

SERVICE TERMINATION AND RESIGNATION POLICY

Policy #	AD-107	Revision #	02
Accessibility level	A	Effective date	Jan 20, 2021

1 Purpose

- 1.1 FBSU aims for maintaining high standards of performance and conduct by all its employees and at all levels. These standards include the ability to adequately perform the assigned duties as per the job description of the employee. FBSU employees' must uphold appropriate attitude and professional behavior at all times.
- 1.2 Generally, these standards are recognized and observed by employees without any need for action by the Department Head or the supervisor. When an employee does not observe these standards, counseling or an informal reminder by a supervisor normally results in improvement.
- 1.3 When an employee does not respond, more formal action may be taken.

2 Definitions

- 2.1 **Exit interview** is a way to provide FBSU management with information and reasons as to why people are leaving FBSU as well as areas where FBSU may need to be more competitive with employment practices.

3 Policy

- 3.1 The standard age of employees retirement shall be in accordance with the provisions of Article (74) of the Saudi Labor Law, which states:

"The worker reaches the retirement age, which is sixty years for males and fifty five years for females, unless the two parties agree to continue work after this age. The retirement age may be reduced in cases of early retirement as stipulated in the work organization regulation. Until after retirement age, he ends at the end of his term."
- 3.2 Employee Service may terminate by any of the following scenarios:
 - A) The employee's service ends with the end of the contract signed between him and the university.
 - B) The employment contract with the university ends in the event of death. In this case, the date of end of service is the date of death as shown in the death certificate, and the heirs of the deceased are paid all his/her dues until the end of the month in which he/she died.
 - C) The university may terminate the employee's service if he/she exceeds the maximum allowed for sick leave, and this article shall be implemented if the employee has exhausted all his/her sick and annual days.
 - D) The university may terminate the employee's service during the probationary period without giving him/her prior notice and without End of Service Indemnity. This applies if it is proved that the employee is unable to perform the tasks assigned to him/her in a satisfactory manner, or if the employee is unable to fulfill the requirements of his/her position.

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- E) The university may terminate the employee's service without giving him/her prior notice and without End of Service Indemnity if the contractor commits a violation listed in Article (80) of the Saudi Labor Law.
- F) The university may terminate the employee's service if he/she proved to carry out alleged act of misconduct or to have committed an act affecting honesty or honor at the University without an End of Service Indemnity.
- G) The university may terminate the service of the employee in the event of complete permanent disability that must be proven by a medical report issued by an accredited medical facility. The date of the medical report shall be considered the date of the end of the actual service of the employee.
- H) The university may terminate the employee's service if a governmental authority revokes the work permit or residence permit (Iqama) or if one or both of them are not renewed. In this case, the employee is entitled to receive the End of Service Indemnity.
- I) The service may be terminated by agreement between the university and the employee.
- 3.3 Approval of terminating an employee's service shall be within the powers of the university President or Chancellor.
- 3.4 If the university decides to terminate the employee's service, a written notice is issued by the HR to the employee 30 days prior to the date of terminating the service, with the exception of:
- A) Termination of service during the probationary period.
- B) Termination of service due to a violation stipulated in the Labor Law.
- C) Termination of service due to death.
- 3.5 Employee resignation:
- A) The employee has the right to request termination of his/her service at the university by submitting a written resignation request to his line manager, at least one month before the date of leaving work. The university director or the representative may exempt the contracting party from the notification period.
- B) Before accepting the resignation of an employee, his/her line manager must investigate the reasons for the resignation. He should also coordinate with the other concerned departments and the Human Resources Department to find out the reasons behind the resignation.
- C) Approval of resignation shall be within the prerogatives of the university president or vice president.
- 3.6 Upon termination of employment, the university settles all end of service benefits, subject to the following:
- A) End of Service Indemnity in accordance with the Saudi Labor Law.
- B) FBSU employee is entitled to receive prorated amount for fraction of a year worked at the university.

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- C) The End of Service Indemnity is calculated based on the last month salary of the employee. However, overtime pay, special allowances and nature of work compensations are not part of the basic salary, and they shall not be considered in the calculation of the end of service indemnity.
- D) Except in the case of death, the End of Service Indemnity is due to the employee until his last working day at the university.
- E) Deduction of any cash amount due from the employee to the university.
- F) If the employee stops working during the notice period of termination of service, the university has the right to deduct this period from the End of Service Indemnity.
- G) Employee who is proved to carry out alleged act of misconduct or to have committed an act affecting honesty or honor at the University may not be entitled to End of Service Indemnity.
- 3.7 The process of end of service indemnity goes along with the process of clearance. (see the related Clearance Procedure).
- 3.8 All employees leaving FBSU are required to obtain university clearance (*See the clearance procedure*).
- 3.9 All employees leaving FBSU are required to participate in an exit process and are encouraged to complete an exit interview with the HR department (*See the related Exit procedure*).
- 3.10 Upon termination, the Human Resources Department issues a detailed service certificate to each employee whose service has ended at the university or upon his request.
- 3.11 If an employee dies, the primary department will notify HR department promptly of the death of the employee. HR department will assist the family in obtaining the outstanding wages and other benefits due the deceased employee. The date of death will be considered the date of termination. By law, the University may pay the amount of wages, salary or other benefits due directly to any one of the following: the deceased employee's surviving spouse, any one or more of the deceased employee's children, the deceased employee's father or mother, or the deceased employee's surviving brother or sister. Every employee will be required to designate in writing a beneficiary of his/her final payments and should be retained in the employee's file.

4 Related Documents

- 4.1 Resignation Form (AD-107-F1).
- 4.2 Employees Clearance Form (AD-107-F2).
- 4.3 Exit Interview / Arabic (AD-107-F3A)
- 4.4 Exit Interview / English (AD-107-F3B)
- 4.5 Written Warning Procedure (AD-107-P1).
- 4.6 Exit Procedure (AD-107-P2).
- 4.7 Employee Clearance Procedure (AD-107-P3).