



Our Connectional Nature

As part of the PC(USA) and the Presbytery of Donegal, we are united in ministry as disciples of Jesus Christ. The bond we share as part of the body of Christ not only connects us in spiritual ways, but also binds us together as we tend to the practical and financial aspects of being Christ's church at work in the world. The Presbytery of Donegal seeks to encourage individual member congregations in their ministry as well as safe guard our common life.

Book of Order Citations

G-4.02 CHURCH PROPERTY

G-4.0201 Property as a Tool for Mission

The property 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.

G-4.0203 Church Property Held in Trust

All property held by or for a congregation, a presbytery, a synod, the General Assembly, or the Presbyterian Church (U.S.A.), whether legal title is lodged in a corporation, a trustee or trustees, or an unincorporated association, and whether the property is used in programs of a congregation or of a higher council or retained for the production of income, is held in trust nevertheless for the use and benefit of the Presbyterian Church (U.S.A.).

G-4.0206 Selling, Encumbering, or Leasing Church Property

a. Selling or Encumbering Congregational Property

A congregation shall not sell, mortgage, or otherwise encumber any of its real property and it shall not acquire real property subject to an encumbrance or condition without the written permission of the presbytery transmitted through the session of the congregation.

b. Leasing Congregational Property

A congregation shall not lease its real property used for purposes of worship, or lease for more than five years any of its other real property, without the written permission of the presbytery transmitted through the session of the congregation.

Property Expenses Between \$20,000 and \$50,000

To this end, the Presbytery of Donegal Administration Committee requests that the Clerk of Session, Chair of Trustees, or Pastor/Moderator notify the committee before embarking on any significant expenditure (over \$20,000 regardless of whether the money is in hand) or significant modification of property. We request that this be done as early in the process as feasible so that others might offer wisdom and prayers.

Property Expenses Over \$50,000

When a congregation seeks to embark on a more substantial project that may have expenditures over \$50,000, the Clerk of Session, Chair of Trustees, or Pastor/Moderator **MUST** seek approval from the Administration Committee as the Trustees of the Presbytery of Donegal before contracts are signed and or projects are started. The Administration Committee requests that this be done as early in the process as feasible even if all details have not been finalized or the decision to proceed is not certain.

Property Purchases, Sales, and or Leases

When a congregation seeks to embark on a more substantial project that involves the purchase or sale of real property, the lease of its real property used for purposes of worship or lease for more than five years any of its other real property, the Clerk of Session, Chair of Trustees, or Pastor/Moderator **MUST** seek approval from the Administration Committee as the Trustees of the Presbytery of Donegal before contracts are signed and or projects are started. Building renovations or property purchases of more than \$500,000 must come to the Presbytery at either a stated meeting or a called meeting. The Administration Committee requests that this be done as early in the process as feasible even if all details have not been finalized or the decision to proceed is not certain.

Sales of Manses

When a congregation decides to sell a manse, the congregation must approve the sale. The Administration Committee must approve the sale as well. A plan for the use of the proceeds must be developed by the session and approved by the Administration Committee. If there is a fulltime pastor with a housing allowance, it is recommended that the sale proceeds be designated as a housing fund, with the income to help fund the housing allowance for the pastor. An alternative scenario is to use a percentage of the proceeds each year for a designated number of years to help offset the housing allowance. If there is not a fulltime pastor, and the congregation has adequate cash flow to meet salary expenses, then the proceeds from the sale may be committed for other operating expenses or mission.

Mortgages and Indebtedness

When a congregation seeks to embark on a more substantial project that involves any indebtedness (whether in the form of a commercial or private loan, mortgage, lien, or line of credit) the Clerk of Session, Chair of Trustees, or Pastor/Moderator **MUST** seek approval from the Administration Committee as the Trustees of the Presbytery of Donegal before contracts are signed and or projects are started. The Administration Committee has the authority to approve loans for emergency building repairs and report the action to the presbytery at the next meeting. If the lender for an emergency loan is PILP (Presbyterian Insurance and Loan Program), which requires the guarantee of the Presbytery, then the Leader Team must approve the emergency loan, acting on behalf of the presbytery. All non-emergency projects that involve borrowing money must come to the Presbytery for approval.

Congregational Communication

Recognizing that congregational communication is an integral part of ministry and vital for broad and deep support of capital projects, the Administration Committee will ask about a Communication Plan and can assist in its development. An appropriate plan, and whether there is a congregation meeting or vote varies widely by context. Congregational votes are required in some instances. If the funds are for more than \$50,000, The Administration Committee will want approve the Communication Plan along with expenditure.