

## **1C SBCCC 400.5 CONTRACT BUY OUTS**

- (a) Boards of trustees shall not use state funds to buy out contracts, unless required by a court of competent jurisdiction. The parties entering into a contract are responsible for implementing the contract. Therefore, should it become necessary to terminate employment prior to the expiration of a contract and if it is necessary to buy out the contract, such payment shall not be paid from state funds.
- (b) For an employee who is separated from the college for unsatisfactory job performance, a college may provide up to two weeks' pay from the same funding source as the employee's base salary in lieu of notice. Such pay in lieu of notice is applicable only to dismissals or non-renewals for unsatisfactory job performance.
- (c) An individual in a state-funded position whose employment is terminated prior to the expiration of a contract may not be re-employed by the college to offset the lost wages which the employee would have received under the contract. Colleges shall make all efforts to prevent terminations which require buying out contracts.
- (d) If an individual whose employment contract has been terminated enters into another employment agreement with the college, such employment shall be for a salary commensurate with the services being performed. Such employment shall not be to provide the employee the same level of compensation he or she would have received under the former contract.

*History Note: Authority G.S. 115D-5;*

*Eff. [October 1, 2018](#)*