**Memorandum of Understanding**

**General Council Church to Parent an existing District Affiliated Church, with property.**

**General Overview**

This process involves the dissolution of the DA church’s corporation and congregational autonomy, placing the ministry under the oversight of a General Council Affiliated Church. Essentially, the PAC becomes a “department” of the Parent. The District Affiliated property will be transferred to the District, and leased to the Parent church for $1/year. This agreement is made in view of a GC church providing significant leadership and ministry oversight, to allow the PAC to thrive, and to eventually resume DA or GC status. The agreement is for five years, is renewable, and can be terminated if warranted.

**Specific Items**

Congregational

* The Parent Church commits to leading and providing ministry and outreach to the community where the PAC is located.
* All members of the DA church will have their membership transferred to the Parent Church (subject to qualification and acceptance by the Parent Church.)
* All ministry staffing decisions will be made by the Parent Church’s leadership. Including: Campus Pastor, Worship Leaders, Ushers, Program Leaders, Facilities, etc.
* All ministry decisions will be made by the Parent Church’s leadership.
* The Parent Church may provide for representation of the PAC on its board or council, at its discretion.
* All ministry (worship, programs, pastoral care, outreach) will be conducted under the direction and oversight of the Parent Church

Legal/Financial

* The DA church corporation will be abandoned. All bank accounts will be closed, the PAC will not maintain a separate bank account. All cash (except building funds) will transferred to the Parent Church. Building funds may be transferred to the Parent, upon determination of the District as to intended use.
* The Board of the Parent Church becomes the Board of the PAC. And the Pastor of the Parent Church becomes the legal Pastor of the PAC.
* All paid staff of the DA Church will become employees of the Parent Church (at its discretion.)
* The DA property will be transferred to the District Council, to be held in trust. The property will be leased to the Parent for $1/year. The Parent assumes all responsibility for insurance, maintenance, utilities, etc., according to the provisions of the corresponding lease agreement.
* The Parent Church will receipt and manage all donations from the PAC site, according to its policies.
* The Parent Church assumes responsibilities for the following DA commitments:
	+ Missions Pledges and District Commitments (renewable after six months.)
	+ Non secured debts
	+ Unpaid payables
	+ Secured debts (mortgages) upon agreement with the District Council.
* Major Maintenance and Repairs: The church assumes responsibilities to maintain and repair the property. If large, mandatory, unforeseen repairs are required, the parent church may contact the district to see if assistance is available.

The agreement terminates after five years, unless renewed by agreement of the Parent Church and District Executive Committee.

This agreement may be terminated early as follows:

* By the Parent Church, with or without cause, by written request to the District Superintendent.
* By the District Council, with stated cause, by written request of the Executive Presbytery to the Parent Church.
* The members of the PAC have no ability to initiate termination of the PAC agreement, except insofar as they have the ability as church members to petition or make motions to the Parent Church, according to is bylaws.

Signatures:

District Superintendent: Date

Pastor, Parent Church: Date

Board Member, Parent Church: Date

Church Member, PAC Date

Presbyter: Date