

Guidelines for the

Amalgamation or Dissolution of Congregations



The Presbyterian Church in Canada

50 Wynford Dr. Toronto, Ontario M3C 1J7

416-441-1111

1-800-619-7301

www.presbyterian.ca

Revised: January 19, 2017

Contents

Part One - Introduction

Amalgamation or Dissolution? What's the difference?	2
Trustee Board, The Assembly Council and the Commission on Assets of Dissolved or Amalgamated Congregations How are they related?	3
Abbreviations and Terms	3

Part Two – Amalgamation of Congregations

Responsibilities of presbyteries	4
The Amalgamation Plan:	
General Information	5
Pastoral Leadership	5
Governance	5
Infrastructure	5
Assets	5
Archival Records	5
Bequests	6
Sale of Property	6
Charitable Registration Number	6
Responsibilities of Commission on Assets	7
Implementation	7

Part Three – Dissolution of Congregations

The Decision to Dissolve the congregation	8
The transition:	
Staff	9
Property and Assets	9
Mission Plan	10
Sale of Church Building and Manse	10
Other Chattels and Fixtures	11
Caretaking	11
Finances and Property	11
Archival Records	12
Dissolution is finalized	12
Frequently Asked Questions	13
Checklists	14
Congregational Representatives – Responsibilities	14

Part Four – Book of Forms Section 200.9 & 200.11	15
Part Five – Book of Forms Appendix B-6	15
Part Six – How to Handle Archival Records	16
Part Seven – Record Retention Period	18
Part Eight – Pastoral Leadership Confirmation Form - template	20
Part Nine – Contact Information	21

Part One - Introduction

Amalgamation or Dissolution? What's the difference?

In memorable and poetic fashion, Ecclesiastes 3 expresses the certainty that for everything there is a season: a time to be born and a time to die; a time to break down and a time to build. This truth is often illustrated in the life of a congregation. We rejoice when a new congregation is born and the gospel of Christ Jesus is proclaimed and lived out by a new community of faith. Even though we are saddened when a congregation reaches the end of its lifespan we are still able to celebrate what God has done across the years. Sometimes the congregation is dissolved and ceases to exist. Other times it is reborn in a new and exciting way through amalgamation. In every season we give thanks for God's grace and faithfulness.

Amalgamation

When a presbytery amalgamates two or more congregations, they merge to form a new congregation. For simplicity, the rest of this document will be written as if an amalgamation is between two congregations. With the permission of the presbytery and following consultation with the Commission on Assets of Dissolved and Amalgamated Congregations (Commission on Assets), most of the proceeds from the sale of superfluous church buildings, contents or property and all archival records are transferred to the newly formed, amalgamated congregation. The amalgamating congregations and presbytery prepare an amalgamation plan outlining, among other things, how these proceeds will be used. Sharing of a portion of these assets with the wider church is strongly encouraged (Book of Forms 200.11). In this way a newly amalgamated congregation can both be assisted financially in its new ministry and contribute to the mission of the broader church. For further information regarding the amalgamation of congregations please turn to **Part Two** of this guide.

Dissolution

When a presbytery dissolves a congregation, the congregation ceases to exist. The members and adherents are encouraged to transfer membership and allegiance to another community of faith. By law, at the point of dissolution, the ownership of the church, contents, manse, funds archival records and all other property transfers to the Trustee Board of The Presbyterian Church in Canada (Trustee Board). In almost every case, the Trustee Board sells church buildings, the assets are consolidated and ensuing expenses are deducted from them. If the presbytery prepares a mission plan for how it would use the resultant assets to further the ministry of Christ in the presbytery and beyond, up to 70% of them may be returned to the presbytery. In most cases the dissolving congregation is consulted as to its wishes for how the assets might be employed. The remaining 30% is normally deposited in the New Church Development Fund. For further information regarding the dissolution of congregations please turn to **Part Three** of this guide.

Note 1: Whether considering amalgamation or dissolution, it is hoped sessions, congregations and presbyteries will proceed in a prayerful and unhurried manner as they seek to discern the mind of Christ in these important decisions.

Note 2: The Assembly Council established a policy, that effective September 30, 2016, fifty percent (50%) of the funds realized from the closure and dissolution of congregations will be set aside and used to address the Pension Fund solvency shortfall. Fifty (50%) may be returned to the Presbytery upon approval of a Mission Plan by the Commission on Assets. This policy is to be in place until two million dollars for the Pension Fund are realized. Thereafter the distribution will revert to the original formula (page 10) (*Acts and Proceedings 2016, p. 40*)

Commission on Assets of Dissolved or Amalgamated Congregations

How are they related?

These bodies function under the authority of the General Assembly and report to it.

The Trustee Board, among other things, oversees the denomination's investments, handles legal matters and holds property for The Presbyterian Church in Canada as directed by the General Assembly and the Assembly Council. It is the denomination's corporate entity.

The Assembly Council is responsible for ensuring the work of the denomination is carried out efficiently and effectively within the policies of the General Assembly between the gatherings of this court.

The Commission on Assets of Dissolved and Amalgamated Congregations, commonly referred to as the "Commission on Assets", relates to both bodies. Consisting of the Secretary of the Assembly Council, the Convener of the Trustee Board and the Chief Financial Officer of The Presbyterian Church in Canada, the commission works with the Trustee Board when handling the legal aspects of the dissolution of a congregation and with the Assembly Council when handling an amalgamation. In every case, the commission strives to make decisions that serve the ongoing ministry of our denomination.

Abbreviations and Terms

Archival Records

Records of a congregation that have permanent value (ie. long-term administrative, legal and/or historical value) and need to be kept. See Part 7 for a listing of these records.

Archives

The Presbyterian Church in Canada Archives

CFO

Chief Financial Officer

CRA

Canada Revenue Agency

Commission on Assets

Commission on Assets of Dissolved and Amalgamated Congregations

T3010

Charitable Return

T4

Statement of remuneration paid

T4A

Statement of pension, retirement, annuity, and other income paid

Trustee Board

The Trustee Board of The Presbyterian Church in Canada

Part Two - Amalgamation of Congregations

Responsibilities – Presbytery

- Any congregation contemplating amalgamating with another congregation should report this possibility to the presbytery early on in the process and seek presbytery assistance.
- The presbytery should appoint a committee to explore options with the sessions of the affected congregations and help in discerning the mind of Christ on this important matter. When congregations are considering amalgamation, they ought to engage in prayerful conversations separately, with the other congregation involved, and with the presbytery. The committee ought to report regularly to the presbytery to keep the presbytery updated on progress made.
- If the affected congregations agree to explore amalgamation, this should be reported to the presbytery with a request for permission to propose an amalgamation plan to the presbytery. (See pages 5-6)
- If the presbytery approves the preparation of an amalgamation plan, the presbytery committee should continue to provide oversight and guidance to the congregation and commence communication with the Commission on Assets.
- If the presbytery does not approve the amalgamation plan when it is submitted it may recommend amendments. These must be considered by the congregations and the plan resubmitted.
- If the presbytery agrees to amalgamate the congregations, the recommendation might read like this:
 - That the congregation of St. Andrew's Presbyterian Church, Town, Province, and the congregation of Knox Presbyterian Church, Town, Province, be amalgamated, effective day, month, year.
 - That the plan for the distribution of assets be forwarded to the Commission on Assets for its approval.
 - That the remainder of amalgamation plan be approved.
- If the Commission on Assets does not approve the amalgamation plan, the plan, and the committee's comments, will be returned to the presbytery for its consideration and resubmission.
- Before a final decision is made regarding the amalgamation, the presbytery must cite the affected congregations to appear at a presbytery meeting, by chosen representatives, so they may speak to the amalgamation.
- If one or more of the church buildings will cease to be used, the presbytery may want to conduct a service to celebrate the blessings of God, the faithfulness of the people, and the history of the congregation in that building.
- The presbytery ought to be in communication with the Commission on Assets during this entire process through the Chief Financial Officer. See Part Nine, page 20, for contact information.
- Work with the clerks of session to identify and gather together all archival records for transfer to the newly amalgamated congregation. The congregations may want to microfilm their records, through the Archives, prior to the amalgamation.

The Amalgamation Plan - information to be included

General Information

The Commission on Assets may be contacted at any time during the amalgamation process for assistance and to obtain sample amalgamation plans.

See Part Four, page 15, (Book of Forms 200.11.1) and following for further details regarding the sale of church property.

Pastoral Leadership

The method by which a minister for the amalgamated congregation will be chosen is outlined.

If both congregations are vacant at the time of amalgamation, a regular call or presbytery appointment process would be followed.

If the congregations are part of the same pastoral charge, and a minister is in place, that minister would normally continue serving this pastoral charge subject to presbytery approval of the amalgamation plan.

If the congregations are not already associated in the same pastoral charge, and one of the congregations has a minister and the other is vacant, it is possible for that minister to become the minister of the amalgamated congregation. By way of a congregational meeting, the vacant congregation should indicate whether or not it is prepared to accept this minister. If the congregation is prepared to accept the minister, a document indicating this support is presented to the presbytery. See Part 8, page 19 for a suggested template.

If each of the amalgamating congregations has a minister in place, a decision must be made regarding whether or not the amalgamated congregation will be served by both ministers, one of the ministers or none of the ministers. Potentially, this could be a difficult and sensitive matter and must be dealt with carefully. In some situations, the Policy for the Dissolution of Pastoral Ties may come into effect for any ministers not chosen to serve the amalgamated congregation.

Governance

The sessions may amalgamate as one. None of the elders needs to resign.

Infrastructure

The plan should describe how the Boards of Managers, other groups, committees, musicians, support staff and other leadership positions will merge or be dissolved.

Assets

The amalgamation plan must set out how assets, such as superfluous property or funds not needed to retire debt or satisfy other obligations under the amalgamation, will be dealt with. Sharing of a portion of these assets with the wider church is strongly encouraged (Book of Forms 200.11). The Committee on Assets has found that many congregations are pleased to transfer 5% to 15% of these assets to ministries that are meaningful to their community.

Archival Records

Ensure all archival records are gathered and identified for transfer to the newly amalgamated congregation. A list of these records should be created and included in the plan.

Bequests

If there are bequests involved, the advice of a lawyer may be required.

Sale of Property

This process may begin at any stage with the approval of the presbytery. A real estate agent and lawyer should be engaged and all legal documents are to be signed by the trustees of the congregation whose building is being sold. All proceeds of the sale of any building or assets are to be held until the Commission on Assets confirms the asset distribution portion of the amalgamation plan. The disposal of chattels and fixtures will be a part of the process of selling the building. If there are items of historical significance, and the items will not be used or displayed in the amalgamated congregation, the National Presbyterian Museum might be considered as a recipient. For museum contact information see Part Nine, p. 20.

Community Organizations

Community organizations using the facilities of the closing church should be told, as soon as possible, when they need to vacate the building.

CRA Charitable Registration Number

Note: CRA does not require that an audit be done prior to an amalgamation, dissolution or name change.

CRA will require a letter from the National Office stating that the remaining congregation is in good standing.

Steps:

1. Determine which congregation (usually the one selling its building) is the remaining one.
2. Determine if there is to be a change of name.
 - a. If yes, then apply to the CRA for a new name. The letter requesting the name change should state the reason (amalgamation) and include the name, address and charitable number of both congregations. See the Charities Directorate tab on the CRA web page for further direction.
 - b. If no, the remaining congregation will continue with its current CRA charitable number.
3. Transfer all assets of the congregation that is not to continue, including the proceeds of the sale of the building to the remaining congregation or another qualified donee as identified in the Amalgamation Plan.
4. Both congregations complete a T3010 charitable return. The congregation that is closing will have a zero balance with all of its assets transferred to a qualified donee.
5. After 120 days the congregation that is closing should file for a revocation of its charitable status
6. Once CRA notifies the congregation that they have revoked the charitable status, then it should file a form 2046. (This will be sent by CRA).

Commission on Assets of Dissolved & Amalgamated Congregations responsibilities

Once the presbytery approves the amalgamation plan in principle, the clerk of presbytery sends an extract of minutes containing this decision as well as the plan for the distribution of assets to the Commission on Assets through the Chief Financial Officer. See Part Nine, page 20, for contact information.

The commission may respond with comments about the amalgamation plan for the distribution of assets. The comments must be taken into consideration by the presbytery and a revised plan submitted to the commission.

Once the commission affirms the plan, it will notify the clerk of presbytery of this decision.

Implementation

Once the amalgamation plan has been approved by the session, congregation, presbytery and the use of the assets by the Commission on Assets, it may be implemented.

Part Three - Dissolution of Congregations

The Decision to Dissolve a Congregation

- Any congregation contemplating dissolution should report this possibility to the presbytery early on in the process and seek presbytery assistance.
- The presbytery should appoint a committee to help the session and congregation discern the mind of Christ on this important matter and notify the Trustee Board through the Chief Financial Office about the potential dissolution. See Part Nine, page 20, for contact information. The committee, session and congregation should explore options. The committee will then make recommendations to the presbytery at a duly called meeting.
- Before a presbytery's final decision regarding the dissolution, the presbytery must cite the affected congregation to appear before the presbytery by chosen representatives in order to provide an opportunity for them to speak to the dissolution.
- If the presbytery decides to dissolve the congregation, the recommendation might read like this:
 - That the congregation of St. Andrew's Presbyterian Church, Town, Province, be dissolved, effective day, month, year.
 - A preamble to the recommendation may also, but not necessarily, address issues such as:
 - Arrangements for the dissolution of the pastoral tie with clergy including:
 - unused vacation
 - continuing education
 - transition allowance
 - pastoral care for minister and family
 - Termination allowances for other staff
 - Date for final worship service
- If the presbytery approves the recommendation, the presbytery's committee guides the congregation through the remaining dissolution process.
- The clerk of presbytery will notify the Commission on Assets about this decision through the Chief Financial Officer. See Part Nine, page 20, for contact information.

The Transition

Some in the congregation will scarcely be able to imagine a spiritual journey apart from their church home. They may grieve the dissolution of their church as a kind of death and experience the host of emotional responses that accompany such a loss. Pastoral care will be paramount while dealing with all the practical steps that facilitate the closing of the congregation.

Once the dissolution date is set the following measures will be taken.

- The property is transferred to the Trustee Board.
- Archival records are sent by the clerk of session to the Trustee Board who will, in turn, forward them to the Archives.
- The Trustee Board takes on care of the property often with local assistance.
- A plan for dismissal of staff and dissolving the pastoral tie is created and implemented.
- The mission plan for the distribution of 70% of the proceeds realized from the dissolution is created and sent by the presbytery to the Commission on Assets for affirmation. The plan may be submitted any time, even after the dissolution has taken place.
- Often the Trustee Board will assume responsibility for the property prior to final approval of the mission plan. See Property and Assets, page 9.
- Property is sold or put to other use on the authority of the Trustee Board.
- Financial books are closed and final T3010B is filed by the congregation's treasurer.

Further details about each of these items follow.

A. Staff

Clergy

Follow the Policy for the Dissolution of Pastoral Ties where applicable. The policy is available online at www/presbyterian.ca and a hard copy is available through The Book Room. See Part Nine, page 20, for contact information.

Other Staff

Ensure that, at a minimum, you comply with Provincial Employments Standards regarding notice and severance and that plans are in place to issue T4s, and T4As, and Record of Employment forms to employees whose positions are terminated by the dissolution.

Consult Ministry for Church Vocations or the Clerks of the General Assembly for further assistance. See Part Nine, page 20, for contact information.

B. Property and Assets

By law, all property and assets vest with the Trustee Board at the moment of dissolution. The Trustee Board will receive the proceeds of the dissolution which usually involves the sale of the property. It is the responsibility of the presbytery to ensure that assets are protected from the moment discussion of dissolution takes place. Even before the official date of dissolution, the congregation shall not give away any funds that have not been approved at the Annual Meeting held previous to dissolution discussions.

From the date that the presbytery approves the dissolution, the property, including all assets and necessary expenses, becomes the sole responsibility and is under the supervision of the Trustee Board. The treasurer of the congregation will keep enough funds to conclude operations over a few months following the dissolution before sending the balance and accounting to the Trustee Board.

It is the practice of the Trustee Board to return up normally to 70% of the proceeds to the presbytery upon approval by the Commission on Assets of a satisfactory mission plan submitted by the presbytery. The remaining 30% is normally placed in the New Church Development Capital Fund. (See Note 2, page 2.)

C. Mission Plan

A mission plan is prepared by the presbytery. It should comply with sections 200.9 and 200.11 in the Book of Forms. The overarching intention should be to further the mission of Christ as a legacy to the years of ministry of the dissolving congregation.

The mission plan may address questions such as:

- What is the mission focus? Is there a good balance of local, national and international mission?
- Should the funds be used to assist new ministries or struggling ministries within the presbytery? What is the justification?

Funds should not be designated to other denominations or non-church programs. There are several reasons for this. The Trustee Board has a fiduciary and legal responsibility to ensure that The Presbyterian Church in Canada assets are used for the benefit of The Presbyterian Church in Canada. These assets were accumulated through the donations of Presbyterians over the years whose intentions we need to assume were that their gifts be used for the work and ministry of The Presbyterian Church in Canada.

D. Sale of Church Building and Manse

If the properties are to be sold, the presbytery should recommend a realtor to the Trustee Board. Often an appraisal is required. The Trustee Board will ensure that this is carried out if necessary.

The presbytery should recommend a person who can be contracted to maintain the grounds and check on the property during the time it is for sale.

The property may be rented to other groups or denominations during the time that the property is on the market. The rental will be administered by the Trustee Board.

Sometimes a potential purchaser for all or part of the property (e.g. the manse) will declare themselves very early on in the process. The property can be sold at any point, even immediately after the motion to dissolve is made but it must be carried out under the authority of the Trustee Board.

All proceeds are to be sent to the Trustee Board.

All congregational records are to be submitted to The Presbyterian Church in Canada Archives (See Part Six, page 16)

E. Other Chattels and Fixtures

The presbytery is responsible for the disposal of chattels and fixtures. Immediately after the motion to dissolve is made, a list of all chattels and fixtures should be prepared and sent to the Trustee Board before the disposal of items begins. The items may be either sold or donated to other churches. All proceeds from the sale of the chattels and fixtures are to be sent to the Trustee Board.

A *chattel* is any item large or small that has a retail value. This would include items such as hymn books, communion sets, church school materials, musical instruments such as pianos and organs that are not a part of the building.

Fixtures are items that are attached to the building such stained glass windows, chandeliers and light fixtures.

Stained glass windows are often the most valuable fixtures that belong to a church. They are considered works of art and also often have deep meaning to members of the congregation.

The windows may be given to other churches as long as the church agrees to replace the window in order to maintain the integrity of the building.

A question often arises if a window or any other chattel can be returned to the family that initially donated the window to the church. This needs to be decided on a case by case basis. However, if a tax receipt was given for the donation, it is considered a complete gift to the church with the family having no rights of ownership.

If there are objects of historical significance, and the objects will not be used or displayed in the amalgamated congregation, the National Presbyterian Museum might be considered as a recipient. For contact information see Part Nine, page 20. The National War Museum in Ottawa is interested in memorial plaques of all conflicts.

F. Caretaking

The property will need to be cared for during the time that it is for sale. The grounds must be maintained and, for insurance purposes, someone must inspect the property three times a week. The name of a person who might be willing to assume this job should be passed on the Trustee Board who will then make a contractual agreement with the person.

On the date of dissolution, the presbytery should ensure that the locks are changed and that an agreed upon number of keys are disbursed. For example, keys might be given to the caretaker, a presbytery representative and the realtor.

G. Finances and Property

Generally, the best people to handle the wrap-up of the church finances and property are those from the dissolving congregation who are familiar with the finances and property.

The books may remain open after the date of dissolution for a short period in order to pay any outstanding bills and inform creditors and utility companies.

Tasks include:

- Inform utilities of the date of closure. Trustee Board will take over paying the utilities after the dissolution date.
- Ensure a list of chattels and fixtures is created and sent to Trustee Board.
- Complete insurance questionnaire supplied by Trustee Board.
- Oversee the disposal of chattels and fixtures and send proceeds to Trustee Board.
- Close all bank accounts and send the remaining funds to Trustee Board. All bank records are to be sent to the Trustee Board along with the latest financial statements, before the congregation closed, and a final financial statement if possible.
- Inform Trustee Board of any outstanding contracts, investments such as GIC's, or issues with the property.
- Ensure that T4s and T4As are issued.
- File final T3010B with CRA.
- Complete and distribute Record of Employment forms as necessary.

H. Archival Records

Ensure that all archival records are gathered together and identified for transfer to the Trustee Board. A list of the records should be created. The Trustee Board will ensure the records are passed along to the Archives.

I. Community Organizations

Community organizations using the facilities of the closing church should be told, as soon as possible, when they need to vacate the building.

Dissolution is finalized

After a minimum of 120 days, and up to one year after dissolution, a Revocation of Charitable Status is filed by the finance department of The Presbyterian Church in Canada. This interval ensures there are no assets existing after the dissolution that might complicate the revocation.

After the Trustee Board has sold the building and has determined there are no outstanding expenses, and the Commission on Assets has approved a mission plan submitted by the presbytery, up to 70% of the net funds may be distributed to the presbytery by the Trustee Board.

Frequently Asked Questions

- 1. May assets be sold at any time during the process i.e. before dissolution date?**
Yes, with the understanding that funds will be forwarded to the Trustee Board and with the knowledge of the CFO who will be consulted, kept apprised and copied on all documents.
- 2. Who is responsible for having the building appraised?**
The Trustee Board is responsible for this although advice is appreciated regarding the choice of an appraiser and a possible realtor.
- 3. May chattels and fixtures be returned to the person or family that originally donated the item?**
The general answer is no, especially if a tax receipt was given upon the donation of the item. The gift to The Presbyterian Church in Canada is considered to be complete.
- 4. Who owns the money in any remaining bank accounts and the proceeds of sale of chattels and fixtures?**
All funds owned by the congregation belong to the Trustee Board once the motion to dissolve has made and passed by the presbytery.
- 5. May the manse be sold before the dissolution date?**
The manse and any other items may be sold at any point in the process. However all proceeds must be transferred to the Trustee Board.
- 6. When will up to 70% of the net proceeds of the sale of the building be returned to the presbytery?**
After the Trustee Board has sold the building and has determined that there are no further expenses outstanding, and the Commission on Assets has approved a mission plan that was forwarded by the presbytery, the approved amount will be distributed to the presbytery. (See note 2 on page 2 of this guide.)
- 7. May church records be archived locally?**
The standard policy is that the records of dissolved congregations be stored in the Archives. It is essential to contact Archives staff should you be considering an alternate repository for the deposit of your records. See Part Six, page 16, for further details.
- 8. To whom may the church be sold?**
Prior to any church buildings being listed for public sale, it should be determined if another Christian community can purchase and use them in furtherance of the gospel ministry. (See Book of Forms 200.11.1) If there is no interested Christian community, then any other reasonable and appropriate offer may be considered.
- 9. May the church be sold for less than fair market value? For example, may it be sold to a local community for a nominal price of \$1?**
No, churches are to be sold for fair market value.
- 10. Who looks after the sale of the building, pays taxes, and looks after the maintenance of the buildings not being used?**
The Trustee Board, with the assistance of a local property caretaker, takes on these responsibilities.

Checklists

Presbytery Responsibilities

- Consult with CFO, General Assembly Clerks, Ministry, Church Vocations and Archives staff as necessary.
- Pass a recommendation to dissolve the congregation. The recommendation should include the date the dissolution takes effect and the date of final worship service.
- Draft the mission plan and send to Commission on Assets.
- Find realtor and give name to Trustee Board.
- Change locks on building.
- Prepare list of assets, chattels and fixtures.
- Find a person to act as property caretaker and pass name to Trustee Board.
- Proceed to sell or donate the chattels and fixtures.
- Send proceeds of these sales to the Trustee Board. Before selling pews, consult with the Trustee Board.
- Work with the clerk of session to identify and gather together the archival records and transfer them to the Trustee Board. They will subsequently forward them to the Archives.
- Arrange for payment of transition allowance for clergy when applicable and ensure that a Record of Employment is issued at the end of the pay period. Although the congregation is responsible for these matters, sometimes the books are closed before the transition period ends or there are not enough funds. If this is the case, contact the Trustee Board for assistance.

Congregational Representatives - Responsibilities

(Treasurer, Clerk of Session, Property Caretaker, Elder, Board of Managers member)

It should be determined which person will perform the tasks below.

- Contact creditors and utilities to inform them of the date of transfer of ownership to the Trustee Board.
- Finalize payment of stipend and allowances to clergy when applicable, or inform the CFO's office how this will be carried out.
- Give termination notice to other congregational employees.
- Assist presbytery with preparing list of chattels and fixtures.
- Provide information to CFO's office required to add the property to the national insurance policy.
- Clerk of session will work with the clerk of presbytery to identify and gather together the archival records and transfer them to the Trustee Board. See Part 7 for more information.
- Provide a report of all assets, bank accounts, investments. All banks records are to be sent to the Trustee Board along with the latest financial statements, before the congregation is dissolved, and a final financial statement if possible.
- Inform Trustee Board of any outstanding contracts and investments such as GIC's.
- Close all bank accounts and send proceeds to CFO's office.
- Inform CFO's office of any outstanding contracts or issues regarding the property
- File final T3010B.
- File T4's and T4A's in December.
- Complete and distribute Record of Employment forms as necessary.

Part Four

Book of Forms Section 200.9 and 200.11

200.9 It belongs to the presbytery, subject to appeal to synod and General Assembly, to sanction the name of congregations, unite or disjoin congregations in pastoral charges, raise or reduce the status of charges as self-supporting or mission fields, and to dissolve congregations and to discontinue preaching stations. (See section 200.11 and Appendix B-6)

200.11 In the matter of amalgamation of congregations, the presbytery, prior to final decision, in consultation with the Assembly Council and the congregation(s) involved, will prepare a plan regarding the utilization of all remaining assets, showing how they may be used to further Christ's work in the local community and/or beyond.

200.11.1 Prior to any church buildings being listed for public sale as a result of an amalgamation of congregations it should be determined if another Christian community can use them in the furtherance of the gospel ministry.

200.11.2 The first charge upon the proceeds of the sale of any properties shall be any indebtedness on the property itself, the second charge being any prior and other indebtedness incurred by the congregation whose assets are being sold.

200.11.3 Any capital grants that a congregation whose assets are being sold has received from The Presbyterian Church in Canada, shall be returned to the capital funds for the continuing mission work of The Presbyterian Church in Canada.

Part Five

Book of Forms - Appendix B-6

From The Act to Incorporate The Trustee Board of The Presbyterian Church in Canada (1939), section 13, re Property of Congregations Ceasing to Exist

All lands and premises and personal property and assets which have been, or shall hereafter at any time, be held by any trustee or trustees for any congregation of The Presbyterian Church in Canada which shall have ceased to exist shall vest in the Board upon trust to sell, get in and realize the same and to pay the proceeds to the treasurer of The Presbyterian Church in Canada for such trusts, institutions, organizations, schemes of funds thereof as may be determined from time to time by the General Assembly of the said church.

Part Six

How to Handle Archival Records

Whether a congregation is being amalgamated or dissolved, the policy of The Presbyterian Church in Canada is that the archival records in all formats are to remain the property of The Presbyterian Church in Canada in perpetuity. Therefore they should be excluded from the disposal of church chattels and fixtures. This is to ensure that the history of a dissolved or amalgamated congregation, by way of documentation, is preserved and available for future access.

The authority for this policy comes through the Book of Forms in Appendix G (Archives and Records Management). The wording in the Book of Forms is as follows:

G-3 Ownership of Records

1. Records of sessions, presbyteries, synods and General Assemblies are the property in perpetuity of the said courts, or their legal successors. Records are not the property of individual church officials. Neither can records become the property of any archives, museum, or similar institution in which they may happen to be deposited.

When a congregation is dissolved, the standard policy is for the archival records to be transferred to the Trustee Board, who will then deposit them in The Presbyterian Church in Canada Archives. When congregations are being amalgamated, the archival records of each of the amalgamating congregations are to be gathered and maintained by the newly amalgamated congregation.

What are the archival records?

Archival records are defined as those records of a congregation that have permanent value, ie. long-term administrative, legal and/or historical value, and need to be kept. Please see Part 7 for a full listing.

Who is responsible for gathering the archival records in a dissolving or amalgamating congregation?

The clerk of each court (session, presbytery, synod and General Assembly) is responsible for the records of their respective court and for their safe-keeping [Book of Forms, section 20]

Whether a congregation is amalgamating or being dissolved, it should therefore be the clerk of session and the clerk of presbytery together that ensure the archival records are gathered, identified, listed and transferred to either the new congregation (in the case of an amalgamation) or to the Trustee Board (in the case of a dissolution).

What if there are gaps?

It is extremely important that the archival records be as complete as possible. If there are gaps in the records such as a missing session minute book or a missing baptismal register, please work to ensure these are found.

Preparing Records for Shipping

1. Use new, clean boxes.
2. Create an inventory list of the records within each packing box. Include the type of record (marriage register, baptismal register, session minutes, etc.) and the relevant dates for each book and file folder.
3. Fully label all photos and audio visual materials.
4. Secure each box well with packing tape.
5. Ensure that your delivery label is complete.
6. Ship the records to The Trustee Board of The Presbyterian Church in Canada through the Chief Financial Officer by way of bonded courier (Purolator, Can Par) so records can be tracked throughout their passage right up until their receipt at the national office; or,
7. The records may also be delivered in person. If so, they can be brought to the Archives (50 Wynford Dr., Toronto) and the relevant staff from the Trustee Board will be notified.

Artefacts

There may be artefacts of a historical significance that could be housed in the National Presbyterian Museum. Contact the museum to see if they may want any of the items for their collection. For contact information see Part Nine, page 20.

Mould

When records of dissolved congregations come to the Archives for permanent storage, Archives staff will examine them for evidence of mould. If mould is found in the records, they will be sent to professional conservators for treatment prior to final deposit in the Archives. This cost is borne by presbytery. A presbytery may opt to pay the invoice for the treatment or it may ask the Trustee Board to pay the bill from the fund created from the fund set up for the dissolved congregation. In the latter case, the cost of the conservancy treatment will be deducted from final distribution of assets.

The presence of mould can be difficult to assess. A mildly bad odour may not necessarily indicate the presence of mould. Mould may show itself physically (green, blue, black markings, or white spores) or may present itself in an odorous form. Mould is a health hazard to humans and records and, as a result, the Church has adopted a “no mould” policy for the Archives for the sake of the staff, researchers and the other records in the Archives. If you suspect the records are mouldy, this must not stop you from sending the records to the Archives. You will be informed if mould is discovered.

If you have any questions about how the archival records of a dissolved or amalgamating congregation should be managed, please don’t hesitate to contact the Archives. See Part 9 for contact information.

Part Seven

List of Archival Records

The following is a general list of those congregational records that have permanent value and should be gathered together and transferred to the Archives when a congregation is dissolved (or if amalgamated, transferred to the newly amalgamated congregation). It is designed as a helpful guide. Not all of the records listed will have been kept by every congregation, while some documents not in the list may in turn have archival value. Every congregation is different and the types of records they have kept will reflect that uniqueness.

Please contact the Archives before you begin gathering records together. We will be happy to advise and assist wherever we can. For congregations in or near the Greater Toronto Area we can also do site visits to assist with identifying archival records and with transferring them to the Archives. We can be reached through the national offices – see the contact information in Part Nine, page 20.

Type of Record
Session Minutes
Baptismal Registers
Marriage Registers
Burial Registers
Historic Rolls/Membership Rolls
Communion Rolls/Registers
Annual Reports
Congregational Meeting Minutes
Board of Managers/Finance Committee Meeting Minutes
Trustees Minutes
Minutes of Sub-Committees of Session (Mission & Outreach, Worship, etc.)
Minutes of Congregational Organizations (WMS Auxiliary, Ladies Aid, etc.)
Official/Significant Correspondence from the Clerk of Session or Minister
Deeds and other property documents
Insurance Policies
Cemetery documents such as list of stones/burials, site map, etc.

Architectural Plans
Leading With Care Complaints/Incident Files
Legal Documents/Contracts Rental Contracts/Agreements re: the manse Contracts with community organizations renting church facilities Contracts for maintenance of church property, grounds, etc.
Personnel Files - Permanent Records Employment Application Forms (only for successful candidates) Employment Contracts Covenant of Care/Leading With Care Agreements Police Record Check Log Disciplinary information documents Resignation/Termination documents (These records are not technically archival, however, they need to be kept for 7 years and should therefore be transferred to the Trustee Board along with the archival records when a congregation is dissolved.)
Financial Records - Permanent Records General Ledgers Year-end Financial Statements (if not in an Annual Report) Official Receipts for Income Tax Purposes (Perpetual Endowment Gifts) Official Receipts for Income Tax Purposes (10 year gifts) T-4 Summaries
Financial Records – Routine financial records that are <i>less than 7 years old</i> Bank Reconciliations Bank Statements/Cancelled Cheques Invoices/Receipts of Payment Official Receipts for Income Tax Purposes Church Offering Envelopes Records
Congregational History Books/Booklets (one copy)
Orders of Service/Bulletins (one copy) – significant services only, ie. opening service, inductions, etc.
Photographs/Scrapbooks
Audio/Visual recordings of services, events or other gatherings, etc.
Oral History Interviews

Please Note: before a church is dissolved it is encouraged that photographs of the exterior and interior be taken including photographs of any memorial plaques, honour rolls, special stained glass windows, etc.

Part Eight

Pastoral Leadership Confirmation Form - template

(See Pastoral Leadership, page 5)

This is to certify that on the {date} day of {month} in the year {year} at {time}, the congregation of {name of congregation} met to consider the pastoral leadership for the proposed amalgamation with the congregation of {name of other congregation(s)}. The following is a statement of acceptance and support.

Present:

Presiding minister {name}
{number} members

Recording secretary {name}
{number} adherents including {number} children

Discernment:

We, the professing members and adherents of {name of congregation}, being well satisfied with (her/his) faithfulness to the Gospel and (her/his) qualifications for the ministry of Word and Sacraments and confident that the Holy Spirit has led us to you through this amalgamation with {name of other congregation(s)}, earnestly and solemnly affirm our desire to have you {name of minister} to be the minister of the amalgamated congregation. We promise you all due respect, encouragement, and allegiance in the Lord as, together, we seek to use our gifts in the church and in the world to the glory of God.

We promise to provide, as first financial priority of the amalgamated congregation, the following stipend and allowances for our minister.

Annual Stipend

Option A (inclusive of travel allowance) \$____

Option B (exclusive of travel allowance) \$____

with travel reimbursed at \$_._/km up to annual maximum of \$____

Manse (or Housing/Rental allowance) \$____

Total \$____

Cost of utilities

We further promise to provide the following allowances:

1. Two weeks for continuing education annually and at least the minimum allowance as set by the General Assembly.
2. The benefits of number 1 above shall be cumulative up to five years.
3. Five weeks holiday annually.
4. The payment of supply during the periods of continuing education and holidays.
5. In case of disability or extended illness, to continue to provide stipend, accommodation and allowances for a period not less than that set by the General Assembly, and to pay the cost of pulpit supply.
6. To pay for Medical and Dental Insurance as provided through the Pension and Benefits Board of the General Assembly and to make contributions to the Pension Plan in compliance with the terms of the plan.
7. (Other allowances agreed upon by the amalgamating congregations are stated here.)

Part Nine

Contact Information

Archives

Archivist/Records Administrator
50 Wynford Dr. Toronto, ON M3C 1J7
416 441-1111 1-800-619-7301 ext. 310

Assistant Archivist
50 Wynford Dr. Toronto, ON M3C 1J7
416 441-1111 1-800-619-7301 ext. 266

General Assembly Office

Principal Clerk
50 Wynford Dr. Toronto, ON M3C 1J7
416-441-1111 1-800-619-7301 ext. 227

Deputy Clerk
50 Wynford Dr. Toronto, ON M3C 1J7
416-441-1111 1-800-619-7301 ext. 223

Ministry and Church Vocations

Associate Secretary
50 Wynford Dr. Toronto, ON M3C 1J7
416-441-1111 1-800-619-7301 ext. 264

Support Services

Chief Financial Officer
50 Wynford Dr. Toronto, ON M3C 1J7
416-441-1111 1-800-619-7301 ext. 316

Senior Administrator
50 Wynford Dr. Toronto, ON M3C 1J7
416-441-1111 1-800-619-7301 ext. 320

Presbyterian Church Heritage Centre

19 Falkirk Street, Carlisle ON N0M 1P0
416-469-1345
www.pcheritagecentre.ca
pcheritagecentre@gmail.com

