

## **FINANCE**

### **General Policies and Procedures**

#### **Employee Group Funds, Faculty Funds, and Sunshine Funds**

This regulation supersedes Regulation 5120.4.

#### **I. PURPOSE**

To establish guidelines for employee groups that maintain funds to provide expressions of thoughtfulness and condolence on behalf of the groups or to serve other purposes as stated in their bylaws.

#### **II. SUMMARY OF CHANGES SINCE LAST PUBLICATION**

This regulation has been changed in its entirety.

#### **III. GROUP FUNDS**

Group funds established in schools, administrative offices, and departments must be maintained in accordance with the following procedures.

#### **IV. ESTABLISHING GROUP FUNDS**

##### **A. Bylaws**

Bylaws must be developed and approved by the program manager, to include:

1. Designation of the representatives of the employee group who will compose the governing body.
2. Designation of the elected or volunteer official and alternate who will be responsible for record keeping and the publication of meeting minutes.
3. Designation of fund custodian and assistant custodian.
4. Authorized sources of fundraising (employees cannot be required to contribute).
5. Allowable expenditures to be made from the funds accumulated.
6. Individual(s) authorized to request payment of expenditures.
7. Dissolution of the organization to include plans to liquidate remaining balances.

**B. Approval of Fundraising and Expenditures**

Procedures must be established for the approval of fundraising and expenditures. Fundraising activities must be appropriate and not conflict with School Board policies. Expenditures must meet the criteria set in the bylaws.

**C. Employer Identification Number (EIN)**

Employee group funds, faculty funds, and sunshine funds are not Fairfax County Public Schools (FCPS) funds. The FCPS EIN cannot be used when establishing a bank account. Each group fund must obtain its own EIN.

**D. Procedures for requesting EIN**

For procedures on obtaining an EIN, please call the Internal Revenue Service (IRS) at 1-800-829-4933, or refer to the website at <http://www.irs.gov/pub/irs-pdf/fss4.pdf>. (See attachment for a sample EIN application.)

**E. Checking Account**

A checking account shall be established in the name of the fund (e.g., Sunshine Fund, Department of Financial Services). The designated fund custodian and assistant custodian shall be authorized to sign checks.

**F. Records Retention, Reports, and Auditing of Records**

1. Provisions shall be made for the following:

- a. Storage of records (bylaws, banking information, and reconciliations), including bank account name, account number, authorized signatures, and EIN documents.
- b. Periodic and annual (financial and organizational) reports to employees.
- c. Deposits of all receipts and documentation of all expenditures.

2. Auditing of records

- a. Records are subject to audit.
- b. When the fund custodian is leaving FCPS or transfers to another office, representatives of the employee group may request records to be reviewed by the outreach and compliance section in the Office of the Comptroller, Department of Financial Services.

Form <b>SS-4</b> (Rev. January 2010) Department of the Treasury Internal Revenue Service	<b>Application for Employer Identification Number</b> (For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.) ▶ See separate instructions for each line. ▶ Keep a copy for your records.	OMB No. 1545-0003 EIN _____
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<b>Type or print clearly.</b>	<b>1</b> Legal name of entity (or individual) for whom the EIN is being requested <b>XYZ Sunshine Club</b>	
	<b>2</b> Trade name of business (if different from name on line 1)	<b>3</b> Executor, administrator, trustee, "care of" name <b>c/o John Doe</b>
	<b>4a</b> Mailing address (room, apt., suite no. and street, or P.O. box) <b>8115 Gatehouse Road</b>	<b>5a</b> Street address (if different) (Do not enter a P.O. box.) <b>8115 Gatehouse Road</b>
	<b>4b</b> City, state, and ZIP code (if foreign, see instructions) <b>Falls Church, VA 22042</b>	<b>5b</b> City, state, and ZIP code (if foreign, see instructions) <b>Falls Church, VA 22042</b>
	<b>6</b> County and state where principal business is located	
	<b>7a</b> Name of responsible party <b>John Doe</b>	<b>7b</b> SSN, ITIN, or EIN <b>111-11-1111</b>
<b>8a</b> Is this application for a limited liability company (LLC) (or a foreign equivalent)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<b>8b</b> If 8a is "Yes," enter the number of LLC members ▶
<b>8c</b> If 8a is "Yes," was the LLC organized in the United States? <input type="checkbox"/> Yes <input type="checkbox"/> No		
<b>9a</b> <b>Type of entity</b> (check only one box). <b>Caution.</b> If 8a is "Yes," see the instructions for the correct box to check.		
<input type="checkbox"/> Sole proprietor (SSN) _____ <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation (enter form number to be filed) ▶ _____ <input type="checkbox"/> Personal service corporation <input type="checkbox"/> Church or church-controlled organization <input type="checkbox"/> Other nonprofit organization (specify) ▶ _____ <input checked="" type="checkbox"/> Other (specify) ▶ <b>Club</b>		
<input type="checkbox"/> Estate (SSN of decedent) _____ <input type="checkbox"/> Plan administrator (TIN) _____ <input type="checkbox"/> Trust (TIN of grantor) _____ <input type="checkbox"/> National Guard <input type="checkbox"/> State/local government <input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government/military <input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises <input type="checkbox"/> Group Exemption Number (GEN) if any ▶ _____		
<b>9b</b> If a corporation, name the state or foreign country (if applicable) where incorporated	State	Foreign country
<b>10</b> Reason for applying (check only one box)		
<input type="checkbox"/> Started new business (specify type) ▶ _____ <input type="checkbox"/> Hired employees (Check the box and see line 13.) <input type="checkbox"/> Compliance with IRS withholding regulations <input type="checkbox"/> Other (specify) ▶ _____ <input checked="" type="checkbox"/> Banking purpose (specify purpose) ▶ <b>Open account</b> <input type="checkbox"/> Changed type of organization (specify new type) ▶ _____ <input type="checkbox"/> Purchased going business <input type="checkbox"/> Created a trust (specify type) ▶ _____ <input type="checkbox"/> Created a pension plan (specify type) ▶ _____		
<b>11</b> Date business started or acquired (month, day, year). See instructions.	<b>12</b> Closing month of accounting year	
<b>13</b> Highest number of employees expected in the next 12 months (enter -0- if none). If no employees expected, skip line 14.		
Agricultural	Household	Other
<b>14</b> If you expect your employment tax liability to be \$1,000 or less in a full calendar year and want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability generally will be \$1,000 or less if you expect to pay \$4,000 or less in total wages.) If you do not check this box, you must file Form 941 for every quarter. <input type="checkbox"/>		
<b>15</b> First date wages or annuities were paid (month, day, year). <b>Note.</b> If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year) ▶		
<b>16</b> Check one box that best describes the principal activity of your business.		
<input type="checkbox"/> Construction <input type="checkbox"/> Rental & leasing <input type="checkbox"/> Transportation & warehousing <input type="checkbox"/> Accommodation & food service <input type="checkbox"/> Wholesale-agent/broker <input type="checkbox"/> Real estate <input type="checkbox"/> Manufacturing <input type="checkbox"/> Finance & insurance <input type="checkbox"/> Other (specify) _____ <input type="checkbox"/> Wholesale-other <input type="checkbox"/> Retail		
<b>17</b> Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.		
<b>18</b> Has the applicant entity shown on line 1 ever applied for and received an EIN? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," write previous EIN here ▶		

Complete this section <b>only</b> if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.		
<b>Third Party Designee</b>	Designee's name	Designee's telephone number (include area code) ( ) ( ) ( )
	Address and ZIP code	Designee's fax number (include area code) ( ) ( ) ( )
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.		Applicant's telephone number (include area code) ( ) ( ) ( )
Name and title (type or print clearly) ▶		Applicant's fax number (include area code) ( ) ( ) ( )
Signature ▶	Date ▶	