

PRESBYTERY OF CHARLOTTE POLICY FOR SEVERANCE COMPENSATION

Whenever difficulties arise in the relationship between an installed Teaching Elder or Certified / Associate Certified Christian Educator (Certified Educator) and a congregation, resulting in the dissolution of the relationship without the acceptance of a called position or comparable career track employment, the installed Teaching Elder or Certified Educator shall receive severance compensation as determined by the Commission on Ministry (COM) according to established policy. Funding for the compensation agreement shall be the exclusive responsibility of the congregation regardless of duration or amount. Severance due to disciplinary action by the Presbytery or higher church governing council will not be subject to this policy.

As it is the responsibility of the Commission on Ministry to mediate between Teaching Elders, Certified Educators and congregations when the relationship reaches the point where it is in the best interest of all parties to dissolve the relationship, a policy for establishing terms of dissolution is in order. The terms below shall be used as "established minimum terms" for use during the mediation process and the negotiation of severance compensation.

MINIMUM TERMS

1. The following formula will be applied to all consideration for minimum terms of severance. Severance is calculated based on time served in the current position. One month of severance for each year served. For instance, service of one year would require the church to pay one month of severance. Two years of service would require the church to pay two months of severance and so forth. The maximum required severance that the church would be obligated to provide would be six months.
2. Severance includes:
 - a. SALARY (at current level), including optional dental insurance, medical deductible reimbursement and/or any other option elected for disbursement of salary)
 - b. ½ SECA (at current levels) for Teaching Elders
 - c. HOUSING ALLOWANCE (at current levels) or USE OF MANSE AND UTILITIES for Teaching Elders
 - d. MANSE EQUITY (if applicable for Teaching Elders)
 - e. BOARD OF PENSIONS (at prescribed levels)
3. Exceptions to this policy must be approved by the COM.

If the Teaching Elder or Certified Educator secures comparable full-time or part-time (as applicable) career-track employment before the severance time period expires, the church may seek COM permission to discontinue salary, housing, utility, and pension benefits after the individual begins work in the new position. Additionally, it is required that the Teaching Elder or Certified Christian Educator inform the congregation and the COM whenever the individual secures such employment or receives a new call.

If the Teaching Elder or Certified Educator has previously received severance in the POC from another congregation, severance from future congregations will not be granted unless the original severance paid was less than six months.

WHEN A MANSE IS INVOLVED

The Teaching Elder (and family) may occupy the manse during the severance time period. Throughout this transitional period, the church will continue to repair and maintain the manse as it would under normal circumstances.

If full-time employment is secured before the end of the severance time period, the Teaching Elder (and family) will have 30 days to move out of the manse.

WHEN A CHURCH LEAVES THE DENOMINATION

In situations where congregations seek dismissal from the PC(USA) to another reformed body, the covenant relationship with the Teaching Elder or Certified Educator will be considered during the discernment process and procedure for gracious separation. The decision of the Teaching Elder or Certified Educator to leave with the church is a separate and distinct issue. In many cases, the Teaching Elder or Certified Educator will decide to request transfer to the other reformed denomination with the congregation. However, if the Teaching Elder or Certified Educator decides to remain in the PC(USA), the covenant relationship with the congregation will be dissolved as a part of the dismissal process. When that situation occurs, the provisions listed below will be followed:

1. The length of severance for Cash Salary, ½ SECA, Housing Allowance, Manse Equity, and Board of Pensions dues will be six months.

2. The Administrative Commission for Dismissals (ACD) shall require that the total amount of funds for severance be placed with the Presbytery of Charlotte before the church is dismissed. The Presbytery of Charlotte will disburse the compensation monthly for the term of the severance agreement. If the Teaching Elder or Certified Educator secures comparable full-time or part-time (as applicable) career-track employment before the severance period expires, the Presbytery will discontinue salary, housing, utility, and pension benefits after the individual begins work in the new position and return undisbursed funds to the church. The ACD should be informed whenever the individual secures such employment or receives a new call.

EXCEPTIONS

Exceptions to this policy and its minimum terms require approval of COM.

Key changes to the policy relative to churches leaving the denomination:

- The length of severance for professionals with churches departing the denomination is changed from a currently required one year to a minimum of six months. The COM would still consider each case on an individual basis.
- The clause to refund monies when the individual finds career track employment is added to the departing churches severance agreement (previously the individual collected an entire year's compensation even if career track employment was secured)
- These changes are being proposed for the following reasons:
 - They provide equitable treatment for churches staying and churches going
 - In the vast majority of cases, ministers have significant warning that the church is considering leaving the denomination, therefore having the same amount of time (or more) to consider other options as a minister whose relationship with the church is dissolved for other reasons

Other Remarks from the Commission on Ministry relative to severance agreements:

- Often these involuntary separations are budget-driven and it's not helpful for Presbytery to impose heavy burdens on congregations. It invokes the law of unintended consequences and has deleterious effects on the Presbytery's relationship to congregations.
- There's a double backstop: Presbytery (through the Commission on Ministry) has to approve any dissolution as well as the congregation. Thus, if an exception is clearly called for, it can be negotiated and provided before the dissolution can take place.