

# Exploring United Way Engagement in EITC Campaigns

A Report to the Field



*Exploring United Way Engagement in EITC Campaigns: A Report to the Field* is a project of United Way of America's Assets for Family Success™ Initiative. The initiative aims to increase the economic success of low-income working families by linking them to effective asset-building strategies.

United Way of America is the national organization dedicated to leading the United Way movement in making a measurable impact in every community in America. The United Way movement includes approximately 1,400 community-based United Way organizations. Each is independent, separately incorporated and governed by local volunteers. United Ways bring communities together to focus on the most important human needs-building partnerships, forging consensus and leveraging resources to make a measurable difference.

For more information on United Way of America's EITC work, contact:

Assets for Family Success™  
United Way of America  
701 North Fairfax Street  
Alexandria, Virginia 22314-2045  
Tel 800-892-2757, Ext. 274  
Fax 703-549-9152  
[eitc.info@uwa.unitedway.org](mailto:eitc.info@uwa.unitedway.org)

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## **Ben Mangan**

San Francisco EARN

## **David Marzahl**

Center for Economic Progress

## **Lynn Mitchell**

Corporate Voices for Working Families

## **Victor Ramirez**

United Way of Greater Los Angeles

## **Ron Smith**

Internal Revenue Service

## **Mike Wade**

Internal Revenue Service

## **Regina Walker**

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# Executive Summary

The Earned Income Tax Credit (EITC) is the nation's largest and most powerful anti-poverty program; larger than the Temporary Assistance for Needy Families (TANF) and Food Stamp Programs combined. Enacted by Congress in 1975 and significantly expanded in the late 1980s and early 1990s, the EITC has helped tens of millions of Americans make the transition from public assistance to economic independence. Last year alone, more than 20 million individuals received the tax credit, lifting five million out of poverty and returning \$36 billion in income to low-wage workers.

The benefits of the EITC also extend to the communities in which EITC recipients live. A study by the Brookings Institution reports that in New York City, EITC returns for the 2001 tax year raised incomes by \$4 million per square mile.

Despite the significant benefits it provides, two factors hamper the effectiveness of the EITC. First, the IRS estimates that four million eligible individuals annually fail to file for the tax credit. Anecdotal evidence suggests that misinformation about EITC eligibility and the length and complexity of tax forms, contribute to taxpayers' failure to file, forfeiting an estimated \$2.9 billion dollars in EITC income. Second, millions of taxpayers claim the EITC, only to lose a significant portion in tax preparation fees and costly refund anticipation loans (RALs).

Recognizing the EITC's potential economic impact on families and communities, organizations nationwide are forming collaboratives to initiate outreach campaigns and provide low-or no-cost tax preparation assistance to ensure that families are receiving the full amount of their EITC refunds. EITC campaigns, as they are known, are making wide-sweeping inroads in helping to meet the tax assistance needs of EITC-eligible individuals and families across the country. Today, there are at least 230 EITC campaigns throughout the country serving hundreds of thousands of individuals annually. While impressive, that still leaves millions of families who do not have access to the services necessary to help them file for the EITC. It is imperative that community-based organizations across the country join together to help lower-income workers claim the tax refund they have earned.

With generous support from the Annie E. Casey Foundation, the United Way of America (UWA) is examining the existing and potential roles that local United Ways can play in community-based EITC campaigns. In March 2004, UWA convened a working group to examine United Way involvement in the EITC from a system-wide perspective. Several local United Ways and other local and national organizations committed to increasing access to the EITC and free tax preparation were asked to participate. UWA also distributed a survey to the United Way field designed to capture the particular contributions United Ways are making to EITC campaigns. Insights from the working

group and the survey informed the basis of this report. Distribution of this report is an important first step in UWA's work to support and advance the role of the United Way system in EITC campaigns across the country. It represents the first in-depth effort to collect data on the United Way field's EITC work; and while the data is not representative of the entire United Way system, UWA will use it as a basis on which to build a more comprehensive database.

The report and its appendices are intended to be a resource for both United Ways who are currently engaged in and those interested in launching or joining EITC campaigns in their communities. United Ways currently participating in community campaigns will find new ideas and approaches to community outreach and tax preparation, while United Ways that are new to the field will find ideas and strategies for launching or joining a campaign.

## KEY FINDINGS

Input from the survey and the members of the working group contributed to the creation of the following rationale for United Way involvement in EITC campaigns.

- EITC campaigns speak directly to the United Way mission of improving people's lives by mobilizing the caring power of communities.
- At the local level, United Ways' vast experience in convening community organizations and mobilizing resources uniquely positions them to both launch and grow campaigns.
- As a national system, United Way has the potential to drastically increase the number of families who file for the EITC by streamlining efforts at the local level.

## UNITED WAY ENGAGEMENT IN EITC CAMPAIGNS

According to data from UWA and the IRS, at least 116 local United Ways are active in EITC campaigns. Survey results suggest several ways that United Ways can contribute to the success of EITC campaigns; however, given the relative newness of both the EITC movement and United Ways' participation in EITC campaigns, it is premature to propose definitive models of successful United Way engagement. That said, analysis of UWA's EITC survey responses suggests that United Ways participate in campaigns at three levels: Campaign Leader, Campaign Member, and Campaign Supporter. These distinctions are not intended to suggest that one level of engagement is superior to

the others. Rather, they are meant to serve as a guide for others in the field and help them to determine the most strategic use of their resources.

- A United Way is defined as a **Campaign Leader** if it serves as the campaign strategist, convener, coordinator, or a combination of the three. The United Way may be performing other roles as well, such as volunteer recruiter, but as long as it is coordinating, strategizing and/or convening the campaign, it falls under the Campaign Leader level.
- **Campaign Members** advocate for EITC funding and programs and recruit volunteers. While they are doing more than community outreach and education for the campaign, they are not as involved as Campaign Leaders.
- Finally, some United Ways limit their engagement to that of a **Campaign Supporter**, which involves the important roles of funding and resource support or community outreach and education.

## PARTNERS

Local United Ways, the IRS, and national organizations all support the assertion that successful EITC campaigns are run by community collaboratives. The following five groups were identified by local United Ways as critical partners in successful EITC campaigns.

- **Local Community Organizations.** Community-based organizations fulfill a range of functions, including recruiting volunteers, hosting and administering tax preparation sites, and conducting community outreach.
- **Businesses and Business Associations.** The business community provides campaigns with financial resources, volunteers, and space for tax preparation sites. A number of local utility companies disseminate EITC information through flyers and inserts into monthly utility bills.
- **Financial Institutions.** Financial institutions are key partners in EITC campaigns. Many banks and credit unions offer low/no-cost, no-minimum balance checking accounts at local tax preparation sites. Others support campaigns by contributing staff to prepare returns or by providing financial resources to defray costs.
- **Higher Education Institutions.** Universities and professional schools to recruit students to staff tax assistance sites.

- **Government.** Local and state governments have proven to be important contributors to local campaigns. They help to communicate information about the EITC, provide funding, and recruit volunteers.

## LINKING THE EITC TO ASSET BUILDING INITIATIVES

While efforts to link the EITC with asset building programs are still fairly new, the potential to help families build assets through the EITC is promising. A 2001 study found that EITC filers use their refunds to pay off debt, invest in education, and secure decent housing. UWA's EITC survey found that local United Ways are linking their EITC efforts to other asset building initiatives when possible.

- 42% link their EITC efforts to financial education
- 35% link their EITC efforts to budgeting courses
- 33% link their EITC efforts to Individual Development Accounts (IDAs)
- 28% link their EITC efforts to debt reduction education
- 25% link their EITC efforts to counseling about costly commercial tax preparers

## LOOKING AHEAD

As United Ways around the country begin to focus on achieving community impact by targeting their activities and resources around key issues that are important to the community, UWA hopes that they will recognize the potential the EITC presents to local communities. In order to increase both the number of United Ways focused on EITC and asset development and the effectiveness of their efforts, UWA is committed to supporting the development and sharing of knowledge, as well as offering training and technical assistance to build the capacity of United Ways who are committed to increasing family self-sufficiency through local initiatives.

# Exploring United Way's Role in EITC Campaigns:

A Report to the Field

## INTRODUCTION

The Earned Income Tax Credit (EITC) is the largest and most effective federal aid program for the working poor. Enacted by Congress in 1975, the tax credit was created to reduce the tax burden on lower-income workers, supplement their wages, and encourage greater participation in the workforce. Each year, the EITC raises the incomes of almost five million people above the poverty line, half of whom are children. During the 2002 tax year, approximately 20 million people claimed the EITC, surpassing Food Stamps and TANF as the most utilized social welfare program; yet, four million EITC-eligible families annually fail to file for the credit.

Recognizing the considerable impact the EITC can have on a working family's income, communities nationwide are establishing campaigns to help lower-wage workers claim the tax credit. These community-based campaigns, often conducted by collaboratives of public and private agencies, educate eligible families about the availability and benefits of the EITC and provide support services, such as free or low-cost tax preparation<sup>1</sup> to facilitate receipt of the credit. Local United Ways – with their vast networks, powerful resources, and strong community reputations – are uniquely positioned to provide both education and support services for the EITC and have been integral members of campaigns in many communities. According to data from the U.S. Internal Revenue Service (IRS), local United Ways are members of 40 percent of existing community collaborations<sup>2</sup> in the United States, more than any other national network.

The United Way system is composed of more than 1,400 community-based United Way organizations; each is independent, separately incorporated, and governed by local volunteers. The United Way system seeks to improve lives by mobilizing communities to create lasting changes in community conditions. United Ways are achieving impact by targeting their activities and resources around a few key issues that are important to the community. United Ways must engage partner organizations in a coordinated strategy on shared outcomes. EITC outreach campaigns have the potential to be strategic community impact initiatives that advance a United Ways' community impact efforts.

At the national level, the United Way of America (UWA) launched the Assets for Family Success™ initiative to create change in communities by strengthening families and promoting economic self-sufficiency. Recognizing that accumulating savings and assets is a critical component for building economic security among working families and individuals, UWA is utilizing its network of 1,400 member United Ways to support asset development strategies and increase the number of individuals and families that have access to these tools. Increasing utilization of the EITC is a critical component of

UWA's asset development work and the organization is committed to providing the leadership, education, technical assistance, and networking necessary to increase the number of local United Ways involved in this effort.

With the generous support of the Annie E. Casey Foundation, a recognized leader in the field of family economic success, UWA is bolstering its efforts to increase EITC outreach initiatives by providing its members with the tools and strategies to mobilize their communities around EITC and asset development. UWA believes that greater United Way engagement will lead to an increase in the number of eligible families who claim the tax credits for which they are eligible, increase the affordability of tax filing through free or low cost tax preparation and increase the likelihood that tax refunds will be used for asset building – all resulting in the creation of lasting changes in community conditions.

In March 2004, UWA conducted a survey of the United Way field to begin collecting data on their involvement in EITC activities. More than 100 local United Ways responded. Their responses, along with data collected during a number of in-depth interviews with local United Ways and national organizations focused on EITC, forms the basis of this report.

A myriad of resources are available for organizations interested in establishing effective EITC campaigns.<sup>3</sup> This report is not intended to duplicate those efforts; instead, it seeks to complement existing community-based resources by providing United Ways with resources that capitalize on the core competencies of local United Ways. The report is intended primarily to be a resource for United Ways who are currently participating in or interested in launching and/or joining EITC campaigns in their communities, while also providing insights for potential partners looking for approaches to engage their local United Ways in campaigns.

The report is divided into six sections:

- **Overview.** This section provides an overview of the EITC and EITC campaigns to provide readers with a basic understanding of the tax credit and a general understanding of the various components of an EITC campaign.
- **Rationale for United Way Involvement in EITC Campaigns.** This section explores the synergies between United Ways and EITC campaigns, including a discussion of how EITC campaigns contribute to United Way community impact work.
- **Levels of Engagement.** This section describes the different levels of United Way engagement in EITC campaigns, based on insights gleaned from the UWA

survey, including descriptions of the different campaign roles under each of the levels of engagement. This is followed by a review of key partners in EITC campaigns, along with highlights of the roles they play.

- **The EITC and Asset Building.** This section outlines the links between the EITC and asset-building initiatives.
- **Campaign Challenges and Strategies.** This section provides a summary of the challenges that United Ways have encountered in participating in EITC campaigns and explores several strategies that could be used to overcome those challenges.
- **Next Steps.** The report concludes with suggestions for United Ways interested in participating in a local EITC campaign.

poverty than any other federal program, and it provides families with additional income they can direct toward savings, education, debt reduction or other important uses. In 2002 alone, individuals and families received more than \$36 billion in tax refunds by claiming the credit.<sup>4</sup>

The EITC's effectiveness is largely due to its design. The tax credit is structured to augment the incomes of lower-wage workers by reducing their income tax liabilities and providing tax refunds to those who qualify.

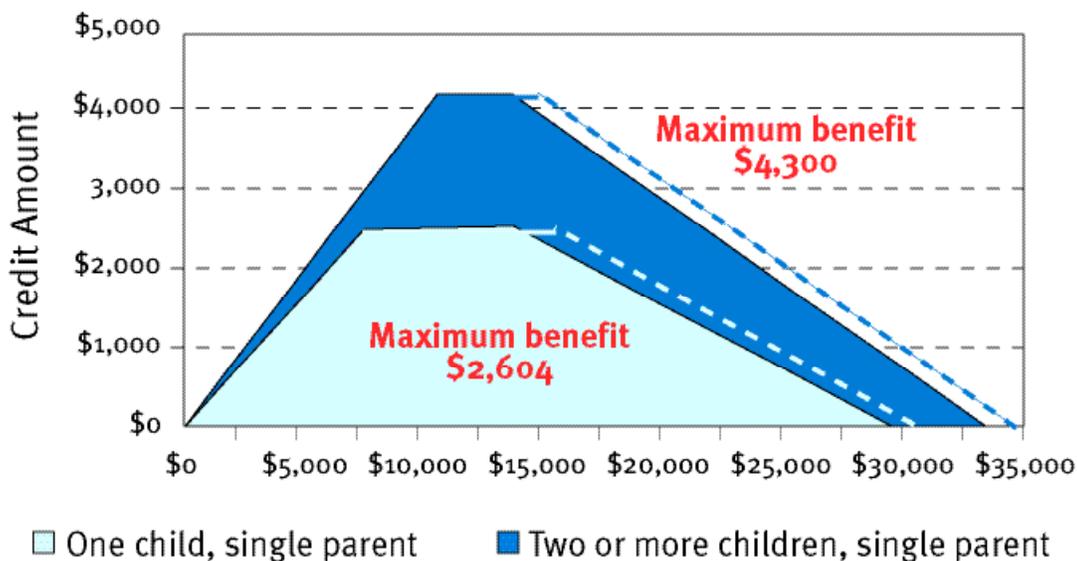
The credit amount gradually increases as an individual's earned income rises. Beyond a certain income level, the amount of the credit plateaus and then gradually decreases to zero. Thus, as an individual's earned income rises up to a point, the EITC amount gradually increases with it, effectively providing lower-income workers an incentive to work more.

The other key feature of the EITC is its refundability. An individual receives the full amount of the credit even if it is greater than the individual's income tax liability. The amount by which the credit exceeds the taxes that are owed is paid to the individual as a refund. If an individual has no income tax liability, the individual receives the entire credit amount as a refund.

## THE EARNED INCOME TAX CREDIT

The Earned Income Tax Credit (EITC) is the federal government's largest and most effective antipoverty program. The credit has encouraged hundreds of thousands of welfare recipients to enter the workforce; it continues to lift more working families out of

# The Federal Earned Income Tax Credit in Tax Year 2004



Note: married couples qualify for a higher credit than single parents — shown by dashed lines.

Source: Center on Budget and Policy Priorities, IRS data

The EITC also positively affects workforce participation. A study in the mid-1990s found that the credit significantly increased the number of single parents who joined the workforce and that the percentage of single working mothers grew substantially between 1984 and 1996 as a result of increases in the EITC.<sup>5</sup>

## 2003 EITC REFUND AMOUNTS

The following summarizes the maximum refund amounts for 2003, depending on filing status and number of dependents.

- Workers who were raising one child in their home and had a family income of less than \$29,666 (or \$30,666 for married workers) could get an EITC of up to \$2,547.
- Workers who were raising more than one child in their home and had a family income of less than \$33,692 (or \$34,692 for married workers) could get an EITC of up to \$4,204.
- Workers aged 25 to 64, with an income below \$11,230 (or \$12,230 for married workers) could get an EITC up to \$382.

*Source: "Facts about the Earned Income Credit: Tax Time Can Pay for Working Families," Center on Budget and Policy Priorities.*

Although the EITC has proven effective in increasing the incomes of low-income workers, a significant number of taxpayers do not take advantage of the credit. Annually, more than four million eligible taxpayers nationwide forego the EITC, resulting in approximately \$2.9 billion that goes unclaimed.<sup>6</sup> Anecdotal evidence suggests that a lack of awareness, coupled with misinformation about EITC eligibility, contribute to taxpayers' failure to file. Volunteers have found that some lower-income workers incorrectly believe they are not eligible for the tax credit because their incomes fall below the threshold for which no taxes are withheld. Language barriers that affect individuals' understanding of what and how to file and mistrust and, for some, fear of the government also affect EITC filing rates.

Moreover, many of the taxpayers who do file for the credit reduce their benefits by employing costly commercial tax services. Research reveals that 68 percent of EITC-eligible taxpayers use commercial preparers who charge fees in excess of \$100 to prepare and file the tax forms necessary to claim the credit.<sup>7</sup> Taxpayers often use commercial preparers because of the

lack of reasonably priced alternatives, or because of the need for quick refunds, commonly called Refund Anticipation Loans (RALs), that commercial tax preparers offer. RALs are short-term loans made against taxpayers' anticipated refunds, with costly annual percentage rates ranging from 67 to 774 percent.<sup>8</sup> In 2001, 1.75 billion EITC dollars went to tax preparation charges, electronic filing, and RALs.<sup>9</sup>

Clearly, lower-income taxpayers gain substantial benefits by claiming the EITC. However, millions of eligible taxpayers are forgoing much needed income in their failure to file for the credit, while many are not receiving the full benefit of the EITC because a substantial portion is being paid to commercial tax preparers. Building awareness nationwide about the EITC and the cost of commercial tax preparation will help to ensure that more eligible families are filing for the credit and keeping more of their EITC dollars.

## AN INTRODUCTION TO EITC CAMPAIGNS

Recognizing the significant impact that the EITC provides to families, communities nationwide are launching campaigns to increase the number of individuals and families who claim the credit and receive low- or no-cost tax preparation services.

EITC campaigns are usually run by a collaborative of community organizations, local government agencies, businesses, foundations, social service providers, and the IRS. At least 234 EITC campaigns operate each year, according to the IRS, and anecdotal evidence suggests that the number is significantly greater and on the rise.<sup>10</sup> For instance, the Center on Budget and Policy Priorities, a national organization that supports EITC programs and policy, annually mails 2,400 EITC outreach campaign kits to organizations across the country. This growth in the number of campaigns can be attributed, in great part, to growing national awareness of the value of helping lower-income families maximize income, gain personal finance skills, reduce personal debt, and build assets. That awareness stems from the collection of data and anecdotal evidence, which illustrates the positive impact the EITC is having on lower-income families.

Most community campaigns began with outreach efforts to educate lower-income taxpayers about the availability of the EITC. Only in recent years have communities integrated low- or no-cost tax preparation assistance, financial education, and low-income banking products into their campaigns. This addition was due in large part to funder and policymaker recognition of the high cost of tax preparation services and the benefit that the EITC provides to millions of poor, working families.

## ROLES IN EITC CAMPAIGNS

Below is a list of organizational roles common to EITC campaigns.

**Strategist/Convener:** EITC campaign strategists and conveners are critical to identifying the necessary campaign partners and bringing them together to initiate a campaign. The roles of strategist and convener may be undertaken by more than one organization.

**Campaign Coordinator:** The campaign coordinator is responsible for overall campaign management. This role is the linchpin of the EITC campaign. Responsibilities of this position, which may be paid, often include coordination of tax preparation sites, leading advisory and steering committees, conferring with funders, choosing tax software, collecting data, coordinating volunteer training, and writing reports.

**Community Outreach and Education Coordinator:** The outreach and education coordinator oversees the creation of press releases, organizes press events, maintains an EITC website, and ensures that marketing materials are well distributed throughout the area.

**Volunteer Recruiter & Manager:** Responsibilities often include recruiting volunteers, managing volunteer training, and coordinating volunteer schedules among the tax sites. Managers also plan the end-of-year recognition event for volunteer staff.

**Fundraiser and Resource Provider:** The fundraiser and resource provider identifies and solicits in-kind contributions and financial resources for the many campaign components. Often, funding for the campaign is raised from multiple sources.

**Tax Preparation Trainer:** Responsibilities include preparing materials and training volunteers to prepare income taxes. Very often new volunteer tax preparers have little or no experience with tax preparation, and most have had no experience in determining eligibility for the EITC.

**EITC Advocate:** This role involves advocating for supportive EITC programs and policies at the local, state, and federal levels of government.

**Technical Support:** Responsibilities include supplying tax preparation sites with computers and software to prepare and electronically file tax returns and providing ongoing technical support throughout the tax season.

**Asset Building Program Providers:** Many campaigns connect their EITC efforts with other asset building initiatives. At many tax sites, materials, resources, and workshops are offered, or advertised on financial education, the importance of good credit,

and how to build assets. At some sites, a bank or credit union representative is available to enroll taxpayers in low- or no-cost bank accounts.

Though EITC campaigns are relatively new, research shows that this is a rapidly growing movement supported by thousands of organizations and businesses nationwide. As interest in the EITC grows, and organizations participate in campaigns year after year, institutional knowledge bases will deepen, enabling greater efficiencies among existing campaigns, while providing important insights to help get new campaigns off to a solid start.

Although EITC campaigns are unlikely to meet the tax assistance needs of all lower-income taxpayers, they have enormous potential to raise awareness and educate more people about the credit, the high costs of commercial tax preparers, and the importance of financial education and asset building.

## EITC CAMPAIGNS AND UNITED WAYS

United Ways bring communities together, build partnerships, and leverage resources to solve critical problems and make measurable differences in the lives of those in their communities.

“United Ways have an inherent trust and relationship with the community that allows us to outreach to the broadest of stakeholder groups – it reinforces our natural ability to link products, services, and people. Lastly, the infamous fundraising abilities – there is great potential to introduce broad and non-traditional initiatives without appearing threatening in a tight economy.”

### United Way of San Antonio and Bexar County

Beyond their fundraising ability, United Ways are recognized for their long-standing relationships with community organizations including social service agencies, corporations, nonprofits, the media, foundations, unions and labor agencies, business associations, universities, and governments. However, their reach goes beyond local organizations; many United Ways also have strong ties to regional business authorities and state governments along with national foundations.

Given United Ways’ mission and their substantial network of local and national partners, United Ways are uniquely positioned to play a key role in EITC campaigns.

While some United Ways have engaged in EITC campaigns for over a decade, most are new to the EITC field, with one to three years of campaign experience.

When UWA surveyed the United Way field about its EITC

efforts, it found that a number of local United Way respondents lead EITC collaborations—convening partners, devising campaign strategies, recruiting volunteers, and hosting tax preparation assistance sites. Other local United Ways focus on certain critical campaign roles, such as volunteer recruitment or EITC outreach.

According to local United Ways responding to the survey, their participation in EITC campaigns contributes to community impact work in the following ways:

- It enables United Ways to directly support those families who need it most by helping them secure additional income.
- It extends relationships with agency partners beyond traditional funding relationships by involving them in campaigns or assisting them in becoming tax assistance sites.
- It generates opportunities to expand their community building initiatives. For example, United Ways that promote the EITC through partnerships with employers can also market their housing assistance programs to those employees.
- It demonstrates United Ways’ willingness to partner on critical community issues.
- EITC campaign participation provides opportunities to cultivate relationships with new corporate partners.
- It provides an impetus for United Ways to continue to become engaged in community impact strategies.

## LEVELS OF UNITED WAY ENGAGEMENT IN EITC CAMPAIGNS

The UWA survey suggests several ways that United Ways can contribute to the success of EITC campaigns. However, given the relative newness of both the EITC movement and United Ways’ participation in EITC campaigns, it is premature to propose definitive models of successful United Way engagement. Nevertheless, insights gleaned from the UWA survey suggest that United Ways participate in EITC campaigns at three levels: Campaign Leader, Campaign Member, and Campaign Supporter.

Distinguishing between these levels of engagement is not intended to suggest that one level of involvement is more important than another. The appropriate level of involvement will depend on United Way capacity, the capacity of partner organizations, and the community’s needs. The distinctions are made to help United Ways determine how best to become involved in EITC campaigns, if they are not already, and to provide those currently involved with approaches and strategies to augment their efforts.

The chart below illustrates how the various campaign roles correspond to the three levels of engagement. When considering the different levels, it is important to know that while most United Ways fall under one of the three levels, many perform roles that extend across multiple categories.

- A United Way is defined as a **Campaign Leader** if it serves as the campaign strategist, convener, coordinator, or a combination of the three. The United Way may be performing other roles as well, such as volunteer recruiter, but as long as it is coordinating and for convening the campaign, it is considered a Campaign Leader.

Roles/Levels of Engagement	Campaign Strategist	Campaign Convener	Campaign Coordinator	EITC Advocate	Volunteer Recruiter	Funding & Resource Provider	Community Outreach & Education
Campaign Leader	X	X	X	X	X	X	X
Campaign Member				X	X	X	X
Campaign Supporter						X	X

- **Campaign Members** seek and/or provide funding and support for EITC campaigns, advocate for EITC policy, as well as recruit volunteers. Though they are not as involved as campaign leaders, they are integral members of campaigns.
- Finally, some United Ways limit their engagement to that of a **Campaign Supporter**, which involves the funding and resource support or community outreach and education.

It is important to note that all levels of EITC engagement — from leading EITC campaigns to simply disseminating materials — are critical to increasing the number of individuals and families who claim the credit, receive low- or no-cost tax services, and gain overall financial education.

### Campaign Leader

Approximately 24 percent of United Ways that responded to the UWA survey serve as the leader of their community’s EITC campaign. At a minimum, the Campaign Leader initiates the campaign, provides strategy and direction, and coordinates the various campaign components. In addition, Campaign Leaders may also advocate for programs and policies that support EITC efforts, recruit volunteers, and conduct EITC outreach and education. The following are the key roles that a Campaign Leader performs.

### Campaign Strategist

The Campaign Strategist is often charged with reviewing existing community EITC efforts to identify available and needed services, along with the target population to be served. The strategist also develops the overarching campaign goals; determines the types of EITC and asset-building activities to offer; and identifies potential partners to participate in the campaign.

United Ways are effective strategists because of their existing knowledge of community needs and strong partnerships with key organizations and businesses that are likely to play prominent roles in EITC campaigns. The strategist often initiates the campaign.

The United Way in Scranton, PA gathered community leaders together to develop an EITC campaign after becoming aware of the limited use of the EITC in their area. The United Way serves as the lead organization. It organizes the collaborative, provides public education on the tax credit, engages the press, and operates a public hotline to provide information about the credit. The United Way distributed 10,000 fliers on the EITC and free tax assistance.

**United Way of Lackawanna County**

For example, the United Way of Greater Rochester, NY, while planning its annual EITC campaign, learned that many of the lower-income individuals in its community lacked bank accounts. The United Way adjusted its strategy to include relationships with banking regulators and national organizations that encouraged local financial institutions to offer accounts and other asset-building products at tax preparation sites. It also chose locations for tax assistance sites that were easily accessible using public transportation. One of its sites was located in a local mall, which happened to be on the same floor as a national commercial tax preparator.

### Campaign Convener

The Campaign Convener identifies and approaches the appropriate community partners to participate in the campaign. United Ways are especially well-suited for this role because of their long-standing relationships with both for-profit and non-profit organizations and their neutral, non-threatening position within communities.

“We can mobilize organizations to work together and overcome their instinct of losing their “kingdom” rights. In most communities, the United Way is not seen as a threat to other groups doing this work.”

**United Way of St. Joseph County, Inc., South Bend, IN**

United Ways often initiate campaigns by formally convening strategic partners — faith-based organizations, agency partners, the IRS, local financial institutions, national funders, representatives of the business community, and others — to gauge their interest in and capacity to participate in EITC campaigns. They may also ask representatives from the IRS, established EITC campaigns, or foundations to convey to the group the importance of community initiatives that increase EITC filings. Other United Ways begin by hosting a series of informal meetings with community organizations on specific topics—such as volunteers and outreach—to solicit participation on specific needs of the campaigns.

Once United Ways identify specific campaign needs, they call on organizations or companies that might be in a position to meet those needs. One United Way utilized established partnerships with three companies in order to reach a large pool of lower-income taxpayers by providing tax assistance at or near their worksites. Another United Way identified a strong need to develop effective outreach messages that would resonate with lower-income taxpayers. To accomplish this, it partnered with the local Ad Council to create a publicity strategy and materials. Those outreach materials were shared with the local Chamber of Commerce and United Way board members and have been publicized throughout the community.

## Campaign Coordinator

The coordinator is often the linchpin of the EITC campaign, which makes it the most labor intensive role. Because this role is so time intensive, the Campaign Coordinator is often paid.

In Tucson, AZ, the United Way brought together interested parties from social service and government agencies as well as volunteers to work toward increasing the number of qualified families who claim the credit. The United Way managed and lead the marketing and publicity efforts for the group. The United Way's board of directors approved \$5,000 to support a full-time EITC project manager, who coordinated the task force activities, volunteers, media, outreach, and site management. United Way also helped to set up additional tax assistance sites, and effectively tripled the number of locations over the previous year.

### United Way of Tucson and Southern Arizona

United Ways who perform this critical function report that they begin preparing for the tax season months in advance in order to ensure an efficient, well-run campaign. The many tasks of the Campaign Coordinator include:

- Hiring staff
- Recruiting volunteers to staff tax preparation sites
- Setting up tax preparation sites
- Confirming that each tax preparation site has the materials, resources, and equipment needed to complete tax returns
- Coordinating volunteer trainings
- Writing reports
- Distributing in-kind and financial resources appropriately among all campaign components
- Working with community partners to identify target communities for EITC outreach
- Identifying local EITC champions to advance the campaign
- Serving as the campaigns' fiscal agent
- Reporting to campaign funders about the progress of the campaign

United Ways that run workplace-based EITC campaigns engage employers, organize on-site information sessions, coordinate the creation and dissemination of payroll stuffers, and organize tax assistance programs at the worksites or nearby locations.

Once the campaigns are underway, Campaign Coordinators work with partner organizations to educate their communities about the tax credit and develop and advance EITC press by writing press releases, conducting interviews with journalists, placing articles in newspapers, and creating public service announcements for television and radio stations.

United Ways make effective campaign coordinators because of their experience in similar efforts, including their annual giving campaigns, which involve coordinating fundraising efforts, media strategies, outreach efforts, and allocating the funding among member agencies and various community initiatives.

## EITC Advocate

EITC Advocates educate local, state, and federal policy makers about the credit in order to develop local or state-equivalent tax credits, promote laws and regulations to curb commercial tax preparers' excessive fees, and champion funding for EITC campaigns. The advocate collects EITC data, performs research and contacts legislators to discuss the benefits of the EITC.

United Ways make effective EITC Advocates because they are recognized by policymakers for their service to lower-income communities; they can speak with authority about the significant impact of the EITC on the lives of lower-income families; and many of them have experience advocating for other programs and policies that benefit lower-income communities.

A number of United Ways reported that their local efforts helped to successfully change government policies and programs to support EITC efforts. In Providence, RI, the United Way and other organizations advocated for and achieved the creation of a state-based EITC.

In other communities, United Ways' advocacy efforts focus on increasing government involvement in EITC campaigns. As a result, mayors and congressional representatives have engaged in a number of EITC press events, and city and county government agencies have developed marketing materials and disseminated information about the EITC and free tax assistance sites to recipients of public assistance.

The United Way of Palm Beach County, FL, for instance, helped persuade the County Board of County commissioners to contribute to the campaign fund, host a kick-off event with the press, and provide free advertising via county transportation services. The Board also provided extensive EITC coverage on the county television station and recruited volunteers by offering to compensate county employees for time spent on EITC efforts.

## EITC Campaign Member

Approximately fifty-nine percent of United Ways that responded to the UWA survey act as key members of their communities' EITC coalition. These United Ways perform critical functions, including recruiting volunteers and additional partners and contributing in-kind, staff, and financial support.

## Volunteer Recruiter

In addition to recruiting volunteers – an essential role for all campaigns – the recruiter often coordinates tax training sessions, site staffing schedules, and volunteer recognition events.

United Ways reported that they utilize their networks of volunteers to recruit and staff campaigns. Many, in fact, work directly with communities to recruit, coordinate, and train, volunteers, using their websites, 2-1-1 systems, and listservs. Others leverage their relationships with the business community to secure campaign volunteers.

In Philadelphia, the United Way utilizes its reputation for quality volunteer recruitment, training and management to support the city's EITC campaign. In 2003, it recruited 500 volunteers and placed 328 trained volunteers in 16 tax assistance sites. Last year, over \$10 million was brought into Philadelphia communities through the EITC campaign.

### United Way of Southeastern Pennsylvania

A few United Ways attribute their volunteer recruitment success to blitz marketing strategies, which employ several outreach vehicles including newspapers, radio and television stations, flyers, posters, and buttons. Other United Ways use existing volunteer centers to recruit tax preparers and provide supplies. Once United Ways identify volunteers, they often engage the IRS to educate the volunteers on preparing tax returns.

## Funding and Resource Provider

United Ways report that they contribute significant in-kind, staff, and financial resources to local EITC campaigns. Their in-kind support often includes donated staff time to manage volunteers and coordinate components of campaigns. United Ways also use their resources and facilities to create marketing materials and host campaign meetings.

Some United Ways' participation in EITC campaigns spans the organization, from volunteers to the United Way board of directors. Other United Ways limit their participation to a small cluster of staff who devote a substantial portion of their time to the campaign, beginning in early fall and extending through the tax season. The range of involvement likely reflects the relative newness of United Way participation in EITC campaigns. United Way staff interviewed for this paper suggest that there will be greater United Way engagement in EITC campaigns as national awareness of the EITC increases.

In addition to in-kind support, a number of United Ways provide financial support for community EITC campaigns as a part of a community initiative. In fact, approximately 21 percent of United Ways surveyed provide some level of financial support to their

local campaigns. The funds are used to hire campaign coordinators, provide stipends for tax preparation site coordinators and student interns, purchase materials, and maintain tax assistance sites.

A few United Ways actively raise money for EITC campaigns, often from private foundations and local government agencies. The United Way of the Bay Area in San Francisco, CA raised more than \$100,000 for its 2003 campaign in one month, which leveraged additional contributions to the 2004 campaign in the amount of \$455,000. The United Way of Greater Rochester, NY fundraised for its EITC campaign and secured money from foundations and organizations that typically do not make United Way contributions. Because they liked the idea of contributing to a community effort, rather than a single organization.

Similarly, a number of United Ways have found that traditional givers are willing to contribute to EITC campaigns while maintaining their levels of United Way support because they understand that the EITC campaign collaborative and the United Way are two distinct but important organizations.

United Ways attribute their success in fundraising for EITC campaigns, in large part, to the EITC's multiplier effect: beyond the direct support the EITC provides to families, the EITC generates significant community returns, as EITC dollars are spent and invested in the community.

## EITC Campaign Supporter

While most of the United Ways that responded to the UWA survey provide general assistance and support to local EITC campaigns as part of a larger role in a collaborative, approximately 17 percent reported that their involvement was limited to general support. In many cases, these United Ways leverage their internal programs and resources, such as their information and referral service systems or websites, to promote the EITC and local tax preparation sites. Others share EITC materials with their agency partners for distribution to the public, participate in local campaigns' outreach efforts, or keep abreast of EITC activities by attending campaign meetings. While their participation is not as extensive as others, these United Ways perform vital roles by using their contacts, networks, and resources to communicate the importance of claiming the EITC.

## United Way Partner Roles in EITC Campaigns

Insights from UWA's EITC survey clearly show that successful campaigns are dependant upon good partnerships. United Ways seek to partner with any number of the following organizations, which play critical roles in EITC efforts.

## NATIONAL COMMUNITY TAX COALITION

The National Community Tax Coalition, a project of the Center for Economic Progress, leads the national community-based movement in connecting working families to tax benefits. The Coalition and its 500-plus affiliates promote tax credits and financial opportunities by bringing the voices of low- and moderate-income taxpayers to the tax policy arena and providing tools for free tax preparation and financial service programs. For more information about the National Community Tax Coalition or to access their resources, visit [www.tax-coalition.org](http://www.tax-coalition.org)

### Local Community Organizations

Local community organizations are important partners in EITC campaigns. For example, civic organizations, churches, and Urban Leagues provide space, staff, and computers for tax preparation sites; Catholic Charities agencies recruit volunteers; and the Salvation Army conducts EITC outreach to the community. During one tax season, a local chapter of the Council of Jewish Women donated tubs of new toys for children to play with at tax preparation sites.

In Tucson, AZ, Luz Social Services and the Association of Community Organizations for Reform Now (ACORN) provided door-to-door EITC outreach, and the Children's Action Alliance provided training to EITC task force members and education programs in the community.

Community Action Agencies (CAAs) are also important partners in EITC campaigns. CAAs across the country provide sites, staff, and volunteers for tax preparation, develop marketing materials and educate consumers about using credit wisely.

### Businesses and Related Associations

Businesses and business associations are often key partners in EITC efforts. Chambers of Commerce host EITC campaign meetings; utility companies disseminate information about the EITC via inserts and flyers included in monthly bills; local hospitals serve as tax preparation sites; and local affiliates of national companies, including GE, Allstate, Wachovia, and NBC, provide volunteers to assist with tax preparation.

Several businesses have supported EITC efforts in creative ways.

- An office of the Ad Council adopted the EITC as a major community initiative and provided free advertising space, professional ad agency design, and other assistance.
- Two major commercial real estate companies donated mall space for free tax preparation sites.

- Intuit provided use of its on-line tax filing software, Turbo Tax.
- Medical Motors Service transported more than 50,000 flyers about free tax preparation sites to organizations for distribution to clients.

### Higher Education Institutions

A number of universities, colleges, and law schools volunteer their facilities for tax assistance sites and recruit students, who coordinate, staff, and run the sites. Some universities also provide computer and technical support, while others utilize their professional schools – business and law – to support and staff tax assistance sites.

### Government

City and county governments fund campaigns, recruit volunteers, and perform critical outreach to their constituents. One county sent a mailing to all public assistance recipients listing EITC eligibility criteria and the locations of tax preparation sites. The Children's Services Council, a local taxing entity of Broward County, FL, sponsored a mobile van to provide tax preparation and financial literacy training to lower-income taxpayers. The van generated \$68,000 in tax refunds that year. Employees from the local office of American Express volunteered to staff the van over the tax campaign period.

## INTERNAL REVENUE SERVICE

The Internal Revenue Service (IRS) is partnering with UWA and local United Ways to develop and support EITC campaigns. Depending on the community size, EITC demographics, and existing EITC outreach the IRS may provide the following support for EITC campaigns:

- Technical assistance on applicable tax laws
- Research data -- tax filing statistics
- Customized tax education for volunteers
- Tax preparation software
- Marketing products and materials
- Access to local and national partnership networks
- Suggestions and support for building coalitions

Governors' offices also participate in and sometimes initiate local EITC campaigns. The governor's office in Arizona created bilingual EITC promotional materials. In other states, the Department of Health and Human Services mails information about EITC to all TANF recipients and Legal Service departments provide information about EITC to their clients.

Congressional representatives have also demonstrated their commitment to local EITC campaigns. According to the United Way survey, congressional representatives participated in campaign kick-off ceremonies in both California and Arizona.

Financial institution regulators, such as the Federal Deposit Insurance Company (FDIC), can also be important partners in EITC campaigns, particularly by encouraging financial institutions to take part in campaigns and offer financial products to clients. The FDIC offers a financial education curriculum, “Money Smart,” which is used by a number of EITC campaigns.

### Financial Institutions

Local banks and credit unions have proven to be key partners in EITC campaigns. In one community, three banks and two credit unions offer free, no-minimum-deposit, no-fee savings accounts to taxpayers without bank accounts. Some banks also provide information about financial management and a number offer financial supports to EITC campaigns.

## LINKING EITC EFFORTS TO ASSET-BUILDING INITIATIVES

Before the 1990s, few believed that acquiring financial assets -- savings or retirement accounts, homes, education and life insurance -- could help lift families out of poverty; however, research conducted over the past decade demonstrates that assets increase household stability; decrease economic strain; are associated with education attainment; and decrease the likelihood of poverty transmittal from one generation to the next.<sup>11</sup>

“United Ways can leverage the value of the EITC when the program is coupled with financial education, life-skill programs, and even micro-enterprise development. In our community, we see a clear path for building economic sustainability with the EITC as a starting place.”

**United Way of Northeastern New York, Inc.**

Though research shows the tremendous benefits of holding assets, asset poverty remains a prevalent problem. A 1998 study showed that 25.5 percent of Americans did not have sufficient net financial assets to live for three months at the poverty level.<sup>12</sup> A similar study published in 1997 showed that more than 60 percent of African American households and 54 percent of Hispanic households had zero or negative net financial assets compared with only one-third of all households.<sup>13</sup>

A compounding factor to asset poverty is the lack of and difficulty in obtaining a basic bank account. For a number of reasons – including concerns about not having enough money, intentional avoidance of bank fees (e.g., \$30 overdraft charge), lack of familiarity and comfort with banks, and an inability to open an account because of a poor check writing history – a disproportionate percent of lower-income families lack bank accounts. The 2001 Survey of Consumer Finances found that 11 percent of Americans lacked a transaction account; over 30 percent of those were in the bottom income quintile.

Research shows that lower-income families with transaction accounts are more likely to have other assets.<sup>14</sup> In addition, the lack of a transaction account places individuals at a significant disadvantage; they often have to rely upon costly rapid anticipation loans to access their refunds quickly (since they do not have an account into which their returns can be directly deposited), and they miss the opportunity to save and earn interest on their savings.

While efforts to link the EITC with asset building programs are still fairly new, the potential to help families build assets through the EITC is promising. A 2001 study found that EITC filers use their refunds to pay off debt, invest in education, and secure decent housing.<sup>15</sup>

Tax assistance sites present an opportune time to educate lower-income taxpayers about the importance of bank accounts, building assets, good personal finance, budgeting, minimizing debt, and maintaining good credit. Some tax preparation sites have a bank or credit union representative on-site to help taxpayers sign up for a low- or no-cost account. Many tax preparation sites provide taxpayers with information and enrollment forms for local homeownership seminars, financial education courses, and Individual Development Accounts (IDAs).

“Going to scale, maximizing resources and developing effective asset building strategies dictate that the EITC outreach campaign and tax assistance program are inextricably interrelated and are far less effective if implemented in isolation.”

**United Way of San Antonio & Bexar County**

UWA found that United Ways are linking their EITC campaigns to asset-building efforts wherever possible. Of the 111 United Ways that responded to the EITC survey, almost half link their efforts to financial education; one-third link their EITC efforts to IDAs and budgeting education; and one-fourth link EITC with debt reduction counseling and education, assisted housing programs, and counseling about costly commercial tax preparation.

Some United Ways take asset building a step further by integrating their EITC efforts into a larger asset-building initiative. The United Way of Salt Lake, UT, for instance, is planning a comprehensive, community-wide initiative to combine EITC efforts with financial literacy programs, wealth coaching, and the state IDA network. The United Way is also planning a public education campaign to raise awareness about the importance of savings, regardless of income level.

## UWA EMPLOYER-BASED IDA DEMONSTRATION

UWA is partnering with the U.S. Department of Health and Human Services' Office of Community Services and the Ford Foundation in an innovative demonstration project to design and test models for employer engagement in IDAs for lower-income workers. Sixteen local United Ways across the country are participating in the demonstration project, the goal of which is to identify models to make IDAs and other asset building programs accessible to millions of lower-income individuals and families across the country. Almost half of the United Ways involved in the IDA demonstration are participating in or leading local EITC campaigns in partnership with local employers. Because sharing information about the EITC is virtually cost free for employers, many are actively distributing information about EITC eligibility and tax preparation assistance via paycheck inserts and posters. A few are working with their United Way partners to establish tax assistance sites on or near the workplace. Local United Ways see the EITC partnerships with employers as an important first step towards workplace-based asset building initiatives for lower-income employees.

One of the goals of the United Way of Greater Rochester, NY's EITC campaign is to help lower-income workers maintain and grow their economic assets. To do this, the United Way partnered with several banks in the area to offer free, no-minimum checking accounts and six local IDA programs focusing on first time homeowners offered information about available asset-building resources in the community.

Mile High United Way of Denver, CO (MHUW) and the Denver Mayor's Office of Workforce Development (MOWD) established

a unique collaborative to link their local EITC campaign with IDAs. In 2002, Denver adopted a local tax credit for earned income, similar in structure to the federal EITC.<sup>16</sup> As a complement to the local EITC, which provides up to \$800 in tax credits to eligible families, MHUW and the MOWD co-marketed IDAs to EITC-eligible taxpayers. Additionally, the two organizations coordinated the promotion of financial services to the "unbanked" (individuals without bank accounts) by arranging for local bankers to speak at skill building classes offered by the MOWD.

United Ways are forging new ground in leveraging the EITC as an asset-building tool. Their strong partnerships and credibility with lower-income families and the business community have greatly contributed to their accomplishments and will likely result in continued successes.

## INCREASING UNITED WAY ENGAGEMENT: EITC CAMPAIGNS AND 2-1-1

2-1-1, the national information and referral number championed by UWA, presents a significant opportunity for helping to increase communication about tax preparation assistance sites, and consequently, increasing EITC filings. Much like 9-1-1, which provides citizens with access to emergency services, 2-1-1 has been designated by the Federal Communications Commission to provide callers with information about and referrals to local health and human service providers, government agencies, and community-based organizations.<sup>17</sup> Callers to 2-1-1 generally find information and referrals on basic human needs, physical and mental health resources, employment and disability services, and support for children, youth, and families.

Today, more than one hundred 2-1-1 systems operate in communities around the country. By 2006, each state will likely have at least one 2-1-1 system in place. In states where it is currently available, 2-1-1 is employed to widely disseminate information about the EITC and local tax assistance sites. Callers to 2-1-1 can access information about eligibility criteria, tax assistance site locations and hours, and referrals to other services, like the IRS' toll-free number for further questions about the tax credit.

The United Way of Palm Beach County, FL utilized its 2-1-1 call center as a central partner in its 2003/2004 EITC campaign. Thousands of families were made aware of the EITC through 2-1-1, and it provided callers with up-to-date information about local tax sites (by zip code or town), hours, language(s) spoken, and appointment requirements.

2-1-1 enabled the United Way to save significant marketing costs by decreasing the amount of information that had to be conveyed in brochures and other marketing materials. Instead, EITC marketing materials instructed people to call 2-1-1 to find out the latest information about the tax sites and the EITC.

2-1-1 operators were prepared to answer callers' questions about eligibility and inform callers about necessary documents to bring to the tax sites, thus 2-1-1 saved significant time for everyone by making sure taxpayers were eligible and fully prepared when they arrived at the tax sites.

Between January and March, 2004, 2-1-1 received more than 4,400 calls about the EITC campaign. Finally, using 2-1-1 as a core EITC campaign tool had the effect of broadly marketing 2-1-1 as a community resource.

#### United Way of Palm Beach County

Although there are only a handful of United Ways currently using 2-1-1 to support EITC campaigns, in large part because of its limited availability, the following examples show how local United Ways are incorporating 2-1-1 into their campaigns:

- United Ways actively tracking requests for information about the EITC via 2-1-1 found that most requests pertained to tax assistance sites.
- United Ways run advertising campaigns which include billboards and storefront advertisements broadcasting the availability of EITC information via 2-1-1.

Looking forward, the 2-1-1 system could be used to identify effective outreach strategies by asking callers how they learned about the EITC. It also could be employed to recruit volunteers for EITC campaigns and increase participation in asset-building programs by referring callers to services in their areas.

The power of 2-1-1 resides in its ability to reach millions of lower-income families. In its current state, it has the potential to reach 85 million people. In order to maximize utilization of 2-1-1 to support EITC efforts, it is incumbent on local United Ways to tap into existing 2-1-1 systems as they come online over the next few years. United Ways that have the capacity can apply to their state and the FCC for designation to establish 2-1-1 in their community. In fact, 40 2-1-1 centers are administered by local United Ways today. The potential for growth is enormous.

## EITC CAMPAIGNS: CHALLENGES AND STRATEGIES

Whether they serve as the lead organization, a key member, or a supporter, United Ways that participate in EITC campaigns will encounter challenges with content, organization, or execution. As United Ways look for methods to improve the quality of service at tax assistance sites; expand campaign capacity; improve linkages to other asset-building services; and increase the number of taxpayers they serve, it will be important to find strategies that address the challenges they experience. Below are several challenges that local United Ways currently participating in campaigns have experienced, along with suggested strategies for addressing them.

### Quality Tax Preparation

Ensuring quality among tax sites can be challenging, particularly when it comes to identifying, preparing, and maintaining volunteers. Tax preparation is fairly complicated and sites rely heavily on volunteers, many of whom are not professional tax preparers and thus require comprehensive training.

United Ways recommend the following strategies to better prepare volunteers and improve tax preparation.

- *Incorporate professional staff to ensure tax returns are accurate.* Some campaigns hire a few professional tax preparers each year to review returns completed by volunteers. This helps to ensure the returns are completed accurately, thus reducing the number of returns that have to be corrected.
- *Train volunteers earlier in the tax season (or before the tax season begins) and provide several training sessions to meet the volunteers' availability.*
- *Focus early on finding sites with sufficient technological resources and hours of availability for actual tax preparation, as well as time for staff to review and file the returns.*
- *Use relationships with businesses and business organizations to recruit volunteers.* United Ways have found success in recruiting quality volunteers by tapping into local accounting firms and chapters of national business associations, such as the National Association of Black Accountants. (An additional perk of capitalizing on business relationships is that it opens doors for discussions about tax assistance for lower-income employees of those businesses.)
- *Provide each site with an advisor who is responsible for talking to taxpayers about other financial/asset-building resources that could help them advance financially.*

- *Seek new sources of tax preparation training and modify existing curricula to increase emphasis on tax issues that pertain to lower-income filers.*
- *Partner with universities to recruit volunteers.* A number of campaigns in both rural and urban areas have found local universities, particularly in the graduate and professional schools, to be a tremendous source of volunteers and strong campaign partners. Universities are especially important recruiting vehicles for rural areas, who often have trouble staffing tax sites.

## Funding

As with most community-based and social service programs, the need for funding is prevalent in many communities running EITC campaigns. Although many operate to a great extent on in-kind contributions, additional funding is essential for growth and expansion of the campaign.

United Ways have used or will pursue the following approaches to raise money for the upcoming tax season.

- *Use local EITC data to demonstrate to potential funders how EITC dollars benefit lower-income families and communities-at-large.* The data, provided by the IRS, shows the effect of one EITC dollar that is spent and invested in communities. United Ways successfully use this argument to generate support for EITC efforts. In fact, some United Ways plan to seek local corporate sponsorships for their EITC campaigns as they believe that this message will resonate especially well with local businesses.
- *Tie the EITC to other asset-building programs, like financial education, and homeownership training.* A number of United Ways have found that local and national funders who support asset-building programs are more likely to fund EITC campaigns if they can clearly see the connection between them. Some United Ways have raised money and in-kind support for their EITC work based on EITC-asset building connections.
- *Emphasize to potential funders that their contributions will be used for EITC campaigns.* The United Way of Greater Rochester received funding for its EITC campaign from several foundations who had never given to the United Way. The foundations agreed to contribute because the funds were earmarked for a community-wide initiative, rather than an individual organization.
- *Tap into the local business community.* United Ways have found that the business community is especially attuned to the potential financial benefit of the EITC to

both lower-income workers and the community-at-large. In some communities, financial institutions provide significant support for EITC campaigns, in addition to supporting other asset-building products and services.

## United Way Capacity

A number of smaller United Ways have expressed interest in initiating or participating in EITC campaigns, but are unsure of how to meaningfully engage given their limited staff capacity and funding constraints.

The following suggestions were made to enable smaller members to participate in EITC efforts:

- *Utilize particular strengths.* Smaller United Ways may not have the staff capacity to serve as the campaign coordinator, but they could build upon their relationships with local employers to disseminate information about the EITC to lower-income employees. Instead of assuming more labor intensive tasks, these United Ways capitalize on their strategic advantage to bring information about the EITC to members of their communities.
- *Start Small.* Even some of the more heavily engaged United Ways began their EITC efforts on a small scale. A gradual approach to campaign participation enables United Ways to deliver on small, but critical EITC roles, such as focusing solely on EITC education, and then scale up as capacity and resources become available.

## Campaign Sustainability

There is growing interest and effort to develop strategies for building sustainable campaigns. Local campaigns seek strategies for longer-term funding, partnerships, and support resources. The following are strategies that campaigns are exploring or employing to build campaign sustainability.

- *Seek multi-year funding.* Campaigns should pursue multi-year funding, enabling them to develop longer-term campaign goals, strategies, and partnerships with other organizations to be better positioned to sustain the campaign over time.
- *Get multiple players involved and invested.* Key to building sustainability into the campaign is getting a range of local and national partners involved and invested in the effort. Multi-year campaigns often have local government officials, foundations, and businesses on the campaign's board or committees, thus, multiple players have a stake in the success and long-term prospects of the campaign. This type of buy-in can also help identify multi-year resources to support sustainability.

- *Continue to develop new partners as the campaign evolves.* From one year to the next, campaign partners, for a variety of reasons, may decide not to participate. Developing new relationships with different organizations that can help to fill those roles and keep the campaign on track is an important strategy.
- *Integrate the EITC campaign into broader initiatives.* Sustainability can be built into a campaign by integrating it into a broader initiative, such as an asset building program. Similar to the strategy of getting multiple players involved and invested, making the EITC campaign a core component of a broader initiative can tie the success and longevity of the campaign to the larger effort. This will help to demonstrate to funders and others that the benefits of EITC campaigns extend to the larger initiative.

## Technology

Technology is an important aspect of tax preparation. From appropriate software for volunteer training and tax preparation to the ongoing tech support needed to generate, print, and electronically file tax returns, technology is central to providing tax preparation assistance. The following are three strategies EITC campaigns employ to meet their technology needs.

- *Utilize existing technology resources and partners' resources.* Begin by exploring technology resources available through the United Way, member agencies, and community partners, including facilities with internet access, computers, and other equipment. Call upon the business community and the local government to access computers and other technology resources to prepare tax assistance sites.
- *Research other EITC campaigns' technology.* Use the experience of other organizations who have run EITC campaigns in the past to choose tax preparation software and determine the necessary computer capacity.
- *Establish a technology support strategy.* Identify technology support staff who will aid the site(s) throughout the tax season and have a plan in place for how common technical issues will be addressed.

## NEXT STEPS

Carefully chosen initiatives are powerful tools for delivering on the promises of the United Way brand. As United Ways evaluate EITC campaigns through the lens of its new community impact focus, it is important that they think about it in terms of its

ability to bring about lasting improvements in community conditions. A strategic community impact initiative:

- **Aligns with organizational priorities.** It focuses on an issue that is clearly related to one of your impact/priority/focus areas.
- **Is a partnership.** It includes partners that are sharing responsibility and accountability for and playing various roles in the initiative's success.
- **Is outcome focused.** It has an explicit target outcome – specific improvements sought in the lives of a defined community population. Further, the population is defined by geography, demography or condition and not simply as the clients of certain health or human service programs.
- **Pursues community change.** It targets specific improvements in networks, neighborhoods, organizations, or systems that will bring about the intended population benefits.
- **Tracks results.** The partners have decided or are committed to deciding what data will show if the initiative is creating the targeted community changes and is improving lives, and they have or will develop methods for obtaining that data.
- **Includes a meaningful role for United Way.** The United Way is playing a defined role that builds on its organizational strengths and relationships to contribute to the initiative's success. The United Way does not have to be the initiative's leader or be investing money in the initiative for it to have strategic value for the organization.

If your United Way decides to pursue EITC outreach as a community impact strategy, here are some strategies to get you started:

- **Take stock of your community's EITC needs and any existing EITC campaign efforts.** To supplement available information, the IRS maintains a database of existing EITC campaigns and is available to help your organization identify the needs of the community as well as potential roles you might play in EITC efforts. For more information on the IRS, including how to contact your regional office, please see the Resource Guide (Appendix B). The National Community Tax Coalition also maintains a database of community-based coalitions across the country, which can be accessed via their website.

- **Take advantage of existing resources.** Several national organizations offer electronic resources for communities interested in launching an EITC campaign. For example, the Center on Budget and Policy Priorities publishes a toolkit for organizations interested in starting an EITC campaign.
- **Examine your United Way’s capabilities as well as your partner agencies’ capabilities for supporting EITC efforts.** This will help you determine how your campaign should be structured (i.e. focused on outreach and education, or outreach coupled with free tax preparation services) as well as the best role for your United Way to play in the campaign.
- **Consider how your participation in an EITC campaign complements your United Way’s existing community impact agenda.** Most United Ways participating in EITC campaigns find that their efforts help to facilitate the achievement of community impact outcomes by helping lower-income families to move toward economic self-sufficiency.
- **Inform your board members and get them involved in the campaign.** Provide them with information and research showing the benefit of the EITC to lower-income families and the community-at-large. Ask your board members to think about opportunities and resources to further support campaign efforts.
- **Work with your local partners and the IRS to determine the potential impact of an EITC campaign on your community.** The IRS can generate EITC data for the region or geographic area served by your United Way. Not only will the data help you as you begin to set your campaign goals, but, it is a tremendous tool for demonstrating to partners and funders the impact the EITC can have on a given community.
- **Create or utilize existing tools and resources –** EITC talking points, designated web address, newsletters – that United Way staff, volunteers, and partner agencies can use to communicate about your EITC efforts. Use these resources to communicate to external partners that the EITC is a priority for your United Way.
- **Identify existing financial and community resources** and explore how to leverage them to create the most effective EITC campaign. Think about the unique roles that agency partners, local businesses, and community organizations can play in a local EITC campaign.

## LOOKING AHEAD

Together, the 1,400 United Ways across the country possess enormous potential to increase the number of individuals and families lifted out of poverty through the EITC. United Ways – like no other system of community organizations – have the networks, credibility, and social service infrastructure critical to expand EITC awareness and tax preparation services for lower-income individuals.

As United Ways around the country begin to make the transition to the community impact, targeting their activities and resources around key issues that are important to the community, UWA hopes that they will recognize the potential the EITC presents to local communities. EITC outreach campaigns have the potential to be strategic community impact initiatives that advance a United Ways’ community impact agenda. UWA is committed to providing its members the leadership, education, technical assistance, and networking necessary to increase the number of local United Ways involved in this effort.

At the national level, UWA is committed to increasing utilization of the EITC as part of its asset development work. Recognizing that accumulating savings and assets is a critical component for building economic security among working families and individuals, UWA is committed to supporting asset development strategies and increasing the number of individuals and families that have access to these tools.

# Endnotes

<sup>1</sup>For the purposes of this report, the terms tax preparation sites or tax assistance sites are used to refer to all forms of free or low-cost tax preparation assistance sites, including the IRS Volunteer Tax Assistance (VITA) program for low-income people and the AARP Tax Counseling [programs] for the Elderly (TCE).

<sup>2</sup>The IRS estimates there are nationally 234 Community-based [EITC] Partnerships, which are defined as coalitions of one or more community organizations that link EITC education, free tax preparation and asset building programs.

<sup>3</sup>A list of EITC resources consisting of national and local organizations focused on the EITC can be found in Appendix B.

<sup>4</sup>Internal Revenue Service, SPEC EITC Database (June 2002), Extracted from the Individual Return Transaction File.  
<http://www.irs-eitc.info/SPEC/>

<sup>5</sup>Nada Eissa and Jeffrey B. Liebman, “Labor Supply Response to the Earned Income Tax Credit,” National Bureau of Economic Research, Working paper 5158, (1995): 3.

<sup>6</sup>Internal Revenue Service, SPEC EITC Database (June 2002), Extracted from the Individual Return Transaction File.  
<http://www.irs-eitc.info/SPEC/>

<sup>7</sup>Alan Berube, Anne Kim, Benjamin Forman and Megan Burns, “The Price of Paying Taxes: How Tax Preparation and Refund Loan Fees Erode the Benefits of the EITC,” Survey Series The Brookings Institution and the Progressive Policy Institute, (2002): 2.  
<http://www.brookings.edu/dybdocroot/es/urban/publications/berubekimeitc.pdf>

<sup>8</sup>Chi Chi Wu, Jean Ann Fox, and Elizabeth Renuart, “Refund Anticipation Loan Report: Tax Preparers Peddle High Cost Tax Refund Loans Millions Skimmed from the Working Poor and the U.S. Treasury,” Consumer Federation of America and the National Consumer Law Center, (2002): 4.

<sup>9</sup>Berube 1.

<sup>10</sup>The IRS reported, as of April 2004, United Ways were participating in 40 percent of the 234 Community-based [EITC] Partnerships that they have identified.

<sup>11</sup>Ray Boshara, Building Assets, A Report on the Asset-Development and IDA Field (Washington, D.C.: Corporation for Enterprise Development, 2001)

<sup>12</sup>Robert Haveman and Edward Wolff, “Who are the asset poor? Levels, trends, and compositions, 1983-1998,” Discussion paper. Institute for Research on Poverty, University of Wisconsin-Madison (2001).

<sup>13</sup>Melvin Oliver and Tom Shapiro, Black Wealth, White Wealth: A New Perspective on Racial Inequality (New York: Routledge, 1997) 69.

<sup>14</sup>Jeanne M. Hogarth and Kevin A. O’Donnell, “Banking Relationships of Lower-Income Families and the Governmental Trend Toward Electronic Payment,” Federal Reserve Bulletin 85 (1999).

<sup>15</sup>Nicolas Johnson, “A Hand Up: How State Earned Income Tax Credits Help Working Families Escape Poverty in 2001,” The Center on Budget and Policy Priorities, (2001): 8. <http://www.cbpp.org/12-27-01sfp.pdf>

<sup>16</sup>As of 2003, the Denver EITC was no longer available as a result of budget cuts; however, Mile High United Way expects the local EITC will be reinstated when local economic conditions improve.

<sup>17</sup>The Federal Communications Commission designates the use of 2-1-1 to applicants that are deemed qualified by the state in which the applicant resides.

## Appendix A: United Way Profiles

UWA conducted a series of interviews with United Way leaders in the EITC/free tax preparation field as part of its examination of United Way participation in community-based EITC campaigns. While there are examples of United Ways throughout the system who are mobilizing their communities to increase the number of families who file for and receive the EITC, UWA has chosen to profile three who play integral roles in their community campaigns, either as leaders or as members. These profiles illustrate the different ways in which United Ways are using their skills and resources to help community members file for the EITC as well as the level of commitment, in terms of time and resources (both human and financial), necessary to participate in a campaign in a meaningful way.

In its research, UWA found that the impetus for campaign participation stems from a variety of sources. Although the campaigns represented here illustrate United Ways whose involvement in EITC stemmed from a request by an outside organization, there are multiple ways for local United Ways to successfully engage in EITC campaigns. The United Ways profiled here are among the most active in EITC campaigns today. They were chosen because they are excellent examples of successful engagement in community-based EITC campaigns. They represent three distinct regions of the country – the Deep South, the Southwest, and the Pacific Coast – and vary in terms of the size of the communities they serve and the way in which their campaigns are structured.

While several characteristics differentiate these United Ways, a deeper look shows that, regardless of their size or geographic location, these United Ways bring a unique collection of attributes to make a powerful difference in the success of EITC campaigns. Each local United Way profiled here utilizes its networks, credibility, and social service infrastructure to expand EITC awareness, provide tax assistance, and generate in-kind and financial support for the campaign's efforts.

## UNITED WAY OF THE BAY AREA SAN FRANCISCO, CA

In 2002, Congresswoman Barbara Lee, the IRS, and the Annie E. Casey Foundation (AECF) called on the United Way of the Bay Area to establish an EITC campaign to serve its residents, noting that in Alameda County alone, approximately \$17 million in refunds was going unclaimed each year. Recognizing the potential impact the EITC could have on hundreds of thousands of lower-income people throughout the area, the United Way convened representatives from private, public, philanthropic and non-profit sectors to establish the collaborative. Though the campaign's initial focus was on several lower-income neighborhoods in Oakland, the collaborative quickly grew to a county-wide initiative that included 4 of 14 cities located in the 720-square-mile county. In addition to the United Way, key collaborative members included the Alameda County Social Services Agency, the City of Hayward, and the Urban Strategies Council.

Based on the success of the first year, the campaign expanded in 2003 to serve three counties in the San Francisco area. By 2008, the collaborative will offer free tax preparation in all seven Bay Area counties, bringing \$5.5 million in EITC back to the community.

### Campaign Convener

Since the 2002 launch of the community-wide EITC campaign, the United Way of the Bay Area's Self-Sufficiency team (UWBA) has served as the campaign's leader. As the campaign lead, UWBA is the primary convener, strategist, fund developer and fiscal agent for the EITC campaign and works with a coalition of private and public sector organizations throughout the Bay Area to identify and address the tax assistance and EITC needs of lower-income families.

Taking a lead role in the EITC campaign closely aligns with the United Way's community impact goal to help individuals and families become economically self-sufficient by increasing their income (both by accessing resources and increasing their job skills) and increasing their assets (through financial education and Individual Development Accounts). Because of its ability to convene representatives from a diverse group of organizations, fundraise, and collaborate with partner organizations to strive for community-wide impact, the United Way is well-positioned to serve as the campaign leader.

### Campaign Strategist and Coordinator

To plan for and implement the campaign, the collaborative established a steering committee and three working groups with members from many community organizations. The three working groups are: (1) tax preparation; (2) marketing and outreach; and (3) asset development. The campaign's tax preparation group, co-chaired by the United Way and the IRS, focused

on creating free tax assistance sites and recruiting and training volunteers to staff those sites. The second group, lead by Congresswoman Lee's office and the Alameda County Social Services Agency, focused on developing marketing messages, strategies and products. Under the direction of AECF and the Urban Strategies Council, the third group, focused on asset development, concentrated on the use of the free tax assistance sites to increase financial literacy and exposure to asset development strategies.

Leading up to and extending into the tax preparation season, the United Way reached out to numerous community partners to disseminate information about and generate funding for the EITC campaign. Within a month the United Way raised \$110,000 from local and national foundations. The funding enabled the United Way to hire a project manager to help coordinate the overall campaign work.

A number of other community resources were employed to conduct EITC outreach. For instance, Alameda County's information and referral service – Eden I&R – established a toll-free number and answered calls in eight languages: English, Spanish, Cantonese, Vietnamese, Mandarin, Farsi, Cambodian and Hindi. In addition, mailings about the EITC were sent out to more than 80,000 people and flyers were distributed to 100,000.

The 2002-2003 campaign surpassed its original goals.

- More than 2,250 tax returns were filed, capturing \$1.8 million in EITC dollars and totaling \$3.2 million in tax refunds claimed.
- The information and referral service answered 6,021 calls.
- Four hundred volunteers provided 6,500 hours of volunteer service at 14 tax assistance sites through the county.

After reflecting on the first year of the campaign and each partner's unique contributions, the collaborative decided that UWBA should maintain its strong leadership role and its focus on fundraising in the second year. They also decided to expand the campaign to include two additional counties, San Francisco and Contra Costa, and to recruit agency partners in each of the three counties who might be able to integrate the services offered through the campaign into their existing operations, making campaign operations more sustainable.

Because the second year's campaign would be substantially larger than the first, the members of the collaborative developed three steering committees that coordinated activities among the counties and guided the working groups. The responsibilities of the working groups are outlined below.

- The Outreach/Marketing group developed strategies to increase knowledge about EITC and promote free tax preparation at the 50+ sites throughout the 3 counties. These strategies included (1) distribution of flyers in multiple languages through a network of CBO's, public sector sites and local businesses and (2) use of organizations' web sites and newsletters to promote EITC. In Alameda County, the City of Oakland produced 250,000 flyers for distribution. With the San Francisco Mayor's office, the United Way and campaign partners co-hosted an EITC press event to kick off the new tax season. Congresswoman Barbara Lee and newly elected San Francisco Mayor Gavin Newsom, along with an EITC-eligible tax payer, spoke at the event. A website was created to promote the EITC campaign: [www.earnitkeepitsaveit.org](http://www.earnitkeepitsaveit.org). They also expanded the toll-free information line to serve three counties through a partnership between two information and referral nonprofit service providers.
- The Tax Site and Volunteer Coordination group was responsible for ensuring that there were sufficient numbers of trained, available volunteers who reflected the multi-cultural communities they served; allocating equipment and data management tools in order to meet the needs of each of the sites; and coordinating the deployment of volunteers to the sites. Each of the three county social services agencies executed their own internal employee recruitment, arranged training and deployed volunteers to the sites that they are managing.
- The Asset Development group provided clients with asset building products before and during the tax season, including: workshops on financial literacy, mainstream financial products, such as bank accounts, budgeting classes, and Individual Development Accounts. The group also created written products, such as a news brief that provided financial literacy tips, definition of terms, etc. Audio-visual tools were available in the tax preparation sites' reception areas.

The United Way devoted considerable human resources to the campaign—one staff person per county. In addition to overseeing the campaign, the United Way's lead role ensured there was strong public recognition of the campaign efforts throughout the counties by naming all three county campaigns using Annie E. Casey's tagline, Earn It! Keep It! Save It!

### Fundraiser

As well as coordinating the campaign, the United Way focused extensively on fundraising and acted as the fiscal agent for the overall campaign. Based on the United Way's relationships with local and national funders, it was able to secure a total of

\$485,700 in contributions, as well as extensive in-kind support for the three counties from an array of local and national foundations, county departments, municipal partners, and a financial institution. In large part, local and national funders contributed to the EITC campaign because they recognized the EITC campaign's importance as a first step towards supporting asset accumulation among lower-income families.

Estimates for tax season 2003-2004 suggest that the EITC campaign will surpass the campaign of the previous year by 100%.

- The campaign had nearly 1,000 volunteers.
- It operated 55 tax assistance sites.
- It expected to prepare more than 5,000 returns, returning more than \$5.5 million in tax credits to the community.
- More than 2,000 partner organizations participated in the campaign.

Looking to 2005, the United Way will expand the campaign to a minimum of two additional counties, San Mateo and Napa. UWBA will focus on developing strategies that will lead to sustaining the annual campaign in each county. UWBA and Urban Strategies Council have formed a partnership with the City of Oakland to increase residents' access to public benefits, such as food stamps. The model will be shared with other municipalities throughout the Bay Area. As Carole Watson, of UWBA noted: "United Way's involvement in the annual EITC campaigns and asset-building develops strong community collaboration. It facilitates the achievement of community impact outcomes that will enable low income families to move toward economic self-sufficiency."

## UNITED WAY OF SOUTH MISSISSIPPI GULFPORT, MS

In 2003, the United Way of South Mississippi (UWSM) established an EITC campaign to serve three counties in southern Mississippi at the request of the John S. and James L. Knight Foundation. Recognizing the opportunity to improve the lives of area families in a demonstrable way, the UWSM agreed to establish a campaign and included it in its 2003-2004 community impact agenda. From the outset, it was understood that the UWSM would use its strength as a catalyst, community leader, and resource developer to form the campaign and recruit partners. Once the campaign was sustainable, UWSM would work with local partners to transfer leadership to an organization better suited to run the campaign in the long-term.

With a grant from the Knight Foundation, UWSM began the planning and organization process for its EITC campaign, which included EITC outreach and education and the provision of free tax assistance at 11 sites throughout the area. Given UWSM's size and the limited capacity of its staff – 6.5 full-time staff – and given that the target population was located throughout three adjoining counties, UWSM recognized that it would need to rely upon partner organizations to help them market the campaign, recruit and train volunteers, identify and oversee the tax preparation sites and provide financial education.

From the outset, the IRS regional office was a primary partner in the campaign efforts. UWSM relied upon them to help develop the campaign strategy and identify the types of partnerships that would be necessary to fulfill the various campaign roles. With the IRS, UWSM began to identify potential community organizations with which to partner to create a successful EITC campaign.

### Campaign Convener and Coordinator

To initiate the discussion with potential partners, UWSM hosted a dinner meeting in September 2003 with organizations located throughout the three target counties. Thirty-five people attended, including local ministers, representatives from the local Boys and Girls Club, Head Start, YMCA, local banks, United Way member agencies, the Homeless Coalition, and potential volunteers. At the meeting, the IRS made a presentation, explaining how many people were eligible but not filing for the EITC in each of the counties.

In addition to the dinner, UWSM reached out to the neighboring United Way in Jackson and George Counties (UWJGC), to identify organizations that might be interested in participating in the campaign. UWSM also wanted to enlist UWJGC in its marketing and community outreach activities. Through this partnership, UWSM was able to call upon the Gulf Coast Community Action Agency and the Jackson County Civic Action Committee to help establish the campaign in the adjoining counties. These organizations, along with the local IRS office, were the core members of the EITC collaborative. The IRS was responsible for ensuring that the volunteers, once recruited, were appropriately trained and that the tax preparation sites were equipped to prepare and submit tax returns electronically. The IRS also provided ongoing tax preparation assistance throughout the campaign. The two community action agencies assumed responsibility for overseeing the tax assistance sites, including selecting site managers, setting site schedules, coordinating their volunteers, tracking the return data, and overseeing the daily operations of the sites.

Other community partners included the school system, local community organizations, and churches. The community college and the school system provided training facilities for

the volunteers. Several local churches provided space for tax assistance sites and recruited volunteers. As the coordinator of the entire effort, UWSM found that for the campaign to function effectively it was imperative that each partner have a clearly defined role.

### Campaign Outreach and Education

UWSM also utilized its partnership with UWJGC to plan and execute the campaign's marketing effort. Since they have collaborated on large projects in the past, and are located in the same media market, it was logical for the two United Ways to work together on this multi-county effort. The marketing committee created public service announcements; press releases; flyers; billboards; and church bulletins to reach individuals in the targeted communities. Costs were significantly reduced as a result of partnership – materials were shared; the same PSA was played in both areas; and tax site resources were shared among the sites. As a result of the success of this partnership, the United Ways have begun to explore the possibility of a joint 2-1-1 system.

UWSM also made sure that the campaign's marketing and outreach efforts were implemented by people from within the communities that were being targeted. This helped to show the communities that this was a credible program.

At the conclusion of the 2003–2004 campaign, UWSM will step down as the campaign coordinator and invite one of its partners to assume the leadership role. Going forward, UWSM will continue to provide critical support to the campaign by building on its partnerships and networks to educate families about the credit, recruit volunteers, and identify tax preparation sites.

## UNITED WAY OF SAN ANTONIO AND BEXAR COUNTY SAN ANTONIO, TX

In July of 2002, the Annie E. Casey Foundation asked the United Way of San Antonio & Bexar County (United Way) to establish a community-wide EITC campaign in partnership with the City of San Antonio's Department of Community Initiatives and the IRS. The campaign would provide extensive EITC outreach, free tax assistance, and asset-building programs. The campaign has since become known as the San Antonio Coalition for Family Economic Progress (Coalition).

This project is one of many community initiatives that the United Way has lead or participated in since the late 1980s. In 1992, the United Way adopted *Strong Families, Successful Children and Self Sufficient Individuals* as the framework for its community

impact initiatives and fund distribution. At that time, community impact work was a novel approach to meeting the United Way mission. The United Way has found that its EITC work is a natural fit with its organizational priorities and is an important strategy to meeting the economic and social service needs of the community.

Upon joining the Coalition, the United Way helped develop the campaign's EITC outreach strategies; raise funds and in-kind support; establish the tax assistance sites (Super Sites); lead the volunteer recruitment and training efforts, and direct the asset-building initiatives.

The Coalition's first year was a considerable success. Forty-one tax preparation sites were established and 10,400 returns were filed, resulting in \$12.7 million in refunds. The second year of the campaign was even more successful: 15,000 returns were filed, resulting in \$21.8 million in refunds. The Coalition attributes the increase to better selection of tax sites and the United Way's strategic outreach to large employers and the local corporate community, which also expanded in-kind and financial campaign contributions.

### Fundraiser

In the Coalition's first year, the United Way secured a four-year, annual financial commitment of \$100,000 from its Venture Grants Committee, assuming the Coalition met its annual performance goals during those years. The Venture Grants Committee is a United Way program that is structured to support the development and implementation of collaborative building initiatives. (These initiatives must work to institute change and/or improvement of an existing system.) By leveraging the Venture Grant, the United Way and its Coalition partners were able to raise an additional \$860,000 in cash and in-kind resources to support the tax assistance sites for the 2002 – 2003 campaign.

Using the Venture Grant, United Way contracted with two organizations, Catholic Charities and the Association of Community Organizations for Reform Now (ACORN) to assist the campaign. Catholic Charities coordinated volunteer recruitment and training for all of the tax assistance sites, while ACORN provided door-to-door EITC outreach in lower-income neighborhoods. They used the face-to-face opportunity to educate people about the costly practices of some commercial tax preparers and the availability of public assistance including food stamps.

The Coalition attributed its fundraising success to its ability to demonstrate to funders their return on investment. It was a persuasive message to quantify the number of EITC returns, the amount of EITC revenue, and the number of IDAs, food stamp

applications, and CHIP applications processed by site. In fact, 2002-2003 campaign data was particularly helpful in raising money and in-kind support from local financial institutions and the corporate community for the 2003-2004 campaign. The United Way received funding from three local financial institutions totaling \$6,500 for the campaign as a result. In addition, each bank sponsored a tax preparation site, which included assuming all operating expenses, offering financial literacy and home buying classes, and giving away door prizes.

The Mayor's office was also enthusiastic about the impact of the EITC on the San Antonio community and contributed \$1,000 to create a marketing brochure for the business community. The brochure included an endorsement of the campaign by the mayor as well as the city seal. Significant levels of financial and in-kind support were also donated by the City of San Antonio's Department of Community Initiatives, which raised funds for 13 tax assistance sites, including support for paid site coordinators, equipment upgrades, and software installation.

### EITC Outreach

In addition to its significant fundraising work on behalf of the campaign, the United Way played an active role in the design and implementation of an EITC outreach and community awareness campaign. In great part, the campaign's success was due to effective outreach strategies, which were predicated on the United Way's partnerships with local, regional, and national organizations. The following lists some of the outreach strategies that were employed.

- Announcements in Sunday bulletins at 150 Catholic churches.
- Newspaper articles and editorials by the Express Newspaper Editorial Board and in the La Prensa newspaper.
- Inserts in the Tax Assessor Collector's annual October newsletter, distributed to 350,000 homes.
- Four press conferences with city and congressional officials.
- Distribution of EITC flyers in courtrooms.
- Newsletter inserts circulated among apartment complexes with a high population of lower-income families.
- EITC flyers disseminated to various bank branches, personalized with bank logos.
- Targeted mailers reminding lower-income families to save their W-2s and to use one of the free tax assistance sites.

- Billboards and storefront notices in lower-income communities displaying United Way's logo and the 2-1-1 information and referral number in both Spanish and English. (Communities were targeted based on zip code data from prior year's tax returns.)
- In-service days for 350 Headstart employees. (Most of the employees were EITC eligible and had direct contact with low-income families/individuals through their work.)
- Media stations located at the tax assistance sites provided both live interviews and taped pieces for local television and radio.
- Presentations to the local San Antonio Human Resources Association. United Way provided informational sessions on tax credits, on-site recruitment of eligible employees, and mobile tax assistance sites if there were at least 30 employees eligible for the credit.
- Paycheck inserts, flyers, and posters in employee break areas, written in both English and Spanish.
- 10,000 flyers were delivered to 350 local food pantries, which were distributed in the food boxes by the San Antonio Food Bank. Additional flyers were distributed to over 250 families every 1st, 2nd, and 3rd Friday of the month. In return, the United Way distributed food stamp flyers through its other outreach venues.

### Tax Assistance Sites: Super Sites

During the 2003-2004 tax season, the United Way designed and piloted four Super Sites, the name for a new tax assistance approach that combines tax assistance with asset-building programs. In addition to preparing tax returns, Super Sites provide on-site processing of public assistance applications; financial education, credit repair, and homebuyer education classes; enrollment in IDA programs; no or low-fee banking products (free check cashing coupons); and free health insurance screenings. These extended services were offered on selected Saturdays throughout the tax season.

The Super Sites were funded primarily by financial institutions. Local universities provided the use of their computers for volunteer training, and local schools were an important source of volunteers and instructors for the train-the-trainer tax assistance program. The IRS provided the Tax Wise software and instructors for the initial train-the-trainer program. In addition, employees from Valero's corporate offices were recruited to volunteer at the tax sites. Finally, the Valero Energy Corporation allowed the Coalition to utilize its computer lab to train volunteers.

### United Way Resources

In addition to the Venture grant, other United Way resources were used to support the campaign including the United Way website and 2-1-1. 2-1-1 callers could get a complete listing of the tax assistance sites, activities at the Super Sites, and criteria for EITC eligibility. 2-1-1 was also used to capture customers' complaints about the tax sites. The United Way developed a six-hour training for 2-1-1 staff and partner agencies that explained EITC, tax assistance sites, public assistance programs, IDAs, and various financial education and home-buyer/homeownership topics. The topics were based on questions received by 2-1-1 operators.

United Way's website contained a list of tax assistance sites, EITC eligibility guidelines, a list of the necessary documents for filing at a tax site, pay stub inserts (in English and Spanish), volunteer applications, information about the Coalition, and a photo gallery, all of which could be downloaded.

### Asset Building Efforts

From its initial work with the campaign, United Way was able to convince its Coalition partners that the campaign's efforts should integrate EITC and tax assistance with asset building programs. The United Way understood that the EITC campaign and asset-building programs could be far more effective if implemented together.

United Way also reached out to the local water company to provide employees with financial education classes that incorporated EITC outreach and tax assistance services. Over a six-month period, almost 200 employees graduated from the classes, including management staff, secretaries, and work crews. The company also distributed information about EITC and free tax preparation via paycheck inserts and monthly customer monthly water bills.

Finally, the United Way, in partnership with the San Antonio Housing Authority, Frost Bank, Fannie Mae, and Broadway Bank, developed a series of financial education classes for public housing residents. Each class incorporated information about tax-credit eligibility and tax assistance sites. More than 72 participants graduated from the program. The success of this program enabled the United Way to access all public housing residents during the tax season. Over 7,000 flyers were distributed about the EITC, the tax sites, and asset building programs.

In looking to next season's campaign, the United Way and its partners expect to meet or exceed the number of families it was able to assist with EITC support and asset-building programs. The United Way's EITC engagements one of its central initiative's for exploring the Community Impact path and helping to meet the economic and social service needs of its community.

# Appendix B: EITC CAMPAIGN RESOURCES FOR LOCAL UNITED WAYS

## AARP

601 East Street NW  
Washington, DC 20049  
(888) 687-2277  
[www.aarp.org](http://www.aarp.org)

AARP, formerly known as the American Association of Retired Persons, is a nonprofit membership organization dedicated to addressing the needs and interests of Americans 50 years and older. They seek to enhance the quality of life for all by providing their members with information, products and services; legislative and consumer advocacy at the state and national levels; and opportunities for service and community involvement.

AARP provides free tax preparation services to low- and middle-income taxpayers with a special emphasis on those 60 years and over. AARP's **Tax-Aide Program** [[www.aarp.org/money/taxaide/](http://www.aarp.org/money/taxaide/)] provides tax assistance at 8,500 sites across the country, including hospitals, nursing homes and assisted living facilities, and also offers services to shut-ins and homebound disabled persons. For more information, visit the tax-aide page on their website.

## AFL-CIO

815 16th Street NW  
Washington, DC 20006  
(202) 637-5000  
[www.aflcio.org](http://www.aflcio.org)

The American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) is a federation of 64 national and international labor unions whose mission is to improve the lives of working families and bring economic justice to the workplace. The AFL-CIO has several resources available to their members, including a **Working Families Toolkit**, that provide information on healthcare, wages and economic development strategies, including the EITC.

## THE ANNIE E. CASEY FOUNDATION

701 St. Paul Street  
Baltimore, MD 21202  
(410) 547-6600  
[www.aecf.org](http://www.aecf.org)  
[www.eitc.info](http://www.eitc.info)

The Annie E. Casey Foundation is a private charitable organization whose mission is to build better futures for the millions of American children who are at risk for poor educational, economic, social, and health outcomes. A nationally recognized leader in the fields of family development and

community building, the Foundation invests in long-term, multi-site initiatives designed to reform specific child- and family-serving systems.

A core element of the Foundation's work is its family strengthening agenda, developed from the recognition that the financial circumstances of families have an impact on the well-being of children. The agenda's Family Economic Success (FES) approach integrates workforce development activities, family economic supports and community investment strategies to help families achieve economic success and build wealth. It seeks to provide low-income families with access to the economic supports necessary to establish credit, resolve past credit problems, reduce debt, learn more about financial budgeting and increase their financial security by saving and investing.

Because research on the Earned Income Tax Credit (EITC) has proven to be an important component in economic stability, the Annie E. Casey Foundation has devoted considerable resources to increasing the number of families who claim the tax credit. In 2003, the Foundation established the **National Tax Assistance for Working Families Campaign**, an initiative to build the capacity of community-based EITC campaigns, facilitate access to low-cost tax preparation services, and help more low-income families achieve economic stability.

Twenty-three urban and rural EITC campaigns in seven states participated in the first year of the initiative, filing nearly 97,000 tax returns, resulting in \$55 million in federal EITC credits. The recently released report, "Earn It; Keep It; Save It" summarizing the findings of the first year of the Working Families Campaign, is available on the Foundation's website [[www.aecf.org/initiatives/fes/earn\\_keep.pdf](http://www.aecf.org/initiatives/fes/earn_keep.pdf)].

The Annie E. Casey Foundation has also created an online clearinghouse that provides volunteers, policymakers, advocates and the general public with a wealth of information and resources related to the EITC. The website contains several toolkits; research and publications on EITC, asset-building and other topics; a database of local campaigns nation-wide; media stories; and links to key organizations that are involved in tax-code related initiatives, programs and research.

## THE ASPEN INSTITUTE

One Dupont Circle NW Suite 700  
Washington, DC 20036-1133  
(202) 736-5800  
[www.aspeninstitute.org](http://www.aspeninstitute.org)

The Aspen Institute is an international non-profit organization whose mission is to foster enlightened leadership, the appreciation of timeless ideas and values, and open-minded

dialogue on contemporary issues through seminars, policy programs, conferences and leadership development initiatives.

In 2002, the Institute's Domestic Strategy Group released **Grow Faster Together or Grow Slowly Apart** [[www.aspeninstitute.org/bookdetails.asp?i=&d=203](http://www.aspeninstitute.org/bookdetails.asp?i=&d=203)], a report that details the alarming trends shaping the size and characteristics of the country's labor force, focusing on shortages in labor and skills and stagnant wages. It recommends that worker training programs, income supports like the EITC, and immigration policy should be priorities and offers concrete initiatives for government and the private sector.

## THE BROOKINGS INSTITUTION CENTER ON URBAN AND METROPOLITAN POLICY

1775 Massachusetts Ave NW  
Washington, DC 20036  
(202) 797-6139  
[www.brookings.edu](http://www.brookings.edu)

The Brookings Institution Center on Urban and Metropolitan Policy is redefining the challenges facing metropolitan America and promoting innovative solutions to help communities grow more inclusive, competitive, and sustainable. The Center strives to change the way decision makers think about urban policies and how disparate domestic policies—together—impact cities and metropolitan regions.

The Center's **EITC Series** [[www.brookings.edu/es/urban/eitc.htm](http://www.brookings.edu/es/urban/eitc.htm)] is a valuable resource for policy research and analysis related to the Earned Income Tax Credit and includes the following key publications:

- “The State of Low-Wage Workers: How the EITC Benefits Urban and Rural Communities in the 50 States”
- “Tax Policy as Housing Policy: The EITC's Potential to Make Housing More Affordable for Working Families”
- “The Price of Paying Taxes: How Tax Preparation and Refund Loan Fees Erode the Benefits of EITC”

## CENTER ON BUDGET AND POLICY PRIORITIES

820 1st Street NE Suite 510  
Washington, DC 20002  
(202) 408-1080  
[www.cbpp.org](http://www.cbpp.org)

The Center on Budget and Policy Priorities works at the federal and state levels on fiscal policy and public programs that affect low- and moderate-income families and individuals. The Center conducts research and analysis to inform public debates over proposed budget and tax policies and to help ensure that the needs of low-income families and individuals are considered in these debates. They also develop policy options to alleviate poverty, particularly among working families.

Each year the Center on Budget and Policy Priorities issues a toolkit to help organizations launch EITC outreach campaigns in their local communities. The toolkit contains fact sheets, posters, flyers, and envelope stuffers in both English and Spanish, as well as the tax forms needed to claim the credits. You may download an electronic version of the 2004 Outreach Campaign Kit, **Making Tax Time Pay** [[www.cbpp.org/eic2004/index.html](http://www.cbpp.org/eic2004/index.html)], or you may order a free copy of the kit at [eickit@cbpp.org](mailto:eickit@cbpp.org). Additional kits and color posters can be ordered by phone for a minimal charge.

## COMMUNITY ACTION PROJECT OF TULSA COUNTY

717 S. Houston, Suite 302  
Tulsa, Oklahoma 74127  
(918) 382-3200  
[www.freetaxes.net](http://www.freetaxes.net)

The Community Action Project of Tulsa County (CAPTC) provides low income families in the Tulsa area with resources they need to become economically self-sufficient. They offer a variety of services ranging from housing, savings programs, and medical care to adult and child education. One of CAPTC's largest and most successful programs is its EITC outreach and free tax preparation initiative.

Launched in 1994, CAPTC's free tax preparation initiative is a nationally recognized model for successful community engagement in EITC outreach. The organization operates eight free tax preparation sites throughout the Tulsa area and files more than 12,000 returns per year, rivaling many of the area's commercial preparers. In 2004, CAPTC filed 12,806 returns, bringing \$14,501,000 in refunds back to the community.

## CORPORATE VOICES FOR WORKING FAMILIES

1899 L Street NW, Suite 250  
Washington, DC 20036  
[www.cvworkingfamilies.org](http://www.cvworkingfamilies.org)

Corporate Voices for Working Families is a non-profit corporate membership organization created to bring the private sector voice into the public dialogue on issues affecting working families. Over 70 percent of their partner companies are listed in the Fortune 500, and all share leadership positions in developing family support policies for their own workforces.

Corporate Voices offers a variety of tools and resources for employers of low-wage workers, including the **Employer's Guide to Promoting the Earned Income Tax Credit** [[www.cvworking-families.org/toolkits/eitc/index.html](http://www.cvworking-families.org/toolkits/eitc/index.html)], a toolkit for companies interested in starting EITC programs. The toolkit is targeted to front line supervisors and other managers that work directly with low-wage workers.

## FEDERAL DEPOSIT INSURANCE COMPANY

550 17th Street, NW  
Washington, DC 20429-9990  
(202) 736-0000  
[www.fdic.gov](http://www.fdic.gov)

The Federal Deposit Insurance Corporation (FDIC) is an independent agency of the federal government that insures deposits in banks and thrift institutions for up to \$100,000 by identifying and addressing risks to deposit insurance funds and by limiting the effect on the economy when a bank or thrift institution fails. The FDIC was created in 1933 in response to the thousands of bank failures that occurred in the 1920s and early 1930s.

In addition to protecting the assets of millions of Americans, the FDIC is committed to helping Americans build savings and assets. Their financial education curriculum, **Money Smart** [[www.fdic.gov/consumers/consumer/moneysmart/index.html](http://www.fdic.gov/consumers/consumer/moneysmart/index.html)], helps consumers understand the basics of banking, and includes modules on bank services, credit, budgeting, savings, credit cards, loans and homeownership. This curriculum is offered free of charge to banks and nonprofits providing financial education classes.

The FDIC also works closely with Volunteer Income Tax Assistance (VITA) sites to provide free help in preparing income tax returns. In addition, unbanked clients at VITA sites are often given on-site opportunities to open bank accounts for the direct deposit of their refunds, rather than relying on non-bank alternatives that charge high fees. For more information, contact one of the FDIC's Community Affairs Officers [[www.fdic.gov/consumers/consumer/moneysmart/cao.html](http://www.fdic.gov/consumers/consumer/moneysmart/cao.html)].

## FANNIE MAE

3900 Wisconsin Avenue, NW  
Washington, DC 20016-2892  
(202) 752-7000  
[www.fanniemae.com](http://www.fanniemae.com)

Fannie Mae, the largest source of financing for home mortgages in the United States, is dedicated to increasing the availability and affordability of homes for low-, moderate-, and middle-income families. They do not lend money directly to home buyers; instead, they work with mortgage lenders to ensure that funds are consistently available by buying mortgages from a variety of institutions that lend money directly to home buyers. When lenders sell their mortgages, they replenish their funds so they can turn around and lend more money to home buyers.

As part of its **American Dream Commitment Initiative** [[www.fanniemae.com/initiatives/pdf/adc/factsheet2004.pdf](http://www.fanniemae.com/initiatives/pdf/adc/factsheet2004.pdf)] which will provide \$2 trillion in private capital for 18 million minority mortgages over the next decade, Fannie Mae will expand its Home Counselor Online technology to include a module on the Earned Income Tax Credit (EITC). Home Counselor Online is a free, automated client tracking and counseling program that links counselors and lenders to ensure a smooth transition from counseling to affordable home loans. The new module will help mortgage counselors provide low-income working families with information about EITC and determine their eligibility for the credit.

## THE INTERNAL REVENUE SERVICE

**Stakeholder Partnerships, Education & Communication (SPEC)**  
**Attention: Mike Wade**  
401 West Peachtree Street NE Stop 50, 12 Floor  
Atlanta, GA 30308  
(404) 338-8455  
[www.irs.gov](http://www.irs.gov)

The IRS' Wage and Investment Division was created in 2001 to educate and assist taxpayers in understanding and satisfying their tax responsibilities. A key element of the Division is the Office of Stakeholder Partnerships, Education and Communication (SPEC), who works with partners to identify taxpayer education needs, develop educational and mass media programs and materials, and market and deliver products and services. Their particular focus is outreach and education on the Earned Income Tax Credit (EITC).

SPEC uses a leveraged approach to reach low-income taxpayers by partnering with local and national organizations that share this customer base. SPEC and its partners use a Community Based Partnership model that combines tax awareness and education, free tax preparation assistance and financial literacy/asset building. By providing accurate information on EITC eligibility

criteria and assistance in filing tax returns, these individuals will be more compliant with Federal tax laws.

A key piece of the Community Partnership Model is the Volunteer Income Tax Assistance program (VITA). The IRS launched the VITA Program in 1969 to offer free tax help to individuals who cannot afford paid professional assistance. Since its inception, the VITA Program has been a key component of efforts to help eligible taxpayers file for the Earned Income Tax Credit (EITC).

### EITC Campaign Assistance

IRS staff is available to help communities across the country develop and expand their EITC campaign efforts. Recognizing that there is no one specific formula for all communities, the IRS will work with organizational collaboratives to meet the tax assistance and asset-building needs of the community. Support may be direct or indirect based on community size, EITC demographics, and existing EITC outreach and free tax preparation programs. The IRS offers assistance in the following areas:

- Technical tax expertise
- Research data - tax filing statistics (EITC dollars in your community)
- Customized tax education/training for volunteers for free tax preparation
- Tax preparation software
- Marketing products and materials
- Access to local and national partnership networks
- Suggestions and support for building coalitions

To ensure the highest quality at volunteer tax preparation sites, SPEC, in collaboration with local and national partners, is developing a multi-year quality business plan that integrates new and existing quality standards into the volunteer return preparation program. The quality business plan will be completed in September 2004 and specific actions in the plan will be implemented in time to significantly impact the qualitative taxpayer experience during the 2005 filing season.

### Resources

The IRS offers a variety of resources to help community-based organizations successfully execute an EITC outreach campaign that includes free tax preparation:

The first resource, Partnering Opportunities & Resources For National and Local Organizations [[www.irs.gov/individuals/article/0,,id=119374,00.html](http://www.irs.gov/individuals/article/0,,id=119374,00.html)], was designed to provide direct

access to resources for current partners and volunteers and information on partnering opportunities to share with potential partners. The second online resource [[www.irs-eitc.info/SPEC/](http://www.irs-eitc.info/SPEC/)] is a toolkit to assist SPEC employees and their partner organizations in their efforts to provide EITC information to potentially eligible taxpayers.

### Contact Information

If you have any difficulty in determining current EITC efforts in your community or have any questions on participating or initiating a campaign, please contact United Ways' liaison at the IRS, Mike Wade @ (404)-338-8455 or email Mike at [Michael.Wade@irs.gov](mailto:Michael.Wade@irs.gov)

## THE NATIONAL COMMUNITY TAX COALITION

Center for Economic Progress  
29 E. Madison, Suite 910  
Chicago, IL 60602  
(312) 252-0280  
[www.centerforprogress.org](http://www.centerforprogress.org)  
[www.tax-coalition.org](http://www.tax-coalition.org)

The National Community Tax Coalition (NCTC) is a project of the Center for Economic Progress. The goal of the coalition is to increase low- and moderate-income families' access to tax credits, benefits and asset building opportunities by providing organizations with the resources to provide outreach for the Earned Income Tax Credit, develop and improve free tax preparation programs, and link free tax preparation to asset-building programs. The Coalition gathers the expertise of community-based free tax preparation and low-income tax credit outreach groups from around the country to share practices, identify program needs, work together to develop public policy favorable to low-income taxpayers, and offer technical assistance and training to new and emerging community tax preparation and outreach efforts.

The National Community Tax Coalition technical assistance website [[www.tax-coalition.org/login.cfm](http://www.tax-coalition.org/login.cfm)] offers an extensive resource library that is free to registered users and includes training manuals, sample forms, bank partnership guidelines, marketing and outreach materials, bilingual materials, and guidelines on how to build an EITC coalition. The website also contains a comprehensive database [[www.taxcoalition.org/programs.htm](http://www.taxcoalition.org/programs.htm)] of the free tax preparation programs for low- and moderate-income workers in each state.

## NATIONAL CONFERENCE OF STATE LEGISLATURES

444 North Capitol Street NW, Suite 515  
Washington, DC 20001  
(202) 624-5400  
[www.ncsl.org](http://www.ncsl.org)

The National Conference of State Legislatures (NCSL) is a bipartisan organization founded to improve the quality and effectiveness of state legislatures, promote policy innovation and communication among state legislatures, and ensure that state legislatures have a strong, cohesive voice. NCSL provides research, technical assistance and opportunities for policymakers to exchange ideas on pressing state issues.

In an effort to broaden legislators' awareness of the policy issues that affect families and neighborhoods, NCSL has entered into a partnership with the Annie E. Casey Foundation [[www.ncsl.org/programs/sfn/sfn.htm](http://www.ncsl.org/programs/sfn/sfn.htm)]. The goals of the partnership are threefold: (1) to highlight the needs of vulnerable families and neighborhoods, (2) to make available the policy tools available to legislators to strengthen families and improve neighborhood conditions, including the EITC and IDAs and (3) to emphasize methods that allow legislators to focus on outcomes affecting families and neighborhoods regardless of the committees on which legislators serve. The Partnership provides up-to-date information to legislatures about effective approaches and helps legislators develop policies that cut across traditional committee jurisdictions to improve conditions for children and families.

## NATIONAL GOVERNORS ASSOCIATION

Hall of States, 444 N. Capitol Street NW, Suite 267  
Washington, D.C. 20001-1512  
(202) 624-5300  
[www.nga.org](http://www.nga.org)

The National Governors Association (NGA) supports the work of U.S. governors by providing a forum to shape and implement national policy and to solve state problems. NGA provides governors and their staff with a variety of services, including representing states on key federal issues, developing policy reports on innovative state programs, and providing management and technical assistance to new and incumbent governors.

NGA's Social, Economic and Workforce Programs Division works with states to identify, share, and implement best practices in the areas of welfare reform, workforce development, children and families, and youth development. [[www.nga.org/center/divisions/1,1188,T\\_CEN\\_ESS,oo.html](http://www.nga.org/center/divisions/1,1188,T_CEN_ESS,oo.html)] They have collected state-by-state data and released several studies on the effect of the Earned Income Tax Credit, including:

- New Earned Income Tax Credit Data for States
- Making the Most of Limited Resources to Help Low-Income Workers

## NATIONAL LEAGUE OF CITIES INSTITUTE FOR YOUTH, EDUCATION, AND FAMILIES

1301 Pennsylvania Avenue NW  
Washington, D.C. 20004-1701  
(202) 626-3000  
[www.nlc.org](http://www.nlc.org)

The National League of Cities' Institute for Youth, Education, and Families helps municipal leaders take action on behalf of the children, youth, and families in their communities. The Institute provides guidance and assistance to municipal officials, compiles and disseminates information on promising strategies and best practices, builds networks of local officials working on similar issues and concerns, and conducts research on the key challenges facing municipalities in these core program areas.

In an effort to involve municipal leaders in EITC campaigns, the Institute created an action kit called **Helping Working Families** [[http://www.nlc.org/nlc\\_org/site/files/reports/helpingworking.pdf](http://www.nlc.org/nlc_org/site/files/reports/helpingworking.pdf)]. The action kit outlines the steps involved in launching a city-led EITC outreach campaign, including key roles for municipal leaders and proven outreach strategies. To order a copy of the action kit, please leave a message at 202/626-3087 with the publication title(s) and complete contact information, or email [rpdl1@nlc.org](mailto:rpdl1@nlc.org).

## POINTS OF LIGHT FOUNDATION & VOLUNTEER CENTER NATIONAL NETWORK

1400 I Street NW, Suite 800  
Washington, DC 20005  
(202) 729-8000  
[www.pointsoflight.org](http://www.pointsoflight.org)  
[www.pointsoflight.org/eitc](http://www.pointsoflight.org/eitc)

The Points of Light Foundation & Volunteer Center National Network engages and mobilizes millions of volunteers who are helping to solve serious social problems in thousands of communities. Through a variety of programs and services, the Foundation encourages businesses, nonprofits, faith-based organizations, low-income communities, families, youth, and older adults to volunteer.

With support from the Annie E. Casey Foundation, the Points of Light Foundation is expanding their work to strengthen volunteer engagement in connecting low-income families to the EITC. The Foundation has launched a new website devoted to building and volunteer support for community-based EITC coalitions across the country and provides information and resources for volunteer centers, businesses, schools, nonprofits, government agencies, faith-based organizations, and volunteers.

## SHOREBANK ADVISORY SERVICES

2230 South Michigan Ave., Suite 200  
Chicago, IL 60616  
(312) 881-5800  
[www.shorebankadvisory.com](http://www.shorebankadvisory.com)

Shorebank Advisory Services, the consulting and research division of Shorebank, helps community-based organizations create economic opportunity in marginalized communities by strengthening financially sustainable intermediaries that lend and invest capital in challenging markets; creating and expanding investor programs that target underserved markets; and building, operating, and transferring our small business lending expertise and an existing portfolio targeted toward the underserved.

A recent case study by Shorebank and the Center for Law & Human Services, **Money in the Bank: The Extra Credit Savings Program** describes the two-year effort to help low-income families save and accumulate assets by opening bank accounts using free tax preparation services and direct-deposit of federal income tax refunds and the EITC. [[www.shorebankadvisory.com/resources/](http://www.shorebankadvisory.com/resources/) ]

## THE UNITED STATES CONFERENCE OF MAYORS

1620 Eye Street, NW  
Washington DC 20006  
(202) 293-7330  
[www.usmayors.org](http://www.usmayors.org)

The U.S. Conference of Mayors is a nonpartisan organization that brings together the chief elected officials from 1183 U.S. cities with populations of 30,000 or more. The Conference promotes the development of effective urban/suburban policy; ensures that federal policy meets urban needs; strengthens federal-city relationships; provides mayors with leadership and management tools; and creates a forum in which mayors can share ideas.

The U.S. Conference of Mayors has joined with the Annie E. Casey Foundation in a **Partnership for Working Families** [[www.usmayors.org/uscm/uscm\\_projects\\_services/workingfamilies/](http://www.usmayors.org/uscm/uscm_projects_services/workingfamilies/) ] to build support for the challenges facing working families in America today. As part of this partnership, the Conference has launched an EITC Outreach Campaign to encourage city officials to launch and/or get involved in EITC campaigns in their local communities. The conference has asked its member cities to share their experiences with EITC campaigns and will release a report of best practices during its annual conference in June, 2004.

# Appendix C: United Way 2004 EITC Survey

## 1. Is your United Way actively engaged in an Earned Income Tax Credit (EITC) campaign?

- a. Please note how long your United Way has been involved in an EITC Campaign.
- b. Please provide an in depth description of your involvement, including the role(s) your United Way plays in the campaign and what the responsibility of those roles consists of?
- c. Please explain the role(s) of each of the partners involved in the EITC campaign.
- d. If your United Way partners with other organizations and/or businesses on the EITC, please explain how the partnership(s) evolved. What role did your United Way play in helping to establish those partnerships?

## 2. Does your United Way provide information to the community about the EITC?

If so, through what venues? Please note all methods that apply regarding providing information on the EITC:

- a. Newsletters or press releases? Please list them.
- b. United Way website?
- c. Other websites? Please name them.
- d. United Way agencies?
- e. United Way partners? Please name them.
- f. Information provided at your local United Way?
- g. Public service campaigns? If so, in partnership with whom?
- h. Local or regional employers?  
Please indicate which ones and whether these employers contribute to your annual United Way Campaign.
- i. City/County government?
- j. Other ways? Please describe.

## 3. Does your United Way provide information to the community about the availability of local Volunteer Income Tax Assistance (VITA) sites?

If so, through what venues? Please note all methods that apply regarding providing information on VITA sites:

- a. Newsletters or press releases? Please list them.
- b. United Way website?
- c. Other websites? Please name them.
- d. United Way agencies?
- e. United Way partners? Please name them.
- f. Information provided at your local United Way?
- g. Public service campaigns? If so, in partnership with whom?
- h. Local or regional employers? Please indicate which ones and whether these employers contribute to your annual United Way Campaign.
- i. City/County government?
- j. Other ways? Please describe.

## 4. Does your United Way provide in-kind support to a local EITC campaign and/or local VITA sites?

**5. Does your United Way provide funding for a local EITC campaign? From where is funding allocated (e.g. specific impact area)?**

**6. Does your United Way fundraise specifically for your local EITC initiative? Please explain the fundraising strategy employed.**

**7. Was your United Way a VITA site host last year, and will it be a VITA host this year?**

**8. If your United Way was engaged in an EITC campaign and/or local VITA sites last year, are there things you are or would like to do differently this year?**

**9. Does your United Way help to identify volunteers to staff VITA sites?**

If yes, through what venue is the request for volunteers made?

- a. Newsletters or press releases? Please list them.
- b. United Way website?
- c. Other websites? Please name them.
- d. United Way agencies?
- e. United Way partners? Please name them.
- f. 211 or other information referral service? Please explain how.
- g. Information provided at your local United Way?
- h. Public service campaigns? If so, in partnership with whom?
- i. Local or regional employers?  
Please indicate which ones and whether these employers contribute to your annual United Way Campaign.
- j. City/County government?
- k. Other ways? Please describe.

**10. Does your United Way utilize 2-1-1 to promote the use of the EITC and VITA sites? Please explain the type of information provided and how long you have been advertising EITC/VITA with 2-1-1.**

**11. If you utilize 2-1-1 to promote the use of the EITC and VITA sites, do you track the number of referrals made or other information related to EITC/VITA?**

**12. Does your United Way promote the EITC through other United Way programs, such as a volunteer referral hotline?**

**13. Are your EITC/VITA efforts connected to other efforts to help community members build assets, such as promoting savings, homeownership, or personal financial education? Please check all asset-building activities that are linked to your EITC/VITA efforts.**

- a. Individual Development Accounts (IDAs)
- b. Financial education
- c. Budget counseling
- d. Debt reduction classes
- e. Advice regarding predatory lending
- f. Assisted housing programs
- g. Others:

**14. If your United Way is not actively engaged in an EITC Campaign, are there specific reasons why? Please describe any barriers to participating in an EITC Campaign that you have experienced, and any tools you would find useful in overcoming them.**

**15. What do you think are the unique roles of United Ways in promoting the EITC and VITA sites?**

**16. Are there specific resources or materials that you would find helpful to further engage in EITC campaigns or VITA sites?**

**17. Are there materials related to your EITC initiative that you would be willing to share with local United Ways and communities?**

**18. United Way of America would like to follow up with you to discuss your EITC initiative further. Would you be willing to participate in follow up discussions?**

# Appendix D: Local United Ways Engaged in EITC Campaigns

Below is a list of local United Ways who are participating in EITC campaigns in their communities. The list was compiled from UWA's EITC Survey, the UWA Community Impact Survey, and information from the IRS and is divided accordingly. It is the most comprehensive data available on United Way system involvement in EITC campaigns, to date. If you would like to add your United Way to UWA's database, please email UWA at [eitc.info@uwa.unitedway.org](mailto:eitc.info@uwa.unitedway.org).

## EITC SURVEY RESULTS

UNITED WAY	CITY	STATE
United Way of Central Alabama, Inc.	Birmingham	AL
United Way of Northern Arizona	Flagstaff	AZ
Mesa United Way	Mesa	AZ
United Way of Yavapai County, Inc.	Prescott	AZ
United Way of Tucson & Southern Arizona	Tucson	AZ
United Way of San Diego County	San Diego	CA
United Way of the Bay Area	San Francisco	CA
United Way of the Capital Area, Inc.	Hartford	CT
United Way of Broward County	Fort Lauderdale	FL
United Way of Northeast Florida, Inc.	Jacksonville	FL
United Way of Miami-Dade	Miami	FL
United Way of Palm Beach County	Boynton Beach	FL
United Way of Metropolitan Atlanta	Atlanta	GA
United Way of the Central Savannah River Area	Augusta	GA
United Way of Central Georgia, Inc.	Macon	GA
United Way of the Coastal Empire, Inc.	Savannah	GA
United Way of Rock River Valley	Rockford	IL
United Way of Lawrence County, Inc.	Bedford	IN
United Way of Whitley County, Inc.	Columbia City	IN
United Way of Elkhart County, Inc.	Elkhart	IN
United Way of Central Indiana	Indianapolis	IN
United Way of Howard County	Kokomo	IN
United Way of Wyandotte County, Inc.	Kansas City	KS
United Way of Greater Topeka	Topeka	KS
United Way of the Bluegrass	Lexington	KY
Metro United Way	Louisville	KY
United Way of Central Maryland, Inc.	Baltimore	MD
United Way of Washington County, Maryland, Inc.	Hagerstown	MD
United Way of Mid Coast Maine	Bath	ME
Michigan Association of United Ways	Lansing	MI
Heart of West Michigan United Way	Grand Rapids	MI
Greater Kalamazoo United Way	Kalamazoo	MI

United Way of Southwest Michigan	Benton Harbor	MI
United Way of Central Minnesota	Saint Cloud	MN
United Way of Greater St. Louis, Inc.	Saint Louis	MO
United Way for Jackson & George Counties	Pascagoula	MS
United Way of Flathead, Lake, Lincoln, Glacier & Sanders Counties	Kalispell	MT
United Way of Forsyth County, Inc.	Winston Salem	NC
United Way of the Midlands	Omaha	NE
United Way of North Essex	Montclair	NJ
United Way of Southern Nevada	Las Vegas	NV
United Way of New York State	Albany	NY
United Way of Buffalo & Erie County	Buffalo	NY
United Way of Long Island	Deer Park	NY
United Way of Cattaraugus County, Inc.	Olean	NY
United Way of Clinton & Essex Co., Inc.	Plattsburgh	NY
United Way of Greater Rochester, Inc.	Rochester	NY
United Way of Greater Cincinnati	Cincinnati	OH
United Way Services of Greater Cleveland	Cleveland	OH
United Way of Central Ohio	Columbus	OH
United Way of Greater Toledo	Toledo	OH
United Way of Wayne & Holmes Counties, Inc.	Wooster	OH
United Way of Lawton-Ft. Sill	Lawton	OK
United Way of Central Oklahoma, Inc.	Oklahoma City	OK
United Way of the Columbia-Willamette	Portland	OR
United Way of Southeast Delaware County	Chester	PA
United Way of the Capital Region	Enola	PA
United Way of Southeastern Pennsylvania	Philadelphia	PA
United Way of Lackawanna County	Scranton	PA
United Way of Rhode Island	Providence	RI
Trident United Way	N. Charleston	SC
United Way of Greenville County, Inc.	Greenville	SC
United Way of the Mid-South	Memphis	TN
United Way Capital Area	Austin	TX
Matagorda County United Way	Bay City	TX
United Way of Hunt County, Inc.	Greenville	TX
United Way of San Antonio & Bexar County	San Antonio	TX
United Way of Central Virginia, Inc.	Lynchburg	VA
United Way of Roanoke Valley, Inc.	Roanoke	VA

## CI SURVEY RESULTS

### UNITED WAY

	CITY	STATE
Foothills United Way	Boulder	CO
United Way of Treasure Valley, Inc.	Boise	ID
United Way Community Services	Detroit	MI
United Way of Genesee County	Flint	MI
Greater Twin Cities United Way	Minneapolis	MN
United Way of South Mississippi, Inc.	Gulfport	MS
United Way of Greater Mercer County, Inc.	Lawrenceville	NJ
United Way of the Southern Tier	Corning	NY
United Way of the Texas Gulf Coast	Houston	TX
United Way of Snohomish County	Everett	WA

## IRS DATA

### UNITED WAY

	CITY	STATE
United Way of Allen County	Fort Wayne	IN
United Way of Dodge City	Dodge City	KS
United Way of the Plains	Wichita	KS
Capital Area United Way	Baton Rouge	LA
United Way for the Greater New Orleans Area	New Orleans	LA
United Way of Bay County	Bay City	MI
United Way of Saginaw County	Saginaw	MI
United Way of Southwest Missouri	Joplin	MO
Heart of America United Way	Kansas City	MO
United Way of Lincoln & Lancaster County	Lincoln	NE
United Way of Essex and West Hudson	Newark	NJ
United Way of Northern Nevada and the Sierra	Reno	NV
United Way of New York City	New York	NY
United Way of the Greater Dayton Area	Dayton	OH
United Way of Delaware County	Grove	OK
Tulsa Area United Way	Tulsa	OK
United Way of Carlisle & Cumberland County	Carlisle	PA
United Way of York County	York	PA
United Way of the Midlands	Columbia	SC
United Way of the Coastal Bend	Corpus Christi	TX
United Way of Metropolitan Dallas, Inc.	Dallas	TX
United Way of Denton County, Inc.	Denton	TX
United Way of El Paso County	El Paso	TX
United Way of Northern Utah	Ogden	UT
United Way of Central & Southern Utah	Provo	UT
United Way of King County	Seattle	WA
United Way of Central West Virginia	Charleston	WV