**COM Approval:** January 16, 2014

### **Background and Introduction:**

Ordinarily and ideally a pastoral relationship between an installed pastor and the congregation will be dissolved amicably and with a tone of celebration (and a measure of grief) as the pastor moves to a new field or to retirement. On occasion, however, the relationship is dissolved under less than ideal circumstances. For such occasions, the Presbytery provides this guideline to ensure some degree of care for both pastor and congregation.

### **Definition of Severance:**

Severance is defined as compensation a congregation provides a pastor who is leaving under duress. No law requires a congregation to pay severance pay, but in a spirit of goodwill most desire to furnish some degree of severance payment to installed pastors. Contract pastors may have severance details built into their contracts and those contracts will govern any actions taken by the congregation. Note that the congregation is responsible to pay severance, not the Presbytery or Denomination. Length of service regarding severance is measured within each individual call, not years of service in the denomination. All severance agreements should be fully documented and approved by Congregation, Session and Presbytery.

#### **Reasons for Dissolution with Cause**

- Negotiated Dissolution: Either the Pastor or the congregation may request that COM assist in negotiating a peaceful and appropriate end to a relationship which either the Pastor or the congregation believes is no longer workable. This may be the result of funding limitations, changing ministry environment, poor performance, or any other situation that brings into question the viability of the pastoral relationship. In determining the specific terms of the dissolution, consideration must be given to the reason for separation, the financial situation and overall health of the congregation, and the specific circumstances of the pastor. Salary and benefit continuation may be negotiated, but should not exceed six months and the equivalent of unused earned vacation.
- Termination The pastoral relationship may be dissolved as a result of chargeable offenses per the Book of Order or judicial action or presbytery determination that "the church's mission under the Word imperatively demands it." (G-2.-0904) There are no special terms of dissolution other than the fulfillment of the contractual agreement, i.e., salary and benefits paid up to the date the relationship is dissolved, cash equivalent of unused earned vacation, etc. Pastor emeritus status shall not be granted to a minister terminated for cause.

Other Reasons for Dissolution (see Footnote 1)

**Governing Principles** 

The relevant governing provisions from the *Book of Order* are found in section G-2.09.

Several principles of our polity also provide helpful background to understanding and implementing this policy:

- When the congregation and the Pastor are in agreement, the Committee on Ministry is empowered to act with the power of Presbytery in this regard and report all such action to the Presbytery itself. If all parties are not in agreement, the action proceeds to the floor of the Presbytery as specified in the Book of Order.
- All official matters regarding the dissolution of a Pastor's relationship with a congregation shall be documented in writing and shared with all three parties.
- The dissolution process shall be considered incomplete until the congregation and the Presbytery vote on the dissolution of the call and any terms of the Severance Agreement.

### **Considerations for Pastors and Sessions:**

Salary and Pension/Medical Provisions: Recognizing that clergy do not have access to unemployment security payments, PGA recommends that congregations consider paying full salary, housing, and Board of Pensions payments for between three (3) months minimum and six (6) months maximum beyond the effective date of dissolution, or until the Pastor has found employment, whichever occurs first.

Payments should be made as done previous to the separation.

If the recipient finds work during the payment period, then remaining severance payments shall be reduced by the amount of the new salary.

See Footnote 2 regarding considerations involving a Manse.

*See Footnote 3 regarding the role of the Pastor.* 

<u>Vacation</u>, <u>Study Leave and Allowances:</u> Compensation for earned, unused vacation time shall be included in the agreement. Unless the Pastor and Session agree on other terms with COM approval, the Pastor should be paid the cash equivalent of the accrued but unused vacation at the effective date of dissolution. Accrued study leave or sabbatical time is forfeited, as well as compensatory accounts associated with study leave or sabbatical work. No additional vacation, study leave, sabbatical time, or financial credit for the same, will accrue following the date of dissolution while the severance agreement is in effect. Car allowances and other perquisites are not allowed after the date of dissolution.

Payment of severance allowance will not be provided in a lump sum. The salary will

continue on a mutually agreed upon schedule throughout the severance period.

The Congregation's share of the Pastor's pension and other benefits payments will continue to be paid during the severance period.

<u>Pastoral Contact:</u> The Pastor is subject to the Committee on Ministry's Policy 3 "Ethical Guidelines Governing the Relationship Between Pastors and their Former Congregations," regarding professional contact with members of the Congregation after the date of dissolution.

Approval of the Congregation: When the terms of dissolution have been negotiated, the dissolution of call and the written severance agreement must be approved at a congregational meeting. The agreement must be shared with the Congregation no later than the time of the first notice given of the congregational meeting.

### GENERAL STEPS TOWARD A DISSOLUTION

- 1. The Pastor or the Session contacts Congregational Consultant, who will then inform Committee on Ministry.
- 2. The Committee on Ministry works with the Session to reach agreement on the dissolution date and plans for the fulfillment of all obligations, taking into account accrued vacation, salary and other contractual agreements.
- 3. The Session calls a congregational meeting per their own rule for minimum notification requirements and gives notice at regular services of worship prior to the meeting (G-1.0503) of the pending change in the pastoral relationship and any special terms or conditions.
- 4. The congregational meeting is held. The Committee on Ministry will appoint an alternate moderator for the meeting. The Terms of Dissolution will be shared with the congregation.
- 5. The moderator of the congregational meeting notifies the Committee on Ministry and the Stated Clerk of the action of the Congregation. Presbytery action is required to complete the dissolution.
- 6. When the dissolution is approved by the Presbytery, the Pastor and the Clerk of Session notify the Board of Pensions of the changes being made.
- 7. All contractual obligations and responsibilities are completed by all parties.

### Footnote 1—additional avenues of dissolution:

Resignation: Voluntary resignation may take place after written notice to the Session, the vote of the congregation, and the vote of Presbytery which acts to dissolve the pastoral relationship. Resigning clergy will be paid the cash equivalent of their unused earned vacation at the official date of dissolution. After giving notice of resignation, the Pastor should make arrangements to leave the position in a timely manner in consultation with the Committee on Ministry (COM). If severance is a consideration, it may be addressed no later than at time of resignation.

<u>Medical Disability or Death in Service:</u> In the event separation without cause is occasioned by the medical disability of the Pastor, or in the event of the death of the pastor, the session may elect to provide a bridge of benefit payments until formal benefits commence.

### Footnote 2:

If a manse has been provided, and it is deemed appropriate to arrange for other housing prior to the effective dissolution date, the Congregation may provide for other housing, either physically or financially. Otherwise, manse occupancy is expected to terminate on the effective dissolution date, and definitely at the end of the period covered by the severance agreement. A thorough inspection of the manse by a representative of the Session, a member of the COM, and an additional officer of the involved Congregation must be made when the manse is vacated and prior to the departure of the Pastor. The Pastor shall be responsible for any damages to the manse beyond ordinary wear and tear. Any reimbursement for unusual damage shall be negotiated among the Session, COM representative and the Pastor. If the parties cannot agree the COM will determine what is fair.

### Footnote 3, Role of Pastor:

Congregations that provide a severance package to pastors with whom they have dissolved a pastoral relationship are providing a benefit to a pastor in transition, often at financial hardship to the church. The severance gives the pastor adequate financial protection while seeking another calling or other employment, during a time when he or she would be ineligible for other types of assistance, but simultaneous to paying the severance package, the congregation also must provide regular compensation to the Interim Pastor. Therefore, it is incumbent upon the Minister covered by the severance agreement to make every effort possible to secure a new calling or other employment.