Amend the Comprehensive Protection Plan as follows:

Add the following new Article VI and renumber the subsequent Articles as necessary.

**ARTICLE VI – VOLUNTARY TRANSITION PROGRAM**

**6.01 In General.** The purpose of the Voluntary Transition Program (Program) described in this Article VI is to enable The United Methodist Church to provide transitional benefits to certain clergypersons (deacons and elders) (“Clergy members”) in full connection and in good standing who agree to exit ministry. The Transition Benefits under this Program are employee welfare benefits, specifically unemployment or severance benefits, described in §3(1) of the Employee Retirement Income Security Act of 1974 (ERISA) provided through a church plan as defined in §3(33) of ERISA.

**6.02 Sunset of Program.** Notwithstanding anything to the contrary in the Plan, this Voluntary Transition Program will begin effective January 1, 2013 and remain in effect through December 31, 2020, at which time it will terminate. The Voluntary Transition Program will no longer be available as a benefit program under the Plan as of January 1, 2021. Notwithstanding the foregoing, Transition Participants who are receiving Transition Payments on December 31, 2020 shall remain eligible for Transition Benefits beyond January 1, 2021 for the appropriate number of weeks as determined by this Article. The Administrator shall have the authority to accelerate Transition Payments due after December 31, 2020 for administrative ease to a date on or before December 31, 2020.

**6.03 Definitions.** For purposes of this Article, the following special definitions shall apply:
a. “Transition Benefits” means severance benefits (“Transition Payments”), death benefits continuation, health plan continuation coverage, and outplacement and career counseling services (“Transition Services”) as described in Section 6.05 of the Plan. Transition Benefits shall not include those Plan benefits described in Section 6.05g.

b. “Transition Participant” means an Active Participant in the Plan as of the date of Separation from Service who satisfies the requirements of Section 6.04 of the Plan. In no event shall a Retired Participant in the Plan be considered a Transition Participant.

c. “Separation from Service” means the end of an Active Participant’s appointment that results in the Active Participant’s severance from employment under the common-law test for employment status with the Salary-Paying Unit, or results in the Active Participant no longer serving in any capacity at the Salary-Paying Unit. The date of Separation from Service is generally the last day for which the Active Participant received compensation or remuneration for services performed.

6.04 Eligibility.

a. Generally. To be considered a Transition Participant eligible for this Voluntary Transition Program, an individual must be an Active Participant in the Plan under the terms of Section 3.01a(3)(i); i.e., a Clergy member in full connection, as of the date of Separation from Service. However, Active Participants who are bishops, provisional members, members of Other Methodist Denominations, members of the Puerto Rico Methodist Church, or clergypersons of other denominations may not be Transition Participants; such individuals are not eligible for Transition Benefits. Active Participants enrolled through special arrangements under Section 3.02 or Section 3.03 of the Plan may not be Transition Participants; such individuals are not eligible for Transition Benefits.
b. **Minimum Service.** A Transition Participant must have served at least five years as a Clergy member in full connection with an Annual Conference or more than one Annual Conference, and must have been covered as an Active Participant in the Plan for at least five years immediately preceding Separation from Service to be eligible for Transition Benefits under this Voluntary Transition Program.

c. **Not Within Two Years of Retirement.** An Active Participant may not be a Transition Participant if he or she is within two years of eligibility to enter the retired relationship under ¶358.2(b) or ¶358.2(c) of *The Book of Discipline*. Such individuals shall not be eligible for Transition Benefits.

d. **Conference Agreement.** To be eligible for benefits under the Voluntary Transition Program, i.e., to become a Transition Participant, an Active Participant shall consult with his or her district superintendent, the bishop, and conference relations committee of the Annual Conference board of ordained ministry. Only if the Active Participant, bishop, district superintendent, and conference relations committee of the board of ordained ministry agree that the Active Participant shall become a Transition Participant upon Separation from Service, and that Transition Benefits under the Voluntary Transition Program are appropriate, will the Plan pay such benefits.

e. **Termination and Withdrawal.** The Active Participant must incur a Separation from Service and agree to surrender his or her credentials and terminate his or her membership in the Annual Conference, as soon as administratively feasible, but no later than the next following session of the Annual Conference, to be a Transition Participant. A Transition Participant may not be granted sabbatical leave under ¶352 of *The Book of Discipline*, voluntary or involuntary leaves of absence under ¶354 and ¶355 of *The Book of Discipline*.
Discipline, incapacity leave under ¶357 of The Book of Discipline, or placed on honorable location under ¶359 of The Book of Discipline, or administrative location under ¶363 of The Book of Discipline.

(i) The Active Participant must agree, as part of (iv) below, to withdraw from the ordained ministerial office in accordance with ¶360.2 (a) of The Book of Discipline, and so withdraw;

(ii) The Active Participant must surrender his or her credentials;

(iii) The Active Participant must terminate his or her relationship with the Annual Conference; and

(iv) The Active Participant must execute a Voluntary Transition Program agreement (a severance agreement) approved by the Annual Conference and the Administrator that acknowledges understanding of the terms of this Voluntary Transition Program and the meaning of his or her withdrawal, and that binds the Active Participant to withdraw and surrender credentials.

Any Active Participant who receives Transition Payments and, for any reason, does not satisfy the requirements of this Section 6.04e shall be required to repay the Transition Payments received under this Program. Such amount shall be considered an overpayment under this Plan.

6.05 Benefits

a. Commencement Date. A Transition Participant will not be eligible to begin receiving Transition Benefits as long as he or she is receiving a salary from his or her Salary-Paying Unit. Transition Benefits will begin no later than the 15th day of the month
that follows the month in which the Administrator approves such benefits, but no earlier
than the date of Separation from Service.

b. **Transition Payments.** A Transition Participant will be paid Transition Payments in
accordance with the following formula: two weeks of Transition Payments, equal in
value to two weeks’ worth of the Transition Participant’s Plan Compensation as of the
date of Separation from Service, for each full year of continuous service in the Annual
Conference or Annual Conferences (with partial years not counted), limited to a
maximum of twenty-six weeks. In no event will Transition Payments exceed twenty-six
weeks. At its discretion, the Administrator may pay Transition Payments in a single
lump-sum payment to the Transition Participant; or the Administrator instead may pay
Transition Payments monthly, semi-monthly, or biweekly. The Administrator shall have
the authority to adjust the timing of Transition Payments as necessary to comply with
applicable laws governing severance, post-employment payments, and deferred
compensation, including §409A of the Code. If the Transition Participant dies while
receiving Transition Payments, the Administrator may accelerate any remaining
Transition Payments by paying such amount in a lump-sum to the estate or Beneficiaries
of the Transition Participant.

c. **Health Insurance Continuation Coverage.** Clergypersons terminating their
Annual Conference relationship generally are eligible for continuation coverage
(COBRA-like coverage) under their Annual Conference’s group health plan, if they were
covered in such plan while serving; typically for a limited duration up to 18 months.
Normally, a terminated Active Participant, who was covered in the Annual Conference’s
health plan, must pay the full cost of this coverage, meaning that he or she pays the
“employee portion” plus the portion that the Annual Conference or Salary-Paying Unit previously paid during active service. Under this Voluntary Transition Program, the Annual Conference agrees that it will pay the “employer portion” (the Salary-Paying Unit portion) of the contribution or premium for continuation coverage under its group health plan for eligible Transition Participants for a number of weeks equal to the number of weeks for which the Transition Participant is eligible for Transition Payments, rounded up to the next nearest whole month. If the Annual Conference group health plan does not accommodate such continuation coverage, the Annual Conference agrees to provide a stipend toward the purchase of individual health insurance in the market that is equal in amount to the lesser of the following: the amount that the Annual Conference or Salary-Paying Unit paid for its portion of the cost of group health plan coverage for the Transition Participant when the Transition Participant was in active service, or the equivalent percentage share of the cost of the average small group market premium in the state in which the Transition Participant resides as published by the U.S. Department of Health and Human Services. Upon the expiration of Transition Payments, Transition Participants shall remain eligible for continuation coverage under the applicable group health plans in accordance with the terms of, and for a remaining number of months as determined by, the group health plan or policy in which they were enrolled and the terms of the Annual Conference’s policies regarding cost sharing, generally at the Transition Participant’s own expense.

d. **Death Benefits Continuation.** A Transition Participant shall remain eligible for the death benefits described in Section 5.03d(1) of the Plan, only for the number of weeks following the Commencement Date described in Section 6.05a equal to the number of
weeks for which he or she is eligible for Transition Payments, rounded up to the next nearest whole month. Death benefits under Section 5.03d(1) payable on account of the death of a Transition Participant under this Section 6.05d shall be paid to the Spouse or Beneficiary of the Transition Participant in accordance with Section 9.04 of the Plan. Transition Participants are not eligible for any other death benefits under the Plan. The Spouse, Children, and Beneficiaries of a Transition Participant shall not be eligible for any other benefits under the Plan.

e. **Transition Services.** The Administrator will make available to Transition Participants outplacement and career counseling services and assistance (“Transition Services”) for up to 90 days provided that the Transition Participant requests and begins utilizing Transition Services during the time in which he or she is receiving Transition Payments. Generally, the Transition Services provider and the particular services and assistance provided will be determined by the Administrator. In no circumstances shall the value of the Transition Services be converted to or otherwise paid to a Transition Participant as cash or in any other manner.

f. **Moving Expenses.** The Annual Conference will agree to be responsible for providing the Transition Participant reimbursement of final moving expenses, limited to the reasonable average cost of relocation within the same geographic region, in accordance with applicable Annual Conference policies.

g. **Exclusion from Other Benefits.** A Transition Participant, and the Spouse, Children, and Beneficiaries of a Transition Participant, shall not be eligible for any other benefits under the Plan, including minimum surviving spouse annuity benefits described in Section 5.01, surviving child benefits described in Section 5.02, death benefits
described in Section 5.03 (other than those under Section 5.03d(1)), and disability benefits described in Section 5.04.

6.06 **Return to Ministry.** If a former Transition Participant returns to ministry through recertification at any time, he or she shall be required to repay the Transition Payments received under this Voluntary Transition Program. Such amount shall be considered an overpayment under this Plan as of the date the former Transition Participant again becomes an Active Participant in the Plan.

6.07 **Appeals.** With respect to the duties and responsibilities of the Administrator as applied to Transition Benefits for any Transition Participant, the appeals procedure described in Section 7.09 and Section 7.10 of the Plan shall apply. With respect to the determinations of the Annual Conference under Section 6.04d and Section 6.04e, however, the Administrator does not have the authority to hear appeals of such determinations, and shall not hear such appeals.

6.08 **Procedures.** The Plan Administrator shall establish necessary procedures for the proper administration of this Program.

6.09 **Powers and Responsibilities of the Plan Administrator.** The Administrator of the Plan shall be the Administrator of this Program. The Administrator shall have the following powers, duties and responsibilities with respect to this Program, in addition to those described in Section 7.01 of the Plan.

a. Calculating and distributing Transition Payments and certain other Transition Benefits to Transition Participants;

b. Completing necessary tax reporting and information returns related to Transition Payments;
c. Developing, maintaining and distributing necessary forms, documents and information for Transition Participants and Annual Conferences;
d. Determining and overseeing Transition Services and the provider thereof; and
e. Providing service support to Transition Participants and Annual Conferences.

6.10 Powers and Duties of the Annual Conference. The Annual Conference shall be the Plan Sponsor of the Program and shall have the following powers, duties and responsibilities with respect to the Program, in addition to those described in Section 7.03 of the Plan.

a. Ensuring consultation between the Active Participant and Annual Conference leadership about eligibility to become a Transition Participant and appropriateness of Transition Benefits;
b. Recommending to the Administrator which Active Participants should be Transition Participants upon Separation from Service;
c. Executing Voluntary Transition Program agreements to be signed by the Transition Participant, bishop and Annual Conference leadership as determined under Section 6.04d.
d. Overseeing the Annual Conference process for withdrawal from ordained ministerial office under ¶360.1 of The Book of Discipline, and surrender of credentials;
e. Administering health insurance continuation coverage and moving expense reimbursement under Section 6.05c and Section 6.05f; and
f. Submitting necessary and appropriate forms, information and evidence to the Administrator.

6.11 Delegation of Duties. The Administrator, in its discretion, may delegate administrative duties with respect to the Voluntary Transition Program to a paying agent or service provider.
Amend Section 7.09 to read as follows:

### 7.09 Appeals from Denial of Claims

Except with respect to Sections 6.04d and 6.04e of the Voluntary Transition Program (claims under those sections are not subject to the determination of the Administrator), if a claimant is denied benefits hereunder the Plan, the claimant shall have the right to appeal the decision in accordance with the following procedures:

a. **Intermediary Appeal Procedure.** The Administrator shall establish an intermediary appeals procedure containing no more than a three-level process.

b. **Final Procedure.**

   (1) There shall be an Appeals Committee of the Administrator nominated by its President and elected by the Administrator which shall hear and decide appeals after the intermediary appeal procedure has been followed.

   (2) The Appeals Committee decision shall be final and not subject to action of the Administrator.

   (3) After the final intermediary process has been completed and if the Participant’s claim is still fully or partially denied, the claimant shall be advised that he/she may, in writing, request a review by the Appeals Committee of the decision denying the claim by filing with the Appeals Committee, on forms supplied by it, within 90 days after such notice has been received by the claimant.

      (i) The Notice of Appeal shall be executed by the claimant.

      (ii) After filing the Notice of Appeal, the claimant may submit issues and comments and other relevant, supporting documents to the Appeals Committee for its consideration.

      (iii) If such Notice of Appeal is timely filed, the appeal will be heard by the Appeals Committee at its next meeting, unless special circumstances require an extension of time for processing, in which case the claimant shall be so notified and the appeal will be heard at the subsequent meeting of the Appeals Committee.
(iv) To allow sufficient time for handling and processing, all Notices of Appeal and supporting documents must be filed with the Appeals Committee at least 30 days prior to the next meeting of the Appeals Committee, and no documents submitted to the Appeals Committee after that time can or will be considered by the Appeals Committee except by its leave and discretion.

(v) The claimant, his or her duly authorized representative, or a representative of the Plan Sponsor, may request permission to appear personally before the Appeals Committee to present evidence with respect to the claim, subject to conditions and time limitations set by the Appeals Committee, but the expense for any such personal appearance must be borne by the claimant or the Plan Sponsor.

(vi) The claimant shall be given written notice of the decision resulting from an appeal. Such notice shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, and specific references to the pertinent Plan provisions on which the decision is based, and such written notice shall be mailed to the claimant by the staff of the Administrator within 15 days following the action by the Appeals Committee.

RATIONALE: Because the nature of the covenant between the clergyperson and the Church and the significance of the call to ministry may deter those who no longer feel the call from exiting ministry, this petition creates a grace-filled path for clergy to exit ministry.

Date: August 31, 2011

Signature of the Petitioner: __________________________________________

Identification of the Petitioner: Barbara A. Boigegrain, General Secretary

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