

**Principles and Processes  
For San Fernando Presbytery  
When Congregations Seek to Separate from the Presbyterian Church (USA)  
Adopted 5/24/11, Revised 6/23/15, Revised 9/27/2016 - Revised 2/7/17  
- Revised 9/26/17**

**Introduction**

The 218th General Assembly (2008) of the Presbyterian Church (USA) (herein the "PC(USA)") urged that presbyteries and synods develop and make available to lower governing bodies and local congregations a process that exercises the responsibility and power to dismiss and dissolve congregations in consultation with their members (Book of Order, G-3.01a). This should be done with consistency, pastoral responsibility, accountability, gracious witness, openness, and transparency. The General Assembly urges congregations considering leaving the denomination, presbyteries and synods to implement a process using the following principles:

Consistency: The local authority delegated to presbyteries is guided and shaped by our shared faith, service, and witness to Jesus Christ. (G-3.0301)

Pastoral Responsibility: The requirement in G-3.01a to consult with the members of a congregation seeking dismissal highlights the presbytery's pastoral responsibility, which must not be submerged beneath other responsibilities.

Accountability: For a governing body, accountability rightly dictates fiduciary and connectional concerns, raising general issues of property (G-4.02) and specific issues of schism within a congregation (G-4.0207). But, full accountability also requires preeminent concern with "caring for the flock."

Gracious Witness: Scripture and the Holy Spirit require a gracious witness from us rather than a harsh legalism.

Openness and Transparency: Early, open communication and transparency about principles and process of dismissal necessarily serve truth, order, and goodness, and work against seeking civil litigation as a solution.

Commitment: We encourage every congregation and every member to stay and renew this denomination. In the spirit of F-3.01 and F-3.0105 we reaffirm that Presbyterians have always celebrated and recognized that there may be significant differences of opinion on issues that matter and we have a duty to exercise mutual forbearance toward each other.

Accordingly, the Presbytery of San Fernando adopts the following document:

**I. Principles of Mission and Property in Times of Dispute**

**A. The Presbytery, Property and Conscience**

The Presbytery of San Fernando seeks to develop, encourage and nurture the denominational affiliation and presbytery membership of each of its particular member congregations based on our organic spiritual unity found in the grace of the Lord Jesus Christ, the love of God, and the fellowship of the Holy Spirit. (2 Corinthians 13:14) In all of our relationships, we will be guided by our own Mission Statement.

## **Mission Statement:**

The Presbytery of San Fernando declares that every congregation within our bounds is a mission center reaching out to a diverse and rapidly changing community and world. This is also true for those congregations for whom the bonds of unity are stretched and ecclesiastical connections frayed over issues of conscience to the point of considering disaffiliation. In order to achieve the goals of servanthood, encouragement and support (that are keys to ministering in times of dispute), San Fernando Presbytery sees its role as being a resource to:

- Enable its congregations to carry out their mission by providing resources to proclaim the good news of Jesus Christ;
- Respond to the needs and challenges of the world in our Lord's name;
- Conduct constitutionally required responsibilities of a presbytery;
- Coordinate its mission with that of the General Assembly, the Synod of the So. Cal. and Hawaii; and appropriate ecumenical agencies;
- Serve as a channel of communication with other governing bodies;
- Fill a fellowship and pastoral function for its members and congregations;
- And work diligently to fulfill the "great ends of the Church":

The proclamation of the gospel for the salvation of humankind,  
The shelter, nurture and spiritual fellowship of the children of God,  
The maintenance of divine worship,  
The preservation of the truth,  
The promotion of social righteousness, and  
The exhibition of the Kingdom of Heaven to the world.

Therefore in matters of property and conscience, the Presbytery sees its role in terms of Mission Strategy first and foremost.

## **B. The Presbytery and Mission Strategy**

The Book of Order of the PC(USA) (G-3.0301) challenges the Presbytery to order all resources "for the government of the Church throughout its district, and for assisting and supporting the witness of congregations to the sovereign activity of God in the world, so that all congregations become communities of faith, hope, love, and witness."

- a. To provide "encouragement, guidance, and resources to congregations in the areas of mission" consistent with F-100 (The Book of Order chapter on The Mission of the Church and "prophetic witness, leadership development, worship, evangelism, and responsible administration to the end that the Church's witness to the love and grace of God may be heard in the world." G-3.0301a)

As a result, the Presbytery has an abiding interest in the location and facilities of the member congregations as an expression of the mission of the Presbytery.

### **C. The Presbytery and the Trust Clause**

According to the Book of Order of the PC(USA):

“All property held by or for a congregation, a presbytery, a synod, the General Assembly, or the Presbyterian Church (USA), whether legal title is lodged in a corporation, a trustee or trustees, or an unincorporated association, and whether the property is used in programs of a congregation or of a higher council or retained for the production of income, is held in trust nevertheless for the use and benefit of the Presbyterian Church (USA)” (G-4.0203).

The Trust Clause is meant to reflect the Church’s organic unity as it fulfills “The Great Ends of the Church,” strengthening its ability to guide its member congregations into their witness to the broader community. Because the trust clause is meant as a means of witness to our unity common mission, it is incumbent upon the Presbytery to act ministerially rather than adversarially to its member congregations in regard to its provisions.

### **D. The Presbytery and Covenant Life**

Because the Trust Clause is understood by the Presbytery as a means of displaying organic unity in common mission, there are common principles that will guide the Presbytery’s use of it:

- It will not be used to hold congregations within the institution of the PC(USA) if a congregation genuinely desires to depart.
- It will not be used as a weapon to threaten civil action against a congregation in keeping with 1 Corinthians 6: 1-11 over issues of conscience (F-3.0101).
- It reflects a tangible exhibition of the inter-connected relationship organically existing between the Presbytery and its congregations.

“Unity is God’s gift to the Church in Jesus Christ.... Because in Christ the Church is one, it strives to be one. To be one with Christ is to be joined with all those whom Christ calls into relationship with Him.” (F-1.0302a) We believe our unity, our true connectionalism, comes from Christ, our Chief Cornerstone and that our unity in Christ serves as an essential basis for evangelism (John 17:20-23). It is our prayer that we would all be one in Christ, just as Christ and the Father are one. Because the trust clause is meant as a means of witness to our life together in common mission, it is incumbent upon the Presbytery to exercise forbearance, not coercion, to act ministerially rather than adversarially to its member congregations in regard to its provisions. It is also the right of a congregation to seek and to request dismissal with its property only to another reformed denomination.

## **II. Principles of Resolution**

In times of dispute over issues of conscience, the Presbytery will adhere to, and member congregations are encouraged to adhere to, these Principles of Resolution. Guided by our Presbyterian form of government, we:

1. Affirm the mission of the Kingdom of God;
2. Believe that the local congregation is the primary mission unit of Presbytery, and that issues of property and money are always secondary to people and mission;

3. Will not abdicate all decisions regarding property and finance to the local congregation;
4. Understand that property is maintained and administered locally by the congregation on behalf of the denomination;
5. Maintain accountability and connection by shared, representative leadership and oversight;
6. Understand that regarding issues of conscience, each side must confront difficult realities, confront what it perceives to be a broken trust, speak of those realities to each other, and be forced to consider the ongoing health and viability of the other;
7. Will not approach property issues in such a way as to constrain local congregations in their ability to do mission and ministry;
8. Will use the Presbytery Response Team (PRT) procedure described in III-A below whenever possible and not an Administrative Commission;
9. Will encourage all presbyters and congregations to “concur with or passively submit to” (G-2.0105, footnote 1) the vote and wisdom of the majority. If their consciences will permit neither, the Presbytery will be generous in allowing congregations and presbyters with strong issues of conscience to pursue peaceable withdrawal, which may include dismissal only to another Reformed body, which the San Fernando Presbytery has recognized, in accordance with our interpretation of the Trust Clause, found in section III below.
10. Will seek to exercise mutual discernment, dialog and seek possible reconciliation with a congregation considering dismissal.

### **III. Processes for Resolution**

The goal of this Presbytery will always be reconciliation and continued engagement in relationship for all congregations within the presbytery without the threat of isolation, estrangement or blame. The Presbytery is to be a servant to the congregations God has entrusted to us, encouraging and supporting them toward becoming healthy, growing, congregations. This is especially true for those congregations for whom the bonds of unity are stretched and ecclesiastical connections frayed over issues of conscience to the point of considering dismissal

Just as this process is designed to aid in Presbytery's ability to respectfully deal with the congregation's desire to be dismissed, and to have that happen in a way that minimizes the impact on that congregation's ministry, it is also important for the congregation to act in a way as to minimize the impact on the mission and ministry of the Presbytery. Recognizing that the Presbytery's ability to sustain ministry is related to its financial health, it is assumed that the congregation that is being dismissed would want to minimize the financial impact of its departure on Presbytery. Through the process of negotiation between the Presbytery and the congregation, the parties are encouraged to reach an agreement that will help lead to the health of both parties.

#### **A. The Process of Discernment with Congregations Seeking Dismissal**

In the Presbyterian tradition, an inter-connected relationship exists between the Presbytery and its congregations. Therefore, no congregation will be dismissed to another Reformed body unless and until, at a minimum, the following process is followed:

1. The Presbytery and any congregations considering dismissal will engage in mutual

discernment and possible reconciliation.

2. The Session and its pastor/moderator, after consideration, prayer and a majority vote of the existing members, invites the Presbytery to form a Presbytery Response Team (PRT) in order to engage the congregation in discussions about potential resolution or dismissal for identified reasons of conscience. The appropriate Presbytery committee will determine that:
  - a) Pastoral Staff of the congregation are found in good standing, to be done by the Committee on Ministry (COM)
  - b) The health of the congregation seems apparent, to be done by the Evangelism & New Church Development Committee. Also, once action has been initiated to form the PRT, no New Members may be added to the rolls until the PRT and congregation completes their work and a final outcome has been achieved. All deletions of active members shall be open to review by the PRT to determine the appropriateness of these deletions.
  - c) The Stated Clerk will obtain from the Clerk of Session of the congregation a full list of active members including their addresses, phone numbers, and email addresses.
3. Upon receipt of this action by Session the Stated Clerk of the Presbytery will order a Preliminary Title Report and a Chain of Title Report for all real property owned or used by the congregation. The cost for these reports will be paid by the congregation seeking dismissal.
4. The PRT will consist of a convener appointed by the COM, and three additional members with at least one ideally, skilled in conflict resolution. It is recommended that the makeup of the PRT also consist of one member from or designated by the Lead Team, one member from the Evangelism & New Church Development Committee, and one member from or designated by the Property and Finance (P&F) committee. It is requested that the congregation in discernment appoint a liaison to the PRT.
5. Each congregation is unique in its ministry with its local region. As such there are separate and distinct factors to be considered when a PRT meets with any pastor, session, liaison or other members of a congregation considering dismissal.
6. The PRT will meet by itself to select a chair. The PRT will next meet with the congregation liaison. At this meeting the Presbytery's Gracious Dismissal Policy will be carefully reviewed. At this meeting the PRT will give to the liaison the document "Questions for a Session: To help develop a request for dismissal of a congregation from the PC(USA)" (See Appendix A) for the Session to answer. The answers to these questions will be returned to the PRT along with the following items:
  - a.) Three years of full financial statements
  - b) Report on all financial assets of the congregation in addition to the real property
  - c) Identify and evaluate any accounts being held by the Presbyterian Foundation.
  - d) Identify any loans the congregation holds.
  - e) Report on Presbytery, synod and General Assembly contributions to the congregation financially or as reductions in interest rates.

7. When the PRT meets with the Session, on occasion they may ask the pastor/moderator to excuse himself or herself from a particular meeting. If the moderator does so, he or she will appoint a member of the PRT to act as moderator in his or her absence. The first action in that initial meeting will be to agree to the terms of Section B (Favorable Terms).
8. At the initial meeting of the Session the PRT will present the five-year history of the congregation's mission giving and per-capita giving.
9. Both the PRT and the session and the pastoral staff will be encouraged to seek ongoing dialog in the hope of resolution and will consider the spiritual needs of the congregation as well as the surrounding community in which it is located.
10. The PRT will not determine the merits of the concerns raised by the Session, but will work to assure that before the issues are brought before the congregation, they have been addressed fairly and accurately.
11. The PRT will promptly report the results of the initial meeting and its recommendations to the Presbytery through the COM.
12. The PRT will work with the Session and call a Congregational Meeting for the purpose of hearing from the members and discerning, possibly by a non-binding written vote, how many members desire that, should the way be clear, the congregation be dismissed to another Reformed body with whom PC(USA) is in fellowship. The PRT shall conduct the meeting which is technically a meeting of the PRT and not a meeting of the Congregation, (since the Book of Order does not include seeking a dismissal as a purpose for which a Congregational meeting may be called.) This meeting will be moderated by a member of the COM or the Executive Presbyter in order to allow the members of the PRT to fulfill their advocacy role.
13. While the quorum for congregational meetings is set by the Book of Order, and by the by-laws of particular congregations, the PRT expects that at least fifty percent of the active membership will participate in the meeting.
14. If the PRT believes that a significant proportion (estimated at more than 75%) of the attending members wish to be dismissed, they will, with the permission of the Presbytery Lead Team and/or Presbytery, begin to negotiate favorable terms with the congregation under the terms of Section B, below. The Presbytery (and thus the PRT's report) will need to determine the 'true church' in the schism if the vote is not 100% in favor of seeking dismissal.
15. During the negotiations there should be formal education of all members by the PRT in regards to the polity and practice of the Reformed body to which they will be going, including any practical changes this might mean for the congregation.
16. During the negotiations the PRT will meet with members of the congregation who wish to remain within the PC(USA) to best strategize how to either maintain an existing mission presence, incorporate members into nearby Presbytery congregations, or create a new entity.

17. At the conclusion of negotiations, the congregation will hold a Congregational Meeting to vote on a possible dismissal to a specific Reformed body according to the terms of negotiation. If the motion for dismissal and the motion to accept the terms of dismissal as negotiated is offered as not divisible, then the congregation must, by majority vote, impose these restrictions first. Such a called meeting of the congregation must be noticed at least 30 days in advance, and every action should be taken to maximize the participation of the congregation in this meeting. At least fifty percent of the current active membership will attend the meeting. An affirmative vote of at least seventy-five percent is required in order to further the dismissal process.
18. The Presbytery, at a regular or specially called meeting, will vote on whether to accept the terms of dismissal without amendments and to allow the congregation to be dismissed to a specified Reformed body according to G-3.01a of the Book of Order of the PC(USA).
19. Upon the affirmative vote of the San Fernando Presbytery to the PRT's recommendation the following will occur:
  - a.) The Session minutes and original rolls and registers outlined in G-3.0204 become the property of San Fernando Presbytery and must be delivered to the Presbytery office when the final papers are signed. Copies of these items can be made by the congregation before they are delivered or may be ordered from the Presbyterian Historical Society.
  - b.) The PC(USA) name, official seal, and any trademark will need to be removed from the congregation's Standing Rules, By-Laws, Articles of Incorporation, and from all property, buildings, signs, stationary, websites, and any other public occurrence related to the ~~church~~ congregation.
20. The congregation needs to be aware that the effective date of the dismissal will be at least 90 days after the vote of the San Fernando Presbytery and in no case prior to the Final documents being signed and all the conditions of dismissal met.

## **B. Favorable Terms**

The Presbytery, through the process of negotiating issues of conscience and property with congregations, will act in such a manner that will reflect its primary concern for the ongoing mission and vitality of Christian witness in the area impacted by the ministry of that congregation. Therefore:

1. The Presbytery recognizes that "the church" in a particular area is not its building or financial assets, but the people of the congregation.
2. The Presbytery must be mindful both of congregation members who, for reasons of conscience, desire that their congregation be dismissed to another Reformed denomination, and also those congregation members who wish to remain within the PC(USA). The best goal of Presbytery negotiations with congregations, when there is a group that desires to remain within the PC(USA) and a group that desires to be dismissed to another Reformed body, is to enable both congregations to be as healthy as possible in the aftermath of separation.

3. A financial settlement will be part of a dismissal agreement between the presbytery and a particular congregation. That settlement will be fairly and proportionately based on a measure such as how many congregation members remain within the PC(USA) and how many elect to be a member of the departing congregation.

It will include the following items:

- a) Paying any per capita payments for which the congregation is in arrears over the last five years.
- b) Paying the per capita the congregation owes for the next two years based on the number of members at the time of dismissal and the current per capita rate.
- c) Paying all medical/pension contributions that are in arrears, as well as paying up-to-date by dismissal.
- d) The congregation must bring all governmental taxes up-to-date by the date of dismissal.
- e) The congregation will bear any legal costs of this dismissal process, including but not limited to: attorney's fees, the establishment of a trust (See 6 below), and costs incurred using a Title Company to ensure the legal transfer of the title to the property.
- f) The congregation will pay for a licensed appraiser, mutually agreed upon with the P&F committee to determine the current fair market value of all ~~church~~ congregation-owned real estate.
- g) If the Presbytery granted any money to the congregation in the past ten years, those funds may be considered as part of the financial settlement.
- h) An insurance policy must be in place BEFORE dismissal and must remain in effect during the five-year reversionary period (described below). Each year the dismissed congregation must provide a certificate of insurance to the Presbytery office as proof of coverage, as well as showing that the Presbytery is still named as an additional insured.
- i) Any loans/liens that the Presbytery is party to must be refinanced, thereby leaving the PC(USA)/Presbytery unencumbered. Any indebtedness becomes wholly assumed by the leaving congregation.
- j) No increase in property indebtedness is allowed during the five-year reversionary period without the consent of the Presbytery (see item 5 below).
- k) Individual, unique factors for each congregation should be considered in arriving at any assessment to assist the Presbytery in replacing its ongoing ministries.
- l) All costs associated with the shipping of the original Session minutes and original rolls and registers outlined in G-3.0204 to the Presbyterian Historical Society. (Note: Per the Book of Order, G-3.0107 when a congregation is dismissed and ceases to be a council within the PC(USA) all original Session minutes and original rolls and registers outlined in G-3.0204 become the property of the San Fernando Presbytery and must be delivered to the Presbytery office. The originals will be shipped to the Presbyterian Historical Society. If the congregation being dismissed desires it may pay for digital copies to be made by the Presbyterian Historical Society and the digital copies returned to the congregation.)

These are the financial requirements. However, as part of this financial settlement, the PRT, in consultation with the P&F committee and the petitioning congregation, will consider each congregation settlement on a congregation-by-congregation basis.



4. When a financial settlement regarding ministry properties is agreed upon, a portion of that settlement will be used to maintain or re-establish a mission of the PC(USA), or to enable those remaining within the PC(USA) to find a receiving congregation within or near the specific area served by that particular congregation.
5. Assuming a dismissal agreement is reached and considered mutually acceptable, it must be understood that if the leaving congregation fails as a worshipping body and/or the property ceases to function as a congregational campus within the first five years of dismissal, then the property, buildings and all assets revert back to the Presbytery of San Fernando. It is also understood that the dismissed congregation agrees to maintain adequate insurance coverage during this reversionary period, as well as to continue maintaining the congregational property in good order.
6. To complete the dismissal process a Trust will be established to hold the title to the congregation's property. The Title will be held in this Trust for five years and if all the requirements of the trust are met by the congregation then the Title to the congregation's property will be transferred to the congregation. A Title Company will be used to ensure the transfer of title is done cleanly. San Fernando Presbytery will be the Trustee and the Trust is irrevocable and may not be amended without consent of all parties.
7. The PRT will refer all matters about relationships between individual pastors and the PC(U.S.A.) to COM.
8. Special attention should be given to members of the congregation who are preparing for ministry and are under the care of Presbytery. Each member under care, together with his/her liaison from the Committee on Preparation for Ministry (CPM), should be advised immediately of the congregation's desire to seek dismissal. The member under care will be given the option of being dismissed with the congregation or transferring their membership to another congregation within the Presbytery and/or the PC(USA). If transfer to another PC(USA) congregation is requested, PRT and the CPM liaison will assist the member in seeking a waiver of the usual six-month requirement for congregational membership in order to maintain care status.
9. Finally, all members of the congregation being dismissed shall be notified by mail after the approval vote by Presbytery of the action being taken, and the congregation shall inform them of the process available to them to have their membership transferred to another PC(USA) congregation. The congregation being dismissed must provide a list of members whose membership is not being transferred to the new body to the PRT, so as to make sure they are invited to join another PC(USA) congregation. This list should be provided within 30 days of the vote by Presbytery to dismiss the congregation.

#### **IV. Completing the Dismissal**

Recognizing that the departure of valued colleagues in ministry will be a matter of pain for all parties, it is appropriate for the Presbytery to hold a service of worship giving thanks for prior shared ministry and prayers for the ongoing witness of both the departing congregation and all of the other congregations in the Presbytery and the PC(USA).

QUESTIONS FOR A SESSION  
TO HELP DEVELOP A REQUEST FOR DISMISSAL OF A CONGREGATION FROM PCUSA

In preparation for the meeting with the PRT it is requested of the Session that they will provide written responses to the following 23 questions:

1. Provide a clear statement of the reasons for requesting a dismissal to another reformed denomination.
2. How have these factors impeded or will impede the mission and ministry of the congregation?
3. How will the ministry of the congregation be enhanced by dismissal to another denomination?
4. How will the ministry of the congregation be negatively impacted by dismissal?
5. What impact is anticipated on the mission of the Presbytery of San Fernando and the PC(USA) if the congregation is dismissed?
6. How does the request for dismissal impact the covenantal ties with previous generations of saints, the current community of Presbyterians, and future generations of the family of faith?

A major factor in the dismissal discussion will certainly be the financial terms. In recent judicial cases it has been held that the Presbytery must include an examination of the congregation's financial position and the value of the property. For purposes of determining these valuations, these questions should be addressed:

1. What year was the congregation chartered?
2. What is the current insurance replacement value on the property and contents?
3. What is the appraised value of the property and buildings?
4. What is the current amount of indebtedness?
5. What is the current value of "cash" assets (bonds, CD, stock, Money Market, mutual funds, etc.)?
6. What is the current value of "non-cash" assets (personal property, vehicles, art, etc.)?
7. Has the congregation transferred any assets to another legal entity in the past five years?
8. (If known) What were the sources of funding for the original purchase of property (e.g. Board of National Missions, Synod, General Assembly, Presbytery, living members, deceased members, etc.)?
9. How much money did the PC(USA) denomination invest in providing resources as a new church development prior to becoming chartered as a congregation?
10. Did the PC(USA) denomination provide any low cost/below cost market interest loans for any construction or improvements?
11. Did the PC(USA) denomination provide any assistance in capital campaigns?
12. Has the PC(USA) denomination ever provided: a. subsidy for pastoral compensation; b. non-repayment of loans due; c. grants or subsidies for any staff; d. assistance with legal services; e. grants to pastor?
13. Has the congregation received any program/ministry grants from the Presbytery/denomination in the past 25 years?
14. Provide full financial reviews for the past three years.
15. Has the congregation paid its per capita for each of the last three years?
16. How much has the congregation contributed to G.A, Synod and/or Presbytery mission in each of the last five years?
17. How much has the congregation and the wider Church invested in capital improvements or property purchases in the past 20 years?