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I. POLICY STATEMENT

The College may terminate employment or may require any employee or class of employees to take involuntary leave without pay at any time because of: 1) a financial exigency; or 2) a program change for institutional reasons.

II. DEFINITIONS

1. Financial Exigency means any decrease in the College's financial resources that are brought about by decrease in enrollment, decrease in funding from any source (federal, state, local, institutional, etc.) or by other action or events requiring the immediate expenditure or diversion of College resources that prevent or inhibit the College's ability to continue the employment or level of the employee's compensation or a class of employees and cause a need for reduction in force and/or involuntary leave without pay.

2. Impermissible Grounds means the use of the employee's race, religion, color, national origin, ethnicity, sex, pregnancy, gender identity or expression, sexual orientation, age (40 or older), political affiliation, National Guard or veteran status, genetic information, or disability in accordance with all applicable federal, state, and local laws; or if the decision is otherwise a violation of state or federal law.

3. Involuntary Leave without Pay means a period of mandatory separation from work during which an employee may not take or use any form of paid leave. All state-mandated benefits shall continue to accrue during any period of leave without pay.

4. Program Change means any elimination, curtailment or reorganization of an educational offering or support department which may or may not be related to a financial exigency.

5. Reduction in Force means the termination of employment during a contract period as a result of financial exigency or program change.

III. INVOLUNTARY LEAVE WITHOUT PAY/REDUCTION IN FORCE

A. General Criteria for the President's Decision

All decisions made under this Policy will take into consideration the needs of the population being served with respect to the College's mission and goals while attempting to minimize the level of impact and quality of services provided. Responsibility will rest with the President working collaboratively with Executive Leadership to determine the employee(s) affected by involuntary leave without pay or reduction in force based on recommendations from Executive Leaders, department heads and/or other management personnel associated with the departments where proposed actions will be implemented.

Further, the President and Executive Leadership will consider relevant factors when considering a reduction in force or, if applicable, involuntary leave without pay, which may include, but are not limited to:

1. Written recommendations regarding staffing needs from supervisors;
2. Specific and overall program enrollment history and needs;
3. Source of available funds and applicable restrictions;
4. Other beneficial service by an employee to the College;
5. Length of service in the North Carolina Community College System with a higher priority being given to the length of service for the College; and
6. Employee performance evaluations.

These factors are not listed in any particular order or priority.

B. President’s Decision and Notice to Affected Employees

Once the President makes their decision, they shall give written notice of termination and/or involuntary leave without pay to each affected employee. The written notice will be given as soon as practicable, and in any event, no less than ten (10) business days prior to the effective date of termination and no less than five (5) business days prior to a period of involuntary leave without pay. The written notice shall include: 1) a statement of condition requiring termination and/or involuntary leave without pay; 2) a general description of the procedures followed in making the decision; and 3) a copy of this Policy. The President shall also send a copy of the notice to the Chair of the Board of Trustees ("Chair").

C. Request for an Appeal

An employee may appeal the President's decision to impose a reduction in force or involuntary leave without pay to the Board of Trustees pursuant to Policy 3.3.6; however, the Board of Trustees will only hear and consider an employee's appeal if the employee is alleging that the non-renewal is based on Impermissible Grounds. The decision to reduce in force or to place an employee on leave without pay shall not be tolled pending the appeal.

D. Continuation of Health Insurance

If an employee has at least twelve (12) months of service and is terminated in accordance with this Policy due to a financial exigency, the employee may retain health insurance coverage for up to twelve (12) months. The College shall continue to pay the employer portion of the cost of health insurance coverage for twelve (12) months, but the employee must continue to pay the employee portion of the cost of coverage. A former employee covered by this section shall lose eligibility if the former employee is provided health insurance coverage on a non-contributory basis by a subsequent employer.

IV. EXCLUSIVE REMEDY

The rights and remedies set forth herein constitute the sole and exclusive process in the event of a termination by reduction in force or involuntary leave without pay. No other personnel action or grievance may be asserted or considered under this Policy.

REFERENCES

Statutory References	N.C.G.S § 135-48.40(b)(8)
Regulatory References	None
Relevant Guidance	None
Policy Manual Cross-References	Referenced by: ● Policy 3.1.2 - Employment ● Policy 3.3.6 - Right of Appeal ● Policy 3.3.8 - Operational & Employee Grievances

POLICY HISTORY

January 1, 2025	Adopted.
February 24, 2026	Technical changes due to repeal of Policy 3.3.5 - Contracts Nonrenewal and Resignations.
September 14, 2026	Revised to be in conformity with Session Law 2026-21.