

SALEM PRESBYTERY
DISSOLVING A CONGREGATION:
GUIDELINES FOR AND RESPONSIBILITIES OF THE
ADMINISTRATIVE COMMISSION

March 2022

(adapted from the Presbytery of New Harmony)

From *Companion to the Constitution of the Presbyterian Church U.S.A.*):

When a Church Is Dissolved or Dismissed

Just as the presbytery is the governing body that organizes particular churches, only the presbytery has the authority to dissolve churches or to dismiss churches to another denomination. (G-3.0303b) Just as the presbytery consults with members at the time of organizing, merging, and forming a federated or a union church, such a consultation takes place at the time of dissolution or dismissal. (G-5.05c)

In the Presbyterian Church (U.S.A.), property is held in trust by the particular church on behalf of the denomination. (G-4.0203) When a particular church is dissolved or dismissed, the real and personal property is held, used, or transferred as directed by the presbytery. (G-4.0205)

Just as the compelling question at the time of organizing a church is, “How can Christ’s mission be carried out most effectively?” the same question is asked at the time of dissolution. Again, it is appropriate for the presbytery to celebrate the mission carried out by that church and the people whose lives were positively enriched during its years of service.

This document does not relate to the process by which the decision to dissolve a congregation is reached; rather it applies only to the procedural dissolution of a congregation. Recognizing that the Church of Jesus Christ cannot be closed or dissolved by human action, it applies only to congregations, as that term is defined in the *Book of Order*, of the Presbyterian Church (U.S.A.). The attitude of Salem Presbytery in this process, from beginning to end, shall always be pastoral.

The Presbytery and sessions of its member congregations understand and act in the spirit of the principal that property, real and personal (tangible and intangible), of the Presbyterian Church (U.S.A.), of its councils and entities, and of its congregations, is a tool for the accomplishment of the mission of Jesus Christ in the world. In regard to dissolution of congregations, the Presbytery has exclusive power to determine the use and disposition of church property when a property ceases to be used for a particular church, and a dissolving church has the right to dispose of church property only as the Presbytery directs.

The procedural dissolution of a congregation will almost always be accomplished through an Administrative Commission as hereafter provided.

From the Book of Order as it relates to Committees and Commissions

G-3.0109 Committees and Commissions

Councils may designate by their own rule such committees and commissions as they deem necessary and helpful for the accomplishment of the mission of the church, and may create such structures jointly with other councils, in consultation with the next higher council. In appointing such committees and commissions councils shall be mindful of the principles of unity in diversity consistent with the provisions of this Constitution (F-1.0403, G-3.0103).

A committee shall study and recommend action or carry out decisions already made by a council. It shall make a full report to the council that created it, and its recommendations shall require action by that body. Committees of councils higher than the session shall consist of both Ministers of the Word and Sacrament and members of congregations, in numbers as nearly equal as possible.

A commission is empowered to consider and conclude matters referred to it by a council. The designating council shall state specifically the scope of the commission's powers and any restrictions on those powers.

G-3.0109(b):

A commission shall keep a full record of its proceedings and shall submit that record to the council for incorporation into its records. Actions of a commission shall be regarded as actions of the council that created it. A commission may be assigned additional duties as a committee, which duties shall be reported and handled as the report of a committee.

The decisions of an administrative commission shall be reported to the clerk of the designating council, who shall report it to the council at its next stated meeting. A council may rescind or amend an action of its administrative commission in the same way actions of the council are modified.

G-4.0205 Property of a Dissolved or Extinct Congregation

Whenever a congregation is formally dissolved by the presbytery, or has become extinct by reason of the dispersal of its members, the abandonment of its work, or other cause, such property as it may have shall be held, used, and applied for such uses, purposes, and trusts as the presbytery may direct, limit, and appoint, or such property may be sold or disposed of as the presbytery may direct, in conformity with the Constitution of the Presbyterian Church (U.S.A.).

After a congregation has voted to close...

HOW THE ADMINISTRATIVE COMMISSION (AC) IS ESTABLISHED:

1. Salem Presbytery (SP) or the Executive Council (EC) VOTES to concur with request from a Session, the COM or Stated Clerk that a particular congregation be dissolved and that an AC be appointed to oversee the closing process.
2. In creating the Administrative Commission, SP or the EC shall authorize it to act with the authority of SP, by adopting the following resolution, which may be modified, from time to time, as the specific circumstances of the congregation in question require: *RESOLVED, That Salem Presbytery*

(or that the Executive Council, acting on behalf of Salem Presbytery) appoint an Administrative Commission for the (insert name) Presbyterian Church of (insert location), North Carolina, to act on Presbytery's behalf, with the power to meet with the Session and members of the congregation, including calling a meeting of the Session and/or of the congregation, as necessary, to arrange for the pastoral care of the members, publicize the dissolution of the congregation, ascertain the financial status and outstanding financial obligations of the congregation, secure the Session records, secure the legal rights to all property (real or personal) held by or for the benefit of the congregation, dispose of the moveable personal property of the congregation, secure the building and property, attend to matters of insurance, dispose of the building and grounds (subject to any guidelines established by SP or the EC) or convey the building and grounds to Salem Presbytery Corporation of the Presbyterian Church (U.S.A.)", recommend the use of the assets of the congregation, plan and conduct a Service of Witness, secure the assistance of other individuals, as appropriate, to assist with its work, and generally to do such things and take such actions, for, in the name of, and on behalf of SP as shall be reasonably necessary to accomplish the general purpose of this resolution.

3. The Moderator and members of the AC are elected by SP or appointed by the EC. The AC "shall consist of both ministers of the Word and Sacrament and members of congregations, in numbers as nearly equal as possible" (G-3.0109), and should, if possible, include a Ruling Elder on Session from the congregation being dissolved.
4. The Moderator of the AC, in consultation with the Stated Clerk, will convene the AC in a timely fashion in order for the Stated Clerk to review these responsibilities with the AC and allow it to begin its work. A Recorder shall be chosen from among the AC who will keep accurate records of the AC's deliberations and actions and promptly furnish them to the AC and the Stated Clerk.
5. The AC, in consultation with the Stated Clerk, will carry out the following responsibilities and will determine the date(s) upon which services of worship and activities shall cease at the congregation to be dissolved, noting that the congregation is not dissolved until the conclusion of the final (presbytery-approved) closing worship service.
6. In the course of carrying out its responsibilities, the AC may remove or replace the Session or may itself act as the Session thereof.

THE RESPONSIBILITIES OF THE AC

(NOTE: When possible and appropriate, the AC should execute these responsibilities in consultation with the Session of the congregation.)

I. ARRANGE FOR THE PASTORAL CARE OF CONGREGATION MEMBERS

1. Work with the Session to identify where members wish their membership to be transferred.
2. Appoint a pastor to be responsible for pastoral care until membership is transferred or each member has made a clear decision to cease being an active member of any congregation.
3. Communicate to the members that membership is held by the Stated Clerk for one year if not transferred prior to dissolution of the congregation.
4. If the member wishes to transfer membership before the congregation is dissolved, the Clerk of Session will send the letter of transfer. If the membership is transferred after the dissolution of the congregation and within the one-year time period, the Stated Clerk will send the letter of transfer.

II. PLAN A CLOSING WORSHIP SERVICE CELEBRATING THE LIFE AND MINISTRY OF THE CONGREGATION

1. Set the date and the time for the service allowing for ample time for publicizing and sending invitations.
2. Decide what special features the service should include.
 - a. Determine whether the celebration of the Lord's Supper would be appropriate.
 - b. Consider structuring the service as a Service of Witness to the Resurrection, using resources from the *Book of Common Worship*, in particular the service for the "Vacating of a Church Building (including the Dissolution of a Church) in the *Book of Occasional Services*, a supplement to the *Book of Common Worship*.
 - c. Identify a possible preacher and other participants.
 - i. Former pastors/preachers might be participants.
 - ii. At least one representative from the congregation should be included.
 - iii. At least one representative from the AC should be included.
 - iv. The Moderator of SP and the General Presbyter and Stated Clerk should be included.
 - d. Include familiar and favorite music of the congregation, including hymns, other special music, instrumentalists, and/or choirs or soloists.
 - e. Include a brief history of the church, including the reason/s for the dissolution of this congregation.
3. Request that the Session designate where the proceeds from the Offering will go, generally a local mission to which the congregation is connected.
4. Arrange for ushers, elders to serve Communion, and parking lot assistants, if needed.
5. Develop and print bulletins.
6. Arrange for preparation of communion elements, if needed.
7. Arrange for any needed cleaning of facility before the service.

III. PUBLICIZE THE CLOSING SERVICE

1. Request the Session to develop a "guest list" of relatives, friends, community connections, former members, pastors, and staff whom the congregation wishes to invite to the celebration.
2. Request that the Session develop and send a printed invitation or flyer to the "guest list"; the cost of which is usually covered by the Session.
3. Develop a flyer or announcement about the closing to be used in communication through SALEM MATTERS to the congregations and members of the SP, providing ample time for distribution.
4. Arrange for local newspaper coverage and photographer.

IV. ARRANGE FOR A RECEPTION FOLLOWING THE CLOSING WORSHIP SERVICE

1. Identify the location for a reception which usually follows the closing worship service.

2. Decide how the food will be provided (i.e. catering, congregational donations) and what financial resources are available, appropriate, or needed to host this event
3. Request that the Session appoint a “team” to take charge of decorating, gathering memorabilia to display, and making other arrangements.
4. Plan the program with time for recognizing attendees, sharing memories, toasts, etc.

V. ASCERTAIN THE FINANCIAL STATUS AND OUTSTANDING FINANCIAL OBLIGATIONS OF THE SESSION

1. Conduct a financial review of the Treasurer’s records for the last 12 months.
2. Determine location of all accounts, such as checking, savings, investments, endowment, Sunday school, women’s group, and any other financial resources.
3. Determine if there are any bequest or donor stipulations related to memorial accounts or an endowment.
4. Have all accounts closed, transferring any balances to the primary checking account of the Session.
5. Submit new signature card(s) for accounts with at least two members of the AC designated as signatories.
6. Determine any outstanding debts/obligations and publish in local paper a public notice to the effect: *“The _____ Presbyterian Church of _____ will cease operation on or about _____. Any outstanding debts/financial obligations must be submitted in writing to the church treasurer (place address here) by the close of business on _____.”*
7. Oversee the discharge of all financial obligations by the Treasurer.
8. Oversee the provision of a “statement of contribution” to all current year contributors.
9. If the congregation owns any stocks, bonds, certificates, or other financial instruments, have ownership transferred to SP.
10. Following the dissolution, transfer all remaining balances to SP and close all remaining accounts.
11. Be sure that employee/contractor tax documents are issued at year end.

VI. SECURE THE SESSION RECORDS

1. Locate all Session and congregational minutes, the church register, and any other financial and legal records to be transferred to the SP office and then archived at the Presbyterian Historical Society.
2. The Clerk of Session will hand these symbolically to the Stated Clerk or SP Moderator at the conclusion of the Closing Celebration.

VII. SECURE THE LEGAL RIGHTS TO THE PROPERTY

1. Secure a Clear Title or “Quick Claim” to the property.
2. A copy of the deed may be obtained from the County Courthouse; a copy should be sent to the Stated Clerk for filing in the SP office.
3. Ascertain if there are any deed restrictions, stipulations or liens.
4. Transfer title of the property to SP

5. Have the property listed on SP's property and liability insurance coverage and terminate any current insurance coverage.
6. Discover if the congregation is incorporated; if so, locate the Articles of Incorporation.
7. Articles of Dissolution must be submitted to [State of North Carolina \(sosnc.gov\)](http://sosnc.gov) on Form B-06.
8. At the time of the sale of property, NHP must notify the County Assessor's Office that the property is no longer used as a church.
9. Adopt and publish the following motion: *"Pursuant to the Constitution of the Presbyterian Church (U.S.A.) (Book of Order G-40205), Salem Presbytery is the legal successor of the _____ Presbyterian Church in _____, North Carolina."*

VIII. SECURE THE BUILDING AND PROPERTY

1. Arrange for the disposition of furnishings
 - a. The Session, with the concurrence of the AC, needs to create an inventory of, and arrange for the disposition of furnishings, communion ware, hymnals, Sunday school supplies, pulpit, lectern, and communion table, etc. if they are not to be sold or included in the sale of the church property. Otherwise, these items may be given away to congregation members, sold by the piece, or bids may be received for the entire lot of furnishings. It is recommended that at least one appraisal by an antiques dealer/estate assessor be obtained before accepting any bids.
 - b. These decisions should be documented in detail in both Session and AC minutes.
2. Ascertain which utilities should remain connected and which may be disconnected and make these arrangements with the proper companies. Transfer billing for the utilities to SP following the closing service.
3. It may be necessary to maintain heat during the winter or cooling during the summer to avoid damage.
4. Electricity and water (if available) should remain on until the closing celebration.
5. Arrangements should be made to drain the pipes when utilities are turned off.
6. Secure the building and recover keys from anyone who does not need access.
7. If distribution of keys is widespread and any contents are valuable, consider having the locks changed.
8. Make provisions for a caretaker until the final disposition of the property, including mowing the lawn and maintenance of any sidewalks.

IX. ATTEND TO MATTERS OF INSURANCE

1. All insurance coverage should be maintained at least until the final closing celebration.
2. Liability coverage should be maintained until the final disposition of the property.
3. Once the congregation is dissolved, coverage should be moved to SP's policy.

X. DISPOSITION OF BUILDINGS & GROUNDS

1. Have the property surveyed if this is needed.

2. Obtain an appraisal from at least one real estate agency if any of the property is to be sold, including any manse.
3. If the building is to be sold, make decisions about how it will be placed on the market.
4. If there is a church cemetery, ascertain if it is separately incorporated, with its own board, and still operating; the AC will determine a recommendation to the EC concerning its disposition.
5. Recommend to EC any stipulations regarding the sale of building and property such as first attempting to sell to another congregation or to another agency or organization whose mission will allow for use in a “manner respectful of congregation’s heritage”; the EC shall act on behalf of SP with regards to approving any plan or sale.
6. Ordinarily, after all expenses for insurance, listing and sale are paid, the funds remaining shall go to the presbytery, in order to assist and support its ministry and mission to congregations, as determined by the SP. In addition, the AC might ask the Session if it has any suggestions on disbursing a portion of the proceeds (such as: a local ministry, mission or mission coworker that the congregation has long supported or a designated fund of SP), a recommendation that the AC may make to EC.
7. After the closing celebration remove any identifying signage and the cornerstone, if possible, checking for a time capsule in the process.
8. Serve as landlord to any groups using the property until the Commission is dismissed or this function is assumed by another entity of Presbytery.
9. Assume responsibility for the property, providing for security, essential maintenance, and disposition of the property in accord with the Book of Order and policies/ guidelines of the Presbytery. The Commission may employ outside contractors as needed.

XI. DISSOLUTION OF THE AC

1. AC provides a final written report to SP, submitting its minutes to the Stated Clerk.
2. AC requests that the AC be dissolved and SP ordinarily does so, with deep thanks.