

DAU 4-6 Contract Termination Policy

Policy Code	Policy Name		
DAU 4-6	Contract Termination Policy		
Responsible Executive	Current Revision Date	Next Revision Date	
-University President -University Vice President -HR Directorate	10/2023	10/2027	

1. Purpose of Policy

This policy governs the rules, regulations and procedures followed in terminating an employee's contract for a cause. All employing and termination rules.

2. Policy Scope

This policy is applied to all academic and administrative staff at DAU.

3. Policy Statement

- DAU has the right to terminate an employee's contract with or without prior notice, depending on the circumstances of the termination and based on Saudi Labor law.
- The Department Head/Director and the Vice President must consult the Director of Human Resources when terminating an employee. The Director of Human Resources is responsible for ensuring adherence to the proper process and making sure that the action taken complies with the employee's contract of employment and the Labor Law of the Kingdom of Saudi Arabia.

Terminating an employee with legitimate reason and with notice

- The notice period for terminating employees is 60 days prior written notice period provided to the second party for professional staff and faculty members.
- The University pays gratuities and end of service benefits to terminated employees as per Articles 84, 85, 86, 87 and 88 of the Saudi Labor Law. The University pays the employee an end-of-service benefit according to the Saudi Labor Law.

Terminating an employee without legitimate reason and with notice

- The notice period for terminating employees is 60 days prior written notice period provided to the second party for professional staff and faculty members.
- The University will pay a compensation/indemnity of two months' salary, according to Article (77) of the Saudi Labor Law.
- The University pays gratuities and end of service benefits to terminated employees as per Articles 84, 85, 86, 87 and 88 of the Saudi Labor Law. The University pays the employee an end-of-service benefit according to the Saudi Labor Law.

Terminating an employee without notice

- DAU has the right to terminate an employee's service and contract without notice in some specific cases and his/her award or indemnity may be forfeited in cases of serious misconduct or the commission of serious errors.
- The following cases are considered serious misconduct or commission of serious errors, as per Article 80 of the Saudi Labor Law:

- If, during or because of the work, the employee assaults the employer, the manager in-charge or any of their superiors.
- If the employee fails to perform their essential obligations arising from the work contract, or to obey legitimate orders, or if, despite written warnings, they deliberately fail to observe the instructions related to the safety of work and employees as posted by the employer in a prominent place.
- If it is established that the employee has committed a misconduct or an act infringing on honesty or integrity.
- If the employee deliberately commits any act or default with the intent to cause material loss to the university, provided that the latter shall report the incident to the appropriate authorities within Twenty-Four hours from being aware of such occurrence.
- If the employee resorts to forgery to obtain the job.
- If the employee is hired on probation.
- If the employee is absent without valid reason for more than thirty days in one year or for more than fifteen consecutive days, provided that the dismissal be preceded by a written warning from the employer to the employee if the latter is absent for twenty days in the first case and for ten days in the second.
- If the employee unlawfully takes advantage of their position for personal gain.
- If the employee discloses work-related industrial or commercial secrets.

Note: Employees terminated without notice are given a chance to state their reasons for objecting to the termination.

4. Policy Procedure

S. No.	Procedure Steps	Responsibility
1	Holds present to the Director of Human Resources the reasons for terminating the employee's contract.	DAU top management
2	Verifies that the reasons for termination comply with the terms of the employee's contract as well as the Labor Law of the Kingdom of Saudi Arabia.	Human Resources Director
3	Conducts a written investigation and informs the employee in writing to sign the penalty/dismissal.	Human Resources Director
4	Discusses the termination case with the University President.	Human Resources Director
5	Verifies with the Director of HR the process of termination.	The University President
6	Inform the employee of the termination.	Human Resources Department
7	Issues a notice of termination to the employee.	Human Resources Director
8	Starts the handover and clearance process.	Employee

5. Related Policies/ / Documents/ Forms

DAU 4-9 Teaching Staff Employment Policy
DAU 4-11 Faculty member and Staff Disciplinary Policy
DAU 4-23 Administrative Staff Employment Policy

6. Document History

Version	Issue/ Rev. Date	Updated Information/ Summary of Changes
1	10/2023	1 st issue of the Policy