

**Presbytery of North Central Iowa  
Policy on Dissolving Congregations  
Approved by Council on October 3, 2024**

This statement is intended to clarify the Presbytery of North Central Iowa's policy on closing churches by making clear the procedures to be followed after a decision has been made to dissolve a congregation. This policy does not relate to the process by which the decision to dissolve is reached. It applies only to the procedural dissolution of a congregation after the decision to dissolve has been made by the Session and Presbytery of North Central Iowa.

For generations, Presbyterians have been guided by the Six Great Ends of the Church. As stated in the Presbyterian Church (U.S.A.) Book of Order (F-1.0304), they are:

- 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
- The exhibition of the Kingdom of Heaven to the world

For more than a century in the churches of the Presbytery of North Central Iowa, the Great Ends of the Church have been lived out by Christians within the context of a congregation housed in a building in a particular community. Just as people have seasons of life, death and resurrection in Christ are a part of the life of congregations. We trust in God even when congregations in our midst come to a time in their life cycle when the congregation and/or the congregation's support of a physical building are no longer feasible. The Presbytery of North Central Iowa is committed to shared ministry with congregations in all phases of their life cycles. The intent of this policy is to continue the Great Ends of the Church, guided by the Holy Spirit, in new ways during and after the dissolution of a congregation and/or the sale of church property.

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.), located within the geographic bounds of the Presbytery of North Central Iowa.

**Authority**

The responsibility and power to dissolve a congregation in consultation with its members is granted to presbyteries by the Book of Order, and especially Chapter 4 of the Form of Government regarding property held in trust for the mission of the Church. The attitude of the

Presbytery of North Central Iowa 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. A dissolving church has the right to dispose of church property only as the Presbytery directs. The Presbytery of North Central Iowa encourages the congregation to repurpose as many tangible items as possible, including church contents and building (i.e. through Habitat for Humanity's ReStores or other non-profits). The procedural dissolution of a congregation will almost always be accomplished through an Administrative Commission as hereafter provided.

### **Appointment of the Administrative Commission for Church Dissolution**

When the decision has been made that a congregation is to be dissolved, and upon recommendation from the Stated Clerk in consultation with the Moderator and Vice Moderator of Presbytery, the Treasurer or Stated Clerk of the Presbytery of North Central Iowa will convene the Administrative Commission for Church Dissolution. Membership to this commission will be a standing group of five voting members to include:

- Treasurer of Presbytery or member of the Stewardship and Finance Committee.
- Additional member of the Stewardship and Finance Committee,
- Teaching Elder (either current or prior) member of the Committee on Ministry
- Ruling Elder (either current or prior) who is/has been a member of the Presbytery of North Central Iowa Council.

Ruling or Teaching Elder (either current or prior) who lives in relatively close proximity to the church that is closing.

- Optional: Other individuals, as needed, to assist with work of the Committee (e.g. an Elder from the congregation with knowledge of its affairs, a member who is knowledgeable about the about the congregation's history, individuals to assist with a Service of Witness).

In creating the Administrative Commission for Church Dissolution, the Presbytery shall authorize it to act with the authority of the Presbytery, 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 Presbytery of North Central Iowa appoint an Administrative Commission for Church Dissolution for the (insert name) Presbyterian Church of (insert location), Iowa, to act on the 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 the guidelines established by Presbytery Council) or convey the building and grounds to the Presbytery of North Central Iowa of the Presbyterian Church (U.S.A.), recommend to the Presbytery 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 the Presbytery of North Central Iowa as shall be reasonably necessary to accomplish the general purpose of this resolution. The Commission and congregation shall be asked to consult with the Synod of Lakes & Prairies about their "Restorative Justice Action" effort to give consideration of giving 5% of their last annual budget or 15% of the wealth of the congregation's assets to the work of restorative justice for minority populations as a "giving initiative."

As may be necessary, the additional authorization may be included as follows: If necessary, after a thorough investigation and full opportunity to be heard has been accorded to the session (if still in place) the administrative commission may assume original jurisdiction, or full power and responsibility as the session, if there is a 2/3 vote of commission members as guided by the Book of Order, F-3.0206 and G-3.0303e.

### **Responsibilities and Duties of the Administrative Commission for Church Dissolution**

The Administrative Commission shall be convened by the Moderator soon after its creation, and thereafter meet regularly, preferably at least monthly, until its work is completed or it is dissolved by the Presbytery. A Recorder shall be chosen from among the members of the Administrative Commission. The Recorder shall keep an accurate record of the Commission's deliberations and actions, and promptly furnish them to the members of the Administrative Commission and to the Stated Clerk of the Presbytery of North Central Iowa. While carrying out its duties, the Administrative Commission may remove or replace the Session of a congregation or may itself act as the Session thereof; any decision to act shall be

made only after consideration of the policy of the Presbytery of North Central Iowa with regard to dissolution of churches, as expressed herein.

The Administrative Commission shall proceed to address and accomplish the following matters, duties and responsibilities, and such other matters as may reasonably arise during its work, provided that they are not contrary to the resolution by which Presbytery of North Central Iowa created the Administrative Commission. Before commencing its work, the Administrative Commission shall assure itself that the congregation is covered by appropriate casualty and liability insurance and shall take necessary steps to see that the insurance is maintained until the congregation is dissolved and the property is added to the Presbytery of North Central Iowa's policy or the property is disposed of.

#### A. PASTORAL CARE OF REMAINING MEMBERS

- Designate a pastor to be responsible for pastoral care of any remaining members until membership is transferred or the congregation is dissolved.
- Work with the Session to encourage members to transfer their membership to another Presbyterian Church (U.S.A.) or to a church of another denomination if that is the member's desire; identify where members wish their membership to be transferred; assist as necessary in accomplishing the transfer. A transfer may be made at any time before the congregation is dissolved, or it may be made to be effective as of the dissolution.
- If a member wishes to transfer membership before the congregation is dissolved or as of its dissolution, the Clerk of Session of the congregation will send the letter of transfer. If there is no Clerk of Session, the Administrative Commission may appoint a Clerk of Session for that purpose or for any other purpose for which a Clerk of Session is required.
- As to any member whose membership is not transferred as provided above, the member may obtain a letter of transfer for a period of one year after the dissolution from the Stated Clerk of the Presbytery of North Central Iowa.
- After the dissolution, the Administrative Commission shall certify to the Stated Clerk of the Presbytery of North Central Iowa a list of members whose membership was not transferred, to the best of its knowledge.

#### B. FINANCIAL STATUS AND OUTSTANDING FINANCIAL OBLIGATIONS

- Obtain a copy of the congregation's most recent financial statement and conduct a financial review of its Treasurer's books.
- Determine the location of checking accounts, savings accounts, endowment accounts, Sunday School accounts, women's group accounts, and any other financial resources.

- Determine if there are any restrictions on the use or disposition of any endowment or memorial accounts. If there are, determine the source of any such restriction, whether imposed by the donor or by the Session, to ascertain whether or not the restrictions would follow and thereby restrict the funds once they are transferred to the Presbytery of North Central Iowa, or elsewhere.
- Close all financial accounts and transfer any balances to the congregation's primary checking account. If there are accounts containing marketable securities with fluctuating values, the Administrative Commission should obtain advice and counsel from someone with expertise, possibly the Presbytery of North Central Iowa's Treasurer or Stated Clerk. The Synod's chief financial officer is another possibility.
- Submit new signature card(s) for all accounts with at least two members of the Administrative Commission designated as signatories. The Administrative Commission may allow the Church Treasurer, if one has been elected and is serving, to continue to pay expenses of the ongoing operations, subject to a careful, frequent monitoring of all receipts and expenditures by the Administrative Commission. In such a case, all expenditures should be approved by the Administrative Commission before payment.
- Determine any outstanding debts/obligations and oversee the payment or other discharge of those obligations. This includes seeing that all applicable payroll taxes are paid, that all payroll tax returns are filed and that any necessary IRS Forms 1099 are completed, provided to recipients, and filed. If they cannot be filed until the end of the year in which the dissolution occurs, arrangements should be made with the Stated Clerk of the Presbytery of North Central Iowa to see that they are filed when appropriate.
- Publish in a local newspaper a public notice in form below, secure an affidavit of its publication, and send the affidavit to the Stated Clerk of the Presbytery of North Central Iowa:
 

The Church of \_\_\_\_\_, IA will cease operation on or about (date). Any outstanding debts/financial obligations must be submitted in writing to the Church Administrative Commission at 1864 Hwy 86, Milford, IA 51351 by the close of business on \_\_\_\_\_ (date).
- Oversee the provision of a "statement of contribution" to all current year contributors, as necessary.
- If the congregation owns any stocks, bonds, or other financial instruments that are not liquidated, accomplish transfer of ownership to the Presbytery of North Central Iowa. Following the dissolution, transfer all remaining balances to the Presbytery of North Central Iowa and close all remaining accounts.

- Recommend to the Presbytery of North Central Iowa Council the final distribution of net assets. This recommendation will be from the Administrative Commission with priority given to the ongoing mission, operational and service objectives of the Presbytery of North Central Iowa along with consideration of any additional needs that may exist locally in the area where the closed church is located.

### C. SESSION/CHURCH RECORDS

- Locate, collect and catalogue all Session minutes, any registers maintained by the congregation, and other financial and legal records.
- Arrange for the Clerk of Session to symbolically hand these to a representative of the Presbytery of North Central Iowa (the Stated Clerk or designee) at the conclusion of the Service of Witness, or deliver them to the office of the Stated Clerk at the conclusion of the Administrative Commission's work.
- Assist, as requested by the Stated Clerk, in transferring the records to the Presbyterian Historical Society.

### D. REAL PROPERTY

- Obtain a copy of the deed or deeds to all real property owned by the congregation. This may require a search of the property records at the appropriate county courthouse; generally, the records of the county appraisal district will reveal any property held in the name of the congregation. However, that may not be the case with regard to non-producing mineral interests. It may be necessary to secure a title search from a local abstract/title insurance company. If necessary, the Administrative Commission may arrange for a current survey of the real property by a Registered Public Surveyor.
- Send a copy of any deed or deeds to the Presbytery Council/office conveyed to "The Presbytery of North Central Iowa of the Presbyterian Church (U.S.A.)".
- Review the status of the congregation's title to any real property to ascertain the existence of liens, deed restrictions, or other conditions that affect the use and marketability of the property. If the property is subject to outstanding indebtedness, determine the status of any such debt to include, but not be limited to balance, terms, payment dates, etc.
- Dispose of the real property of the congregation by cash sale, as provided herein, working through a local realtor or otherwise, as the Administrative Commission deems appropriate. In areas with an active real estate market, a professional (commercial) appraisal should be obtained to know the market value of the property. If such an appraisal

is obtained, there should be very compelling reasons to justify a sale for less than 90% of that appraised value due to an unknown detrimental condition, deficiency, functional obsolescence, deferred maintenance, structural concerns, environmental hazards and/or mechanical systems issues. In other areas, no formal appraisal is required, but the Administrative Commission may not sell the property unless the sale price is at least 35% of the applicable county assessed value.

- Any sale shall be by deed without warranty, reserving mineral rights if that can be negotiated. Generally, mineral interests that are owned apart from surface ownership shall not be sold but shall be conveyed to “The Presbytery of North Central Iowa of the Presbyterian Church (U.S.A.)”.
- In the event there is a legitimate offer to purchase the real property for an amount that is less than the values stipulated above, the Administrative Commission may recommend approval of that sale, but the decision shall be that of the body of Presbytery of North Central Iowa to be considered by the Presbytery Council pursuant to recommendation of the Presbytery Budget and Finance Committee under Article V, Section 5.01.3.
- If the Administrative Commission wishes to donate the property to any person or entity, without consideration, it may recommend approval of that gift, but the decision shall be first reviewed with recommendation (to consider the Mission of the Presbytery of North Central Iowa and its current and future financial obligations by the Stewardship and Finance Committee) to the body of the Presbytery of North Central Iowa, to be considered at its next stated meeting.
- If the real property is not otherwise disposed of, the Administrative Commission shall transfer title to the property to the “The Presbytery of North Central Iowa of the Presbyterian Church (U.S.A.)” In such a case, the Presbytery Council may retain or approve listing the real property for sale with a local realtor, as it determines what is appropriate after the recommendation of action by the Stated Clerk after conference and recommendation from Presbytery’s Stewardship and Finance Committee.
- If the property is not sold, request that the property be listed on the Presbytery’s property and liability insurance coverage, and follow-up to see that this is done. If there are any existing insurance policies on the property, cancel them effective as of the day after the Service of Witness, after having determined that the coverage on the Presbytery’s policy will be effective simultaneously, and follow-up to collect any unearned insurance premiums that may be due.
- If appropriate, notify the applicable county assessor that the property is no longer used as a church.

## E. CIVIL CORPORATION

- Determine if the congregation has been incorporated, and, if so, obtain a copy of all corporate documents. Do not rely solely on the memory of church members since the corporate entity may have been disregarded. If in doubt, check with the Iowa Secretary of State or appropriate government office.
- Dissolve the civil corporation according to the requirements of Iowa law.
- Provide the Stated Clerk all corporate records and documents of any civil corporation, and copies of the dissolution documents.
- Any dissolution of the civil corporation should occur after the dissolution of the congregation.

## F. SERVICE OF WITNESS AND ACT OF DISSOLUTION

**1.** Plan and conduct a worship service celebrating the life and ministry of the congregation.

Accomplishing this entails, among other things, the following:

- Set the date and the time for the service, allowing ample time for the date to be publicized and invitations issued.
- Decide what special features the service should include.
- Decide how best to tell the history of the Christian ministry and witness through this Presbyterian congregation.
- Determine whether the celebration of the Lord's Supper would be appropriate, and arrange for that celebration, including preparation of the elements and designation of elders to serve.
- Identify a possible preacher and other participants. At least one representative from the congregation, at least one representative from the Commission and the designated Presbytery staff of the Presbytery of North Central Iowa (or another Presbytery representative) should be included.
- Identify favorite hymns of congregation members.
- Consider possibilities for special music (possibilities include a church choir; soloists from the congregation, presbytery, or community; a community or presbytery choir [ad hoc] and/or instrumentalists).
- Determine whether an offering will be received at the service and, in conjunction with the Session, designate where any offering will be directed (generally some local concern such as a hunger program, women's/homeless shelter, Meals on Wheels, etc.).
- Arrange for ushers, "car parkers", and elders to serve Communion (if needed).
- Prepare bulletins as needed; provide hymnals and Bibles, if needed.
- Arrange for any needed cleaning of facility before the service.



**2.** Publicize the Service of Witness. In consultation with the remaining congregation members, the Commission should:

- Ask members to create a "guest list" of relatives, friends, former members, etc. whom they wish to invite to the celebration, including former ministers as appropriate.
- Consider having invitations printed and given to members to send out (expenses of which should be paid for from the congregation's bank account).
- Design a flier and write an accompanying letter to be distributed to the congregations and members of the Presbytery inviting them to the service, and send them to the Presbytery office with ample time for inclusion in the Presbytery's newsletter.
- Arrange for local newspaper coverage if possible.
- Include information in the congregation's newsletter and on its website if possible.

**3.** Arrange for a reception following the Service of Witness

- Identify the location for a reception.
- Decide how the food will be provided (Caterers or members).
- Determine what financial resources the congregation has to pay for the reception and establish a budget.
- Designate an individual or individuals to take charge of decorating and other arrangements.
- Gather memorabilia to display.
- Arrange for clean-up of the facilities after the reception.

**4.** At the conclusion of the Service of Witness, the Commission representative may declare, in the name of our Lord Jesus Christ and by the authority of the Presbytery of North Central Iowa of the Presbyterian Church (U.S.A.), that the ministry of the congregation of the (insert name of congregation) is complete, the congregation is dissolved, and the building is vacated. That declaration may be accompanied by a symbolic stripping of the sanctuary and removal of designated items to another location.

#### G. MOVEABLE PERSONAL PROPERTY

- Arrange for and accomplish the disposition of all moveable personal property belonging to the congregation. This shall include all furnishings, communion ware, hymnals, Bibles, Sunday School supplies and materials, pulpit, lectern, communion table, pews, computers (after all records are deleted or archived as appropriate), pianos, organs, other musical instruments, and other items that are not fixtures. (See recommendation on repurposing property on page 2.)

- Those items may be given away, sold by the piece, or bids may be received for the entire lot of furnishing. It is recommended that at least one appraisal by an antiques dealer/estate appraiser be obtained before accepting any bids, if there are any items of any market value.
- These decisions should be documented in detail in the Commission minutes. The Presbytery stands ready to offer its counsel in the wise, faithful, and legal disposition of assets given by Presbyterians over the ages for the mission of Jesus Christ. Every reasonable attempt should be made to make the items available for other congregations in the Presbytery of North Central Iowa in their various ministries.
- In making these decisions, the Administrative Commission shall carefully, respectfully, and seriously consider any expressed desires by the Session of the congregation as to the disposition of these assets, but the decisions are those of the Commission.

#### H. AFTER THE SERVICE OF WITNESS AND DISSOLUTION

After the dissolution of the congregation, in addition to those matters delineated above, the Commission shall, as necessary:

- File a change of address with the United States post office, so that all mail directed to the congregation will be forwarded to the Presbytery of North Central Iowa.
- Ascertain which utilities should remain connected and which may be disconnected and make necessary arrangements with the proper companies, including having the billing for the utilities transferred to the Presbytery of North Central Iowa. It may be necessary to maintain heat during the winter to avoid damage.
- Arrange with the designated Presbytery staff for any ongoing utility payments.
- Arrangements should be made to drain the pipes when the water service is discontinued, or when there is no longer any heat in the building.
- Secure the building and change the locks, providing keys as directed by the Stated Clerk of the Presbytery of North Central Iowa; any stained-glass windows should be protected.
- Remove all signage from the property that identifies the building as a Presbyterian Church, remove any cornerstone or removable commemorative plaques, check for any time capsule (and remove any contents if applicable) and deliver any such memorabilia to the Stated Clerk unless another disposition has been decided (e.g., a county historical commission).
- Arrange for lawn and other essential maintenance until the final disposition of the property. Often this can be accomplished through the local realtor with whom the property is listed.

#### I. ULTIMATE DISPOSITION OF ASSETS

- In its final report to Presbytery, the Administrative Commission, after consultation with the Presbytery Council, shall make a recommendation to the Presbytery for the future use of any assets or funds resulting from the dissolution of the congregation and the disposition of its assets in compliance with the MANUAL OF OPERATIONS for the Presbytery of North Central Iowa.
- The Commission and the Presbytery will take seriously, but not necessarily be bound by, the desires of the Session of the congregation in the use of assets from the congregation being dissolved.
- Primary consideration will be given to using the assets for future ministry, including the development of new congregations and the redevelopment of existing congregations in the Presbytery of North Central Iowa; provided, however, some portion, or all, of the assets should be set aside to defray any expenses that arise from the Presbytery's continued ownership of the property until its final disposition.
- Per the Presbytery's Manual of Operations, net proceeds generated by the Presbytery from the sale of church property will be deposited in account(s) owned by the Presbytery of North Central Iowa. Once the net proceeds have been deposited, the Presbytery and/or its Council may consider recommendations from the Stewardship and Finance Committee for use of the assets.
- At the time of dissolution, the "The Presbytery of North Central Iowa of the Presbyterian Church (U.S.A.)" becomes the sole owner of the former congregation's assets. Prior to dissolution, the assets may be transferred from the congregation to the Presbytery.
- Any assets not transferred prior to dissolution shall be transferred by the Administrative Commission acting with the authority of the Presbytery.

### **Final Duties**

After the Administrative Commission has completed all the duties and responsibilities charged to it by the Presbytery it shall prepare a final, detailed report of its actions, deliberations, and recommendations, which shall be delivered to the Stated Clerk. The report should address each item contained in this procedure policy. If there are items that have not been completed, the work of the Administrative Commission has not been completed and it should continue to work. At the next ensuing Presbytery meeting thereafter, the report of the Administrative Commission, with its recommendations, shall be presented to the body of Presbytery for its action. A member of the Administrative Commission shall present an oral report as necessary. If the report is accepted, the Administrative Commission shall be discharged. The Presbytery may assign it further duties, if necessary, in which case it shall continue until those matters are concluded.