

Approval Process for Church Building Projects
A Comprehensive Guide to ¶ 2544 of the Book of Discipline 2020/2024
By Rev. Luan-Vu “Lui” Tran, Ph.D.
<https://umchurchlaw.com/approval-process-for-church-building-projects/>

1. Scope—when ¶2544 applies

Paragraph 2544 governs three categories of projects: (a) building a new church/education building/parsonage; (b) purchasing a church/education building/parsonage; or (c) remodeling an existing church/education building/parsonage when the remodel cost exceeds 25% of the structure’s value or requires mortgage financing.

2. Key actors & their roles

Study Committee – does the upfront missional/needs analysis and prepares foundational materials for later approvals.

Pastor & District Superintendent (DS) – must provide written consent after the study is complete.

District Board of Church Location & Building (DBCLB) – approves sites, standards, and plans at preliminary and final stages under ¶¶2520–2522.

Charge/Church Conference – authorizes the project, elects a building committee (or assigns duties to trustees), and later adopts detailed

Board of Trustees – may be assigned building-committee duties; retains supervision/oversight of local church real property subject to the charge conference.

3. Phase-by-phase process

Phase A — Discernment & Study

1) Appoint a Study Committee. It must: (1) analyze church & community needs; (2) project potential membership & average attendance; (3) set out the church’s program of ministry (¶¶201–204); and (4) develop an accessibility plan (including chancel). Its findings: (a) form the basis of a report to the charge conference; (b) guide the building committee; and (c) go to the DBCLB.

2) Obtain written consent of the pastor and the DS to the project/purchase/remodel after the study is complete.

3) Secure DBCLB site approval for new building or purchase proposals before going further.

Phase B — Initial authorization & committee formation

4) Charge Conference authorization & notice. The charge conference must authorize the project at a regular or called meeting, with at least 10 days’ notice via pulpit and weekly bulletin/newsletter/electronic notice (or as local law provides).

- After approving a building/remodel project, elect a building committee (≥3 members) or assign the duties to the trustees.

- After approving a purchase, the trustees are deemed authorized to proceed; parsonage purchases must include ground-floor accessible bedroom, an accessible full bathroom, and accessible laundry—or be remodeled within one year to add these.

Phase C — Preliminary design & DBCLB preliminary approval

5) Building Committee preliminary work. Using the study report, (a) estimate facility needs; (b) ascertain purchase cost (if any); and (c) prepare preliminary architectural plans that: comply with building/fire/accessibility codes; show site layout for present/future construction; and provide adequate parking/entrances/seating/restrooms/accessibility (minor remodels excepted). New parsonages must include the accessible features above.

6) Submit preliminaries to DBCLB for preliminary approval: statement of need; preliminary architectural plans (including accessibility); preliminary cost estimate; preliminary financial plan.

7) Charge/church conference on preliminaries. After DBCLB preliminary approval, the pastor (with DS's written consent) calls a church conference with ≥ 10 days' notice. Present prelim plans, cost, financing, and the building committee's recommendation. A majority of members present and voting is required.

Phase D — Final plans, dual approvals, and “green light”

8) Develop detailed plans/specs and a reliable, detailed cost estimate and present them for approval to both the charge conference and the DBCLB.

9) Do not begin construction until both approvals are on record; then you may commence. File written documentation of both approvals with the DS and charge conference secretary.

4. Financing & contracts—mandatory guardrails

A. Financing sufficiency before signing anything.

Do not enter a building contract or incur material obligations (even for volunteer builds) until you have: cash on hand + pledges payable during construction + any required loan commitment sufficient to ensure prompt payment of all obligations when due.

B. Loans: use the correct paragraph.

If a loan is needed, comply with ¶2540 (unincorporated) or ¶2541 (incorporated), including notice, approvals, and written consents of pastor and DS; these paragraphs also require missional due diligence by DS/pastor/DBCLB before consenting.

C. Restrictions on proceeds (¶2543).

- You may not mortgage a church building/parsonage to fund current operating expenses, and principal proceeds of any sale may not be used for current expenses. The paragraph cites Judicial Council Decisions 664 and 399.
- Limited exceptions for congregational redevelopment (equity/accumulated assets) require annual conference/bishop/cabinet approval with a detailed 3–5 year redevelopment plan.
- JCD 688 further addresses how these restrictions apply in mergers/relocations/closures and affirms long-standing conference-level control over the disposition of proceeds.

D. Execution of instruments.

Follow the instrument-execution rules in ¶2540/¶2541 (unincorporated/incorporated corporations) and Chapter 6; for incorporated bodies, instruments are executed by any two corporate officers as provided.

E. Additional safeguards.

- No personal guarantees: trustees/members cannot be required to personally guarantee loans from GC-created boards.
- Bonding/security recommended for contractors (or equivalent security such as irrevocable letter of credit vetted by counsel).

5. DBCLB standards, timelines, and appeals (¶¶2520–2522)

- DBCLB investigates sites and ensures adequacy for mission and future growth.
- Standards for approval require need statements, preliminary plans, cost estimates, and a financing plan; before final approval the board must determine that the plans/finances have been evaluated/approved by proper authorities, with equal access provided for persons with disabilities as per ¶2544.4b(1),(2).
- After detailed plans/specs and a reliable detailed cost estimate are ready (¶2544.7), the board requires final submission and evaluates feasibility and financial soundness, including support for apportionments and program ministries; it reports conclusions in writing to the church and cabinet.
- Expiration: a final approval terminates after one year if no action is taken.
- Appeal: a DBCLB disapproval is final unless overruled by the annual conference on the local church's appeal.

6. Inclusion, accessibility, title & due diligence

- Workforce inclusion: in metro areas, take adequate steps to include minority and female skilled persons proportionate to local demographics; in non-metro areas, employ racial/ethnic persons where available and in relation to the workforce.
- Accessibility: plans and facilities must provide equal access; parsonage purchases/new builds must include accessible bedroom, bath, and laundry on the ground floor (or add within a year for purchases).
- Title & contracts: acquire fee simple title; deeds/conveyances executed per Chapter 6 “Church Property” of the Book of Discipline; best practice is to condition purchase contracts on guaranteed title and meeting environmental & legal requirements.

7. After construction—consecration/dedication

A building may be consecrated when acquired or completed. “Before any church-owned building is formally dedicated, all indebtedness against the same shall be discharged” (§2545).

8. Legal-theological guardrail: the principle of legality

The Judicial Council has emphasized that all are bound by the Discipline as written; selective or partial enforcement is forbidden. (JCD 1366). For building projects, this means scrupulously following notice, consent, approval, accessibility, financing, and documentation requirements exactly as stated.

9. Practical checklists

A. Trigger & start-up

Does your action fit §2544(a)–(c)? If yes, convene a Study Committee.

Secure written consent of pastor & DS (after the study).

If building/purchase: get DBCLB site approval.

B. Authorizations & preliminaries

Give 10-day notice; charge conference authorizes project; elect building committee (or assign to trustees).

Prepare prelim plans + cost + financial plan; submit to DBCLB for preliminary approval.

Hold church conference (after DBCLB prelim approval) to approve prelims by majority vote.

C. Final approvals & launch

Draft detailed plans/specs + reliable cost; obtain charge conference and DBCLB final approvals; lodge approvals with DS & charge secretary.

Confirm financing sufficiency before any contracts.

If loan needed: follow §2540/§2541.

Observe proceeds restrictions (§2543; JCD 664/399; JCD 688 in mergers/relocations).

10. Templates you can use

A. Study Committee Report (outline)

Community & congregational needs analysis (data + mission fit).

Five-year membership, average attendance, renters, or community members served projection.

Program of ministry (§§201–204) and ministry-space requirements.

Accessibility plan (including chancel and campus-wide access).

Recommendation (build/purchase/remodel) with rationale and site note.

B. Charge Conference Resolution (authorization)

“RESOLVED, that under ¶2544 the [Name] United Methodist Church authorizes the [building/purchase/remodel – specify], having given not less than ten (10) days’ notice of this meeting and proposed action. The charge conference hereby [elects a Building Committee of not fewer than three members / commits such duties to the Board of Trustees] to proceed per ¶2544 and related paragraphs.”

C. DBCLB Preliminary Submission (cover sheet)

Statement of need (from Study Committee).

Preliminary architectural plans (with accessibility notes).

Preliminary cost estimate.

Preliminary financial plan.

D. Church Conference Motion (preliminary approval)

“Moved: That the church conference approve the preliminary architectural plans, preliminary cost estimate, preliminary financial plan, and the Building Committee’s recommendation as presented.”
(Majority required.)

E. Final Approval Resolution (dual)

“RESOLVED, that the charge conference approves the detailed plans/specifications and reliable detailed cost estimate, and authorizes commencement upon concurrent approval by the District Board of Church Location & Building.”

11. Common pitfalls (and where the Discipline speaks)

Moving ahead with contracts before financing is fully in hand. Don’t.

Treating sale/mortgage proceeds as operating revenue. Prohibited; see JCD 664 (reaffirming JCD 399).

Missing DBCLB final re-submission of detailed plans/specs and cost. Required.

Letting DBCLB final approval lapse after one year with no action.

Neglecting accessibility or parsonage accessibility features.