

**NORTH CENTRAL NEW YORK CONFERENCE  
UNITED METHODIST CHURCH  
ARREARAGE ACTION PROCEDURE**

The following is the Arrearage Action Policy and Procedure statement. Please note, the Annual Conference does not wish to force payments, but by means of all churches in the Conference, must collect on bills that are not paid. The conference also recognizes and wishes to assist churches that have problems in meeting their financial obligations.

**Local Church Accountability**

*If the church does not pay its Direct Billings the DS may meet with the Administrative Board, Trustees, and Church Conference to remind them that if the bill is not paid immediately, or a satisfactory payment plan instituted immediately, the District Superintendent will use the Disciplinary procedures outlined in ¶213 of The Book of Discipline 2004, along with ¶2548.2. These paragraphs focus on "A Process for Assessment of Local Church Potential" - and then outline how a church is discontinued if the potential is not being realized.*

**Pastoral Accountability**

*Pastors are reminded by the DS their accountability to see that all financial obligations are paid in full (The United Methodist Book of Discipline 2004, ¶340.3).*

When a Church does not make its monthly Direct Billing [Health Insurance Participating Premium, Retiree Health Premium, Health Insurance Cost Share, Personal Health Insurance Premium, Multi-Peril Property Insurance, Ministerial Pension Plan (MPP) or Comprehensive Protection Plan (CPP)] payments in full, the following process will take place:

- I. 45 days after the bill is due- a letter is sent by the Conference Treasurer to the Church Treasurer, noting non-payment of past due bill.
  
- II. Approximately 75 days after the original due notice, a second formal letter (with copy of this procedure) will be addressed to the Appointed Pastor from the Conference Finance Chair, with options for response from the local church. Options are:
  - a. Make payment or
  - b. Respond in writing an explanation for non-payment or
  - c. Requests in writing, a consultation visit with a Conference Finance Member.

Written responses in options (b) or (c) above must be made within 14 days of receipt of letter to Conference Finance Chair.

Copies of this letter to the Pastor will likewise be sent to:

Administrative Board Chairperson	Finance Chairperson
Lay Member to Annual Conference	Treasurer
PPRC or SPRC Chair	District Superintendent

(over)

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III. Process to Enforce Direct Billing Payments:

Upon notification (written response or non-payment of bill) the Conference Finance Chair will notify the District Superintendent to be in conversation with the Local Church and the Pastor. This conversation will take place within 60 days of this notification.

IV. The District Superintendent will present names of churches that reach this level of arrearage to the Cabinet for decision on the pathway(s) to follow.

The District Superintendent and/or Cabinet will inform Conference Finance Team of the progress of any step III arrearages.

On-going discussion between the District Superintendent and/or Cabinet and the Finance Team will not end until changes result in payment of arrearages or Disciplinary actions are invoked.