confirm that the individuals are not on US or international debarred or excluded lists, i.e., that MGIC is not legally prohibited from hiring them.

- MGIC **cannot** hire an individual who is on any of the U.S. government-maintained lists of restricted parties, such as the Specially Designated Nationals and Blocked Persons List.

The HR lead is responsible for confirming, prior to hiring, that selected candidates are not debarred or excluded. The search results are placed in the employees' personnel files. See [5-15 Procurement](#) for screening procedures for independent contractors or consulting firms.

Any questions or concerns relating to screening should be promptly referred to the Manager – International HR.

Reference checks

For external candidates, at least three professional employment references are requested before hiring. References from relatives or personal friends unrelated to a candidate's work history are not acceptable. Feedback from previous employers and co-workers shall be sought. The HR lead is solely responsible for contacting candidates' referees and may use the [MGIC Reference Check Form \(Sample\)](#) to collect written feedback or may carry out verbal reference checks and complete the [Pre-Employment Reference Check Form](#).

- No offer of employment may be made without first obtaining satisfactory reports from referees, which shall be documented internally on the [Pre-Employment Reference Check Form](#) and retained in the candidate's file.

For external candidates, the HR lead requests copies of degrees, licenses, and certifications that are included on the candidate's CV and are relevant to the position. To the extent possible, the HR lead confirms with the institutions that the information shared is accurate. If confirmation is made verbally by phone, the HR lead documents this information in writing, including the institution name, full name and contact details of the person who provided institutional verification, the date, and any additional relevant details shared. Copies of official documentation provided by the candidate and any written confirmation is stored in the personnel file.

If a candidate is found to have provided a false application, including not fully disclosing or misrepresenting information on their CV or other documents presented as part of the application submitted to MGIC during the recruitment process, the applicant will be ineligible for hire, and employment of the applicant may be terminated if the applicant is currently employed by UMB or MGIC.

Checklist for CDs/CRs

- ☐ Ensure the MGIC office never discriminates based on race, ethnicity, tribe, color, religion, age, ancestry, national origin, sex, gender, gender identity or expression, sexual orientation, pregnancy, physical or mental disability, marital status, status as a veteran, HIV status, or any other legally protected status
- ☐ Maintain up-to-date job descriptions for all regular and temporary positions
- ☐ Only sign a [Personnel Action Form](#) for a new hire or a promotion or demotion if an up-to-date job description is attached
- ☐ Only sign an employment agreement if the job description is attached
- ☐ Strive for recruitment processes that are fair, transparent, efficient, and thorough in their screening of candidates to ensure that the best available individual is recruited
- ☐ Advertise all open positions internally and as much as possible externally, and advertise senior-level positions for at least 14 days externally
- ☐ Seek MGIC President or designee approval if seeking to fill a new or open position without competitive recruitment
- ☐ Require standardized applications for all recruitment processes
- ☐ Exclude from the selection process any MGIC personnel who have prior or current relationships with external candidates
- ☐ Ensure employees who are not national citizens have valid work and residence permits or hold valid work permit exemptions at all times
- ☐ Ensure that prior to hiring, the HR lead checks for conflicts of interest and nepotism and that the individual is not on the USG debarred or excluded list
- ☐ Ensure the HR lead carries out and documents thorough pre-employment reference checks, including obtaining copies of relevant degrees and licenses

Key references

- [Job Description Template](#)
- [MGIC Reference Check Form \(Sample\)](#)
- [Personnel Action Form](#)
- [Pre-Employment Reference Check Form](#)
- [2-2 MGIC Code of Ethics and Professional Conduct](#)

- [4-5 Categories of Personnel](#)
- [4-16 Performance Management](#)
- [5-15 Procurement](#)

4-7 Hiring

Policy statement

Hiring is based solely on the required and preferred qualifications for the job, the attributes of the candidates, the suitability of the person selected for the position, and any additional criteria that result from local laws and regulations. MGIC must seek the UMB Funding Unit's review and concurrence prior to extending an offer to candidates for finance, procurement, and HR positions at the officer level or above, for specialized and highly technical positions, and for MGIC leadership positions. When hiring for these positions, the CD/CR must submit information about selected candidates to the UMB department operations lead, who coordinates the UMB Funding Unit review and facilitates approval by the MGIC President when required.

All offers of employment must be authorized by and made formally in writing by the HR lead, using the written offer that has been signed by the CR. They must contain information on a probationary period of employment along with other employment information. Salary, benefits, and allowance payments shall be stated and paid in local currency, except in the case of expatriates and TCNs.

Offers of employment to be made through an MGIC Employer of Record (EOR) service will be coordinated by the IO Department and the contract will be signed by the EOR.

At the commencement of their employment, all MGIC employees must receive and sign an employment agreement that states the terms and conditions of employment and has the job description attached. The HR lead must establish and maintain a personnel file for all employees, depositing therein the signed employment agreement and other documentation as specified in the MGIC Policies and Procedures.

Extending an offer

Once a tentative decision has been made, the HR lead compiles documented evidence of funding for the position, such as a line item budget, documentation of the candidate's selection from the recruitment process, including UMB review if required, and, for an external candidate, a completed [Pre-Employment Reference Check Form](#). The HR lead then drafts the offer of employment letter, which is signed by the CD/CR for local employees assigned to country offices, or the –MGIC President or designee depending for other personnel categories and regional, global, and remote positions. An offer of employment or commitment may only be extended by the HR lead, or for employees engaged under EOR, by the EOR upon authorization by the UMB IO Department on behalf of MGIC. A job offer extended without HR lead or IO Department approval will be considered unauthorized and MGIC may not honor the job offer.

The salary offered and ultimately agreed upon must fall within the budget and the MGIC salary scale that has been pre-approved by UMB. For exceptions, the steps are as follows:

1. The supervisor or hiring manager make a request including the justification to the HR lead.
2. The HR lead works with the CD/CR to prepare an exception request that includes a strong justification.

3. The CD/CR submits the request for an exception to the UMB department operations lead for approval.

Only **after** UMB has approved an exception to the set salary scale or to the budget can compensation outside of these parameters be finalized with the candidate.

Employment agreement

Each individual engaged by MGIC should be employed pursuant to an employment agreement (contract), which states the employee's job title and specifies the start date of employment, base annual salary, duty station, and hours to be worked, along with other terms and conditions of employment. It is prepared once the candidate accepts the offer letter. The agreement, with the job description attached, must be signed by the legal representative in the MGIC office (typically, the CD) or the MGIC President for non-country office positions, and then countersigned by the employee.

- The legal country representative is authorized to sign employment agreements only for MGIC personnel who are local employees in countries where MGIC is registered as a business.
- The MGIC President or designee signs employment agreements for all CDs and CRs as well as all employees in the expatriate and TCN personnel categories. For employees engaged through an MGIC EOR service, the contract will be signed by the EOR and then countersigned by the employee.

Employees are entitled to an original, signed copy of their employment agreement, and one original copy will be kept in the employee's personnel file.

Employees will perform duties as assigned. UMB and MGIC reserve the right to vary job responsibilities of the employee at its discretion, in line with the employee's skills and competencies and UMB/MGIC program requirements. In addition to the job description, the employee is expected to perform other reasonable tasks as may be assigned by MGIC.

The duration of the employment agreement depends on MGIC funding and operational needs and, when possible, aims to match the funding period of the relevant award/project or a period of one year, whichever is shorter.

Probationary period

In accordance with local labor law and as defined in each MGIC office HR Handbook, MGIC carries out a probationary period of approximately three to six months for all new employees and those promoted into new positions that involve a change in supervisor or significant change in duties. Unless otherwise stipulated in the employment agreement or regulated by local labor law, either party may, with written notice of no less than 14 days, terminate the employment agreement at any time during this period. A termination during the probationary period shall be deemed to be for just cause.

The probationary period and conditions are in accordance with local labor law and detailed in the offer letter and employment agreement.

Within the first two weeks of a new person's employment with MGIC, the supervisor should discuss and document **written performance objectives** for the new employee's probationary period. See [4-](#)

[16 Performance Management](#) for details and the Performance Planning page in the [Performance Appraisal Form](#).

- Supervisors are responsible for providing continuous monitoring, communication, and feedback throughout new employees' probationary periods.

At the end of the specified probationary period, the supervisor carries out a probationary review of the employee's performance. This is documented on a [Probation Review Form](#) and a copy provided to the employee and to the HR lead for filing.

A probationary period may be extended, local labor law permitting, if the period has proven too short to properly evaluate a new employee's performance. Any extension shall be documented, and a copy provided to the employee and to the HR lead for filing.

New hire PAF

As soon as the employment agreement is approved, a [Personnel Action Form](#) detailing title, rate of pay, and other hiring information is created by the HR lead to establish the new employee's status. A copy of the PAF is sent to the finance team to establish payroll, while the original is stored in the employee's personnel file.

New hire paperwork for employees engaged through an EOR service are stipulated by the EOR's required procedure and is managed by the IO Department on behalf of MGIC.

Establishing the personnel file

A confidential personnel file must be established for each new employee. The contents shall include, initially:

- Application letter, CV, and other application documents
- National ID or passport copy
- Required certifications and licenses
- Work and residence perm its for non-nationals
- Employment agreement, job description, and related documents
- Approved Personnel Action Form for hiring

During the hiring process, the employee will sign forms that are also stored in the personnel file. These include:

- HR Handbook Employee Acknowledgement
- [MGIC Policies Acknowledgement Form](#), including the [MGIC Code of Ethics and Professional Conduct](#)
- [Conflict of Interest Disclosure](#)
- [Data Confidentiality Agreement Form](#)
- [Employee Equipment Acknowledgement Form \(EEAF\)](#)

For a complete listing of documents in the personnel file and how they are stored, see [4-11 Personnel Records](#). For HR responsibilities related to issuance of MGIC property, see [Office supplies and equipment](#).

Checklist for CDs/CRs

- ☐ Engage UMB Funding Unit to pre-approve hiring decisions for finance, procurement, and HR positions at the officer level or above, for specialized and highly technical positions, and for leadership positions – before an offer is extended to any candidate
- ☐ Require that all offers of employment be authorized by Human Resources and made formally in writing by the HR lead. For employee engaged via EOR, offers will follow the EOR firm's procedure.
- ☐ Monitor that the salaries offered and ultimately agreed to fall within the office's approved salary scale, unless an exception is pre-approved by UMB
- ☐ Ensure that all employees have a current, signed employment agreement with their job description attached
- ☐ Have supervisors establish written performance objectives with new employees and provide continuous communication throughout new employees' probationary periods
- ☐ Mandate that all employees sign the HR Handbook and MGIC Policy acknowledgement statements that affirm they agree to abide by MGIC policies and procedures
- ☐ Ensure the HR lead uses a [Personnel Action Form](#) to initiate HR and payroll documentation and establishes a confidential personnel file for all new employees

Key references

- [Conflict of Interest Disclosure](#)
- [Data Confidentiality Agreement Form](#)
- [Employee Equipment Acknowledgement Form \(EEAF\)](#)
- [MGIC Policies Acknowledgement Form](#)
- [Performance Appraisal Form](#)
- [Personnel Action Form](#)
- [Pre-Employment Reference Check Form](#)
- [Probation Review Form](#)
- [2-2 MGIC Code of Ethics and Professional Conduct](#)
- [4-11 Personnel Records](#)
- [4-16 Performance Management](#)

4-8 Promotions, Title Changes, and Continuing Employment

Policy statement

MGIC maintains a working environment that actively supports professional development and merit-based advancement within the organization, including promotions, title changes, and, in certain cases, continuing employment. Opportunities for internal advancement must be balanced with ensuring open and transparent recruitment as well as a commitment to attracting the best candidates to meet the needs of the organization and UMB.

More stringent policies

At the CD/CR's discretion, and as a general rule, the country office may establish more stringent requirements than those indicated in these MGIC Policies.

Managers proposing any change to an employee's status, including promotion, title change, significant change in duties, or a new employment agreement for current staff, are responsible for initiating a [Personnel Action Form](#) as per the procedures described below. Approval thresholds for promotions are as follows:

- Any promotion requires CD/CR approval, whether it involves a change in grade or not, and must be warranted by the proposed change in responsibilities and job scope.
- If the promotion involves a jump of more than one grade in the salary scale, the MGIC office must submit a written justification and obtain approval from **the UMB department operations lead**.

For information regarding pay increases associated with promotions, title changes, continuing employment, and other salary adjustments and raises, as well as rewards and bonuses, see [4-12 Compensation](#).

Internal advertisement

As laid out in [Advertisement of positions](#) under 4-6 Recruitment, any open position, whether a new or existing one, must be filled through competitive recruitment unless an exception is made and approved by the UMB department operations lead. To encourage growth opportunities for current employees, all open positions are advertised internally. Internal candidates are given preference for shortlisting if they meet the required job qualifications.

Acting roles

The CD/CR, in consultation with the HR lead, may appoint an employee to fill a **temporary acting role** for a key position that will be vacant for three to six months. This may be needed in situations such as an employee's parental leave of absence or when scaling up operations.

Employees who take on a position in an acting capacity often do not receive additional compensation for handling these interim duties. However, a temporary acting allowance may be considered on a case-by-case basis, with consideration given to:

1. Seniority of the role, including whether it involves management duties
2. Length of the assignment
3. Grade and authority level of the acting position and if it differs from the original position of the employee
4. Availability of funds

Any proposal to provide a temporary acting allowance requires consultation with the Manager – International HR for policy concurrence, and approval by the UMB department program lead.

Formal changes in title and any compensation adjustments must be documented in [a Personnel Action Form](#) at the beginning and end of the temporary service, which is filed by the HR lead, and provided to the finance team or the EOR service to adjust payroll if needed.

The period of time a person serves in an *acting* role may be extended or renewed up to one year or as guided by local labor law. If an MGIC office would like to extend an acting role beyond one year, a written request should be submitted to the Manager – International HR for review and facilitation of MGIC VP – Policy & Administration approval.

Promotions and title changes

If through the annual performance appraisal process an employee is found to be deserving of a **promotion** based on exceptional performance, accomplishments, and/or taking on additional responsibilities, the supervisor may propose a promotion by submitting to the HR lead a [Personnel](#)

[Action Form](#) (PAF). The PAF is accompanied by a job description that reflects any proposed changes in responsibilities and other documentation that justifies the promotion.

The same process is followed if a supervisor would like to propose a simple **title change** for an employee, to better align the employee's job title with their duties or with current naming conventions for such positions.

In both cases, the HR lead affirms that a competitive recruitment process is not called for, giving consideration to the following and other factors:

- The employee will continue to carry out their main duties.
- The employee's previous role/title will not be filled or re-recruited.
- A new position is not being created.

MGIC and UMB approvals: The CD/CR may approve a promotion or title change so long as the action does not change the position grade or involve a salary adjustment that requires UMB approval. See [Salary adjustments and raises](#) in 4-12 Compensation for requirements regarding salary increases.

Continued employment via new employment agreements

Decision making: When funding levels and MGIC needs permit, MGIC may have the opportunity to issue new employment agreements to current staff whose performance has been satisfactory. This typically occurs in contexts where local labor law permits and where MGIC only issues fixed-term employment agreements. It involves issuing a new employment agreement for a maximum period of one year or through the end of the award/project year, whichever is shorter.

- It is important that MGIC leadership and UMB Funding Units convey to personnel that this is a possibility and not a guarantee by any means. Timely and transparent communication as the expiration of current employment agreements approaches is critical.

Processing: To process a new employment agreement, the HR lead prepares a [Personnel Action Form](#) and the agreement, following the template that has been reviewed and approved by local legal counsel, and attaches a current job description. The agreement and job description are provided to the employee as early as possible and preferably no less than 30 days before the employee's current agreement is set to expire.

The employment agreement must be signed by the employee and the CD/CR, unless otherwise delegated. Employees are entitled to an original, signed copy of their employment agreement, and one original copy will be kept in the employee's personnel file along with the approved [Personnel Action Form](#).

By the time any of the above HR transactions are completed, the employee's HR file should include full supporting documentation for the transaction, and the finance team should have received a copy of the [Personnel Action Form](#) and any other information required for making adjustments to payroll.

For MGIC employees engaged through an EOR service, the paperwork and timeframe for new employment agreements are stipulated by the EOR's required procedure and is managed by the IO Department on behalf of MGIC.

Checklist for CDs/CRs

- ☐ Foster and maintain a working environment that actively supports professional development and merit-based advancement
- ☐ Actively maintain timely and transparent processes for advancement opportunities, such as promotions, to help retain high-performing employees
- ☐ Mandate that managers initiate a [Personnel Action Form](#) for any change to an employee's status, including promotion, title change, significant change in duties, or new employment agreement for current staff
- ☐ If proposing additional compensation for an individual who will serve temporarily in an acting role, consult with the Manager – International HR and obtain prior approval from the UMB department program lead
- ☐ Ensure that promotions and title changes are justified in writing, approved with a [Personnel Action Form](#), and documented in the files
- ☐ Communicate with MGIC personnel in a transparent and timely manner about the possibility (no guarantee) of employment agreements for the next award year

Key references

- [Personnel Action Form](#)
- [4-6 Recruitment](#)
- [4-12 Compensation](#)
- [4-20 Separation from Employment](#)

4-9 Orientation

Policy statement

All new employees shall receive a full orientation to their job position within timelines established in the HR Handbook. Orientation provides newcomers with a solid foundation for their work and supports optimal functioning of MGIC by giving new employees the confidence, tools, and direction required for them to assume their responsibilities quickly and succeed in their jobs.

Supervisors have principal responsibility for ensuring that each new employee receives a timely and complete orientation through individual meetings and/or group sessions, in-person and online training, and on-the-job coaching.

HR leads are responsible for handling contractual paperwork, emphasizing the [MGIC Code of Ethics and Professional Conduct](#), and obtaining completed acknowledgement statements and other forms that new employees must sign. They also make sure the new hire is announced to both MGIC and UMB personnel as appropriate.

New employees hold a degree of responsibility for their own orientation, which may involve setting up meetings with different departments as coordinated with their supervisor.

Procedures

The orientation process for new employees begins on their first day of employment and should continue for at least two weeks and up to three months, depending on the nature of the person's job responsibilities. Orientation provided by the office to which the employee is assigned shall include, **at a minimum**:

Forms and more forms

- The MGIC office should aim to collect signed forms from new employees **within one week** of the date of hire.
- The process should focus on **orientation goals** – raising new employees' awareness and understanding of work requirements and responsibilities – and not be a pro forma exercise.

- A review of their job description and an introduction to their duties and responsibilities
- Performance objectives for the initial period, explanation of probationary status
- An overview of UMB and MGIC, including the history of MGIC's presence in that country and information about current projects
- Receipt and review of the Human Resources Handbook, the Country Safety and Security Plan, and any office-specific Standard Operating Procedures, as well as the MGIC Policies and Procedures and other manuals, forms, and procedures appropriate to their position
- Orientation by department leads to operational policies and procedures
- A thorough orientation to and preferably a training session on [MGIC's Code of Ethics and Professional Conduct](#), including reporting requirements and channels
- An overview of timekeeping and effort reporting policies and procedures
- Incident reporting requirements
- A safety and security briefing
- Completion of any mandatory training required by the sponsor, UMB, or MGIC

The creation of a written orientation plan or the use of a checklist can support fulfillment of these responsibilities. MGIC offices may want to adapt the [Orientation Checklist \(Sample\)](#) for use in their particular office.

Checklist for CDs/CRs

- ☐ Ensure all new employees receive a full orientation to their job, beginning on their first day, informed through meetings, training sessions, and on-the-job coaching
- ☐ Ensure new employees complete all acknowledgement statements and other forms required upon hire
- ☐ Explore adopting and consistently using an [Orientation Checklist \(Sample\)](#) to ensure the country office sets each employee up for success in their new role

Key references

- [Orientation Checklist \(Sample\)](#)
- [2-2 MGIC Code of Ethics and Professional Conduct](#)

4-10 Working Conditions

Policy statement

As part of UMB's and MGIC's commitment to duty of care, including upholding employee rights and supporting wellbeing in the workplace, MGIC shall actively promote working conditions that establish a culture of productivity, accountability, safety, security, and mutual respect. In fulfilling the responsibilities of their positions, MGIC personnel are expected to adhere to and act in accordance with the [MGIC Code of Ethics and Professional Conduct](#) and all laws, rules, regulations, policies, and procedures applicable to their activities.

Personal conduct that causes or threatens harm to others or that constitutes persistent, unwanted behaviors will not be tolerated.

Hours

Unless otherwise stipulated by the HR Handbook, employment agreement, or by local law, full-time local employees work 40 hours per week, excluding lunch breaks. Employees may be able to arrange flexible work schedules in consultation with their supervisor and the HR lead. Some employees may be required to work on alternative schedules including evenings or weekends, based on the requirements of their jobs. Depending on local customs, employees may be entitled to prayer breaks during the prayer times that coincide with working hours.

Encourage reporting - "Do not wait or hesitate"

- MGIC leadership should actively encourage reporting of known or suspected misconduct, making sure employees understand the importance of **speaking up**.
- MGIC leadership should encourage personnel to use the UMB Hotline without hesitation.

Duty station

An employee's normal place of work is stated at the time of recruitment and documented in the offer letter and employment agreement. However, due to the business requirements of the organization or UMB, an employee may be reassigned to a different location. MGIC reserves the right to change an employee's duty station to any other place within the country of hire for a limited or indefinite period.

Any change in duty station should be proposed to an employee in the form of a letter specifying the new location and their entitlement to a relocation allowance, if warranted and available or if mandated by local law. The letter must require the employee to indicate in writing whether they consent to the relocation.

- **If the employee does not consent**, MGIC proceeds with processing their separation from employment or finding a new position for the person in the current location, if feasible.
- **If the employee consents to changing their duty station as proposed**, a [Personnel Action Form](#) is completed, approved, and placed in the individual's personnel file, with a copy provided to the supervisor and finance team.

Relocation allowances: Should the country office redeploy an employee to a new geographical location within the country, the employee may be entitled to a relocation allowance as determined appropriate by the DFA and in line with available budget and award requirements or as mandated by local law. Relocated employees who choose to leave MGIC employment within 90 days of relocation

will be responsible for subsequent relocation costs and for reimbursing a pro-rated portion of the allowance given.

Attendance

Each employee is required to be at work when scheduled and to attend work regularly. For example, employees should not:

- Arrive late without appropriate approval
- Abuse sick or other leave privileges
- Abuse time allotted for lunch or break periods
- Leave early without appropriate approval

Employees must notify their supervisors of any planned or unscheduled absence, following the requirements on requesting leave that are included in [4-15 Leave](#) and the HR Handbook.

When employees are unable to come to work, if possible, they should make arrangements to have any critical work assignments covered by someone else, or let the supervisor know what must be done in their absence via a handover note. See [5-4 Signature Authorities](#) for assigning temporary authorities, when acting in another's stead.

Remote, non-MGIC facility, and Work From Home placements

Under certain circumstances, MGIC employees may be contracted to work in a location other than a country or field office. This may include working in a remote context, where the employee performs their job functions at another workplace or working from home in their country of nationality and/or origin. In such circumstances, the employee must understand that MGIC is largely unable to guarantee a safe and secure workplace as they would with a MGIC country or field office, and the employee is therefore obligated to make reasonable individual effort to make sure their working conditions are as safe and secure as possible. Employees are highly encouraged to consult with UMB's International Safety and Security Manager to discuss possible workplace safety and security measures that they can implement at their remote workplace. As per MGIC safety and security policies, any safety and security incidents affecting MGIC employees must be reported to their supervisor regardless of their working arrangement.

Flexible working arrangements

Personnel assigned to an MGIC country office or field office as their duty station are expected to regularly work from the office facility on a regular schedule. However, it is recognized that offering a flexible time schedule can improve productivity by expanding the timeframe available for meeting personal obligations and enhancing job satisfaction, and occasional telecommuting can improve the efficiency of the work.

Flexible time is defined as working full-time or less than full-time on a schedule that has been modified from the MGIC office's regular business hours. All employees in good standing are eligible to be considered for flexible work arrangements. The arrangements must be pre-approved by the supervisor and the HR lead and documented with a written agreement that is stored in the employee's personnel file.

Unscheduled closings

If the situation warrants, the CD/CR may decide to close the country office or specific field sub-offices early, or not open on a normal workday. In the event of an unscheduled closing, the CD/CR will inform the UMB department operations lead, as well as affected personnel, as far in advance as possible. Personnel will receive instructions regarding the reopening of the office.

Employees will be compensated at their regular rate of pay for time not worked due to unscheduled short-term closures. Extended closures that negatively affect project deliverables may result in significant budget or scope changes, and these in turn may affect MGIC personnel. Such changes will be handled in line with local labor law. See [8-4 Modification, Suspension, and Closure of MGIC Operations](#) for additional information.

Compensation time for travel on a non-work day

From time to time, employees may have to work on non-work days and will earn compensatory time-off for every non-working day spent traveling and/or working in the field.

The HR Handbook shall provide details on taking earned compensation time, including (1) how an employee documents compensation time earned, (2) how the employee obtains approval for taking their compensation time, and (3) restrictions on the period within which the compensatory time-off may be taken before it is forfeited.

Unused compensatory time may not be commuted to a cash payment.

Staff safety and security

The safety and security of MGIC personnel is of the highest priority to UMB and MGIC. The CD/CR and the Safety and Security Focal point (SFP) hold the chief responsibility for implementing, administering, monitoring, and evaluating the safety and security policies, procedures, and plans of the country office. Details on policies and procedures related to ensuring safety and security are provided in [8-Safety and Security](#).

Key requirements as relate to HR management are:

- All employees upon hiring must receive the Country Safety and Security Plan and return a signed acknowledgement statement, which is placed in the employee's personnel file.
- Employees should be fully aware of their duty to complete an [Incident Report Form](#) for any incident affecting the safety and security of people and/or property.

MGIC should encourage personnel to share their ideas, concerns, or suggestions for improved safety and security with their supervisor or the safety and security focal point. Reports and concerns about workplace safety and security issues may be made anonymously, if the reporter wishes, and without fear of reprisal via the Ethics Hotline.

Vehicle crashes and other incidents

- Any crash (accident) or other incident in which a person is harmed or a vehicle is damaged **must be reported within 24** hours to UMB's International Safety and Security Manager and the UMB department operations lead.
- Immediate reporting of a vehicular accident is required **even if** the damage to the country office's vehicle or another vehicle is deemed minimal.

Prohibition of discrimination based on health status

All personnel must uphold UMB and MGIC's commitment to providing a work environment that is free from all forms of harassment and discrimination, including harassment and discrimination based on health status. Personnel shall not be obligated in any way to inform any MGIC or UMB employees or affiliated entities of their health status. Further, MGIC must assure that employees' personal information is treated with confidentiality and compassion. [See 2-Ethics and Code of Conduct](#) for the relevant MGIC Policies.

MGIC shall ensure that employees who become disabled because of HIV/AIDS are treated like any other employee with a physical or mental disability, and benefits are administered under the terms of the rules of the applicable MGIC Benefits Plan. In the event that affected employees are unable to carry out their essential job functions because of chronic illness, those employees will be afforded the same considerations as any other employee whose disability prevents the performance of essential job functions. To the extent practicable, MGIC shall honor requests for reasonable accommodation to allow performance of the employee's essential job functions.

Workplace violence prevention

MGIC shall take measures to prevent workplace violence and to maintaining a safe and positive work environment. That environment should promote courtesy and respectful treatment of all personnel, visitors, and others doing business with MGIC.

MGIC requires that employees report all threats of or actual violence and any suspicious individuals or activities as soon as possible to their supervisor or another manager or through the UMB Hotline. This includes reports of threats by employees, as well as threats by clients, vendors, or other members of the public.

Any personnel determined to be responsible for threats of or actual violence or other conduct that is in violation of these Policies may be subject to disciplinary action up to and including termination.

Smoking, alcohol, and drug use

To provide a safe and healthy work environment for its personnel, partners, and visitors, MGIC shall prohibit smoking inside any MGIC facility or motor vehicle and only allow smoking in outside designated areas.

MGIC shall strictly prohibit all personnel from being under the influence of drugs or alcohol while on the job, as this compromises the organization's interests, endangers the employee's own health and safety, and puts at risk the health and safety of others in the office.

MGIC shall prohibit personnel from unlawfully manufacturing, distributing, purchasing, selling, or exchanging controlled substances. Any MGIC personnel found in violation may be subject to disciplinary action up to and including termination of employment.

Prohibition of weapons in the workplace

MGIC requires that no firearms of any kind are permitted on MGIC premises and in MGIC vehicles, unless the MGIC Board of Directors has approved otherwise because of a high level of insecurity, in

which case the type of firearm and who may carry one will be clearly dictated. See [8-Safety and Security](#) for additional information.

External work

MGIC personnel who wish to work for another employer or as an independent contractor while employed by MGIC must seek prior written approval from the CR. The CD/CR consents to this external work only under the following **terms established with the employee**:

- The activity will not interfere with or prevent the employee from devoting the time and effort to MGIC activity that the employee's position requires; and
- The relationship with the other employer or consulting clients does not and will not create a conflict of interest for the employee in their employment with MGIC.

If a CD/CR or equivalent leadership wishes to engage in work outside MGIC, they must obtain prior written approval from their supervisor and the MGIC President.

Office supplies and equipment

Employees' responsibilities: MGIC requires that personnel treat and guard any supplies and equipment assigned to them with care and respect, as if the property were their own. Upon receiving certain equipment, such as laptops or mobile phones, recipients sign [an Employee Equipment Acknowledgement Form \(EEAF\)](#). All MGIC-provided supplies and equipment shall be used strictly for work-related purposes and not personal matters.

Any damage caused to MGIC property due to negligence is the employee's responsibility. See [Property use and care](#) in 3-7 Property Management for details.

HR's responsibilities: The HR lead is responsible for facilitating the issuance and recuperation of MGIC property, as follows:

1. Remind supervisors to complete a [New Hire IT Equipment and Access Request Form](#) for each new employee and submit it to the IT support lead
2. Collaborate with the IT support lead to obtain a signed EEAF when an employee is provisioned with IT equipment, and keep a copy in the employee's personnel file
3. At the time of an employee's separation, termination, or transfer, support efforts to collect all MGIC property from the departing employee (see [Transfer or separation checklist](#))

Checklist for CDs/CRs

- ☐ Foster and promote working conditions that establish a culture of productivity, accountability, safety, security, and mutual respect
- ☐ Hold all MGIC personnel to the [MGIC Code of Ethics and Professional Conduct](#), and do not tolerate any harassment and discrimination, including that based on health status
- ☐ If proposing to change employees' duty stations, seek consent from the affected employees prior to proceeding, and be clear about any relocation allowance that MGIC will provide
- ☐ Require that employees notify their supervisors of any absence and follow procedures for requesting leave and making arrangements to cover critical work assignments
- ☐ If the situation warrants an unscheduled closing of offices, inform affected personnel and the UMB department operations lead as far in advance as possible

- ☐ Include in the HR Handbook a clear policy on compensation time, and apply the policy consistently
- ☐ Maintain the Country Safety and Security Plan and have employees sign acknowledgement statements when hired and when the plan is updated
- ☐ Require submission of an [Incident Report Form](#) within 24 hours of an incident and notify UMB's International Safety and Security Manager and the UMB department operations lead immediately if a person is harmed or if a vehicle is damaged, even minimally
- ☐ Actively prevent workplace violence and require that employees report all threats of or actual violence
- ☐ Prohibit smoking inside any MGIC facility or motor vehicle and only allow smoking in outside designated areas
- ☐ Prohibit all personnel from being under the influence of drugs or alcohol while on the job
- ☐ Require that no firearms of any kind are permitted on MGIC premises, unless head office has approved an exception
- ☐ Ensure MGIC personnel who wish to work for another entity while employed by the country office obtain prior written approval from the CR
- ☐ Require personnel to treat and guard any supplies and equipment assigned by MGIC with care and respect

Key references

- [Employee Equipment Acknowledgement Form \(EEAF\)](#)
- [Incident Report Form](#)
- [New Hire IT Equipment and Access Request Form](#)
- [Personnel Action Form](#)
- [Transfer or Separation Checklist \(Sample\)](#)
- [2-Ethics and Code of Conduct](#)
- [2-2 MGIC Code of Ethics and Professional Conduct](#)
- [2-7 Policy on Prohibiting Harassment and Discrimination](#)
- [3-7 Property Management](#)
- [4-15 Leave](#)
- [5-4 Signature Authorities](#)
- [8-Safety and Security](#)
- [8-4 Modification, Suspension, and Closure of MGIC Operations](#)
- [Ethics Hotline](#)

4-11 Personnel Records

Policy statement

MGIC must ensure all individuals who have access to employment documents and payroll records protect all confidential information about personnel, respect individual privacy rights, and comply with local confidentiality and data protection laws. All personnel records must be retained by the MGIC office in accordance with local law

This policy applies to all records maintained in hard (paper) copy, electronically, or in some other fashion.

Contents of personnel files

The HR lead maintains confidential personnel files for all office employees. The files contain records pertaining to employees' time at MGIC and are kept in locked files, separate from other files and with restricted access. These records include:

- Application letter, CV, and other application documents
- National ID or passport copy
- Required certifications and licenses
- Work and residence permits for non-nationals
- Employment agreements and related documents
- Latest job description
- Signed HR Handbook Employee Acknowledgement
- Signed [MGIC Policies Acknowledgement Form](#), including the [MGIC Code of Ethics and Professional Conduct](#)
- Signed [Conflict of Interest Disclosure](#)
- Signed [Data Confidentiality Agreement Form](#)
- Signed [Employee Equipment Acknowledgement Form \(EEAF\)](#), if applicable
- Health and insurance documentation
- Personnel Action Forms
- Performance Appraisal Forms
- Leave records
- Other relevant acknowledgements, agreements, and information related to employment, tax, and associated matters

See [Confidentiality of sensitive data](#) in in [4-4 Standards of Conduct](#) and [3-12 Record Retention and Access](#) for additional information.

Retention of personnel files

All employment, pension, and benefits records concerning any person employed by MGIC must be retained by the MGIC office throughout the person's employment and beyond:

- Employment records of separated personnel must be retained for four years after an employee's date of separation from employment or a longer retention period if required by local law.
- Pension and benefits records of separated personnel must be retained for 10 years after the employee's separation or a longer retention period if required by local law.

Access to personnel records

If MGIC personnel request a copy of their own personnel records, the office may wish to consult local counsel prior to providing the records. See [3-12 Record Retention and Access](#).

Checklist for CDs/CRs

- ☐ Ensure the office has up-to-date personnel files for all employees and that these are maintained in separate and locked files with restricted access
- ☐ Ensure all individuals who have access to personnel files protect all confidential information about personnel and respect individual privacy rights
- ☐ Retain employment records after date of separation for the time period required by this Policy or local law, whichever is longer

Key references

- [MGIC Policies Acknowledgement Form](#)
- [Conflict of Interest Disclosure](#)
- [Data Confidentiality Agreement Form](#)
- [Employee Equipment Acknowledgement Form \(EEAF\)](#)
- [2-2 MGIC Code of Ethics and Professional Conduct](#)
- [4-4 Standards of Conduct](#)
- [3-12 Record Retention and Access](#)

4-12 Compensation

Policy statement

UMB and MGIC support compensation packages that are competitive for the national markets to obtain and retain the best candidates as well as protect equitable pay standards. MGIC must maintain a country-wide salary scale applicable to each employee location that is approved by the UMB department operations lead when initially created and updated thereafter. . Compensation must align with standardized salary scales for grades of various posts, which are approved by the UMB department operations lead in consultation with the CD/CR.

In cases where there is no MGIC country office, the IO Manager - International HR in consultation with the appropriate UMB Funding Unit will be responsible for establishing and maintaining salary scale for MGIC in that country, utilizing available market data sources.

For how to handle exceptions, see [Extending an offer](#) in [4-7 Hiring](#).

Compensation determinations are guided by the following principles:

- Compensation decisions must be legal and defensible.
- Compensation decisions support a pay-for-performance organization.
- Compensation policies and procedures are transparent and easily understood.
- Employee compensation and compensation decisions are confidential.

The MGIC may only increase salaries pending availability of funds and approval of the UMB Funding Unit, and as part of the annual performance appraisal cycle. Changes to existing employees' compensation require coordination approval by the CD/CR and UMB department operations lead if:

- The change results in the salary falling outside of the grade level on the UMB-approved salary scale, or
- The change represents a salary increase of 5% or greater.

When an MGIC employee has a reporting line to a regional employee or UMB employee, the

employee's supervisor(s) must be consulted prior to any compensation adjustment.

Salaries and other compensation for local employees shall be stated and paid in local currency only, unless an exception is granted by the MGIC VP – Policy & Administration.

Position grading

Each MGIC office develops and implements a position grading process for all posts and documents the grades. Grades are reviewed by the IO Manager – International HR to strive for consistency of grades across MGIC offices.

Salary scale

A salary scale aims to provide guidelines in setting employee compensation and to ensure that employees with similar roles and responsibilities receive similar salaries. Consistent use of the scale helps to ensure organizational sustainability, competitiveness for the local workforce, and protection of equitable pay.

As indicated in [4-3 Organizational Structure](#), each MGIC office must have a UMB-approved salary scale that shows the minimum and maximum rates of pay for each grade in the scale. The scale should be developed or amended through a collaborative process with the Manager – International HR.

To ensure market competitiveness, it is recommended that MGIC offices carry out a salary survey approximately every two years. The results of the survey then inform the office's update to the salary scale. The proposed new salary scale must be approved by the UMB department operations lead prior to implementation.

The salary scale must be used consistently by the MGIC office. All salaries must fall within the approved salary scale for that grade, unless an exception is granted by the UMB department operations lead.

The MGIC salary scale should be transparent and easily accessible to all personnel.

Salary determination upon hire

In line with the approved salary scale, MGIC sets forth employees' salaries in employment agreements. Within the salary scale, specific salary rates are based on duties, extent of funding, the level of skills and expertise required, and equity with the local labor market and internally.

Payment, pay periods, and deductions

Specific arrangements for employee payments, pay periods, and deductions vary across MGIC and are reflected in the employment agreement and described in detail in the HR Handbook. MGIC standards are as follows:

- An MGIC country office pays salaries monthly in local currency. Salaries are paid by direct bank transfer into employees' bank accounts.

- The country office shall maintain payday on or about the 25th day of each month. If a payday falls on a holiday or weekend, then the country office will pay salaries on the last workday before the holiday or weekend.
- Country offices must ensure salary payments are net of any local payroll withholding taxes and pension contributions required by local law. The country office shall notify employees each pay period of their base salary/wages earned during the pay period, amounts withheld for taxes and deductions, and the employees' net salary.
- Personnel working in a country where MGIC is not registered are paid through the MGIC EOR service, administered by the UMB IO Department. Pay dates, payment mechanisms, and applicable withholdings and deductions are stipulated by the terms of MGIC's EOR contract and by local labor law.

Personal advances

Personal salary advances, which are loans to individuals for their personal expenditure, are not permitted. Any requested exceptions to this Policy must be submitted to the UMB department administrator with a full written justification. (To request an exception, the MGIC office submits a [Policy Exception Request Form](#) – see [Exceptions and exceptions request process](#) in 4-1 Overview of MGIC Human Resources Policies and Procedures.)

Overtime

Overtime is a time spent performing official duties outside of normal hours of work and typically in excess of 40 hours, as designated by an employment agreement and in accordance with local labor law. MGIC specifies in each HR Handbook how overtime is locally managed.

Rewards and bonuses

MGIC may consider offering rewards and bonuses for exceptional performance of employees, pending availability of funds. Recipients of rewards and bonuses will have been considered as the best on the basis of outstanding performance of duties and exemplary conduct during the year, which must be documented in employees' Performance Evaluation Form. The reward may be in the form of an award, certificate, medal, other item, or cash.

The steps for seeking approval to offer MGIC personnel rewards and bonuses are:

1. The DFA confirms the availability of funds.
2. The CD/CR or DFA approves the rewards and/or bonuses and submits justifications to the UMB department operations lead.
3. The UMB department operations lead reviews the submission, renders a decision, and notifies the CD/CR and DFA.

Bonuses and cash awards are processed through payroll procedures and taxed accordingly. Those managing MGIC payroll should have knowledge of local tax and withholding regulations and ensure compliance in how MGIC manages rewards and bonuses. MGIC HR leads and senior staff considering such awards should consult the IO Manager – International HR for guidance to ensure policy and legal compliance.

All bonus opportunities, if applicable, and corresponding criteria, timeframes, and documentation procedures are further defined in the HR Handbook.

Salary adjustments and raises

Salary adjustments and raises should generally take place as part of the annual performance appraisal cycle. MGIC may consider salary adjustments and award employees with raises under the following circumstances, and all proposed changes should be submitted to the UMB department operations lead for approval.

- **Merit increases:** Salary increases may be considered based on performance that is documented in an employee's performance evaluation. The increase must be in alignment with MGIC salary scale and be based on the availability of funds. Where the employee salary is above the salary band, the merit will be awarded as a lump sum pay.
- **Equity Adjustment:** In situations where there is a high salary differential between employees in the same job band despite having similar years of experience and service in the organization, subject to budget availability, an equity adjustment may be warranted where the employee is a consistent good performer. The HR lead should pay attention to equity during the annual salary increase cycle to ensure equity among staff performing similar jobs. Where equity adjustment is implemented the percentage of the increase should not exceed that of merit awarded.
- **Change in level of responsibility, title, and/or job description:** Employees may have a change in salary when their responsibilities change within the country office. The changes must be reflected in a revised job description that accompanies the [Personnel Action Form](#). The salary assigned with the new role should be in alignment with the MGIC salary scale.
- **Change in local labor market:** MGIC should take into account increased or decreased demand for a specific skill or position when considering a change in salary. High-performing employees may consider moving to other organizations because of differences in salary packages. The HR lead should carry out a salary survey of similar organizations if such discrepancies are thought to exist. The HR lead and DFA should review the results and consult with the IO department's Manager – International HR to ensure HR best practice is taken into account. If a change in the salary scale is recommended, the UMB department operations lead must approve these changes before individual employees' salaries are changed to levels outside of the existing approved scale.

Change in cost of living: Under certain, specific circumstances, such as cases of extreme currency fluctuation, the CR, in consultation with the DFA and HR lead, may consider implementing a separate, office-wide salary adjustment based on cost-of-living changes or inflation. Such changes must have supporting documentation that justifies the percentage change implemented, must be in line with HR best practice, and must be approved by the UMB department operations lead in consultation with the Manager – International HR. Except in cases of emergency, a cost-of-living adjustment should only be undertaken at the same time as the performance appraisal cycle. Cost of living adjustment (COLA) is guided by movement in the labor market and not changes to the general economy of the country. The HR lead will gather information of labor market movement to support proposal for COLA adjustment.

If these circumstances arise, changes in grade or salary must be approved as stipulated in this Policy. Furthermore, any change to an employee's salary must be documented via an approved [Personnel](#)

[Action Form](#) that is placed on file by the HR lead and copied to the employee and to the finance team to adjust payroll.

Taxes and withholdings

As described in [5-14 Payroll](#) and in accordance to local law, the MGIC office shall withhold any applicable taxes and other withholdings required by the government, including the contributions to pension and other applicable funds. This applies not only to employee compensation but also to payments to independent contractors (consultants).

Where MGIC is not registered in a country, employee taxes and withholdings shall be managed by the MGIC EOR service provider.

Checklist for CDs/CRs

- ☐ Create and maintain a country-wide salary scale that is approved by the UMB department operations lead and is consistently used to set compensation for all employees
- ☐ Encourage the HR lead to carry out a salary survey every two years to inform any updates to the salary scale, which must be then approved by head office
- ☐ Ensure salary payments are net of any local payroll withholding taxes and pension contributions required by local law
- ☐ Enforce that personal salary advances are not permitted, and any requested exceptions are submitted to the UMB department administrator with a full written justification for consideration
- ☐ Establish and maintain clear overtime procedures that are detailed in the HR Handbook and compliant with local labor law
- ☐ Ensure bonuses and/or reward procedures are stipulated in the HR Handbook and carried out equitably, in alignment with local labor law and HR best practice, and with the requisite approvals
- ☐ If proposed salary adjustments or raises fall outside of the HO-approved salary scale or represent a salary increase of 5% or greater, seek pre-approval from the UMB department operations lead

Key references

- [Personnel Action Form](#)
- [Policy Exception Request Form](#)
- [4-1 Overview of MGIC Human Resources Policies and Procedures](#)
- [4-3 Organizational Structure](#)
- [4-4 Standards of Conduct](#)
- [4-7 Hiring](#)
- [5-14 Payroll](#)

4-13 Timekeeping and Effort Reporting

Policy statement

Timekeeping: MGIC country offices must use the MGIC-provided electronic timekeeping system through which all employees record their daily attendance during the pay period, the hours worked under each country office project, and any hours of leave taken. Supervisors must approve the

timesheets of all employees who report to them. Their approval attests that the timekeeping report represents a reasonable estimate of the employee's actual work performed on each project during that pay period.

If **hard-copy timesheets** are used in the MGIC office, these must be provided to the HR lead after approval by the supervisors. The HR lead then provides copies of the actual timesheets or a report detailing hours/days worked and paid/unpaid leave taken by each employee to the finance team in a timely manner to complete payroll and other reporting activities.

When personnel are employed through an EOR service, MGIC may utilize the EOR's electronic timesheet system if the option is more feasible for employees and provides the required functionality for effort reporting across multiple budget codes, and for supervisor approvals.

Effort reporting: As a recipient of sponsored funds, UMB must assure sponsors that the assignment of time and associated salary and fringe benefit costs to sponsored projects is fair, consistent, and timely. MGIC offices that are implementing more than one project, i.e., that have more than one Payment Authorization Agreement or similar UMB source of funds, must have a system in place to certify effort reporting and reconcile effort reports to salary distribution.

Timekeeping

The HR lead typically oversees the timekeeping system, which requires employees to complete electronic timesheets on the last day of the work week. In the case of temporary employees or other circumstances, a Daily Timesheet may be called for. However, the hours worked is reported, employees' salaries and wages are computed based on the information provided by the employees and approved by their supervisors.

Timesheets must present an accurate accounting of hours worked under each project. MGIC employees who provide general administrative support which cannot be readily attributed to individual projects are instructed to report their hours worked as "general CO support," and these are subsequently allocated to projects through the office's cost allocation methodology (see [5-9 Cost Allocation](#)).

- **Adjustments to the timekeeping records to match the availability of funds in the budget is not permitted.** DFAs should seek guidance from the UMB department administrator in cases of unavailable or insufficient budget.

Direct supervisors must conclude review and attestation of timesheets no later than 2 business days following the conclusion of the pay period.

Timesheets provide an important tool for documenting employees' leave time. Supervisors can monitor leave taken and the HR lead can use timesheet information to track employees' hours of leave and keep accurate records of accrued leave hours not yet taken.

Effort reporting and certification

If an MGIC office is implementing more than one project, all employees whose time is charged to projects complete effort reporting. The reporting indicates what projects the employee worked on, and the percentage of time spent on each one.

Employees must sign their effort reports to affirm their accuracy. Employees' supervisors who review and sign the employees' timesheets must certify the employees' effort reports.

The DFA is responsible for ensuring that effort reports remain consistent with the salary distribution to and among the office's projects. If after-the-fact certifications disclose that actual effort was **different than initially charged**, then salary distributions should be reconciled to the after-the fact effort certifications. Any changes in the salary distribution must be made in a timely manner and documented.

Note: *Accuracy in timekeeping and effort reporting is critical for compliance with the requirements of the U.S. government (see [USG Uniform Guidance](#)) and other sponsors. The DFA should ensure constant monitoring of these systems and provide extra training and support in the following situations:*

- When employees are hired and when they depart
- When a new employee is oriented to the timekeeping system
- When there is a change in the levels of effort to which employees are committed on projects

Calculating % of effort

- If an employee works 80 hours in a week, then 40 hours represents 50% of their effort.
- If an employee works 40 hours in a week, then 40 hours represents 100% of their effort.

Change in Effort?

When might employees' levels of effort change?

- When a team is restructured
- When a person is promoted
- When budgets change
- When an award/project concludes
- When a new award/project starts

Checklist for CDs/CRs

- ☐ Ensure that the HR lead oversees a timekeeping system through which all employees record their daily attendance during the pay period, the hours worked under each project, and any hours of leave taken
- ☐ Follow the cost allocation methodology for assigning "general CO support" effort to appropriate individual projects
- ☐ Ensure that adjustments to the timekeeping records are never made to match the availability of funds in the budget
- ☐ Mandate that all employees whose time is charged to more than one sponsored project complete effort reporting that is signed by the employee and their supervisor
- ☐ Ensure effort reports are correctly reconciled to salary distributions, and any changes in salary distributions made in a timely manner

Key references

- [Monthly Timesheet](#)
- [5-9 Cost Allocation](#)
- [USG Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#) (USG Uniform Guidance – 2 CFR 200)

4-14 Benefits

Policy statement

Benefits aim to provide adequate support to employees and their livelihoods. Any new or revised benefit or allowance must be reviewed by local legal counsel for compliance with local law and by the Manager – International HR for compliance with MGIC policy, and approved by the UMB department operations lead. Benefits, including for dependents, may include medical and dental coverage, counseling and psychological support services, worker's compensation, life insurance, educational assistance, or contributions to national pensions or severance funds. All benefits must be outlined and clearly documented in each office's HR Handbook.

Where a new office is being established or an employee is engaged through an EOR, the Manager – International HR in consultation with the respective UMB Funding Unit will be responsible for identifying and defining the MGIC benefits structure in that country. The Manager – International HR, will consult with applicable sources/organizations to obtain labor information for the respective market.

All personnel assigned to a country, whether or not MGIC has a physical office or registration in that country, must receive the same benefit or allowance plan subject to their individual eligibility and in keeping with local labor law. Benefits packages for MGIC employees may not differ based on the UMB Funding Unit or funding source responsible for funding that MGIC position.

All benefits shall be reviewed on an annual basis by the Manager – International HR with the country office HR led to evaluate each type of benefit for policy compliance, cost-effectiveness, consistency with HR best practices, and availability of funds. Any changes must have prior approval by the UMB department operations lead. Renewal and rebidding of contracts for provision of benefits, such as for medical insurance, must be conducted in accordance with MGIC Policy (see [5-15 Procurement](#)).

Dependents

Where indicated in the HR Handbook and in accordance with local labor law, some benefits may extend to the employee's legal dependents. The HR Handbook shall define who is a legal dependent in the country, which in general is considered to be a member of the employee's immediate family – spouse and children.

It is the responsibility of each employee to furnish the HR lead with necessary documents such as birth records/certificates and/or legal adoption certificates for their immediate family. All employees should inform Human Resources in writing of any changes in the family within 30 days.

Educational assistance

Depending on availability of funds, MGIC may consider providing limited educational assistance to employees who wish to undertake part-time study in work-related courses. This assistance applies to such courses as improving computer skills, improving English skills, learning a new language (if justifiable for the position), strengthening finance skills, or improving safe driving. MGIC may consider supporting study that is not directly work-related, so long as both the employee and the MGIC office will benefit from the employee's attendance.

To request educational assistance, employees should apply in writing to the HR lead or the CD/CR, copying their supervisor, with their detailed request and justification, including (1) the

course/training outline and (2) the accruable benefits that the education offers to MGIC and the employee.

Support may vary based on the grade level and/or tenure of the employee. If an MGIC office proposes providing educational assistance that will exceed US\$1,000 per employee per year, the CD/CR must submit a justification to the UMB department operations lead and await their **prior written approval**. The office may ask recipients of this benefit to commit to continuing at their posts for a certain period of time following completion of a course of study or training program.

Documentation of educational assistance should be placed in employees' personnel file.

Other benefits

With UMB approval and depending on local labor laws or custom, MGIC offices may support other benefits such as for transportation, housing, meals, or utilities. If the office proposes to add a new benefit, the CD/CR must submit a justification to the UMB department operations lead and await their **prior written approval**.

For information on support for professional development, see [4-17 Professional Development](#).

Checklist for CDs/CRs

- ☐ Ensure that adequate benefits are in place and that they are documented in the HR Handbook and otherwise clearly communicated to all eligible personnel
- ☐ Review eligible benefits for personnel on an annual basis; for any changes or additions to benefits offered, seek local legal counsel review and prior written approval from the UMB department operations lead
- ☐ Seek written approval from the UMB department operations lead before providing educational assistance in excess of US\$1,000 per employee per year and before adding a new benefit for office personnel

Key references

- [4-17 Professional Development](#)
- [5-15 Procurement](#)

4-15 Leave

Policy statement

MGIC is committed to supporting employees and providing options for reasonable leave. All leave requested, approved, and taken must be documented in the employees' personnel files and the MGIC HR files. The HR lead must monitor and track leave balances and accruals, and this information must be available for employees and their supervisors.

UMB Funding Units whose programs employ MGIC personnel must ensure that MGIC staff are approved to take their entitled leave throughout the year, and to manage team workloads and coverages accordingly. An employee's loss of accrued leave beyond set annual carryover limits, due to the Funding Unit's failure to authorize leave during the year, exposes MGIC and UMB to local legal

liabilities and violates both organizations' core values of respect for employees and their well-being. UMB Funding Units are responsible for any payment of unused leave required by local law.

Requesting leave

In general, employees should submit requests for leave at least two weeks in advance, subject to the approval of their supervisor. Leave should not commence until the leave request is approved.

When employees are unable to come to work due to unforeseen circumstances, they should inform their supervisor as soon as possible. If possible, an employee should make arrangements to have any critical work assignments covered by someone else, or let the supervisor know what must be done in their absence via a handover note.

Prior to taking personal leave or traveling, a manager should communicate with all relevant personnel (1) who will provide approvals in their stead and/or (2) who will fulfill their responsibilities during their absence. The same person could, but does not necessarily, assume both functions. The communication, whether by email or other manner, should explicitly delegate authority during the manager's absence. See [5-4 Signature Authorities](#) for assigning temporary authorities when acting in another's stead.

If an employee is granted extended leave of one month's duration or longer, including for parental leave, the HR lead should notify the UMB department operations lead for informational purposes.

Types of leave

MGIC recognizes that employees may have varying reasons to request and take leave from the organization. The HR Handbook provides an overview of the types of leave and the requirements for employee usage in each country. In accordance with local labor law, leave may include: annual, sick, unpaid, compassionate, parental (including maternity, paternity, and adoption), and study leave.

Public holidays

MGIC staff observe public holidays that are declared by the national government in their country of assignment. The HR Handbook provides a specific list of observed national holidays for local employees. The HR lead should inform the UMB department operations lead if there is a change in observed national holidays. The HR Handbook should be updated accordingly.

If a holiday falls within a period of approved leave, employees will not be charged leave on the holiday.

MGIC HR Handbooks specify how to handle situations where employees are required to work on an observed holiday, e.g., by working with their supervisor to arrange for compensatory time or an alternate holiday in the same calendar year.

Holidays will not be paid out upon separation, unless required by local law.

Checklist for CDs/CRs

- ☐ Mandate that all leave requested and taken must be documented in employees' personnel files and the HR files

- ☐ Establish a work environment where employees inform their supervisor of leave requests as early as possible and make arrangements to have any critical work assignments covered by someone else, following procedures for assigning temporary authorities if needed
- ☐ Ensure that supervisors and department leads of UMB Funding Units honor MGIC's leave entitlements and facilitate coverage and workload management to avoid loss of leave.
- ☐ Ensure that leave balances and accruals are monitored and tracked, and the information is available on request by employees and their supervisors
- ☐ Notify the UMB department operations lead if an employee is granted an extended leave of one month's duration or longer
- ☐ Ensure the HR Handbook clearly outlines types of leave and eligibility requirements
- ☐ Make sure employees know which days are observed holidays in any given year and what arrangements will be made for those who are required to work on a holiday
- ☐ If there is a changed in observed national holidays, update the HR Handbook and notify the regional HR lead and head office

Key references

- [5-4 Signature Authorities](#)

4-16 Performance Management

Policy statement

MGIC must have in place a performance management system that includes (1) establishing performance objectives for the rating period, (2) continuous monitoring, communication, and feedback throughout the period, and (3) completion of a performance review at the end of the period.

MGIC must provide all employees with at least one performance review in any given 12-month period.

When an MGIC employee reports directly to a UMB Funding Unit and does not manage other MGIC employees, the IO Department may approve the employee's performance review to be completed through UMB's Performance Development Program rather than through the MGIC system. In these cases, a copy of the employee's UMB performance evaluation will be maintained in the personnel files in lieu of an MGIC appraisal.

All performance management actions must be documented and that documentation kept on file at the country office with access by UMB's IO Department for MGIC corporate records. .

The performance management cycle

The performance management cycle is known as the "rating cycle." Employees' rating cycles coincide with the time period specified in their employment agreements or, if the agreement extends beyond 12 months, are no more than one year in duration. Quarterly Check-in are carried out to ensure effective performance management and promote communication between supervisors and their team members.

The Performance Appraisal Form

MGIC staff should use the [Performance Appraisal Form](#) for performance management activities. The form has four distinct segments and the first three constitute the **Performance Evaluation Form**:

1. **Performance Evaluation section**, which provides comments and ratings for each operational objective established at the end of the prior rating cycle
2. **General Performance Evaluation section**, which provides comments and ratings for areas of general performance during the prior period
3. **Learning Goals and Professional Development section**, which documents professional development plans for the upcoming rating cycle

The fourth segment is the **Performance Planning section**, which documents the operational and other performance objectives for the upcoming rating cycle.

MGIC's [Performance Appraisal Form](#) and quarterly check-ins are currently available through the organization's online enterprise resource platform. Personnel without access to the online form will complete the offline forms. As mentioned above, MGIC-hired staff who report to a UMB Funding Unit and do not supervise other MGIC staff may be approved by the IO department to follow UMB's Performance Development Program in lieu of MGIC's process.

Performance assessment process

Training: All supervisory employees should receive periodic training on performance management, to ensure a consistently timely and high-quality process for this important aspect of HR management.

Steps in the process: The MGIC office should lay out its performance assessment process and calendar in the HR Handbook. At a minimum and at least on an annual basis, the process should require that supervisors:

1. Review each employee's job description and update it as necessary
2. Seek input on employees' performance
3. Complete the **Performance Evaluation Form** for each employee
4. Hold a discussion with each employee regarding their performance and professional development
5. Hold a dialogue with each employee to establish and document performance objectives for the coming period

Supervisors are responsible for providing employees with ongoing feedback and support throughout the rating period.

Seeking others' input: Reviews for MGIC personnel will involve peer assessments – known as 360° feedback – in addition to employee self-assessments and supervisor assessments. Peer assessments can cover achievements and areas for improvement – see MGIC's [360° Feedback Form \(Sample\)](#).

Seeking others' input is required in the case of senior leadership: The CD/CR shall seek HO input into the performance assessments of the other members of the CO leadership team.

Signing the forms: A completed **Performance Evaluation Form** requires signatures by three parties:

1. The employee, verifying that the performance evaluation was reviewed and discussed with the supervisor, and not representing agreement or disagreement with the evaluation's contents
2. The supervisor, verifying that the performance evaluation was presented to the employee for review
3. The reviewer, who is a higher-level supervisor

Who is "CO leadership"?

The positions included in CO leadership are the CD, director of finance and administration (DFA), and other senior CO managers whom the CD consults and convenes for high-level decision making about CO management, operations, and programs.

A completed **Performance Planning Document** requires signatures by the employee and supervisor only.

Once all signatures are obtained, the originals are given to the HR lead for review and, if needed because of issues raised in evaluations, discussion with supervisors. The forms are placed in employees' personnel files and copies provided to each employee.

For information on performance assessment for a new employee's probationary period, see [4-7 Hiring](#). Regarding opportunities in support of performance planning and execution, see [4-17 Professional Development](#).

Performance improvement plans

The [Performance Improvement Plan](#) (PIP) is a tool given to an employee to help them address performance gaps or issues that the supervisor has identified. The intention is to provide the employee with an opportunity to succeed in meeting the expected performance output, including by addressing deficiencies, correcting misconduct, or otherwise improving performance of duties.

With engagement by the HR lead and/or the Manager – International HR as appropriate, the supervisor develops the PIP and uses the tool to help the employee understand clearly the performance concerns that the supervisor holds and the improvements that the supervisor expects to see during the PIP timeframe. The PIP should clearly identify the expected performance output. It should state the support the supervisor or others will provide to enable the employee to deliver the discussed expectations successfully.

Once the PIP is launched, the supervisor uses the plan to monitor and evaluate progress, holding check-ins and providing feedback to help the employee improve performance and meet expectations. If within a predefined period of time the employee fails to show satisfactory progress and/or to demonstrate corrective actions, the supervisor may recommend suspension or separation. The HR Lead will ensure the procedures followed in the suspension or separation are in line with the local labor laws and must work with office leadership to obtain legal review of the office's procedures and templates for employee suspension and separation.

Checklist for CDs/CRs

- ☐ Establish and closely follow a performance management system that includes (1) establishing performance objectives, (2) continuous monitoring, communication, and feedback, and (3) completion of a performance review at the end of the rating period
- ☐ Conduct performance reviews for all employees at least once every 12 months
- ☐ Periodically train supervisors on performance management
- ☐ Seek UMB input into performance assessments of members of the office leadership team
- ☐ Implement [Performance Improvement Plans](#) with employees who are not meeting performance expectations and provide the support identified in the PIPs

Key references

- [360° Feedback Form \(Sample\)](#)
- [Performance Appraisal Form](#)
- [Performance Improvement Plan](#)
- [4-7 Hiring](#)
- [4-17 Professional Development](#)

4-17 Professional Development

Policy statement

MGIC should provide its employees with professional development opportunities that enhance knowledge and skills in ways that directly contribute to the organization's endeavors and support individuals' professional growth. All professional development opportunities must have a clear business justification and, if an expense is required, a budget to which such expenses may be legitimately charged.

Procedures

As discussed in [4-16 Performance Management](#), during the regular performance management cycle, supervisors create learning goals and professional development plans with employees and document them in **Performance Planning Documents**. Implementation of those plans is a joint responsibility of supervisors and employees.

In fulfilling those plans and responding to needs and opportunities that arise during the course of the year, supervisors can use a wide variety of **professional development tools**, many of which do not require a budget. Development opportunities may include mentoring, coaching, job shadowing, access to resources, online learning, trainings, workshops, and conference attendance. Self-learning should be encouraged, and English-speaking employees directed to University of Maryland resources that exist for this purpose, including UMB's Learning and Development Platform.

MGIC offices should establish clear procedures for professional development opportunities that have a significant cost and/or duration. The procedure should specify:

- Who is eligible, e.g., only full-time employees
- What documentation and approvals are required
- What professional development expenses are eligible for payment or reimbursement
- How plans should be made to cover the impact of an employee's absence, if any

In the rare situation where an MGIC office might consider issuing an “education bond” or “training bond” for an employee’s participation in a course of study or training program, the office should first consult with and seek approval from the UMB department operations lead.

Checklist for CDs/CRs

- ☐ Provide personnel with professional development opportunities that enhance knowledge and skills in ways that directly contribute to MGIC’s endeavors and support professional growth
- ☐ Ensure all professional development opportunities have a clear business justification and, if an expense is required, a budget to which such expenses may be legitimately charged
- ☐ Establish and maintain a culture of setting and monitoring learning goals as well as leveraging professional development tools, many of which do not require a budget

Key References

- [4-16 Performance Management](#)

4-18 Warnings and Disciplinary Actions

Policy statement

Warnings and other disciplinary action may be necessary when an employee’s performance is consistently and persistently below expectations, or if an employee violates the general standards of conduct, engages in improper, unethical, or illegal behavior, or otherwise engages in misconduct or gross misconduct. Disciplinary action must be clearly and respectfully communicated as well as documented.

MGIC is obliged to follow local labor law and to lay out in HR Handbooks specific procedures and timeframes for issuing warnings and taking other disciplinary action.

The CD or CR is ultimately responsible for the in-country investigation, management, and resolution of disciplinary processes, including engagement with relevant UMB units who support country operations, local law enforcement and other authorities, local legal counsel, and local sponsor representatives as required.

Allegations of misconduct by, and/or consistent and persistent underperformance of, the MGIC CD or CR is escalated to the MGIC President for executive oversight of UMB units assigned to take action.

Disciplinary procedures

Depending on the seriousness of the case, disciplinary action may entail documented verbal warnings, written warnings, suspension from duty, or separation. In very serious cases and where applicable, UMB or MGIC may also choose to pursue legal action.

All formal warnings and actions must be documented, signed by the employee to acknowledge receipt of the warning, and securely filed in the employee’s personnel file. Suspension or separation requires processing of a [Personnel Action Form](#).

Generally, an employee will have the opportunity to provide an oral or written explanation or justification before the disciplinary action is taken. The employee's explanation or justification should be documented and filed in the employee's personnel file.

The standard stages of disciplinary action are outlined below and expanded upon in the HR Handbook. As much as possible, efforts should be made to improve performance or correct an issue with an employee.

Regarding consulting head office on warning and disciplinary actions:

- The MGIC office notifies the UMB department operations lead of any complaint/grievance or serious performance issues and consults with them throughout the process of addressing them.
- In instances where disciplinary action reaches the phase of developing a [Performance Improvement Plan](#), the country office not only informs, but also engages the UMB department operations lead to the extent they deem necessary.
- If considering suspending an employee serving in a leadership position, the MGIC office seeks prior approval from the UMB department operations lead, who consults with the MGIC President or designee.

Types of disciplinary action

MGIC should establish a sequential warning system that is outlined in the HR Handbook. The following is one possible approach, but offices should adapt it based on local customs while conforming to local labor law.

Verbal warning: Employees may receive verbal warnings from their supervisors. Verbal warnings are used in instances of minor offences. Timeliness is extremely important with any verbal counseling or reprimand, as it is the opportunity for a frank discussion of expectations and setting of timelines for improvement.

Written warning: Written warnings may be issued first or as necessary for more serious offenses or when one or more verbal warnings have already been administered without success, i.e., when employees who received the warnings continuously act in a manner that they have been advised against. Written warnings are used in instances of poor performance and repeated minor offenses such as tardiness, absenteeism, and unauthorized use of MGIC assets. A warning should state that the employee may be subject to a dismissal if the offences recur, or performance does not improve. A copy of the written warning, signed by the employee to acknowledge receipt, should be filed in the employee's personnel file.

Final written warning: Final written warnings are necessary when earlier written warnings have already been administered without success, or when offenses are more serious. Final written warnings are issued where the offense is a serious offense, such as misconduct, major damage to property, insolence/insubordination, repeated and continuous occurrence of absenteeism or tardiness, and poor performance. A copy of the final written warning, signed by the employee, should be retained in the employee's personnel file. The final written warning should contain plans for improvement, including the method and dates of follow-up.

Suspension: Employees may be placed on administrative leave or suspended with pay while an incident is under investigation. Suspension must be approved by the CD/CR and, for management-

level positions, by the UMB department operations lead as well. A suspension must be fully documented in the employee's personnel file.

Separation: Continued employment with MGIC is subject to satisfactory performance and compliance with policies and procedures. The HR Handbook and local labor law will dictate many of the procedures MGIC must use for voluntary and involuntary separation. See [4-20 Separation from Employment](#) for details.

Checklist for CDs/CRs

- ☐ Ensure disciplinary action adheres to local labor law, is clearly and respectfully communicated, and is documented with formal written communications signed by the employee to acknowledge receipt
- ☐ Lay out in the HR Handbook specific procedures and timelines for issuing warnings and taking other disciplinary action, ensuring these conform to local labor law
- ☐ Process a [Personnel Action Form](#) for any suspension of an employee's duties
- ☐ Notify and consult with the Manager – International HR when complicated or serious performance issues arise
- ☐ Notify the UMB department operations lead of any serious performance issue
- ☐ When preparing a [Performance Improvement Plan](#), engage the UMB department operations lead
- ☐ Seek pre-approval from the UMB department operations lead if considering suspension of an employee serving in a leadership position

Key references

- [Performance Improvement Plan](#)
- [Personnel Action Form](#)
- [4-20 Separation from Employment](#)

4-19 Grievances and Dispute Resolution

Policy statement

Note: This policy pertains to employee grievances and disputes, as described below. All allegations of fraud, criminal acts, or gross misconduct, including sexual harassment, must be reported through the [Ethics Hotline](#). Such allegations should not be communicated broadly within MGIC and should not be documented in personnel files or notified to any employee outside of the [Ethics Hotline](#). See [2 – Ethics And Conduct](#).

MGIC mandates that employees have a right to file a grievance when an employee feels that there is cause for complaint because of unfair treatment, harassment, or discrimination. MGIC must create and maintain an environment that does not tolerate retaliation against employees for raising grievance issues through the appropriate channels.

Grievances and formal complaints received by MGIC must be clearly documented by the appropriate personnel file and notification provided to the UMB department operations lead and the IO department's Manager – International HR. Employees and managers involved in the grievance process must closely follow all procedures.

MGIC and an employee should always attempt to settle any differences first by direct communication, then by HR-facilitated resolution, and lastly with attempts at mediation and negotiation, if need be. If mediation and negotiation are not possible, disputes will be resolved in accordance with applicable local laws.

MGIC offices are obliged to lay out in their HR Handbook detailed procedures for handling grievances and dispute resolution. The provisions of these MGIC Policies and Procedures and the HR Handbook are intended to fairly and equitably address ordinary conditions of service and administration. They may not cover every eventuality and every circumstance. Where special circumstances are not covered, or where assistance is needed with resolution and mediation, CDs/CRs should engage the Manager – International HR.

Grievance procedures

It is recommended that an aggrieved employee consult first with their direct supervisor regarding actions, occurrences, or attitudes, either expressed or implied, that are perceived as unfair, harassing, or discriminatory. As long as the employee is comfortable with initiating the conversation, direct feedback is always a recommended first option prior to submitting a formal grievance to the HR lead.

If a satisfactory resolution to the problem cannot be reached between parties, the employee should meet with the HR lead to discuss the situation, and, if necessary, follow up with a written complaint. The HR lead will then meet with the other party to discuss and document additional information. The HR lead should document in writing the nature of the grievance, the parties involved, and the rationale for not reaching a satisfactory resolution. The HR lead may take additional steps to help mediate the conflict between the parties.

If mediation with HR engagement does not produce a satisfactory resolution, the HR lead should consult with the Manager – International HR regarding further action.

Retaliation against employees who bring up grievance issues through the appropriate channels or attend a grievance proceeding shall not be tolerated.

Notification of others

The HR lead should notify the UMB department operations lead and the Manager – International HR of grievances and formal complaints received by the MGIC office. Further, CRs must immediately notify their UMB department program lead and the MGIC President of any potential or actual **litigation or legal claims** against MGIC and/or UMB. This includes violations of [the MGIC Code of Ethics and Professional Conduct](#) in the form of criminal offenses, suspected or known fraud, sexual misconduct, or other serious offenses that could potentially result in litigation.

Checklist for CDs/CRs

- ☐ Ensure that employees have a right to file a grievance if a dispute arises when an employee feels that there is cause for complaint because of unfair treatment, harassment, or discrimination
- ☐ Create and maintain an environment that does not tolerate retaliation against employees who raise grievance issues through the appropriate channels

- ❑ Emphasize the importance of clearly documenting all grievances and formal complaints and closely following all procedures
- ❑ Immediately notify the UMB department operations lead and regional HR lead of grievances and formal complaints received
- ❑ For grievances and formal complaints that might lead to litigation or legal claims, also notify the UMB department program lead and MGIC President
- ❑ Do not tolerate any form of retaliation against those who bring up grievance issues through the appropriate channels or attend a grievance proceeding

Key references

- [2-2 MGIC Code of Ethics and Professional Conduct](#)

4-20 Separation from Employment

Policy statement

Continued employment with MGIC is subject to certain conditions, including funding, performance, and need for the position.

Employees shall receive 30 days' written notice of termination of their position, unless the number of days is otherwise stipulated in the MGIC HR Handbook to reflect local labor law or practice. MGIC may give payment in lieu of notice.

- No notice is required in cases of separation for gross misconduct.
- No notice is required where the employment agreement stipulates the period of the employment.

Managers proposing an employee's separation from employment must complete [a Personnel Action Form](#) and submit it to the HR lead for processing. Approval thresholds for separations are as follows:

- If the employee to be separated is not a member of the office leadership team and poses no evident legal risk to the CO, the **CD/CR** may approve the separation.
- If the employee to be separated is a member of the office leadership team, or if the separation poses legal risk to MGIC or UMB, MGIC must obtain prior UMB approval by submitting a request to **the UMB department operations lead**.

Voluntary separation

Unless otherwise stipulated in the HR Handbook, employees may end their employment by providing written notice to their supervisor at least 30 days prior to the effective date of resignation. Where provided for in local labor law, an employee may in lieu of notice provide payment of one month's salary to MGIC. MGIC may require the employee to leave earlier than the 30 days' notice provided, in which case MGIC will pay the employee for the balance of the notice period.

Involuntary separation

Involuntary terminations may occur due to a reduction in force, loss or reduction of project funding, redundancy, the end of a particular project and/or the employment agreement, or related factors. In

the case of involuntary termination due to redundancy, MGIC provides the affected employees with at least 30 days' notice or 30 days' payment in lieu of notice.

The Manager – International HR should be engaged to support any involuntary separation process, and actions should be done in compliance with local labor law. The UMB department operations lead must be notified and consulted prior to MGIC processing an involuntary termination for any manager-level position.

Termination letters are prepared by the HR lead using a template that local legal counsel has reviewed and approved, and each letter is signed by the CD, or by the MGIC President if the CD cannot sign.

As detailed in [2-Ethics and Conduct](#), if an employee commits an act of serious misconduct, MGIC will pursue disciplinary action, up to and including termination of employment. Acts of serious misconduct include, but are not limited to the following:

- Willful disobedience of lawful and reasonable orders given by the employer
- Willful, express, or implied misrepresentation by the employee in respect of personal skills or qualifications
- Habitual or willful neglect of duties
- Acts of theft, misappropriation, or willful dishonesty against the employer, another employee, or a customer or client of the employer
- Acts of violence
- Damage caused willfully or by gross negligence to movable or immovable property of the employer
- Willful disclosure of confidential information or trade secrets, where such disclosure is or is likely to be detrimental to the interests of MGIC or UMB
- Inability to carry out normal duties, due to alcohol or drug use
- Willful refusal to obey or comply with any safety rules or practices for the prevention or control of accidents or diseases
- Consistent work performance below average despite formal warnings
- Offering or receiving of bribes
- Fraud, including in financial statements, reconciliations, program reports, and procurement documents, and misrepresentation of authority in UMB and MGIC dealings with others.
- Failing to disclose a conflict of interest and participating in a procurement or other selection process in which the conflict of interest is relevant
- Sexual harassment
- Abuse or personal use of company resources
- Persistent absence from work without permission
- Failure to turn in accurate timesheets when due

Delay or prevention of performance (force majeure)

In the rare event that the performance of the employee's employment agreement is delayed or prevented by war, civil commotion, flood, pandemic, strike, lockout, government action, cancellation or suspension of funding for the applicable program, or any other event beyond the reasonable control of either party, MGIC may either suspend or terminate employment. This action will be taken in accordance with local labor law, the HR Handbook, and an employee's employment agreement, and MGIC will provide 30 days' notice unless otherwise stipulated therein.

Transfer or separation checklist

An efficient transfer or separation involves numerous departments, including HR, finance, IT, and programs. To facilitate a timely and thorough process, the HR lead coordinates the completion of a [Transfer or Separation Checklist \(Sample\)](#) prior to or on the final day of employment that must be signed by relevant departments and securely stored in the personnel file by the HR lead.

The [Transfer or Separation Checklist \(Sample\)](#) may be modified based on local needs and requirements, but in general contains the following actions:

- Outstanding accounts reconciled through deduction or addition to final payment, if legal, or other method
 - Travel or program advances
 - Annual or other eligible leave balances
 - Severance pay, if applicable
- All MGIC property returned in good working order or acceptable condition
- Computer files protected and not deleted without prior supervisor's approval
- All IT access terminated or deactivated (see [7-Information Technology](#))
- Relevant financial institutions notified that the employee is no longer an authorized user
- Key external contacts notified of the transition along with a new contact, even temporarily
- Personnel ID, security access card, and office keys returned
- Timesheets for any working days submitted
- Any confidential information in possession returned
- Handover notes prepared and, as applicable, cross-training completed
- A [Personnel Action Form](#) completed to document change in employee's status, with a copy sent to the finance team to provide the information required for making adjustments to payroll

For TCN or expatriate employees, there may be other actions such as shipping and travel arrangements, and reimbursement of prorated International Supplement balance where applicable

Exit interview

Whenever possible, the HR lead or a member of MGIC leadership should conduct an exit interview in the days prior to an employee departing the organization, regardless of whether separation is voluntary or involuntary. Exit interviews can provide valuable information to improve MGIC programming and operations and reduce turnover of personnel.

Exit interviews are not required but are encouraged as a good management practice. [The Exit Interview Form \(Sample\)](#) provides a guide for the interview and a suggested way of documenting the information gathered. Once the interview is concluded, the interviewer should complete and sign the Exit Interview Form or other written summary and provide it to the HR lead. The HR lead will file the document and may take further action, for example, by sharing the output with managers for informational or learning purposes.

Checklist for CDs/CRs

- ☐ Provide the required period of written notice of termination of a position, or provide payment in lieu of notice

- ☐ Obtain pre-approval from the UMB department operations lead for involuntary separation of any member of the leadership team
- ☐ Complete a [Transfer or Separation Checklist \(Sample\)](#) to facilitate a timely and thorough process
- ☐ Encourage a consistent practice of holding exit interviews with departing employees and sharing the learning with relevant office management to help improve programming and operations

Key references

- [Personnel Action Form](#)
- [Transfer or Separation Checklist \(Sample\)](#)
- [Exit Interview Form \(Sample\)](#)
- [2-Ethics and Conduct](#)
- [4-4 Standards of Conduct](#)
- [7-Information Technology](#)