

SCHEDULE A
DISCONTINUATION/ABANDONMENT CHECKLIST

BOD ¶ 2549.1-2 Summary: Discontinuation of a local church begins with the District Superintendent’s presentation of a “recommendation” to the Cabinet and the District Board of Church Location and Building. Before making a recommendation for discontinuation, the District Superintendent must evaluate the potential of the local church and its members. Upon a District Superintendent’s recommendation to discontinue a local church and the consent of the presiding Bishop, a majority of the District Superintendents, and the District Board of Church Location and Building, the Annual Conference may declare a local church discontinued. The Annual Conference may provide direction as to the future use of the property. If a church has been discontinued by the annual conference without direction concerning the disposition of property, the real and personal, tangible and intangible property shall be disposed of as if it were abandoned local church property (BOD¶ 2549.3).

Discontinuation Procedure

1. When a local church is identified or considered for potential discontinuation, the District Superintendent shall:
 - _____ Prepare a Discontinued/Abandonment Checklist which shall include the following preliminary information:

Name of Local Church
Church Location Address
District
District Superintendent
Local Church Contact(s)(if any) (Name(s), address(es), phone(s), email(s), leadership position(s))
Anticipated Date of Discontinuation

- _____ Notify the Cabinet, Conference Treasurer, and Annual Conference Board of Trustees of the potential discontinuation.
- _____ Collect and deliver to the Conference Chancellor all available local church title and corporate documents, including abstracts, deeds, mortgages, survey maps, and certificates of incorporation BOD ¶2549.1. The Chancellor will review title and corporate records and provide a preliminary title report to the District Superintendent. BOD ¶2549.1.
- _____ Meet with the congregation and assess its potential as outlined in BOD ¶213 in consultation with the appropriate agency assigned the responsibility of the conference parish and community development or entertain a recommendation of discontinuance from the church leadership which shall be acted upon by the charge/church conference.

Record	Collected	Reviewed
Abstract		
Deed		
Mortgage		
Survey Map		
Certificate of Incorporation		

When a local church does not vote to discontinue the District Superintendent is charged under the Book of Discipline with assessing the congregation and its potential, and determining whether it is expected to continue as an organized United Methodist Church. The study shall include, but not be limited to: unique missional opportunities and needs of the community; current ministries of the church; number of leaders and style of leadership; growth potential of surrounding area; fiscal and facilities needs; distance from other United Methodist Churches in area; and any other factors which may impede the church from fulfilling its mission. It shall also include an assessment of the past, present and potential ministry of the local church. The findings shall be compiled and presented to the local congregation with recommendations on how to best fulfill the local church ministry and best use resources, looking at options for nurture, outreach and witness. The congregation shall consider recommendations and respond BOD ¶ 213.

- _____ Prepare an initial inventory of physical and financial assets, and provide a copy to the Conference Treasurer.
 - _____ Provide the Cabinet, Conference Treasurer, and Annual Conference Board of Trustees with copies of the preliminary Discontinued/Abandoned Checklist.
- 2. Upon notice of a potential discontinuation, the Conference Treasurer shall:
 - _____ Evaluate the real property tax status of the church.
 - _____ Update the Annual Conference’s centralized local church abandonment and discontinuation file.
 - _____ Notify the Annual Conference Trustees and the Conference Chancellor of the potential abandonment.
- 3. If the District Superintendent determines after meeting with the congregation and completing the assessment that the local church “no longer serves the purpose for which it was organized and/or incorporated” BOD ¶2549.2a, the District Superintendent or designee shall:
 - _____ Meet with the local church trustees and church council to further discuss the asset inventory and potential future use of real and personal property.
 - _____ When applicable, the trustees of the congregation shall arrange for the formation and incorporation of a Cemetery Association, deeding of the cemetery property to the Cemetery Association, and transferring designated assets for the care of the cemetery to the Cemetery Association.
 - _____ Instruct the congregation and Pastor that they may only transfer title of

their facilities to another United Methodist church or agency. The sale of church property is prohibited by BOD ¶2540.3.

_____ Instruct the congregation that if it does not transfer its title to another United Methodist church or agency it shall transfer its property to the Annual Conference

_____ Prepare a Recommendation for Discontinuance to be presented to the Bishop, Cabinet, and the District Board of Church Location and Building.

_____ A proposed District Superintendent's Recommendation for discontinuation is attached as *Schedule A, Form 1*.

A District Superintendent's recommendation for discontinuance must include recommendations as to the future use of the property and where membership (BOD ¶229) and the title to all the real and personal, tangible and intangible property of the local church will be transferred. If a church has been discontinued by the annual conference without direction concerning the disposition of property, the real and personal, tangible and intangible property shall be disposed of as if it were abandoned local church property (¶ 2549.3).

_____ Finalize an inventory of all financial and property assets. Financial assets to include but not limited to bank accounts, endowment funds, investments, etc... Identify the type and location of assets and financial records. Provide a copy of the inventory to the Conference Treasurer.

_____ Update the Discontinuance Checklist in the Conference Office.

_____ Photograph interior and exterior of church, including furnishings and all items of value.

_____ Identify any restrictions on funds held in separate accounts.

_____ Collect church membership book and all other church records, both financial and historical, and remove the contents of the cornerstone if applicable BOD¶ 2549.4.

4. Upon receipt of a District Superintendent's recommendation for the discontinuance of a local church, the Cabinet shall:

_____ Meet and discern the recommendation BOD¶ 2549.2a.

_____ Consent to or reject the recommendation BOD¶ 2549.2a.

Discontinuance requires the consent of the Presiding Bishop and a majority of the District Superintendents BOD ¶2549.2a.

5. Upon receipt of a District Superintendent's recommendation for the discontinuance of a local church the District Board of Church Location and Building shall:

_____ Meet and discern the recommendation BOD¶ 2549.2a.

___ Consent to or reject the recommendation BOD ¶ 2549.2a

6. Upon consent of the presiding Bishop, a majority of the District Superintendents, and the District Board of Church Location and Building for discontinuation, the District Superintendent shall:

___ If the local church consents, arrange for a Special Charge/Church Conference to approve the discontinuation, and transfer the local church property to the Annual Conference or another UM church or agency.

___ Make arrangements to receive balance in all accounts and deliver bank certificates of deposit and stock certificates to the Conference Treasurer, after all financial obligations incurred up to the date of discontinuance have been fulfilled.

___ If necessary, take control of, examine and secure all real and personal property, or make arrangements with appropriate Conference agencies to do so. Collect all keys/change locks.

___ Offer to return to donors any personal property (i.e., refrigerators, microwaves, etc.) recently given to the church (approximately 18 months or less).

___ Set a date for decommissioning and celebration of ministry and mission. District Superintendent should be present for this occasion.

___ Notify all persons on current membership rolls of options to transfer their membership to another United Methodist Church or a church of their choice. Include in the notification a form to be returned with the member's decision. For those who do not return a form, notify member of the nearest United Methodist Church where their membership will be transferred.

___ Provide the Pastor with the current year Statistical and Financial Report Forms to be completed and sent to the Conference Treasurer.

___ Make arrangements for an independent outside audit.

___ Prepare Statistical Tables.

___ Deliver financial records to the Conference Treasurer and historical records to History and Archives (BOD ¶ 2549.4).

___ Notify Conference Treasurer of anticipated date of termination of shares of ministry obligations.

___ Present the recommendation for discontinuance and the future use of the real and personal property to the next session of the Annual Conference.

7. Upon the District Superintendent's presentation of the recommendation for discontinuance at the next session of the Annual Conference, the Annual Conference shall:

___ Vote to approve or reject the recommendation. Upon approval, the local church is discontinued.

If the Annual Conference declares a local church discontinued, the failure to complete any of the prior steps set forth in the Discipline will not invalidate the discontinuation.
BOD ¶ 2549.2c

8. If the local church is discontinued and has transferred its property to the Annual Conference, the Annual Conference Trustees shall:

___ Take control of, examine and secure all real and personal property.

___ Adopt a plan to regularly inspect the property.

___ Remove all Christian and church insignia and symbols (BOD ¶2549.3).

___ Review all endowment funds and gifts held in trust. All gifts held in trust, assets of any endowment funds, and, all such assets shall pass as directed by the annual conference, or, if there is no such direction, to the trustees of the annual conference, unless otherwise directed by operation of law or, if there is no such direction, to the Annual Conference Trustees (BOD ¶2549.5).

___ Change post office mailing address and give neighbors and police contact information.

___ Adopt a plan for paying property expenses, including insurance, utilities, maintenance and real property taxes, if any.

___ Arrange for property maintenance, including continuity of utilities, lawn service, snow removal, etc.

___ If the discontinued local church property will be sold, if appropriate, an appraisal should be obtained.

___ Sell, transfer or otherwise dispose of the property as directed by the Annual Conference.

Sale of real property, *ad interim* requires the consent of the presiding Bishop, a majority of the District Superintendents, and the District Board of Church Location and Building pursuant to Discipline BOD ¶ 2515.

_____ Dissolve the religious corporation, when applicable.

_____ Recommend the disposition of any sale net proceeds in keeping with Annual Conference policy. BOD ¶12549.2b, ¶12549.3, ¶12549.7.

APPROVED BY THE SUSQUEHANNA CONFERENCE 06-08-2012