

Thought Leadership Series

# The Trustee Role

***Trustees Protect the Church. They Do Not Lead It.***

*The trustee role is among the most important and most misunderstood in church governance. Trustees carry real legal and fiduciary weight; property, financial controls, institutional liability. That responsibility is significant and bounded. A trustee who understands the boundary strengthens the governance structure. One who conflates fiduciary oversight with authority over ministry or pastoral direction does not protect the church. They undermine it.*

## What the Trustee Role Is

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*The trustee board exists to protect the church's legal and financial integrity. That function is essential, distinct, and not interchangeable with the elder board's spiritual and governance authority.*

In most non-denominational and broadly evangelical church structures, the trustee board holds three core responsibilities: legal (holding title to church property and bearing the accountability that comes with it), fiduciary (ensuring the integrity of financial controls, budget oversight, audit, insurance, and compliance), and protective (serving as an institutional check on decisions that carry significant legal or financial risk). A church with inadequate trustee oversight is exposed in ways that can take years to surface. Property held without proper legal structure, financial controls that allow a single person to manage the full transaction cycle, budgets approved without meaningful engagement: each represents real institutional risk the trustee role is designed to prevent.

What the trustee role is not is equally important. Trustees do not set ministry direction. They do not supervise the lead pastor or pastoral staff. They do not make personnel decisions. They do not hold spiritual authority over the congregation. In governance structures where the elder board and trustee board are separate bodies, these distinctions are clear. In structures where they are combined, the board must hold both functions with equal clarity about which hat it is wearing at any given moment.

*The trustee who asks whether the church can afford a decision is doing their job. The trustee who asks whether the church should make a decision has stepped outside it.*

## What Trustees Are Responsible For

*Trustee authority is real, significant, and specifically defined. Understanding its scope is the beginning of exercising it well.*

Area of Responsibility	What It Requires of Trustees
<b>Property and legal title</b>	Trustees hold legal title to the church’s real property and are accountable for ensuring that title is properly maintained, that any encumbrances are documented, and that property transactions are executed with appropriate legal review and governing board approval.
<b>Financial controls</b>	Trustees are responsible for ensuring that the church’s financial controls are adequate: that duties are separated, that no single person controls the full transaction cycle, that bank reconciliations are reviewed independently, and that the controls in place are proportionate to the organization’s size and complexity.
<b>Budget oversight</b>	Trustees formally approve the annual budget and hold responsibility for ensuring that the budget process is rigorous, that the assumptions behind it are sound, and that actual performance is monitored against it throughout the year.
<b>Audit and financial review</b>	Trustees commission and receive the results of independent financial review or audit. They are responsible for ensuring that findings are addressed and that the church’s financial reporting accurately reflects its position.
<b>Insurance and risk management</b>	Trustees ensure that the church carries adequate insurance coverage: property, general liability, directors and officers, and any coverage specific to the church’s ministry activities. They review coverage annually and authorize changes.
<b>Legal compliance</b>	Trustees are responsible for ensuring the church meets its legal obligations: payroll taxes, nonprofit reporting requirements, state filings, and any regulatory requirements specific to the church’s property or operations.
<b>Significant financial transactions</b>	Trustees authorize or approve transactions above defined spending thresholds, including property acquisitions or disposals, major capital expenditures, debt instruments, and contracts with significant financial obligations.

## Where Trustees Have Legitimate Influence

*Fiduciary responsibility gives trustees standing to speak into decisions that carry financial or legal risk, even when those decisions originate outside the trustee board’s formal authority.*

The trustee board’s authority is defined and bounded, but its influence appropriately extends beyond that boundary when financial or legal risk is present. A trustee who raises a concern about the financial implications of a ministry decision, staffing structure, building project, or proposed contract is not overreaching. The distinction that matters is between raising a concern and making a decision. Trustees have standing to flag financial risk, ask

hard questions about sustainability, or decline to authorize a transaction they believe carries unacceptable institutional exposure. They do not have standing to veto a ministry decision, override a personnel choice, or direct the elder board's governance agenda simply because they have a financial perspective on it.

## **Capital and Facility Decisions**

Any decision involving significant capital expenditure, property acquisition or disposal, lease commitment, or building project falls squarely within trustee authority. Trustees should be involved early in these conversations, not simply presented with a completed plan and asked to authorize it. The financial modeling, risk assessment, and legal review that inform major facility decisions are trustee responsibilities, and the board needs adequate time and information to fulfill them.

## **Staffing and Compensation**

Trustees do not make staffing decisions. They do have legitimate standing to speak into the financial implications of staffing structure, compensation levels, and benefits commitments. A proposed staff addition that materially affects the budget, a compensation adjustment that creates ongoing financial obligation, or a benefits structure that carries compliance risk are all subjects on which the trustee board's perspective is both appropriate and valuable. The elder board or lead pastor retains the authority to make the decision. The trustee board's role is to ensure the financial picture is clear before that decision is made.

## **Debt and Financial Commitments**

Any decision to incur debt, execute a significant contract, or make a multi-year financial commitment requires trustee engagement. The trustee board's responsibility is to assess whether the commitment is appropriate to the church's financial position, whether the terms are sound, and whether the legal structure of the obligation is properly documented. This is not a veto over ministry vision. It is a fiduciary check on whether the financial structure supporting that vision is responsible.

*A trustee who never raises a hard financial question is not serving the church. Neither is a trustee who uses financial questions as a mechanism for controlling decisions that are not theirs to make.*

## **What Is Outside the Trustee's Lane**

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*The clearest source of trustee conflict is scope confusion. Most of it is preventable if the boundaries are defined before a disagreement surfaces.*

Trustee overreach rarely begins as a deliberate power grab. It usually begins with a trustee who is genuinely concerned about the church, has business or financial expertise that feels relevant, and does not have a clear enough understanding of the governance structure to know where the trustee role ends. Naming what is outside the trustee lane explicitly, in governing documents and board orientation, is the most effective prevention. The following areas are outside trustee authority in any governance model that maintains a meaningful distinction between fiduciary and spiritual governance functions.

Outside Trustee Authority	Why the Distinction Matters
<b>Ministry direction and programming</b>	Decisions about what the church teaches, how it structures its ministry, and what programs it runs belong to the elder board and pastoral staff. Financial sustainability is a legitimate trustee concern; ministry strategy is not.
<b>Pastoral leadership and supervision</b>	The lead pastor is accountable to the elder board, not the trustee board. Trustees who attempt to supervise, evaluate, or direct the lead pastor are operating outside their authority regardless of how the concern is framed.
<b>Staff hiring, supervision, and termination</b>	Personnel decisions belong to the lead pastor and elder board. Trustees may speak to the financial implications of staffing decisions but do not hold authority over them.
<b>Doctrinal and theological matters</b>	Spiritual oversight and doctrinal integrity are elder board responsibilities. Trustees have no governance authority over what the church believes or teaches.
<b>Congregational care and discipline</b>	Pastoral accountability, membership discipline, and congregational care are functions of the elder board and pastoral staff. Trustees play no governance role in these areas.
<b>Volunteer and ministry leadership</b>	Ministry volunteer structure, small group leadership, and ministry team oversight fall under pastoral and operational leadership. Trustees do not hold authority in these areas.

**When the Elder and Trustee Functions Are Combined**

In governance models where the elder board and trustee board are the same body, the board must be intentional about distinguishing which function it is exercising at any given moment. A board that blurs these functions will make financial decisions as if they were spiritual ones, and spiritual decisions as if they were financial ones. The governing documents should specify how the board moves between these functions, and the board chair should be disciplined about naming the distinction in practice.

**A Diagnostic for Trustee Boards and Elder Boards**

*These questions are designed to surface whether the trustee role in your church is clearly defined, appropriately scoped, and functioning as intended.*

- ▶ Does your constitution and bylaws define the trustee board’s authority and its limits explicitly? Are those limits understood by current trustees?
- ▶ Is there a defined threshold above which financial transactions require trustee approval? Is it being followed consistently?
- ▶ When was the last time an independent financial review or audit was conducted? Were the findings reviewed by the full trustee board?

- ▶ Are there areas where the trustee board has historically spoken into or influenced decisions that fall outside its defined authority?
- ▶ Does the trustee board have a clear, defined relationship with the elder board: how they communicate, how disagreements are resolved, and whose authority governs in which domains?
- ▶ If the church's governance model combines elder and trustee functions in one body, does the board actively distinguish between the two functions in its deliberations?

If these questions surface significant ambiguity, the issue is almost always structural rather than personal. Trustees who operate outside their lane typically do so because the lane was never clearly marked. Governing documents and board orientation are the most effective and least disruptive path to correction.

### **Stewardship Advisors Can Help**

Trustee scope, authority, and inter-board relationships are governance questions that belong in your constitution, bylaws, and board operating frameworks. Related resources in this series include:

- Choosing Your Church Governance Structure: where the trustee function fits within the six primary governance models
- The Church Constitution and Bylaws: how to define trustee authority and limits in your governing documents
- Before You Present an Elder: the elder board's governance responsibilities and its relationship to the trustee function
- Before You Start a Deacon Ministry: how to establish the deacon office, define its scope, and structure accountability from the start
- Right-Sizing Your Leadership Structure: matching the number of elders, trustees, and deacons to the size and stage of your congregation
- After the Launch: the trustee structures appropriate to each stage of congregational development

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