Have you ever considered that the property your church owns should be part of your stewardship program? How are you enjoying and managing the gifts God has given to your congregation? Your church’s ministry should not be confined to the property you own, but the property you own should be considered a vital part of your ministry. Ideally, your facility is set apart to worship God and hopefully even be a witness to Christ in your neighborhood.

There are many aspects to being a good steward of this property and it is almost impossible to give a one-size-fits-all guide, but this article is written to give each church an overview of topics connected with property ownership. Some of these include safety and security, insurance, tax-exempt status, and use or rental of facilities. Beginning on page 4 of this article, there is also a discussion of the hottest topic in church law discussion circles today: the impact of the June 2015 United States Supreme Court decision on same-sex marriage. Adopting a policy to protect your church in light of this decision may be a good idea, but ideally you should take advantage of this opportunity to review all policies and procedures related to church property management.

**Helpful questions to analyze your church property management program.**

The questions and suggestions below are grouped under general topics as a means to guide your congregational discussions and actions. As you review the material and contemplate changes to policies or procedures, please ensure you follow your local congregation’s requirements to properly adopt any changes made.

**General Property Management**

Who manages your property? Does your constitution or bylaws specify the group or individual who has primary responsibility? What duties are involved? Is this written down in a policy and procedures manual or incorporated into a job description for a volunteer or staff member?

In small churches, the entire burden of caring for the property may fall onto the shoulders of one volunteer, such as a custodian, caretaker or trustee. Creating a list of the tasks this individual undertakes in service of the church is a good idea to provide continuity, to make sure you appreciate the magnitude of the work involved and to evaluate the current situation to see if the responsible party needs more help to avoid potential burnout. If the work of property management is done by a paid staff member, it is a good idea to list the duties for inclusion in a job description. If the work is shared by members on a committee, having a written plan of all the activities can help new members familiarize themselves with the duties of the position and help new groups divide the work.
**Property Inventory**

Does your church have a comprehensive list of property owned? Church, parsonage, school, day-care center, cemetery, vacant lot and property gifted to the church are just some of the categories. Where is it located? What is the estimated value of each piece of property? What is the outstanding mortgage balance? Who is the mortgage holder?

**Property Insurance**

What type of insurance policy do you have on each property? Do you have contact information for the insurance company and your agent? How old is the policy? Have the values of the property and replacement cost for the structure and contents been updated in the last decade? Do you have a procedure in place to review and update this information periodically? Are there any high-value, non-real estate items that warrant special insurance coverage? These may need to be separately listed and covered with a rider or special addendum to the property insurance policy. Is there money set aside to pay the deductible and other costs related to insurance claims? Consider creating an insurance committee on your church council to review the policy coverage and make recommendations on needed changes or updates.

**Security**

What are the hours your facility is open? Who is responsible for opening and closing the facility? Is access controlled with keys, swipe cards or access codes, or a combination of these methods? If access codes are used, are they assigned to an individual or the same for all users? How often are security access codes changed? At a minimum, this should be done any time there are changes in staffing or when any individual is removed from having unescorted access to the property. Another way to ensure this is accomplished on a regular basis is to make the change annually after the election and installation of new officers.

**Facility Safety**

Your facility should be a safe and inviting space for members and guests. Is there a plan in place for regularly walking around to survey the property and note any areas requiring maintenance or repairs? This can be accomplished by a property committee. Is there money in the budget for making necessary repairs? Some repairs can be done by members on a congregational work day. If any areas pose a specific hazard, consider limiting access until appropriate repairs can be made. For guidance on funding facility maintenance, see the Resource Library at lcef.org/facilities_planning/index.cfm for the Lutheran Church Extension Fund Architectural Advisory Committee’s white paper on establishing a maintenance reserve fund. The page also includes a list of projects to improve the energy efficiency of your church. The Resource Library contains several guides on other topics related to facility maintenance and construction.

Remember to survey the outside of your building(s) and any landscaping. This may disclose a need for tree trimming or other seasonal outdoor maintenance. Special attention should be paid to your outdoor areas to be sure lighting is adequate and parking areas and pedestrian walkways are well maintained.
**Additional Resources from Insurance Providers**

Facility safety is also key in limiting the church’s liability for accidents that may occur on the property. Your insurance provider may have helpful guides covering specific topics that often pose a great risk, such as slip and fall prevention or winter maintenance. Lutheran churches and schools may purchase insurance for their facilities and special events from local or national insurance providers. Insurers are interested in risk reduction and may provide helpful resources for your church or school. In some instances, completing training offered by your insurance company may even help you qualify for a discount on your insurance premiums. These guides, in combination with the LCEF resources mentioned above, can be a great place to start.

As an example, Church Asset Management and Lutheran Trust works with a number of insurance carriers, and while no LCMS endorsement of GuideOne is intended, GuideOne does offer a number of free resources on their website, guideone.com. Please look under the “Safety Resources” tab. Some of these resources are free to the public. GuideOne customers can also register and get free access to additional resources through safecurch.com. Another insurance provider offering online safety resources is Church Mutual Insurance. Some of these documents are available to the public at churchmutual.com, while others are available only to customers.

While related to facility safety, detailed information on the topic of emergency management is beyond the scope of this article, but first aid and CPR training, fire protection plans, and a recovery plan to get back to normal following a natural disaster are excellent starting points. Additionally, LCMS Disaster Response provides the Mercy in Action program to train congregations how to respond in the face of a disaster. For more information and resources including a list of helpful disaster-response websites, see lcms.org/disaster.

**Legal Changes with Respect to Same-Sex Marriage**

In June 2015, the United States Supreme Court decision in the case Obergefell v. Hodges, 576 U.S. _____ (2015), declared a constitutional right to same-sex marriage based on the due process clause of the United States Constitution. At the current time, pastors are not compelled to perform marriage ceremonies contrary to their faith. To deal with potential legal challenges demanding to allow your facilities to be used for same-sex wedding ceremonies, churches should adopt a written policy regarding use of church facilities for weddings. The church can strengthen its religious freedom argument by restricting use to those activities consistent with its biblical beliefs.

**LCMS Sample Marriage Policy**

As part of the “Free to be Faithful” campaign, The Lutheran Church—Missouri Synod has created an information sheet titled “Information on Marriage Policies for Member Congregations.” This document can be found on the Synod website at lcms.org/Document.fdoc?src=lcm&id=2640. It contains links to a number of previously prepared resources that lay out the Synod’s beliefs on marriage. It also contains the following sample Marriage Policy, which is recommended for inclusion in your congregation’s handbook or policy manual or even just as a separate document.
“The marriage policy of _____________________, a member congregation of The Lutheran Church—Missouri Synod, is and always has been consistent with the Synod’s beliefs on marriage. We believe that marriage is a sacred union of one man and one woman (Gen. 2:24–25), and that God gave marriage as a picture of the relationship between Christ and His bride, the Church (Eph. 5:32). The official position of The Lutheran Church—Missouri Synod, as set forth in 1998 Res. 3-21 (‘To Affirm the Sanctity of Marriage and to Reject Same-Sex Unions’), is that homosexual unions come under categorical prohibition in the Old and New Testaments (Lev. 18:22, 24; 20:13; 1 Cor. 6:9–10; 1 Tim. 1:9–10) as contrary to the Creator’s design (Rom. 1:26–27). These positions and beliefs can be found on the LCMS website, along with other statements, papers and reports on the subject of homosexuality and same-sex civil unions and ‘marriage.’ Our pastors will not officiate over any marriages inconsistent with these beliefs, and our church property may not be used for any marriage ceremony, reception or other activity that would be inconsistent with our beliefs and this policy.”

Protecting Your Tax-Exempt Status

Churches are generally tax-exempt entities. This means they are not subject to property taxes on parcels that are used exclusively for religious purposes. This has never been interpreted to prohibit any and all uses of church facilities for uses other than worship or other ministry purposes. Churches routinely authorize members to use church facilities for events such as birthday and anniversary parties. Some churches also permit use by other groups in the community. These other uses can be either at no cost or subject to a reasonable rental fee.

To protect church tax-exempt status, it is recommended that churches do not rent out facilities to businesses or other for-profit groups. It is also advisable to keep rental costs low enough to primarily just cover costs incurred, limiting any potential argument that the church is functioning as a place of public accommodation. This is another protective measure to maintain the church’s tax-exempt status.

Practical Concerns

Consider requiring all scheduling be done through one individual or office to avoid scheduling conflicts.

Review the church’s insurance policy with your insurance agent to see if the church is covered for damages caused by other groups using your building. Based on the answer, determine if certain activities require outside groups to purchase a special event liability policy.

Prepare a written agreement to be signed by any individual or groups seeking to use the church facilities which indicates their acceptance of the church's facility usage policy.

Please note: This document is not intended to provide specific legal advice. This material is provided by The Lutheran Church—Missouri Synod for informational purposes only. You are encouraged to contact your insurance provider, legal advisor and other experts to determine what policies and procedures best fit your congregation or school situation. No endorsement of listed companies or organizations is implied or intended. Website addresses listed were current as of January 2016.