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**About the Network**

The EITC Funders Network brings together funders interested in the Earned Income Tax Credit, free- and low-cost tax preparation, and asset building. The Network seeks to increase awareness of EITC-related projects, foster collaboration, share information about the current status of EITC-

Visit our website at:  
[www.eitcfunders.org](http://www.eitcfunders.org)

**The EITC Funders  
Network is generously  
supported by...**

*The Annie E. Casey Foundation*

*The W.K. Kellogg Foundation*

*C.S. Mott Foundation*

**A Note from the Coordinator**

Dear EITC Funders Network Members,

Evaluation. It means a lot of different things to people!

According to Wikipedia “Evaluation is systematic determination of merit, worth, and significance of something or someone using criteria against a set of standards.”

While that is a moderately technical view, as grantmakers we all undertake “evaluation” every day—what is the value of this or that strategy? What is the likelihood of success of a proposed project?

Evaluation is a topic that has been raised by EITC Funders Network members as an area of interest. And, in 2010 we are going to undertake a special project to explore the dimensions of EITC-related evaluation.

The goals of this project will be to:

- Share current strategies and approaches that help to illuminate what questions funders are seeking to answer and the kinds of information they are collecting;
- Share examples of grantees that have taken on evaluation providing an in-depth look at what questions they seek to answer, their evaluation mechanisms, and the organizational implications of evaluation; and,
- Raise the level of conversation about evaluation among charitable foundations and their grantees.

Over the next few months we hope to gather evaluation examples from you, write case studies of grantees that have undertaken evaluation and document their learning, and talk together about how to evaluate our EITC-related strategies.

If you’d like to engage in this conversation, be sure to drop me a note at [info@eitcfunders.org](mailto:info@eitcfunders.org).

Sincerely,

Ami Nagle  
Coordinator  
EITC Funders Network

## Upcoming Events

### Working with Colleges and Universities

The EITC Funders Network will host a webinar exploring efforts to work with colleges and universities to recruit and train students as free tax preparation volunteers. We hope to hold this webinar in July. Check our website for more information.

[www.eitcfunders.org](http://www.eitcfunders.org)

### Funders Reception

As we have done in the past, the EITC Funders Network, the Asset Funders Network, and the Microenterprise Funders Group will host a breakfast reception at the Asset Learning Conference in Washington D.C. in late September.

Click here to learn about the Asset Learning conference: [www.cfed.org](http://www.cfed.org)

Check our website: [www.eitcfunders.org](http://www.eitcfunders.org) for more information on the funders breakfast reception!



## EITC Funder Spotlight Walmart Foundation

[www.walmartfoundation.org](http://www.walmartfoundation.org)

Michelle D. Gilliard, Ph.D., Senior Director, National Giving

### **Why does the Walmart Foundation support EITC-related work?**

The Walmart Foundation was founded about 30 years ago; its current mission is “To create opportunities to help people live better.” In the last fiscal year (February 1, 2009 through January 31, 2010), we awarded \$510 million in cash and in-kind globally. Of this, our gifts in the U.S. totaled \$467 million.

In 2007 we restructured to help us better reach our vision. At that point we divided our work to focus on three distinct communities—local, state and national. Across all three giving programs, we have five areas, or “pillars”—Education, Workforce Development and Economic Opportunity, Environmental Sustainability, Health and Wellness and Hunger. Our EITC work is a national effort that fits into Workforce Development and Economic Opportunity.

That’s our structure. When thinking through funding, we really try to focus our work on meeting the unmet needs of traditionally underserved populations and putting funding behind ideas that have been proven to work. When you look at our average customers, they have been hit hard by the recession; unemployment rates have gone up; it’s generally harder for people to take care of their families. This is what drove us to consider supporting EITC strategies—the EITC helps us to meet an unmet financial need.

### **What do you consider to be unique about the way the Foundation supports EITC strategies?**

I believe that our unique contribution to the field has been in bringing together three partners—the United Way Worldwide, they bring to the mix an enormous network of community partners and existing VITA partners; One Economy, a global nonprofit organization that focuses on the power of technology and information to change the lives of low-income people; and, the National Disability Institute (NDI) that’s been working to explore opportunities to connect people with disabilities to financial independence. What we have now is, I believe, a true partnership. We brought these groups together and asked them to come up with a joint proposal. There’s no competition there. The groups each bring their unique expertise to this problem and they work together to solve it.

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## CBPP Releases Report on State EITCs

During the EITC Funders Network policy webinar on April 28th, we were treated to a preview of a soon-to-be-released report on state EITCs.

This report highlights the states that are gearing up to scale back their state EITCs.

Read the report:

<http://www.cbpp.org/cms/index.cfm?fa=view&id=3172>

## EITC Policy Update Webinar

On April 26, 2010 the EITC Funders Network hosted a webinar to explore national and state EITC policy updates. Presentations by Nick Johnson and John Wanchek of the Center on Budget and Policy Priorities covered:

- National developments in EITC, Child Care Tax Credit, Working Families Credit and how these policy changes impact the lives of low-income families;
- Prospects for these key policies in upcoming legislative debates;
- Changes to laws regulating paid tax preparers; and,
- Threats to state EITC policies in selected states.

### Missed the webinar?

View it on-line at [www.eitcfunders.org/2010\\_policy\\_webinar.html](http://www.eitcfunders.org/2010_policy_webinar.html)

## IRS VITA Grant Deadline Approaches

In 2011, the IRS is once again offering grants to community-based organizations and public entities to engage in free tax preparation. Applicants will be expected to secure matching funds—many times this has come from EITC Funders Network members. This year, organizations will be allowed to apply for three-year grants!

Here is detail on what you need to know:

### What Is It?

The Volunteer Income Tax Assistance (VITA) Grant program was established in 2007 to:

- Enable VITA program to extend services to underserved populations in hardest-to-reach areas, both urban and non-urban;
- Increase the capacity to file returns electronically;
- Heighten quality control;
- Enhance training of volunteers; and
- Improve the accuracy rate of returns prepared at VITA sites.

### Who is Eligible?

- Must be compliant with federal tax filing and payment requirements
- Must not be debarred or suspended from Federal contracts, grants or cooperative agreements

- Must provide a Dun & Bradstreet Universal Number
- Must be a private or public non-profit organization qualifying for tax exemption under Section 501 of the Internal Revenue Code of 1986
- For previous recipients of the grant, must have submitted all required reports timely
- Must have capacity to file returns electronically
- Must provide dollar-for-dollar matching funds for monies requested
- May be a state or local government agency including Native American Tribal governments

### What are the Important Dates?

- Application period: **6/01/2010 – 7/9/2010**
- Application deadline: **7/9/2010**
- Review and ranking of applications: **7/9/2010 – 10/30/2010**
- Notification of selection: **11/1/2010**

For more information  
call IRS Vita Grant Office:  
404-338-7894

**EITC**  
Funders Network

Michelle Gilliard, continued from page 2)

### **What kinds of EITC-related work does The Walmart Foundation support?**

Last year we gave grants to these three organizations that totaled \$3.6 million. This leveraged \$950 million in refunds, EITC tax credits and savings from tax filers receiving free tax preparation services. This year, with a \$4 million investment we're aiming for \$1 billion in refunds, credits and tax preparation savings.

These partners bring three key ingredients to the work: existing networks, technology and connections to an underserved population. Through partnering with them, we've been able to leverage their strengths and make an impact using strategies that have been proven to work. We've supported, and helped build the capacity of traditional VITA sites and have pilot tested some programs with community colleges. We've helped expand access to the Beehive (<http://www.thebeehive.org/>) One Economy's website that helps low income people access services and file their taxes online. We've targeted communities with high percentages of disabled people—helping increase the capacity of VITA programs to serve these communities. We've helped empower individuals to file their own taxes using the Beehive, and, by building the capacity of One Economy's mobile van program, we've brought on-line free tax filing services to some of the nation's rural communities. We're taking existing efforts and as well as meeting unmet needs, we're bringing things to scale.

### **Where do you see this work heading in the future?**

One next possible step will be to explore asset development work at tax time. At the moment, the ability to leverage the EITC for greater financial stability is patchy. Some VITA sites offer benefit screening, financial literacy opportunities, access to traditional banking services, financial counseling, others don't. We're also short of evidence in this area. What does it really take to set someone on the path to financial stability? How should we measure behavioral change related to financial literacy? We don't seem to know what's really showing an impact. This is one possible direction we could take. We are listening closely to our partners who help to clarify the needs and bring ideas to the table. They help shape the work.

### **Are there any EITC issues that you've been struggling with that you'd be interested to hear your colleagues in the field address?**

There are always challenges. It's really an ongoing effort to serve those hardest to reach populations. The mobile vans provide some access, but technology can still be a challenge and any solution needs to be cost effective. There are issues of scale and then there's the hardware. The computers are heavily used, and if this is going to be sustainable in the long-term, we need to work to secure donated computers.

Then there are more long-term challenges. We're in the process of building a true partnership and this takes time. Having said that, our intention is that eventually this partnership will have legs. If we disappeared tomorrow, we've already put in place some pieces that we believe would continue to exist—the integration of the Beehive into traditional VITA sites, thus enabling people to file their own taxes, and increasing the capacity of communities to better reach and serve some of our disabled populations. Those won't go away, but we do need to think about full sustainability and an eventual exit strategy. At the moment, we're focused on refining and further strengthening this initiative, but there'll come a time for us to end our support.