

SEVERANCE POLICY

September 30, 2023

GUIDELINES FOR PAYMENT OF SEVERANCE UPON DISSOLUTION OF CHURCH PASTORAL EMPLOYMENT

Because congregations promise when calling a pastor to pay him/her/them fairly and provide for her/his/their welfare as he/she/they works among us, and because every call eventually comes to an end, we in Huntingdon Presbytery wish to establish clarity of expectations for severance for the time of termination of a pastoral relationship between pastor and congregation. We covenant in the initial call or contract, and subsequent terms of call or contract that follow, that we will abide by this policy.

1. This policy applies to pastoral calls and to pastoral contracts for those serving in temporary pastoral service, Certified Christian Educators and Certified Associate Christian Educators within the presbytery.
2. Severance is to be considered in instances where the pastoral call is involuntarily dissolved. Severance may also be considered where there is an incompatible situation, if the parties mutually agree to the dissolution. For example, severance may be considered as “transitional support” if the pastor is not immediately moving to another call.
3. If a pastor voluntarily resigns because s/he has received another call, is retiring, or choosing to leave the ministry, while severance is neither customary nor expected, any decision regarding a severance allowance is left to the discretion of the session.
4. If the relationship is a renewable contract, each party should give 30 days notice of intent of whether or not they intend to seek renewal. If a session fails to give notice, severance shall be due to the pastor. If the session gives due notice of intent not to renew, any decision regarding a severance allowance is left to the discretion of the session.
5. The Severance Package for a pastor will be negotiated among the session, the pastor, and representatives from the Committee on Ministry. If the pastoral relationship is a call, the Severance Package must also be approved by the congregation. If the pastoral relationship is a contract, only the session, along with the pastor and the Committee on Ministry will be involved.
6. Factors involved in calculating severance:
 - a. When agreeing on terms of severance, due consideration should be given to the church’s ability to pay severance.
 - b. A pastor’s length of service to a congregation should be a consideration when negotiating terms of severance. See suggested formula for calculating severance based on years of completed service:
 - 1 to 3 years = 4 months of severance
 - 4 years = 6 months of severance
 - 5 years = 7 months of severance
 - 6+ years = 9 months of severance

- c. Severance should be based on base salary, housing or use of manse, if applicable, and utilities, and social security offset (if the offset is included in terms of call or contract), and include medical insurance coverage and pension credits.
 - d. Any additional medical coverage, continuing pension and/or terms of call may be negotiated on a case-by-case basis. In all cases churches are responsible for remitting any benefit dues that are payable as a result of the severance payments.
 - e. Severance does not usually include professional expenses, transportation expenses, or allowance amounts. Consideration may be given to reimbursing unused vacation time by adding to the amount of severance.
 - f. Payments should usually be made according to the regular payroll schedule of the church, but lump-sum can be arranged if agreeable to both parties.
7. Once a severance agreement has been reached between the appropriate parties (see item 5. above), the employee and a representative from each of the corresponding bodies will sign a contractual document listing the terms of the severance package. The Committee on Ministry can assist with drafting that document if needed.
8. Congregations are encouraged to write their own Severance Policy so long as the policy shall meet or exceed all requirements and/or laws of the Presbyterian Church (U.S.A.) and the Commonwealth of Pennsylvania. Congregations choosing not to adopt their own policy will be covered by the presbytery's policy.