

**A Covenant for Discernment and Mutual Understanding
For the Presbytery of New Harmony
When Congregations Consider the Future of Their Relationship with the PC(USA)¹
(Approved by NHP: November 16, 2021)**

I. Principles of Mission in Times of Dispute

First and foremost, the Presbytery of New Harmony is committed to pursuing reconciliation and continued relationship for all congregations within the presbytery. This is especially true for those congregations who are considering dismissal from the denomination.

The Presbytery of New Harmony 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).

The Presbytery of New Harmony “is responsible for the government of the church throughout its district, and for assisting and supporting the witness of congregation to the sovereign activity of God in the world, so that all congregations become communities of faith, hope, love, and witness.” (Book of Order, G-3.0301)

The Presbytery of New Harmony mission is to strengthen, nurture, and sustain its congregations and ministers, and to participate in the wider mission of the church through its higher councils.

II. Historic Presbyterian Polity Regarding Property Held in Trust

All property held by or for a congregation, a presbytery, a synod, the General Assembly, or the Presbyterian Church (U.S.A.), 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 (U.S.A.). (G-4.0203)

1. Under the Trust Clause, one of the most historic principles of Presbyterian polity, a congregation’s property, including land, buildings, and fixtures, is held in trust for the PC(USA). Generally speaking, a congregation cannot sell, lease, or encumber real property without the permission of Presbytery. A congregation may not take property with it to another denomination unless Presbytery voluntarily releases its beneficial interest in the property. The fact that a congregation may have exercised its limited right, created at the time of reunion, to be exempt from the requirement of Presbytery approval of certain property transactions (G-4.0208) does not affect or supersede the general, historic polity of the Church that all property of a congregation is held in trust, as set out above, and does not create the right for a congregation to be dismissed from the PC(USA) and retain its property.
2. When a congregation seeks to leave the Presbytery, it is breaking what is often a significant historic relationship spanning centuries in some instances; it is also departing from a fellowship in which its officers have freely and joyously participated, by whose polity they all solemnly vowed to be governed (W-4.4000), and with which many members may feel bonds of devotion and affection. This covenant therefore cautions any congregation seeking to separate from the Presbytery of New Harmony to consider its actions carefully.

¹ Some of the contents of this covenant are taken from the Presbytery of New Covenant’s Gracious Reconciliation and Dismissal Procedure dated July 18, 2015.

3. If a congregation initiates civil action against the presbytery, the Presbytery of New Harmony shall take legal action to defend its mission strategy for the Presbytery and the interests of the PC(USA).
4. If congregations genuinely desire to depart from the denomination over matters of conscience and not because of personal agendas against the presbytery, a pastor or a person; the Trust Clause should not be used to bind congregations to the institution of the PC(USA). However, matters of conscience may not be asserted to contradict or nullify the general, historic polity of the church that all property of a congregation is held in trust, as set out above.

III. Principles of Resolution

Being reminded that scripture calls us to seek in all humility to resolve our disagreements and avoid the harm that is done to the Gospel and Christ's body when Christians resort to civil litigation and public disputes over property, the presbytery and congregation are to be guided by our Presbyterian form of government. In that respect, the presbytery and congregation, in seeking to resolve their differences, shall:

1. Create a Discernment Team and use the Discernment and Mutual Understanding Guidelines.
2. Affirm the mission of the Kingdom of God as outlined in the Great Ends of the Church as our highest calling.
3. Understand that property is maintained and administered locally by the congregation on behalf of the denomination. Final decisions regarding property and finance will not be relinquished to a departing congregation.
4. Assure any congregation that should they separate from us of our continuing prayers for them and willingness to welcome them back to that part of God's family known as the PC(USA).

IV. Principles of Negotiation

The Presbytery of New Harmony, 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 ministry of that congregation. Therefore:

1. The Presbytery of New Harmony recognizes that "the church" in a particular area is not its building or financial assets, but the people of the congregation; therefore, must be mindful of those who desired to be dismissed to another denomination, and also those congregation members who wish to remain within the PC(USA).
2. Constitutionally, the Presbytery of New Harmony must fulfill its fiduciary duty under the Trust Clause. Therefore, it would be unconstitutional:
 - a) to only consider the spiritual needs or desires of current membership and not the historic relationship of the members who came before;
 - b) to only require the consideration of per capita and/or mission financial obligations which is not sufficient to meet the fiduciary duty under the Trust Clause.²

² Some of the contents of this covenant are taken from https://www.pcusa.org/site_media/media/uploads/oga/pdf/advisory-opinion_19.pdf

3. The Presbytery of New Harmony shall honor any historic covenants on the property.
4. Specific requirements for dismissal are listed in section V. 9 & 10.
5. The financial settlement portion of a dismissal agreement between the Presbytery of New Harmony and a particular congregation will be used to maintain or re-establish a mission of the PC(USA) in that locale, and for other mission work of the Presbytery.

IV. The Discernment Team

1. Creation of the Discernment Team

- a) No congregation will be dismissed to another Reformed body unless and until, at a minimum, a Discernment Team is formed and the Discernment Process laid out in Section V is followed.
- b) The Session and its pastor/moderator, after consideration, prayer, and a majority vote may ask the Presbytery of New Harmony to form a Discernment Team in order to mutually discern with the congregation about potential resolution or dismissal for identified reasons of conscience.

2. Composition of the Discernment Team

- a) The Discernment Team shall be made up of equal members of people from the Presbytery of New Harmony and members of the discerning congregation.
- b) The Guiding Council Moderator, Presbytery of New Harmony Moderator, Committee on Ministry Moderator, and Executive Presbyter/Stated Clerk shall meet and appoint the members of the discernment team from the Presbytery of New Harmony. There shall be four (4) members from the Presbytery, one of whom should be appointed as the Moderator of the discernment team meetings. The four (4) members should be selected to provide the greatest balance possible of gender, race, ethnicity, and geographical location. There should also be, as possible, a balance between Teaching Elders and Ruling Elders.
- c) The Session of the discerning congregation shall appoint four (4) members of the congregation to serve as members of the Discernment Team, one of whom shall be the clerk of session. The four (4) members should be selected to provide the greatest cross-section of the congregation's membership, including members who have never been ordained to a church office.
- d) The pastor/pastoral leader of the discerning congregation is not a member of the Discernment Team, though will be engaged by the Discernment Team at the appropriate times.

3. Training of the Discernment Team

- a) Once the eight (8) members of the Discernment Team are chosen, and before their meetings together can begin, the Committee on Ministry of New Harmony Presbytery ("COM") will provide for the training of the Discernment Team. This will include a review of the contents of this document and the process in which the Discernment Team will embark. All members of the Discernment Team shall be trained in order for their work to proceed.

4. Timeframe of the Discernment Team

- a) The Discernment Team shall work together for a minimum of six (6) months before a

Session may call a congregational meeting for dismissal.

V. Discernment Procedure

1. Prior to the first meeting of the Discernment Team, the Session shall provide the following documents to the Executive Presbyter:

- a) The operating budget as of the date of the vote of the Session to enter into the Discernment Process, as well as the previous 5 year's operating budgets.
- b) Current financial statements – audited income statements and balance sheet of the congregation, including all assets of any subsidiary or controlled entity.
- c) Outstanding loans of the congregation.
- d) The present-day appraised value of the property, including land. (The congregation is financially responsible for the appraisal.)
- e) The insured value of the property, including all assets.
- f) Existing liens on the property.
- g) Insofar as practical, a history of property acquisition and values.
- h) The membership email, phone, and mail address list.

2. First Meeting

- a) At the first meeting of the Discernment Team, members shall engage in an extended time of prayer. All members of the Discernment Team will introduce themselves and share their faith stories, their understanding of the spiritual and theological issues at stake between the congregation and the PC(USA), and pray for God's guidance and reconciliation.
- b) It is recommended for bonding between members to share a meal together at this first meeting.

3. Second Meeting

- a) The Moderator of the Discernment Team shall guide a prayerful dialogue on foundational theological issues. The purpose of this discussion is to identify the extent of common theological and ecclesiastical ground between the congregation and the denomination as a basis for reconciliation.

4. Third Meeting

- a) The Discernment Team and Session shall create a plan for listening to and speaking to the concerns, sensitivities, and questions of all congregation members. These times of listening and sharing are to be conducted in a spirit of prayer and discernment.
- b) The Discernment Team is responsible for assuring equal opportunity for all viewpoints to be brought before the congregation and for all congregation members to have opportunity to voice their opinions and concerns. The Discernment Team will seek to assure that resource materials provided to the congregation fairly and accurately represent all viewpoints.

5. Fourth Meeting

- a) The Discernment Team shall meet to assess the progress of the plan created at the third meeting. The Discernment Team is to continue seeking to address the concerns, sensitivities, and questions of congregation members.

6. Additional Meetings

- a) The need for and content of additional meetings will be determined mutually by members of the Discernment Team.

7. Report of the Discernment Team

- a) Upon completion of the discernment process as laid out above, the Discernment Team shall prayerfully prepare a report with recommendations to be presented to the Session and subsequently to the congregation in one or more "town hall" meetings. COM will also receive a copy of this report.

8. Session Discernment

- a) If the Session determines the congregation is still called by God to remain in covenant relationship with the PC(USA), the congregation and Presbytery of New Harmony shall work together to heal any broken relationships.
- b) If this discernment is made, the Session shall follow the process for Restoration and Recommitment to Presbytery-Congregational Relationship.
- c) If the Session concludes that the congregation may be called by God to be dismissed from the PC(USA) to another Reformed Body, the Session shall follow the process found under Procedure for Seeking Dismissal.

9. Restoration and Recommitment to the Presbytery-Congregational Relationship

If the Session has opted to seek a process of reconciliation rather than proceed with the Procedure for Seeking Dismissal OR if a congregation has followed the Procedure for Seeking Dismissal and the congregation votes not to be dismissed from the denomination, the Presbytery of New Harmony will not agree to reinitiate the Covenant for Discernment and Mutual Understanding process for a period of at least four (4) years following the vote, and the following shall take place:

- a) The Discernment Team shall now be known as the Reconciliation Team.
- b) The Reconciliation Team shall consult with the Session in fostering reconciliation and healing between congregational leaders and members, between congregational factions that may have surfaced or been created, and between the whole congregation and the Presbytery of New Harmony.
- c) Members of the Reconciliation Team will share stories and testimonies of their work together at the congregation and presbytery level. These may take place as part of one or more of the following: the public service of worship, at a meeting with the COM, or at a Presbytery meeting.
- d) A public service of worship and reaffirmation of shared fellowship and ministry shall take place, with substantive participation from the Presbytery of New Harmony and congregation. A blessing and commissioning of any congregants who leave the local

congregation (to the extent possible), will be offered in the hope of maintaining the unity of the Spirit in the bonds of peace. (*Ephesians 4:3*)

10. Procedure for Seeking Dismissal

If the Session discerns that the congregation should continue to seek dismissal from the denomination, the following shall take place:

- a) The Session will vote to call a congregational meeting for the purpose of seeking dismissal from the PC(USA) to a particular Reformed body. The session shall set a date for the congregational meeting. Advance notice of the date for the congregational meeting shall be by written letter to each member on the active roll of the congregation who is eligible to vote, as well as by three Sunday worship announcements. The letter shall be mailed at least 30 days in advance of the date of the congregational meeting and shall include the following:
 - i. The proposed motion from the Session requesting dismissal by the Presbytery to a particular Reformed body.
 - ii. A written statement from the Discernment Team majority and minority (if applicable).
 - iii. A written statement of the financial implications of dismissal.
- b) The called congregational meeting shall be moderated by the Executive Presbyter of the Presbytery of New Harmony or whomever COM appoints to moderate.
- c) The quorum for this congregational meeting is two-thirds of the active membership as of the date of the letter setting the date of the congregational meeting. Only if the quorum is met, shall a vote be taken on the motion to request dismissal to a particular Reformed body.
- d) Representatives of the Presbytery of New Harmony (which may include members of the Discernment Team, Guiding Council, Committee on Ministry, Executive Presbyter/Stated Clerk) shall be invited to the congregational meeting, with the right to address the body gathered. All active congregation members present shall have the right to speak.
- e) Members eligible to vote shall be those listed on the roll of active members of the congregation as of the date of the letter setting the date of congregational meeting. Members must be present in person to vote. **Members attending the meeting electronically may not vote.**
- f) The vote on the motion shall be taken by secret written ballot. In order for the motion to pass, at least 75% of ballots cast must approve the motion.
- g) If the motion does not pass, the congregation will proceed to follow with the steps listed in section nine (9) above.
- h) If the motion does pass, the Session may submit a request for dismissal to the Presbytery, which must include the numerical results of the vote of the congregation.

11. Dismissal

- a) If it has not already done so, the Discernment Team shall meet with members of the congregation who wish to remain within the PC(USA) to best strategize how to continue an

existing mission presence by maintaining the existing congregation, incorporate members into nearby PC(USA) congregations, or creating a new entity.

b) Before the congregation may be dismissed by the Presbytery of New Harmony, the following requirements shall be met:

- i. All per-capita not paid for the past five years must be paid in full.
- ii. The current year's per-capita and the Presbytery's shared mission ask from the congregation at the beginning of the year must be paid in full.
- iii. Projected shared mission giving for the next five years, based on the current year's shared mission ask, shall be given to the Presbytery for the five calendar years following the year of dismissal.
- iv. Any loans or other financial obligations to the Presbytery or any PC(USA)-related group shall be paid in full.
- v. The historical and present name of the congregation shall not be used by the departing congregation. New signage shall reflect the new name and denominational affiliation of the congregation.
- vi. In accordance with G-3.0107, sessional minutes and other historical documents related to the congregation's life as a Presbyterian church (of the PC(USA) and its predecessor denominations) shall be turned over to the Presbytery for transmission to the historical archives of the PC(USA).
- vii. The ecclesiastical status of all members of the departing congregation who are currently inquirers or candidates for ministry shall be confirmed prior to dismissal.
- viii. If the pastor(s) currently serving the departing congregation do not wish to be dismissed from the PC(USA), their relationship with the departing congregation shall be dissolved by the Presbytery upon dismissal of the congregation. The departing congregation shall pay to the Presbytery, in advance, the amount equal to a year of salary, housing, SECA, and Board of Pensions benefits, which shall be administered to the pastor(s) over the twelve months following dismissal. If a pastor finds another pastoral call during those twelve months, the funds held by the Presbytery shall be used to maintain the pastor at their previous level of compensation. If the pastor's new compensation is equal to or greater than their compensation by the dismissed congregation, the remaining funds shall be evenly split between the NHP Scholarship Fund and the NHP Ministerial Assistance Fund.
- ix. In compliance with the latest decision of the Permanent Judicial Commission of the General Assembly concerning the disposition of church property, an appraisal of the property is required. The congregation's property to be appraised includes the land, the buildings, and fixtures. The congregation shall be responsible for the cost of the appraisal. If the Presbytery determines that the congregation has received an appraisal for the property that is unreasonably low, the Presbytery will also receive an appraisal, and the average of the two appraisals will be used to determine the property value. The congregation shall be responsible for the cost of this second appraisal. The departing congregation shall remit to the Presbytery 20% of the property value of the congregation over the next four years at a minimum of 5% per year. A congregation may pay the full 20% in less than four (4) years if they so desire.

- x. An accounting of the congregation's assets shall be provided to the Presbytery and 20% of the financial amount of the assets shall be remitted to the Presbytery.
 - xi. In order to document the terms and provisions of the dismissal, legal counsel shall be engaged for the purpose of preparation of a contract containing all of the terms of dismissal as determined in accordance with the procedures provided for herein. Once the terms and provisions of the aforesaid Contract have been agreed upon by the Discernment Team and the Session of the departing congregation, the same must be adopted by the Presbytery of New Harmony as set forth in item four (4) of this section in order to be binding on the Presbytery. Any fees and costs involved with the creation of this contract (including legal fees, whether the same be fees of counsel for the departing Congregation or of Presbytery) are the departing congregation's responsibility for payment.
- c) If the Discernment Team and COM determine that any of the above requirements of dismissal should be altered in any way prior to a formal Contract being entered into between the Presbytery and the departing Congregation, the proposed changes in the terms may be presented to the Presbytery of New Harmony at the next stated meeting. Changes to the requirements of dismissal must be approved by an affirmative vote of 2/3 of the Presbytery. Such changes would be effective only for the matter of the then departing Congregation based on the specific circumstances thereof and would not be intended to affect subsequent matters with other congregations.
- d) If all of the above requirements have been met, the proposed Contract would be presented to the Presbytery of New Harmony, at a stated meeting, which will vote on whether to accept the terms of dismissal and to allow the congregation to be dismissed to a particular Reformed body according to G-3.0303. No amendments shall be allowed to the terms as presented.
- e) Within 30 days of the Presbytery's vote approving dismissal of the congregation or members thereof to another particular Reformed body, the Presbytery of New Harmony shall prepare a letter to members of the congregation informing of their option to be dismissed with the congregation or to remain in the PC(USA). The congregation shall mail the letter to all active members promptly and will bear all costs associated with this mailing. The letter shall direct responses to be returned to the Presbytery of New Harmony. The Presbytery will then ensure that contact is made with those members wishing to remain in the PC(USA) and that they are assisted in joining a new congregation of their choice if there is to be no surviving PC(USA) congregation.
- f) The Presbytery shall hold, in conjunction with the departing congregation, a final worship service of commissioning, to celebrate our common life in Jesus Christ and to pray for the effectiveness and well-being of both the congregation and Presbytery. Those departing the PC(USA) will be commissioned by the Presbytery to further their work for the kingdom as they go forward in ministry. The service will be planned by the Discernment Team, and all congregations of the Presbytery of New Harmony will be invited to attend.