

2023 TRUSTEES

The Ministry of Administration

Presented on behalf of

Virginia Conference Office of the Treasurer
Conference Council on Finance & Administration
Conference Board of Trustees



Presented by:

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Chief Financial Officer

Virginia United Methodist Conference



The Trustee's Job

2016 *Discipline* 2525-2552

Keeper of God's House

The agent of physical resources and legal matters



- ◆ **Receive direction and be responsible for the incorporation of the church**
- ◆ **Oversee, maintain, supervise all local church property cooperating with Pastor**
- ◆ **Maintain adequate insurance**
- ◆ **Report annually to charge conference**
- ◆ **Receive and administer all inherited gifts**



The Trustee's Job

Continued

- ◆ Ensure updating of property, etc
- ◆ Work with pastor on use of property-Pastor has full control of pulpit
- ◆ Submit operating budget request to Finance
- ◆ Be accessible and accountable to charge conference and church council





The Trustee Chair's Job

(Can not be the Pastor)

- ◆ Guide the work of the Board of Trustees
- ◆ Provide advice and direction
- ◆ Maintain close communication with the pastor
- ◆ Serve on the church council



To whom do the Trustees (Relate)



- ◆ Charge Conference – serves as primary governing body of the church-Legal Arm of the church
- ◆ Church Council - plans, coordinates, implements church program for ministry
- ◆ Staff-Parish Relations Committee - responsible for all appointed and hired staff building and equipment needs
- ◆ Finance Committee - raises, manages, distributes funds



Board of Trustees Members

- ◆ Shall be of legal age-negotiates and executes contracts
- ◆ Shall be no fewer than three or more than nine members
- ◆ At least two-thirds must be professing members of The United Methodist Church of which one third shall be lay women and one third be lay men of the local Church.
- ◆ Chairperson must be a member of **local** church
- ◆ No pastor is a voting member unless elected as a member.



Trustee Election and Term

Three-year term

- ◆ Board is divided into three classes and a new class is elected each year
- ◆ Charge conference fills any vacancies that occur in any class
- ◆ Board elects their own officers at the first meeting each year



Getting Organized (2530)

- ◆ **First meeting** must be held within 30 days of the beginning **of the year**
 - Elect chairperson, vice-chairperson, secretary, and other officers as needed; chairperson and vice-chairperson shall not be of the same class (2532)
 - Develop a schedule of meetings and tasks to be considered for the entire year and long-range
 - Tour the facility and orient new members
- ◆ Trustees should meet at least quarterly, but required to meet annually



Getting Organized

Continued

- ◆ A majority of the trustees constitutes a quorum-only group in church that this is required-legal work responsibility
- ◆ Divide trustees into subgroups assigned to a specific area (e.g. buildings, grounds, bequests, equipment)
- ◆ Chairperson or pastor calls the meetings (2532)





BOT Powers & Limitations (2533)

- ◆ Supervision, oversight, and care of all real property and equipment
- ◆ **Property and Casualty Insurance Coverage is in existence and is adequate**
- ◆ Property use with the pastor's approval
- ◆ Annual inspection of parsonage with SPRC
- ◆ Receive and administer all bequest (inheritance) for the local church (Delegate this responsibility- Memorial, Finance, etc)
- ◆ **Incorporation**
- ◆ Accessibility Audit/Inspection



Building Use Policy

- ▣ Every group outside of the church must sign one
 - ▣ You will have to list those meeting in your church on the charge conference forms this year
 - ▣ You will have to indicate if you have an agreement or not
- ▣ Certificates of Insurance
 - contractors and outside vendors
 - church as an additional insured
- ▣ Usage policy for groups
 - internal & external
 - groups sign usage agreement
- ▣ Limits of insurance; certificates updated annually
- ▣ Segregating groups to specific areas
- ▣ Opening and closing facilities with groups
- ▣ Report to Charge Conference (NEW this year)



Property and Casualty Insurance

- ◆ Must meet standards as directed by GCFA 2533 (2)
- ◆ Conference BOT established standards-equal to or higher than GCFA
- ◆ Things to do:
 - Provide a Declaration Page to Charge Conference to prove existence of the policy
 - List the Annual Conference as an additional insured
 - Provide Bonding/Crime at minimum for Treasurer
 - Best option is a position bond



BOT Property Insured Values

- ◆ BOT must inspect policy to be sure all property is listed
 - Pipe organs, pianos, handbells
 - Stain Glass
 - Art and Historic items
 - Vehicles (owned, leased and volunteer)
 - All contents
 - IT hardware and Cyber coverage
- ◆ BOT must insure that adequate levels of property coverage exist
 - Replacement Cost
 - Our TPA A J Gallagher will be doing an intense review of values so that all levels of coverage are adequate
- ◆ Workers Compensation in conjunction SPRC/Finance



Risk Management

- ◆ When was the last time you inspected your property?
- ◆ What should you look for?
- ◆ Who should you report to?
- ◆ Who can help us?



Property Risk Management Process

- ◆ SIX Step Process ---

1. Identify The Hazards
2. Assess The Hazards
3. Mgt. Commitment – to Eliminate the RISK
4. Implement Controls – Engineering -
Administrative
5. Monitor Results (Inspections, Claim History,
etc.)
6. Repeat the Process



Why We Need Self Inspections?

- ◆ Leading cause of loss for churches is facility deficiencies
 - Poor walking surfaces → slips/trips/falls
 - Roof leaks → water damage and mold
 - No surge suppression → electrical damage
 - No building usage policy → suit from 3rd party who is injured in church building
- ◆ Facility management - the cornerstone of safety and risk management efforts for religious organizations



What To Consider?

- ◆ Building Entrance/Travel Paths
- ◆ Parking Lots
- ◆ Sidewalks
- ◆ Playgrounds



What To Consider?

◆ Building Utilities

Kitchen and Cooking

◆ Fire Protection

◆ Building Security

Weather / Acts of Nature

Cemetery



Informal Self Assessment vs. Formal Documented Self Inspections

- ▣ Informal Assessment – typically no one takes ownership, it's infrequent, no format to follow, not very helpful when a claim occurs with defense, etc
- ▣ Formal Documented Self-inspection - identifies physical deficiencies on a regular scheduled basis.
 - Completed at least quarterly or more often if necessary
 - Documented (form) is used to guide the process
 - Date, time, conditions are noted and by *whom*
 - Work orders can be generated from the report
 - Communicate the results



Auto Risk Management

- ◆ Our Driver's - "BEST ASSET OR WORST LIABILITY"
- ◆ Driver Selection – why – because 90% of accidents are caused by Human Behavior.
- ◆ Start with Pre-selected Drivers list
- ◆ MVR (motor vehicle record) review of all drivers.
- ◆ MVR "Written" criteria based on frequency and severity of violations. Do you have one?
- ◆ Age limit (25 to 70)
- ◆ Church Vehicle vs Personal Vehicles [primary – secondary]
- ◆ Pre-trip vehicle inspection?
- ◆ Driver Training - Training and More Training. (DDC) VAN's – Buses, etc.
- ◆ Preventative maintenance program for vehicles - Records
- ◆ Key Control – who, where, when, for what???



QUESTIONS?