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ATTENTION**

MASTER FILES

ROOM C-120

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EBAP/85/255

October 23, 1985

To: Members of the Executive Board
From: The Secretary
Subject: Waiver of Accelerated Repayment of Salary Advances

The attached memorandum from the Chairman of the Committee on Executive Board Administrative Matters contains a proposal to waive the accelerated repayment of salary advance to purchase a home.

In the absence of objection by the close of business on Friday, October 25, 1985, the proposal will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:
Department Heads

October 23, 1985

To: Members of the Executive Board

From: Chairman, Committee on
Executive Board Administrative Matters

Subject: Waiver of Accelerated Repayment of Salary Advances

A staff member received salary advances from the Fund to purchase a home. Under Fund regulations, in case of separation of a staff member, the outstanding balances are due and payable at the time of separation. The staff member in the instant case was appointed as an Advisor to Executive Director, and, in accordance with Section 2(c), Part III-A, Advisors to Executive Directors, of the Handbook on Executive Board Administrative Matters, resigned from the staff to accept this appointment. It is expected that he will be reappointed to the staff upon completion of his appointment as an Advisor. Section 4, Terms and Conditions of Service in the cited Part III-A of the Handbook, provides that Advisors shall be entitled to the same terms and conditions of service as the Executive Directors and Alternates, except as otherwise set out in the cited Part III-A. While these terms and conditions do not include the eligibility for salary advance for the purchase of a home, these terms and conditions are set by the Executive Board, not being subject to the limitation of Article XII Section 2(i) that they be set by the Board of Governors, as is the case for Executive Directors and their Alternates. As this resignation has not severed the relationship of the individual to the Fund and it is foreseen that the relationship of the member will be resumed after the appointment as Advisor to Executive Director is completed, this resignation may be viewed differently than a separation of a staff member who severs his connections with the Fund to take up employment elsewhere.

In the exceptional circumstances of the case, it is proposed that the requirement of payment of the outstanding balance of the advance upon the separation of a staff member be waived on the conditions that he continue his regular repayment schedule and that the full amount would fall due if he were to sever his connections with the Fund.