

Frequently Asked Questions

DID YOU FILE?

Each year during the month of August the *Schools and ECE Centers* program area of the ELCA sends the **Internal Revenue Service Form 5578** and the instructions specific to the ELCA to every ELCA high school, elementary school, and early childhood education center. This completed form tells the federal government for purposes of maintaining your non-profit status that you do not discriminate by race, color, and national or ethnic origin. You need not submit any back-up documentation with the form, but you must keep this documentation on file should you ever be audited. It is the responsibility of the school or center to complete the form and **mail it to the IRS Service Center in Ogden, Utah.**

PUBLICATION POLICY

How can I state our non-discrimination policy for use in recruitment and enrollment advertising?

Because our schools and centers pull their enrollment from local communities and follow racial nondiscrimination policies, the sentence you must use is as follows: The (name of your school or center) admits students of any race, color, and national or ethnic origin.

Do I have to include this statement in any publication used to inform prospective students about our programs? Yes, every school must include a statement of its racial nondiscrimination policy as to students in all its brochures and catalogues dealing with student admissions and programs.

Do I really have to advertise our non-discrimination policy in a general circulating newspaper?

Yes, (it's the law), however, the law is designed to be flexible. Read *4.3 Publicity*, page 2, subsection 2, paragraph (c) CAREFULLY. The fact that your classroom does not "reflect a diverse student population does not necessarily indicate the absence of a nondiscrimination policy", or that you are not in compliance with the one you have. Here's what you need to keep in mind: if you don't advertise in a general circulating newspaper, can you prove to the IRS that "your promotional activities and recruiting efforts in each area were reasonably designed to inform students of all racial segments in the general communities within the area of the availability of the school" of your non-discrimination policy?

COMPLETING FORM 5578

It is the responsibility of each high school, elementary school and early childhood education center of the Evangelical Lutheran Church in America to file an annual Internal Revenue Service Form 5578. This form tells the federal government for purposes of maintaining your non-profit status that you do not discriminate by race, color, and national or ethnic origin.

"For the period beginning...and ending..." at the top of form 5578 means:

The current school year.

Is an Employer ID number the same as a Tax ID number?

Yes, an employer identification number, or EIN, is also known as a taxpayer identification number, or TIN.

How do I know what numbers to fill in on line 1b, 2b, and 3b?

Included in this mailing was a 2 page (back to back) document titled, "Instructions for Completing IRS Form 5578..." The first thing you must identify is if you are a direct ministry of the congregation or separately incorporated through your state (see below). If you are a direct ministry you fall under the ELCA tax exempt status and will use their number. If you are separately incorporated you will have your own exemption number (non-profit ruling 501c3). You will then be able to determine from the instruction sheet what numbers to use to fill in the IRS 5578 form.

Status: Ministry of the Congregation or Separately Incorporated?

Ministry of the Congregation

Most of our schools fall under this category. It means you are an extension of the congregation; one of its ministries and, therefore, your tax exempt status falls under the ELCA. To determine if you are a church ministry, someone should have a letter from the ELCA outlining your tax exempt status. Look in your files, or call the church secretary, pastor, or someone who has been around your church for many years.

Separately Incorporated

If you are not a ministry of the congregation, your school would have had to claim exempt status according to the laws of your state. You would have been sent a letter of incorporation.

Note: If your school pays rent, has its own checking account, employer ID #, etc. it DOES NOT NECESSARILY mean you are separately incorporated; in fact you probably are not! Many schools who are church ministries maintain separate accounts and ID's for clarity. Check!

Who can sign?

The director, pastor, council president, or board president can sign; any individual who is authorized to take official action on behalf of the school or center. This individual does not need to be a legal agent or notary public.

We have a preschool and a school. Do we need to fill out a form for both?

No, you can complete just one form and include both the School and ECE Center numbers (EIN or TIN).

Do we need to complete a 5578 for licensed Before and After School Programs?

No.

FILING FORM 5578**When do I file?**

If you are a direct ministry of the congregation and fall under their non-profit status through the ELCA you would file by the 15th day of the fifth month following the end of the fiscal year of the congregation. That means if the congregation has a fiscal calendar from **January to December you would file after January 15th but no later than May 15th.** If they have a fiscal calendar from **July 1 to June 30 you would file after August 15 but no later than November 15th.**

If you are separately incorporated through your state of operation you would file according to the school year. This means that you would file after August 15th but no later than November 15th.

Our school has closed or is closing. Do I still need to file?

No.

RECORD KEEPING**How do I keep records?**

- Determine the racial composition of your school. Official categories from the 2000 US Census are as follows:

American Indian or Alaskan Native
Asian (Far East, South East Asia, Indian subcontinent)
Black or African American
Native Hawaiian & Pacific Islander
White (European, Middle Eastern, N. African, White American)
Multi-racial (select all categories above that apply)
Other (write in)

If you have access to the Internet, go to the following URL's for more detailed information
http://en.wikipedia.org/wiki/Race_%28U.S._Census%29
<http://www.census.gov/main/www/cen2000.html>

- Take a headcount. (If you're unsure ask. Asking your students their racial origin(s) is OK.)
- Write down the totals and keep records for at least three years.

Can we give special consideration to Christians for enrollment purposes?

Yes, you can accept only Christian students; give preference to your congregational members, or other Lutheran congregational members if you choose. Religion is not listed in this policy; only racial nondiscrimination is covered by this policy.

For more information see the ELCA schools Web site at www.elca.org/schools/resources/administrators, or e-mail us: donna.braband@elca.org, kathryn.baker@elca.org