



## Role of the Parish Trustee



2015



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## PARISH TRUSTEE

### INTRODUCTION

Engaged parish trustees are vital to the life of a parish. In recognition of this important role, the Diocese of Des Moines provides this resource to parishes in order to provide greater clarity and understanding throughout this local Church.

### CANON LAW

[http://www.vatican.va/archive/ENG1104/\\_P1U.HTM](http://www.vatican.va/archive/ENG1104/_P1U.HTM)

#### **Spiritual and Temporal Affairs**

**Can. 519** The pastor is the proper pastor of the parish entrusted to him, exercising the pastoral care of the community committed to him under the authority of the diocesan bishop in whose ministry of Christ he has been called to share, so that for that same community he carries out the functions of teaching, sanctifying, and governing, also with the cooperation of other presbyters or deacons and with the assistance of lay members of the Christian faithful, according to the norm of law.

### CIVIL LAW

Nonprofit corporations, organization.

The governing statutes for religious corporations are set forth in Chapter 504 of the Iowa Code. The parish corporations in the Diocese of Des Moines constitute “religious corporations” as defined under Iowa Code § 504.141. After a parish corporation is initially formed through the filing of articles of incorporation by the bishop, the parish corporation is organized through an organizational meeting of the initial directors of the parish corporation whereby officers are appointed, bylaws adopted and any other business is conducted. Iowa Code § 504.205. The parish trustees are appointed to serve as members or directors of the parish corporation.

### FIDUCIARY DUTY

“**Fiduciary**” is recognizable by its common meaning: “of or relating to a holding of something in trust for another.” A member, director and/or officer (trustee) of a corporation owes a fiduciary duty to that corporation to act in good faith, with honesty in fact, with loyalty, in the best interests of the corporation, and with the care of an ordinary, prudent person under similar circumstances. A fiduciary must act solely for the benefit of his or her principal.

### PARISH ADMINISTRATION: APPOINTMENT OF LAY MEMBERS (TRUSTEES)

In practice, the Pastor submits the names of two lay members (sometimes referred to as ‘trustees’) belonging to the parish to the Bishop and Vicar General requesting their votes for selection. Lay Members/Trustees may not be employees of the parish. They should be parishioners of the parish who reside within the territory of the Diocese of Des Moines. **One trustee shall be male and the other female. Exceptions require permission from the bishop. It is strongly recommended that the trustees be representative of parish demographics and that minorities be represented consistent with the parish community.**

## PROXIES

A proxy is a written document executed by the Bishop and Vicar General, as members of the corporation, to be used at a meeting which they are unable to attend, giving the authority to the Pastor, a member of the corporation, to cast their votes in favor of a specific corporate resolution stated in the proxy.

Actions requiring a proxy include:

- The sale, mortgage, encumbrance or disposal of real, personal or mixed property;
- All building projects of \$50,000 or more;
- Expenditures beyond the ordinary administration of the parish (currently at the threshold of \$25,000 or greater); and
- Contracts or obligations binding or indebting the parish.

All projects undertaken in parish churches or chapels or related to liturgical questions require the explicit permission of the bishop, regardless of cost.

## CERTIFICATE OF INCORPORATION BOARD OF DIRECTORS

The members of said Corporation, viz: The said Bishop and the said Vicar General (or, in the event of the death or incapacity of said Bishop, the Administrator of the Diocese and the Chancellor of the Diocese), the Pastor **and the two lay members** selected and designated as aforesaid, and their respective successors, shall be and constitute the Board of Directors of the Corporation and said Board of Directors shall have power to transact all the business of said Corporation.

## OFFICERS

The officers of said Corporation shall be President, Vice President, Secretary, and Treasurer. The Bishop, or person appointed in his place or stead, shall be ex officio the President. The Vicar General is the Vice President. The Pastor of the parish is the Secretary and Treasurer.

## BYLAWS

### LAY MEMBERS, TERM OF OFFICE

The term of office of the **lay members** above mentioned shall be for **three years** from the date of their election, **and shall be renewable one (1) time**. No lay members may serve more than two consecutive terms, for a total of six years.

## BYLAWS

### LAY MEMBERS, REMOVAL

If any member of the Board of Directors, except ex officio members, becomes unfit for the duties of the office of Director, or incapable of performing such duties, the remaining Directors shall have the authority to remove the Director permanently from membership on the Board and as a member of the Corporation. **Causes for which a Director may be removed from membership are:** physical inability to perform the duties of the office; prolonged neglect to perform such duties, or to perform them properly; persistent refusal to observe in the transaction of the business of the Board, the statutes and rules of The Diocese of Des Moines, or the rules of the general and recognized discipline of the Roman Catholic Church; or **public personal conduct at variance with the laws of said Roman Catholic Church**.

## **EXECUTION OF DOCUMENTS**

Deeds, mortgages, contracts, evidences of indebtedness, documents of whatever form affecting the property of the Corporation, or entailing upon it a monetary obligation, shall **when duly authorized by the Board**, be signed and executed by the President and the Secretary, **and by none other or others in their stead**, unless such other or others be duly empowered to that effect by the **unanimous** vote of all the Directors.

## **LIMITS OF AUTHORITY**

No Director, unless authorized by the Board, shall have the power or authority to sign notes or other evidences of debt or to contract liabilities binding on the Corporation. No Director, without a special authorization from the Board, shall be presumed to have the power or permission to act as agent of the Board; and no contract made and no liability assumed by a Director in the absence of such special authorization shall be other than that Director's own personal contract or liability, and no mere custom or practice of any member or any Director of the Board, separately or collectively, shall be construed as establishing a legal agency binding on the Board.

## **ROLE OF TRUSTEES IN RELATION TO PARISH FINANCE COUNCILS**

Discussions about parish councils frequently generate questions regarding **the role of parish trustees**. The trustees are the members and officers of the civil corporation registered with the state. Their role fulfills civil statute requirements. Trustees are not required to serve on pastoral or finance councils. However, **parish finance councils are obliged to provide the trustees with access to the information required to fulfill their responsibilities**. This may require the parish councils to respond to questions and provide documentation as the trustees follow their mandates to exercise independent judgment as they perform their duties.

## **BYLAWS**

### **CONSULTATION WITH PARISH COUNCIL**

The Board of Directors should communicate with the Parish Council on all important matters pertaining to the pastoral care and temporalities of the parish, but the Parish Councils shall have no legal vote in the transaction of the business of the Corporation.

## **PARISH TRUSTEES AND CHARTER FOR PROTECTION OF CHILDREN AND YOUNG PEOPLE**

In 2002, the United States Conference of Catholic Bishops approved the Charter for the Protection of Children and Young People. The Charter contains 17 Articles aimed at healing those harmed, creating safe environments and protecting children now and in the future. The Charter was last revised in 2011.

The Diocese is charged with ensuring that all parishes and schools within it are in compliance with Charter requirements.

More information is at <http://www.dmdiocese.org/youth-and-child-protection.cfm>.

### **The following is expected of the parish trustees concerning the Charter:**

- Along with the pastor, responsibility to see that the necessary programs are undertaken at the parish level to ensure compliance with the *Charter*
- Assist the pastor and staff in providing:
  - Necessary audit reports to demonstrate *Charter* compliance to the Diocese
  - Effective liability risk-management related to child safety

## **PARISH FINANCIAL OBLIGATIONS TO THE DIOCESE**

There are three primary ways parishes are involved in a flow of funds to the Diocese: through the Annual Diocesan Appeal and other special appeals; through insurance and benefits payments; and through payments for other services and supplies.

The Annual Diocesan Appeal is based on a canonical authority to afford monetary support to the Bishop and his staff for essential works such as supervision of units of the local Church under his authority as well as acts of charity and good works. Common platform insurance and benefits are supervised by diocesan staff and governed by function-unique committees.

### **Expectations of Trustees Related to Parish Financial Obligations**

- Trustees are expected to review the annual Parish Financial Report to the Diocese
- Trustees should request from the parish councils the necessary information to ensure that the parish is properly planning to meet its financial obligations, including its obligations to the Diocese

## **MISSION STATEMENT OF THE DIOCESE OF DES MOINES**

Rooted in Jesus Christ,  
With a spirit of joy and collaboration  
We assist the bishop in serving the  
People of God in Southwest Iowa.

[www.dmdiocese.org](http://www.dmdiocese.org)

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