

## Steps in the Dissolution of a Congregation

The closing of a congregation can trigger many feelings and emotions. The bishop and synod staff are the primary resource in assisting the congregation through the steps outlined below so that there can be a conclusion that both honors the past and supports the future.

- 1. Schedule a consultation with the bishop and/or synod staff.** Congregational leadership should schedule a consultation with the bishop and/or synod staff to develop a written plan for the dissolution process and include a recommendation to dissolve the church corporation as required by the state corporation statute.
- 2. Consult with legal counsel.** A congregation should have their own legal counsel who is not the synod attorney. Consult with legal counsel to ensure all necessary legal provisions are followed in regards to the plan of dissolution of the church corporation and property.
- 3. Convene a special meeting of the congregation to vote on Dissolution.** The ELCA Model Constitution establishes the authority to vote for dissolution in the Members of the church. A majority vote is required to dissolve. Generally, a special meeting should be properly called in accordance with the requirements for such a special meeting as specified in the congregation's constitution and in the state corporation statute.
- 4. Adopt a resolution to dissolve, which shall be approved by the majority of voting members present at the special meeting of the congregation called for that purpose.**

### **The resolution to dissolve shall include:**

- a. The stated effective date of the dissolution;
- b. Provision for payment of liabilities;
- c. Authorization to the appropriate officers to carry out the proper transfer of title of disposition of the real and personal property; and
- d. Provision for dissolution of the corporation.

**NOTE: A vote to dissolve needs a majority to pass.** If the vote does not reach a majority, if the congregation does not achieve a quorum for a meeting to vote to close, if no vote is scheduled, or if property and assets/liabilities are not cared for, then the congregation proceeds to synodical administration.

The Synod Constitution provides direction for synodical administration:

S13.24. The Synod Council, itself or through trustees appointed by it, may take charge and control of the property of a congregation of this synod to hold, manage, and convey the same on behalf of this synod, if any of the following apply:

- a. The congregation has disbanded, ceased to worship, or otherwise ceased to exist as a congregation.
- b. The congregation has abandoned its property.

- c. The remaining members of the congregation decide that it is no longer possible to function as a congregation or that they are unable to provide required governance.
- d. The Synod Council determines that the membership of a congregation has become so scattered or so diminished in numbers that it cannot provide required governance or that it has become impractical for the congregation to fulfill the purposes for which it was organized.
- e. The Synod Council determines that it is necessary for this synod to protect and preserve the congregation's property from waste and deterioration.  
The congregation shall have the right to appeal any such decision to the next Synod Assembly.

S13.25. This synod may temporarily assume administration of a congregation upon its request or with its concurrence. Such synod administration shall continue only so long as necessary to complete the purposes for which it was requested by the congregation or until the congregation withdraws consent to continued administration.

5. **Determine the future of the building(s).** This determination should be done when making the plan and in consultation with the bishop and/or synod staff. Consider these questions:
  - a. Will the building(s) and property be sold or transferred? Consult a commercial real estate broker.
  - b. Is insurance coverage (fire, windstorm, theft, vandalism) to be maintained? If so, by whom?
  - c. Is the building to remain standing? If so, how will it be maintained?
  - d. Is the building to be torn down or moved out of by a specific date?
  - e. What will be done with the buildings furnishings and other congregational property?
  - f. If the property is sold and the mortgage paid in full and there is a surplus, all debts to rostered ministers, the ELCA, and the synod must be paid first. If there are remaining assets, the congregation can determine how those funds will be disbursed as a legacy to the congregation's ministry. A priority for these gifts should be ministries of Jesus. A gift to the synod is a way to support the ongoing ministry of the wider church.
  - g. If the congregation has received mission support grants of the ELCA or the synod, there are requirements for payback from the assets.
6. **Consult with the bishop and/or synod staff and the rostered minister about the ending of the rostered minister's call.** If the rostered minister plans to retire, the rostered minister should review the resources on the synod website and consult with the bishop. Resources are available at: <https://mittensynod.org/leaders/resources-for-leaders/general-resources-for-leaders>.
7. **Establish a plan for the transfer of members to other congregations of their choosing.** This plan would be effective upon dissolution of the congregation.

- 8. Pay all debts and liabilities of the congregation.** This payment should be carried out promptly before the dissolution of the congregation.
- 9. Transfer property and assets.** Prior to the dissolution of the congregation:
  - a. Transfer the title of real estate to the appropriate successor (for example, the synod).
  - b. Transfer the title or ownership of furnishing or other personal property of the congregation.
  - c. Transfer all bank accounts, trusts, endowments, or other assets. Change the mailing address and give neighbors and police contact information if the building is still owned but not occupied.
- 10. File the necessary documents with government authorities to dissolve the corporate status of the congregation.**
- 11. Make arrangements, where appropriate, for the care and upkeep of a cemetery or columbarium.**
- 12. Gather materials for the ELCA Archives.** These materials include: historical information, insurance documents, legal materials, and congregation records. These materials should be transferred to the synod office so that they can be sent to the ELCA Region 6 Archives for preservation. The ELCA Archives requires \$2,000 for the preservation of the records of a closed congregation.
- 13. Consult regularly with the bishop and/or staff and formally notify the synod office that all of these steps have been properly completed.**
- 14. Ensure that the synod office officially notifies the Secretary of the Evangelical Lutheran Church in America of the date of dissolution of the congregation.**
- 15. Plan a special service of celebration and thanksgiving for the years of ministry of the congregation and the people who served.** Resources are available on the synod website: <https://www.mittensynod.org/congregations/resources-for-congregations/>