

Purpose – The Conciliation and Dispute Resolution Procedures were developed to provide a method whereby the Church may resolve disputes between church members, individual lay members and various church leaders, employees and church employers, church organizations (service organizations, departments, associations, etc) and/or between conferences and institutions.

The role of the Seventh-day Adventist Church in resolving disputes among its members has a long historical tradition. These procedures were prompted by a doctrinal concern based on the Bible and counsel given to the Church by Ellen G. White. The Conciliation and Dispute Resolution process is designed to be neutral, impartial and independent.

Church Policy – The Conciliation and Dispute Resolution Procedures are subject to the policies recorded in the Seventh-day Adventist *Church Manual* and the General Conference and North American Division *Working Policy*. Before applying the following procedures, all parties involved in the resolution of a dispute should read “Safeguarding the Unity of the Church” in the current edition of the *Church Manual*.

Binding Arbitration – The method that is available to the Church (local church, local conference, union, and division) for resolving disputes in ways that lead to reconciliation. It is a quasi-legal procedure in which the parties in dispute meet voluntarily in the presence of one or more arbitrators for a hearing. The verdict of the arbitrator(s) is binding upon all parties.

Binding arbitration is not to be entered into without prior efforts to negotiate or mediate the dispute. It must be evident that these steps, as listed below, have been taken before a request for binding arbitration is- approved:

1. *Informal Negotiation* – The parties in dispute must voluntarily meet with one another in order to resolve their differences and become reconciled (Matthew 18:15). A pastor or other spiritual counselors may prompt the parties to meet for this purpose.

Adequate time for spiritual preparation should be allowed in order for the Holy Spirit to work in the hearts of the parties in dispute. The disputing parties must begin the conciliation and dispute resolution process with informal negotiation.

2. *Mediation* – If the informal negotiation does not suffice, the parties in dispute must voluntarily meet together with one or more mediators. The mediator(s) serve(s) as facilitator(s) to guide the negotiation as the parties seek to agree and become reconciled (Matthew 18:16).

Before the process of binding arbitration can begin, all pending lawsuits related to the dispute must be dismissed, and/or the parties involved must sign an agreement not to institute a lawsuit or administrative charge against each other.

Exemptions - The Conciliation and Dispute Resolution Procedures may not apply in situations which are deemed to be outside the jurisdiction of the Church or for which the Church agrees that it has no adequate process for orderly settlement. Examples of cases that are not covered by these procedures may include but are not limited to:

1. Settlement of insurance or self-insurance claims.
2. Issuance of decrees affecting the boundaries and ownership of real property.
3. Marital differences.
4. Awarding of custody of minor children.
5. Deciding matters involving the administration of estates.
6. Debt collection matters.
7. Individual disputes with any branch of civil government or law enforcement agencies.
8. Specific theological questions.
9. Questions regarding the transfer of reinstatement of membership.*
10. Church elections.

*Covered by policies in the Seventh-day Adventist *Church Manual*.

Jurisdiction – It is the expectation of the North American Division that all grievances be resolved at the level where they arose. An in-house procedure that is equitable for all parties concerned, and which includes informal negotiation and mediation as essential first steps to resolution and reconciliation, should be used to settle the dispute.

If an in-house procedure fails to bring about resolution and reconciliation, either the grievant or the organization may request binding arbitration using the North American Division Conciliation and Dispute Resolution Procedures. The higher authority over the territory where a dispute arises has jurisdiction in the resolution of the conflict when the Conciliation and Dispute Resolution Procedures are used. Requests are to be carefully reviewed by the higher body and approved in situations where to do so is in the best interests of the party(ies) concerned. In disputes involving members of different churches, and employees of different conferences, unions, and institutions, jurisdiction is with the next higher level of the church/conference/institution of the member/employee whom the claim is against. The arbitration initiation form and agreement, the binding arbitration protocol statement, and the confidentiality agreement referred to in this section are made available to the administrators of this process by the North American Division Office of Human Relations.

1. Local Church Disputes – The local church has jurisdiction in disputes between its lay members. Disputes that affect the employment of members hired by the conference, the conference institution, or the division to serve the local church are in the jurisdiction of the hiring body.
2. Local Conference Disputes – The local conference has jurisdiction in disputes between:
 - a. Local conference employees and/or employees of local conference institutions or churches.
 - b. Local conference employees and the congregation.
 - c. Conference institution employees and the institution.
 - d. Lay members and the local conference.

- e. Local church employees, local conference employees, local conference institution employees and the local conference.
 - f. Local conference churches, organizations, and/or institutions.
 - g. Congregation splits within the conference.
3. Union Conference Disputes – The union conference has jurisdiction in disputes between:
- a. Intra-union conference employees (includes employees of local conference churches, organizations, and institutions) and/or union employees.
 - b. Local conference employees and the conference.
 - c. Union institution employees and the institution.
 - d. Lay members or local churches and the union conference.
 - e. Local conference employees, conference institutional employees, union conference institution employees, and the union conference.
 - f. Intra-union organizations, union institutions, and/or local conferences within the union.

Initiation process – The following steps must be taken to initiate the Conciliation and Dispute Resolution Procedures at all levels of the North American Division.

1. Local Church – to initiate the procedures at the local church level, the grievant(s) shall make a written request for binding arbitration to the local church pastor or church board. Normally, within 15 working days of the receipt of the request, the pastor or church board shall respond to the grievant(s) with a written acknowledgement and statement as to how and when the request will be processed. Arbitration forms shall be enclosed for the grievant(s) to complete and return to the pastor or board as soon as possible.

2. Local Conference – To initiate the procedures at the local conference level the grievant(s) shall make a written request for an arbitration hearing to the secretary-human resources director of the local conference. Normally, within 165 working days of the receipt of the request, the conference secretary/human resources director shall respond to the party making the request with a written acknowledgement and statement as to how and when the request will be processed. Arbitration forms shall be enclosed for the grievant(s) to complete and return to the conference secretary/human resources director as soon as possible. These include the conciliation and dispute spiritual preparation study, the binding arbitration protocol statement, and the confidentiality agreement statement. After the arbitration initiation forms have been signed and returned, the following steps shall be taken by the local conference secretary:

- a. Present the request and arbitration initiation forms to the local conference administrative committee (or other appropriate body) for action.
- b. Notify the grievant of the decision of the conference. If that decision is for binding arbitration, in communication with the grievant, set the date, time, and place for the hearing; and select the arbitrator(s) and observer(s). The arbitrator(s) and observer(s) must be approved by parties in the dispute.

- c. Furnish the arbitrator(s) and observer(s) a copy of the arbitration initiation agreement signed by the parties in dispute within ten (10) working days prior to the arbitration hearing date. The information contained in the agreement shall include time, place, and date of hearing; complaints and charges of the defense; issues to be discussed; positions taken relative to the issues; documents of evidence, proof, or verification; names of invited witnesses; and nature of the settlement requested.

Institutions – Educational and other institutions affiliated with the local and union conferences and the division are expected to have established grievance procedures that are designed to address disputes between its employees. When an in-house grievance process has failed to bring about resolution, the grievant or the administration of the institution may request a binding arbitration hearing to be administered by the next higher body. The acceptance or rejection of this request is left to the discretion of the administration at the next higher level.

The Arbitration Panel – The credibility of the arbitration panel in the eyes of the parties in dispute is of utmost importance. The panel should be perceived by the parties in dispute to be neutral, impartial and independent.

An arbitration hearing may be conducted by either one of three persons, including the moderator; however, in either case, the parties in dispute must agree on the person(s) as well as the number of persons appointed to serve.

On the local church level, the arbitrator(s) as well as the moderator of the arbitration panel are appointed by the church board after they have been agreed upon by all parties in the dispute.

On the local conference, union conference, and division levels, the arbitration panel as well as the moderator are appointed by the secretary/human resources director of these organizations after they have been agreed upon by all parties in dispute.

Qualifications of the Arbitrator(s) - Arbitrators must be church members in good and regular standing who are trained and qualified to serve on arbitration panels and who have the potential for bringing about a resolution. A pool of volunteer arbitrators shall be formed from which individuals may be randomly selected to serve as needed. Every effort should be made to include ethnic minorities, women, nondenominationally employed persons, retired former church employees and others as appropriate to the situation.

Legal Representation – The Conciliation and Dispute Resolution Procedures are designed to be an alternative process to the court system. Where legal representatives are present. Since the intent is to engage in a process that is semiformal, flexible and non-legalistic, it is therefore recommended that:

1. Legal representation be discouraged unless the attorneys are present to provide expert counsel on specific legal matters. All parties must agree on both the attendance and personnel involved.
2. Peer representation be permitted if both the attendance and personnel are agreed upon by all parties in the dispute.

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Observers – To ensure that the hearing is conducted in keeping with Church policy and the arbitration agreement, an observer may be permitted only at the request of and with the consent of all parties in dispute. Observers may answer questions that are asked by either the arbitrator(s) or the parties in dispute.

Conflicts of Interest – The arbitrator(s) and observer(s) shall commit themselves to strict confidentiality and shall disclose all real or potential conflicts of interest in the dispute. When such conflicts of interest are disclosed, the person(s) involved shall be replaced.

Witnesses – Witnesses appear in an arbitration hearing at the call of the moderator. They are present in the hearing only to testify and must leave when they have completed their testimony.

Transcripts and Recordings - Formal transcriptions or electronic recordings are permissible in arbitration hearings.

Duration of an Arbitration Hearing – An arbitration hearing should normally consume one day or less.

Financial Arrangements – The costs for conducting arbitration hearings are to be allocated in the following manner unless otherwise agreed to by all parties involved:

1. The parties in dispute are to pay all of the travel expenses (transportation, per diem, lodging) for themselves and the witnesses they invite.
2. The parties in dispute are to pay on a 50-50 basis the travel expenses of any lay person or retired former church employee who serves as an arbitrator.
3. The local or union conference is to pay the travel and lodging expenses for their employees who serve as arbitrators and observers.
4. When a local conference employee is asked to serve as an arbitrator or an observer in another local conference, the inviting conference pays the travel and lodging expenses.
5. Incidental expenses incurred by private moderators and arbitrators such as secretarial help, telephone calls, postage, etc., are to be paid by the local church, the local conference, or the union conference that appointed them.

Follow-up – After-the-fact details are to be cared for by a person(s) assigned the responsibility by the local church or the conference. These include:

1. Filing of any materials generated by the arbitration hearing, with the secretary of the conference or institution that had original jurisdiction.
2. Healing relationships hurt by the dispute.
3. Effectuating and monitoring the settlement.
4. Filing annual reports of union and division arbitration hearings with the North American Division associate secretary/director of the Office of Human Resources. (See NAD B 90).