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The Trust Clause: Who Owns Our Church?!?

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"What do you mean, we don't own our church? We built it with sweat equity and funds raised the old fashioned way. Our name is on the deed. Have you lost your mind? Of"



How many times have you heard this, or something like it, from well meaning United Methodists, from disgruntled United Methodists, and from persons who want to be called former United Methodists? It is rarely spoken in Christian love. It is always spoken with a lack of understanding of the "trust clause" and the core polity of the United Methodist denomination.

In order to understand the denomination's polity about church property, it is helpful to understand two important terms: conferencing and itineracy, terms used frequently in the vocabulary of theologians (as the rest of us scratch our heads in confusion or wonder).¹

Conferencing is a wonderfully simple and yet richly complex term used in many contexts in the denomination. Loosely speaking, the conference is a group of persons and/or churches that have covenanted to be in ministry with one another: the charge conference; the annual or central conference; the General Conference. More formally, conference refers to a body of clergy and laity that exercises certain legislative, judicial and executive functions for the body. The term also is used in the context of time (from conference to conference), geographical areas (the number of charges in an annual conference, etc.), and as a method of discussing Christian issues to discern God's will from the collective wisdom of a group. All of these uses of the term conference are fundamental to the polity of this "connectional" denomination.

Itineracy of course refers to the traveling preachers, the appointment of clergy by the bishop to wherever their gifts are best used to meet the needs of the ministry. A visual image of the circuit rider comes to mind.

So, you ask, how in the world do these two terms relate to our ownership of our church? Conferencing and itineracy as core concepts of United Methodist polity make clear that we are not a congregational church, but rather a connectional church: we are "connected" to one another through conferencing and itineracy, on a journey together in connection and in covenant with one another. The trust clause further bears this out. John Wesley created a model

deed (transported to America by Thomas Coke), to protect the security of the "preaching house," as a place for the itinerant pastor to serve and followers to worship. Wesley's rationale for this model deed was, as follows:

Thus, conferencing, itineracy and the trust clause are woven together as a part of the quilt that defines Methodism as a connectional, not congregational, Church. Yes, the local church has its name on the deed and legally "owns" the property, and the local church trustees are responsible for that property. However, the ownership is in trust for the future of United Methodism, as a part of the covenant relationship that every United Methodist has with one another.

Local church conflicts over ownership of local church property are as old as the Church. For example, in 1820, the John Street Church in New York City faced a crisis when the local trustees adopted a policy regarding property and pastoral compensation which differed from that of the annual conference; the New Haven Methodist Church experienced discord in the 1820's, when church members were angry with the dismissal of a lay member who had been accused, wrongly they felt, of dishonesty. Think back to a more recent time of the civil rights era in the 1960's, when schism was a constant threat based on intense feelings about racial separatism and equality.

Dare I ask where we would be today as a strong denomination with historic and cultural ties and traditions, had John Wesley and Thomas Coke not had the foresight to protect the preaching house for Methodists to use for time immemorial? How many churches would be left in the denomination if ecclesiastical "divorce" were easy? Are we not all thankful in 1998 that we stuck it out during troubled times, even if the only reason at the time, in the heat of our passionate anger about an issue, was because we couldn't "take the property and run?"

The trust clause is a constant reminder that our ancestors have en-trusted us with local church property, to nurture and grow toward the common goal of inviting, teaching and sending Christians to do God's work. "Our church" is foundational to the Christian faith: we are the temporary custodians of resources that ultimately belong to God. It is indeed a sacred trust, not only for us but for future generations. We fail to honor this sacred trust when we individually think that we alone know best how these valuable resources should be used.

So, what does all of this mean? When you drive by a United Methodist church in another town, state or country, you can proudly say "that's my church!" Who owns it? The local church is the legal owner and custodian of the property, acting through its trustees. But, thanks to John Wesley, and regardless of how the deed is written, the local church holds the property in trust for you and future generations of United Methodists. Let us give thanks!³

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LOCAL CHURCH PURCHASE OF REAL PROPERTY CHECKLIST

2012 *Book of Discipline* Requirements

The following checklist has been developed to assist the local church to follow *Discipline* provisions when purchasing real property. The first section deals with unincorporated churches and the second section deals with incorporated churches. It is essential that you know the “corporate” status of your church so you can follow the proper procedures.

SECTION ONE

Purchase of Real Property by an Unincorporated Church (¶¶ 2536-37)

1. ___ Notice given, from the pulpit and in the weekly bulletin/newsletter, of the proposed purchase and of the date and time of the charge conference’s meeting, at least ten days prior to the meeting. ¶ 2537. The district superintendent, in consultation with the church, schedules the time of the meeting of the charge conference. ¶ 246.4. Local legal counsel should be consulted to see if state laws require more than ten days notice.
2. ___ Charge conference approval of the proposed purchase. The resolution is presented at the charge conference meeting and requires a majority vote of the members present and voting. ¶ 2537.
3. ___ Written consent of both the pastor and district superintendent. ¶ 2537.
4. ___ The deed or conveyance contains the appropriate trust clause language as set forth in ¶ 2503. Title to the property shall be held in the name of the board of trustees, their successors and assigns, in trust for the use and benefit of the local church and The United Methodist Church. ¶ 2536.
5. ___ Paragraph 2544 has extensive requirements relating to purchase of property. Those requirements and recommendations vary depending on whether it is vacant or improved property, and how the property is to be used or improved. This paragraph should be carefully reviewed in light of the church’s plans. Some highlights include:
 - Approval of the district board of church location and building as provided in ¶¶ 2520-21. ¶ 2544.2.

- The church building committee and the district board must carefully plan costs, financing, architectural design, current and future needs.
- Buildings must have certain features including accessible facilities. ¶ 2544.4.
- Title to property with improvements must be in fee simple; legal concerns such as guaranteed title and environmental standards should be met. ¶ 2544.10.
- Contractor bonding is recommended. ¶ 2544.14.

SECTION TWO

Purchase of Real Property by an Incorporated Church (¶¶ 2538-39)

1. ___ Notice given, from the pulpit and in the weekly bulletin/newsletter, of the proposed purchase and of the date and time of the charge conference's meeting, at least ten days prior to the meeting. ¶ 2539. The district superintendent, in consultation with the church, schedules the time of the meeting of the charge conference. ¶ 246.4. Local legal counsel should be consulted to see if state laws require more than ten days notice.

2. ___ Charge conference approval of the proposed purchase. The resolution is presented at the charge conference meeting, sitting in corporate session, and requires a majority vote of the members present and voting. ¶ 2539.

3. ___ Written consent of both the pastor and district superintendent. ¶ 2539.

4. ___ The deed or conveyance must have the appropriate trust clause language as set forth in ¶ 2503. Title to the property shall be held by the corporate body in its corporate name, in trust for the use and benefit of the local church and The United Methodist Church. ¶ 2538.

5. ___ Paragraph 2544 has extensive requirements relating to purchase of property. Those requirements and recommendations vary depending on whether it is vacant or improved property, and how the property is to be used or improved. Paragraph 2543 should be carefully reviewed in light of the church's plans. Some highlights include:

- Approval of the district board of church location and building as provided in ¶¶ 2520-21. ¶ 2544.2.
- The church building committee and the district board must carefully plan costs, financing, architectural design, current and future needs.
- Buildings must have certain features including accessible facilities. ¶ 2544.4.
- Title to property with improvements must be in fee simple; legal concerns such as guaranteed title and environmental standards should be met. ¶ 2544.10.
- Contractor bonding is recommended. ¶ 2544.14.