

RESPONSIBILITIES OF CHURCH TRUSTEES

Church trustees are required if your church is not incorporated. This is a legal requirement of the Religious Organizations Land Act (ROLA) which legislates how religious organizations purchase, hold, mortgage and dispose of property, since the church itself is not a legal entity. The Act stipulates that there should be three unrelated trustees.

The general duties of Church Trustees are as follows:

- To hold the property, in their names, on behalf of the congregation
- To act as legal representatives of the congregation in the purchase, sale or mortgaging of the (the Act is specific as to process)
- Be responsible for the assets of the church they manage.
- To manage the funds responsibly
- To combine special purpose trust funds (money given to the church to be used for a particular purpose) for investment purposes

The following is a sample list of what might be reflected in a church constitution:

The Trustees shall be responsible for all legal obligations for the church and will ensure requirements regarding mortgage, insurance and other financial matters are met.

1. The Trustees will hold the church property on behalf of the congregation in accordance with the Religious Organizations Land Act.
2. The Trustees will ensure that no part of the property is sold, mortgaged or otherwise encumbered or disposed of other than by an approving vote of at least 85% of the active members of the church present and voting at a duly constituted business meeting called to consider the matter.
3. The Trustees will attend to the fulfilment of the legal obligations indicated in the terms of any Trust.
4. The Trustees will ensure that the property is adequately covered by insurance at all times, that premiums are paid promptly and that insurance coverage is reviewed at least every five years.
5. The Trustees will attend to the safekeeping of all legal documents such as deeds, mortgage records, and insurance policies.
6. The Trustees will ensure that the assets and investments are handled in proper manner and are not exposed to high-risk environment.
7. The Trustees will, through the Treasurer, ensure that the appropriate documents are processed each year to ensure continued registration as a charitable organization according to the requirements of Canada Revenue Agency.
8. The Trustees will, through the Treasurer, ensure that all withholding deductions (i.e. Canada Pension, Employment Insurance, Income Tax and Pension contributions) related to employees are paid in full at the end of each year.

Note: Item 2 is not required if the congregation does not want to set a specific percentage.

DISCLAIMER: This guide is provided for information purposes only and is not intended as advice to the local church. Information is current only as of the date that the guide was prepared. Readers are advised to seek professional advice for their particular situation.
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