Severance Policy of Lehigh Presbytery

Approved by Lehigh Presbytery May 21, 2019

As stated in the <u>Dissolution of Pastoral Relationships Policy</u> of Lehigh Presbytery approved by Presbytery on May 21, 2019), "in dissolution events described in Section III A(2), B(1), B(2) and C(1), a severance payment will likely be appropriate."

Severance is to be determined as follows:

- 1. Severance is a minimum of 6 months for Ministers of Word and Sacrament with 1 to 5 years of service to a congregation, with the addition of 1 additional month per year of service to a maximum of 12 months of severance. The congregation approves the severance agreement as recommended by the Session.
- 2. Severance will include:
 - Salary
 - Housing*
 - Pension and health benefits, and
 - One half of the SECA contribution normally paid by the congregation to the pastor.
 - Unused vacation leave for the current year, pro-rated. (If excess vacation has been taken, any amount owed to the church will be deducted from severance.)
 - The amount of any outstanding loans to the pastor by the congregation will be deducted from the final severance amount.

*Note: If a manse is provided in lieu of housing allowance, an amount equal to 30% of effective salary (Pro-rated) shall be included, as defined by the Board of Pensions.

- 3. Severance ceases when the pastor obtains future employment comparable to or in excess of severance. However, if the pastor obtains employment that is not comparable to the former compensation, the church will make up the difference during the term of the severance package.
- 4. Payments should be made according to the regular payroll schedule of the church. Presbytery discourages the use of lump-sum payments.

- 5. The termination policy and agreement are to be written so that the parties involved will waive any further right to sue or take legal action related to the severance agreement unless the agreement is not fulfilled and then such action shall take place only before the appropriate judicial commission.
- 6. It is the intention of this policy to provide a formula for equitable compensation to the departing individual, as well as assist the congregation in determining severance which is reasonable.
- 7. An adapted severance package option may be offered to churches with dire financial circumstances. The pastor, congregation, and presbytery through its Committee on Ministry must come to a mutually acceptable decision.