



The NC Dispute Resolution Commission's

Guide to Family Financial Mediation for Parties Not Represented by Attorneys

If you are an unrepresented party (a party without legal representation) in a dispute involving family financial issues and the court has referred your case to a mediated settlement conference, this *Guide* may be helpful to you. A family financial dispute is one involving issues such as equitable distribution (division of marital assets and debts during divorce) and/or child or spousal support. Situations where a party is alleged to have violated an agreement or court order involving a family financial issue may also be referred to a mediated settlement conference. A conference can be ordered by the court or requested by an attorney or party. Parties participating in a conference may also agree to discuss issues such as child support and visitation.

This *Guide* was prepared by the North Carolina Dispute Resolution Commission (Commission). The Commission certifies and regulates the mediators serving the Family Financial Settlement Program.

What is a mediated settlement conference?

Family financial cases filed in North Carolina's district courts are routinely referred to mediated settlement conferences. While a mediated settlement conference is a legal proceeding and, as such, conducted with respect to all in attendance, it is a much less formal and intimidating process than a trial. The conference offers an opportunity for you to settle your case and be saved the time, expense, and stress involved in lengthy litigation. The mediator is there to help facilitate a discussion between those present for the conference and, hopefully, to help you reach an agreement. Your mediator is not a judge and will not advise you as to what action you should or should not take. Instead, during the conference, you and your spouse or former partner and any attorneys involved in your case will, with the assistance of the mediator, discuss your dispute and brainstorm possible ways to settle it.

Your mediator's conduct is governed by ethical rules which prohibit him/her from telling the court or any other third party what happened in mediation. The parties are not, however, bound by the same requirement. If you want the parties to also be bound by confidentiality, you can ask your mediator to help you and the opposing party discuss and reach an agreement on confidentiality at the beginning of your conference.

Conferences generally begin with a joint opening session during which your mediator will explain the process and give the parties an opportunity to summarize the case from their perspective. If you are uncomfortable meeting face-to-face with your spouse or former partner, let your mediator know. Following the opening session, the mediator will then likely separate you and your spouse or former partner and his/her attorney (if s/he is represented) and hold private discussions with you. Your mediator may use the term "caucus" to describe these private sessions. If no joint session is held initially, you will go directly to caucus sessions where the mediator will explain the process to you and your spouse or former partner separately and learn about your perspectives of the case. You may feel more comfortable talking frankly with your mediator during the private sessions, which can help the mediator identify common ground between the parties. Following each caucus session, the mediator will carry information and offers and counteroffers between the parties. If you are able to reach an agreement at mediation, your case may be concluded with the filing of a voluntary dismissal or consent judgment. If you are not able to reach an agreement, your case will simply proceed to trial.

Participating in a Mediated Settlement Conference Without an Attorney

It can be difficult for *pro se* parties to understand legal proceedings and you may be at a disadvantage because you are unrepresented, particularly if the other party has an attorney. For these reasons, the Commission strongly urges you to seek legal counsel. The Commission, however, also recognizes that sometimes a party cannot afford, or for other reasons, chooses not to hire an attorney. **If you will be participating in mediation without the benefit of counsel, please be aware that while the mediator will do his/her best to ensure a civil and full discussion of the issues, s/he cannot give legal advice to anyone participating in the conference.**

Before you proceed with your conference, you may want to read the *Rules of the North Carolina Supreme Court Implementing Settlement Procedures In Equitable Distribution And Other Family Financial Cases (FFS Rules)*. These Rules can be found on the Commission's website at www.ncdrc.org. (Click on "Program Information" from the menu on your left, then select "Family Financial Settlement Program (District Court)", and then click on "Program Rules"). The *Rules* may help you better understand the mediation process and your responsibilities as a *pro se* party. All of the program forms referenced below can be found on the Commission's website.

The Commission hopes that you will approach your opportunity to mediate with a positive attitude and a willingness to be flexible and compromise. This is your chance to settle your case without the need for lengthy litigation or a trial. If you can reach an agreement, you will likely accomplish two important things:

- By virtue of working things out yourselves, you and your spouse or former partner will have determined the outcome of your case. You, more than anyone, are the authorities on your financial situation and the needs of your children, if any. You have the best and most complete information to make decisions regarding the care of your children and the division of your property. Research indicates that when parties make their own decisions, they are more likely to feel better about the outcome and to follow-through on the commitments they made. Think...do you really want a judge, who doesn't know you or your kids, deciding your future?
- By virtue of working things out yourselves, you and your spouse or former partner may be able to preserve whatever goodwill still exists between you. Parties who endure lengthy and often painful divorce litigation or the ordeal of a trial rarely exit the system in a positive frame of mind. They are often hostile to their former partner and continue down the road as adversaries. When children are involved, it is especially important to preserve whatever goodwill may still exist between the parents. Mediation's focus on cooperation and consensus building can help you do that and set the tone for positive interactions down the road. The mediation process may even assist you in restoring some sense of trust and repairing lines of communication. You may no longer be joint partners, but you will remain joint parents.

It is important to prepare ahead of time for your conference so that a meaningful discussion and, hopefully, settlement can occur. Some important things you can do prior to your mediation are:

- Let your mediator know well ahead of time if you have any accessibility issues which may affect where s/he schedules your mediation, *e.g.*, the need for a wheelchair ramp or handicapped accessible bathrooms. Also, let your mediator know if you function better or worse at certain times of the day due to prescription medications or health issues. If you have any significant concerns regarding your safety or security and believe the mediation should be held in a secure facility, that information should be communicated as well.
- If you need a foreign language interpreter, it is your responsibility, and not that of the mediator or court, to make arrangements in advance of your mediation to have an interpreter present. It is important that interpreters be trained and, if possible, certified by the North Carolina Administrative Office of the Courts. (NCAOC). This ensures that they have a certain level of fluency relative to both the language in question and English and understand the kinds of legal terminology that may come up in mediations ordered by the court. If you need an interpreter, contact the NCAOC at (919) 890-1407 or, for a list of interpreters you may access the following two websites:

<http://nccourts.org/LanguageAccess/Documents/SpanishForeignLanguageRegistry.pdf>

<http://www.nccourts.org/LanguageAccess/Documents/StateFederallyCertifiedInterpreters.pdf>.

If you are hearing impaired and will need a deaf interpreter at your mediation, contact court staff in the judicial district where your case is filed to inquire about getting an interpreter for your mediation. You should contact court staff well in advance of your conference date.

- Think about what you want to say in the opening session of your conference. You should summarize your case from your perspective. Keep your comments brief, no more than a few minutes. Both sides will have an opportunity to speak and neither should interrupt the other.
- Come to the table with a positive attitude and be prepared not just to talk, but to listen. The mediation process is dependent to a large degree on the good will of the parties. If they refuse to talk, won't really listen to one another, or don't bargain in good faith, their discussions will never get off the ground.
- If you think there are documents or other evidence that could be helpful for your mediator to see in order to better understand the case from your perspective, you may want to bring them to the mediation. Do be aware though that your mediator may not have a lot of time to review materials so be prepared to briefly summarize them and to explain why they are important. You should **not** bring witnesses to your mediation. Local rules for mediation in your district may require you to bring certain financial information to your conference, so be sure to check with your mediator about what is required.
- Do some hard thinking about your case – come to mediation with a list of all the issues or points in your dispute that you believe need to be discussed for the matter to be settled. Also, think about your bottom line – what will need to happen for you to be able to settle the dispute and feel a sense of closure? One important suggestion– be realistic in your thinking: mediation is not about winners and losers, but about consensus and finding common ground. Both sides must be willing to be flexible and to compromise for there to be any real chance of settlement.
- Make a commitment to yourself that you will keep your temper in check and watch what you say. Divorce is difficult and spouses or former partners are often angry. Harsh words, accusations, and profanity directed at the other side or even at your mediator will likely only make the situation worse and lessen the chances of a settlement. By the same token, remember that a smile, a kind word, and simple courtesy can go a long way.
- Try to get a good night's sleep. Don't fret about the process. You won't be put on a witness stand, forced to reach an agreement, or to sign a document with which you are uncomfortable. If your case does not settle, your mediator will submit a report to the

court advising the court that the case did not settle, and the matter will simply proceed to trial.

Your Role in the Process

The FFS Rules provide that the mediator is to be the case manager for purposes of your mediated settlement conference. That means that the mediator is charged with scheduling the case for mediation, conducting the conference, and reporting the outcome of the conference to the court. That said though, the FFS Rules do place some responsibilities on the parties and those responsibilities are discussed below. (You can download the forms referenced below on the Commission's website at www.ncdrc.org. Most of the forms can be accessed by clicking on the blue toolbox icon on the homepage. Use the menu on the left to locate forms for a particular purpose. Forms can also be found by clicking on "Program Information" from the home page menu, then clicking "Family Financial Settlement Program (District Court)", and then clicking "FFS Forms").

- **ORDER OF REFERRAL.**

Mediated settlement conferences are mandatory in family financial cases filed in North Carolina's district courts. It is possible for parties to file a Motion to Dispense with their conference, but the court will require a good reason to withdraw its order and, as a general rule, such motions are rarely granted. FFS Rule 1.

- **DESIGNATING A MEDIATOR.**

You and your spouse or former partner will have the opportunity to designate a mediator of your choice within a time limit set by the court. **Both parties must agree on the mediator to be designated.** If you agree on a mediator, you will need to designate that mediator in writing using the approved form (see below) within the time frame for selection set out in the court's order.

The Commission strongly suggests that the mediator you choose be trained and certified to conduct family financial mediations. You can search for such a mediator on the Commission's website. (Click "Finding A Mediator", then select the "Family Financial Settlement Mediators (District Court)" option from the screen.) You may obtain a list of mediators active in the judicial district where your case is pending by clicking the drop down arrow on the box labeled "district" near the center of the screen. Select the appropriate district, and then click the "Search" button at the bottom of the screen. (If you don't know the number of the district in which your case is pending, click the word "here" in the third paragraph of the instructions, to view a map of North Carolina judicial districts.) Once the list appears, you may access additional information about a mediator, including his/her contact information, by clicking on his/her underlined name.

One way to try to obtain agreement on a mediator is to tentatively select two or three mediators from the list and submit your choices for consideration to your spouse or, if s/he has one, his/her attorney. If you can reach agreement, the plaintiff will typically complete the *Designation of Mediator* form (AOC-CV-825) to let the court know that a mediator has been selected. The *Designation* form should be mailed or otherwise delivered to court staff in the district where your case is filed and who is charged with administering the FFS Program. (To see a list of these staff, click on “Program Information” from the home page menu, then click on “Family Financial Settlement Program (District Court)”, and then click “Court Contacts”).

If you can't agree on a mediator, you may ask the court to appoint one for you by using the second page of the *Designation* form. Or you may simply take no action and wait for the court to appoint a mediator to your case. The court will appoint only a trained, FFS certified mediator.

For more information on selecting a mediator or using the website to search for mediators, return to “Finding a Mediator” from the left-hand menu and, then, from the screen, click on “*Guide to Selecting a Mediator*” or you may call the Commission's office for help at (919) 890-1415. FFS Rule 2.

- **SUBSTITUTION OF MEDIATOR.**

If a mediator has been appointed by the court (because the parties could not agree on a mediator before the time to designate a mediator had expired), and you thereafter wish to substitute a different mediator, the court may approve the substitution (but is not required to) only upon proof that the appointed mediator has been paid the \$150 one-time administrative fee, and any other fees that may be due and owing. Examples are any fees for mediation services rendered prior to the substitution, postponement fees, and the like. If both parties agree to the substitution, you can complete AOC-CV-836, Consent Order for Substitution of Mediator, and submit it to the Trial Court Administrator/Coordinator for the judge's signature. FFS Rule 7.

- **SCHEDULING THE CONFERENCE.**

Your mediator will contact you to schedule a date and time for the conference. **Please respond promptly and be prepared to offer some dates when you can attend.** Most mediations are scheduled for either a half day or a full day. Unless you and your spouse or former partner agree otherwise, your mediation will be scheduled in the county where the case is filed and might be held in the courthouse, the office of a lawyer involved in the case, the office of the mediator, or other public place. FFS Rule 3.A.

If a party fails to cooperate with the mediator in scheduling the conference, the mediator has the authority to simply choose a date and notify the parties when and where their session will occur. If a party willfully fails to attend, s/he may be subject to sanctions by the court. FFS Rules 5 and 6.A(1).

- **EXTENDING THE DEADLINE FOR COMPLETION OF THE MEDIATED SETTLEMENT CONFERENCE.**

The court is required to set a deadline for completion of your conference. The deadline is specified in the *Order for Mediated Settlement Conference in Family Financial Cases* (AOC-CV-824) or other scheduling notice/order you received from the court. FFS Rules 1.C(1) or 1.C(4). Only the court has authority to extend the deadline it has set for completion of the conference.

If you are unavailable to attend a mediated settlement conference before the deadline for completion set by the court expires, you may seek an extension of the deadline to complete your mediation. Since courts will rarely extend the trial date set for a case, it is likely that any new deadline for completion of your conference will still fall before the trial date. If the opposing party or his/her attorney are willing to agree to an extension, you should advise your mediator. The mediator can suggest to the court that it extend the deadline and submit AOC-DRC-19 to the Trial Court Administrator/Coordinator for the court's approval. In the alternative, the parties can sign and submit AOC-DRC-19 directly to the court. If your spouse or former partner will **not** agree to an extension, you can file a motion with the court (AOC-CV-835), and ask the court to extend its deadline. There are filing instructions on the form. FFS Rule 3. C.

Please understand that the FFS Program and the mediation process are intended to make the courts more efficient and to save parties' time. As such, you should not seek an extension unless it is truly necessary to ensure your participation.

- **POSTPONING THE MEDIATED SETTLEMENT CONFERENCE ONCE A DATE HAS BEEN SET.**

If a conflict arises that prevents you from attending a scheduled mediation, let your mediator and the other party know as soon as possible. You can ask your mediator to postpone the scheduled date for your mediation, and reschedule it for a date prior to the completion date set by the court. The mediator should ask you why you are seeking a postponement. Where a mediator finds good cause to postpone, s/he will not assess a postponement fee. Good cause for a postponement is a situation that your mediator determines both prevents your attendance and is beyond your control. A sudden serious illness, an accident causing serious injury, or the death of a close family member are examples of good cause for a postponement. In a situation where the mediator does not find good cause, the rules provide for a postponement fee to be paid by the party seeking the postponement. Again, a mediator cannot extend the date for the conference beyond the deadline set by the court for its completion. If it becomes necessary to extend the court's deadline for completion, the court's approval must be sought. FFS Rule 7.

- **ATTENDANCE IS MANDATORY.**

You must attend the conference. All parties are required to be physically present for mediation. Physical attendance often results in the parties being more engaged in the

process. Moreover, a great deal of communication is non-verbal. Facial expressions and body language can be lost when a party appears by phone or electronic means.

If you live out-of-state or at some distance from the conference or are seriously ill or home bound, you may appear by telephone or through software such as Skype, if your spouse or former partner and the mediator agree to this arrangement. If the other party and/or mediator will not agree, you may seek permission from the court. The Commission and courts do not have a form for this, so you will need to file a motion. If you fail to attend the scheduled conference, you may be found in contempt and/or assessed monetary sanctions, such as being required to pay all the costs of mediation and any attorneys' fees incurred by other parties.

- **PAYMENT OF MEDIATOR'S FEE.**

The program rules require that the mediator's fees be paid in equal shares by the parties, unless otherwise agreed to by the parties, or as ordered by the court. Mediators appointed by the court are paid \$150.00 per hour for their mediation services, plus a one-time, per case, administrative fee of \$150.00. Appointed mediators may not charge for travel time. Mediators selected by the parties are paid an hourly fee by agreement between the mediator and the parties, and may charge for travel time and expenses.

Come prepared to pay the mediator's fee. Mediator fees are due at the conclusion of the conference (except that a mediator may seek payment of his/her administrative fee earlier), so bring your checkbook with you to the proceeding. If the mediator prefers to mail an invoice, please pay it upon receipt. If you don't pay your mediator promptly, you may, following a hearing, be found in contempt and fined—in addition to the mediator fees owed.

If you are unable to pay the mediator due to a lack of funds, it is not necessary for you to inform your mediator until the conclusion of your conference. What you will need to do is complete a copy of AOC-CV-828, *Petition and Order For Relief From Obligation To Pay Mediator's Fee* and take it to your conference with you. Once your conference has concluded, give the *Petition* to your mediator and ask that it be attached to his/her *Report of Mediator* and filed with the court. Your *Petition* must go before the court, as it is the court's responsibility to make a determination on your ability to pay. While the *Petition* is before the court, your mediator should not communicate with you about his/her fee. Both you and your mediator must abide by whatever the court decides. FFS Rules 5 and 7.

- **CONCLUDING THE CONFERENCE.**

If you do reach an agreement with your opposing party at your conference, and both of you are not represented, either one of you or the mediator may record the matters discussed in writing and may use form AOC-DRC-18, "*Mediation Summary*," or a similar document. This summary should not be signed by the parties or the mediator and is not intended to be a binding agreement. **Be aware that the unsigned summary document alone has no legal effect as a binding agreement and will not conclude your case.** Your

agreement is binding and the case is closed when either 1) both of you draft and sign a written, final settlement agreement and file a dismissal or a consent judgment with the court, or 2) the parties present their summary in court for entry of a memorandum of judgment by the court. One or both of you may wish to consult with an attorney after the mediation to draft a final agreement based upon the Mediation Summary for signatures and for filing with the court. The Commission strongly encourages you to see legal advice before you sign any documents.

If the opposing party in your conference is represented by counsel, and an agreement is reached, the attorney but not the mediator may draft a settlement agreement using AOC-CV-17 or a similar form for all of the parties to consider and review. But, because you are unrepresented, the mediator will not be able to offer you any legal advice. The mediator will most likely tell you it is important to have a legal document reviewed before you sign it, and that s/he will recess the mediation for you if you wish to have an attorney review the agreement before you sign it. The mediator will read the draft agreement prepared by the attorney and help facilitate any discussions about revisions or changes to it. The Commission strongly encourages you to seek legal advice before you sign any document. In that way, your legal rights can be better protected. If you determine that you do not wish to consult an attorney and you convey your acceptance of the agreement and your decision to sign to the mediator, the mediator will ask all parties to sign it, and will distribute copies to all parties and attorney(s).

If the parties are not able to reach an agreement in mediation, your mediator will declare an impasse and your case will proceed to trial.

If you have any further questions, please contact the Dispute Resolution Commission's office at (919)-890-1415. Commission staff cannot give legal advice, but are happy to respond to your questions about the mediation process or the Family Financial Settlement Program.

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