

March 1, 2006
EITC Funders Network
Communications – Recent Research and Outreach Innovations

Welcome and Overview (Ami Nagle, EITC Funders Network)

Ami Nagle opened the meeting by welcoming everyone and providing some background on the EITC Funders Network. She then introduced the meeting topic of communications about the EITC – this topic was first introduced at the initial and second meeting of Network. Finally, she discussed upcoming EITC Funders Network meetings/events, which include:

- a conference call on EITC policy developments;
- a meeting on links between the EITC and the other tax credits;
- an event in conjunction with the National Tax Coalition's big annual meeting; and
- a conference call to update some information shared with the network last year about evaluating EITC outreach efforts.

Communications Research – What we are learning about messages and messengers influential with EITC recipients (moderated by Bonnie Howard, Annie E. Casey Foundation)

Ms. Howard introduced the first topic of the meeting. She explained that EITC outreach is a young field, and communications strategies are important in getting good results. AECF has held "consultative sessions" on EITC issues such as refund anticipation loans (RAL's) and tax preparation, and the issue of good communication always rises to the top. Those in the field need to know more about who they are serving and need to challenge the assumptions made about EITC filers in order to reassess what actions make sense in moving forward. Ms. Howard then introduced the panel.

Senecia Sykes Bullock, is the founder and president of SSB Enterprise, a women-owned training, management and marketing consulting firm in Washington, D.C. SSB Enterprise specializes in training, management consulting, leadership development, marketing consulting, curriculum development, and meeting design and facilitation.

SSB Enterprise conducted research to better understand the target audience for the National Tax Assistance for Working Families Campaign as the first step in developing compelling outreach messages, media and deliverables. Focus groups were used to conduct this research in order to identify issues or comments that are difficult to capture in a survey; generate new ideas or suggestions; test marketing materials; and gain a better understanding of current perceptions, feelings, attitudes, and motivations of EITC filers.

Initially, SSB Enterprise performed screening interviews on the phone with an average of 50 to 75 people in each city to ensure focus groups that were diverse in gender, income range, ethnicity, and age. Ten focus groups were held in five cities (two groups in each city).

The key areas of research included:

- General awareness – how aware were participants of the EITC services available, such as Volunteer Income Tax Assistance (VITA) sites? How well did they understand these services?

- Marketing and communications – how did participants feel about existing marketing materials and about advertising in general? How would they prefer to see messages about EITC services?
- Tax preparation services
- Asset building and financial planning – how did participants get information about mainstream financing options, tax refunds, and financial institutions and their services?

Ms. Sykes Bullock reported that the participants were very excited to be part of the focus groups and were appreciative that the researchers cared about their thoughts on these issues. The key findings included:

- General awareness:
 - o Need to increase VITA brand awareness – The participants had mixed awareness of VITA and EITC, but were more familiar with tax preparation services. Therefore, SSB Enterprise concludes that linking information about tax preparation services with VITA and other EITC services will increase brand awareness.
 - o Need for better understanding of the benefits of using VITA services – Stakeholders need to use different forms of advertising to get the message out about VITA services. H&R Block is a model for doing this well. Ms. Sykes Bullock noted that many of the participants got use out of the focus group as an educational seminar and planned to share the information they learned about VITA with friends and family.
- Marketing and communication:
 - o Need to target marketing materials to the community and better understand who the participants are/who the audience is; also need to be more familiar with community entities.
 - o Need to remove the stigma associated with low income people in messaging and be more inclusive, to make participants feel like they are part of the whole community.
 - o Need to use customer testimonials – Participants emphasized that many in the community look to community/religious leaders for direction and suggested that these leaders could talk about available services and their benefits.
 - o Share examples of key messages:
 - High quality of available services – The satisfaction with VITA services was at least as good as with H&R Block;
 - Level of professionalism of the tax preparers; and
 - Eligibility for free services.
- Key locations: Need to advertise in high traffic areas including churches, schools, public transportation.
- Top ways to receive information: Participants liked to see messaging in newspapers, posters, flyers, and direct mail – they suggested including a flyer or other ad in mail they may already be receiving about social services or government assistance and suggested vibrant colors and clear and concise messages.
- Tax preparation:
 - o Interested in the experience and knowledge level of tax preparer – Participants liked that the preparers at many VITA sites were warm and often members of their own community.
 - o Need easily identifiable locations and accessibility – Because many participants work multiple jobs and/or non-traditional hours, they felt strongly that sites should advertise not only their hour of closing, but the time of their last appointment.
- Asset building and financial planning:
 - o Participants would like educational workshops to be available while they are having their taxes prepared on topics such as credit issues, financial institutions, checking and

savings accounts, and retirement; participants were not interested in an aggressive campaign for these services, but would like available resources for this information.

- Strategic partnership resources – Participants were interested in seeing evidence of partnerships with community foundations or community financial institutions because they seek connections and want to learn as much as possible.

In closing, Ms. Sykes Bullock outlined potential next steps. They are considering conducting “train the trainer” workshops to assist local coordinators in developing marketing campaigns; hosting sensitivity workshops with tax preparers; conducting focus groups to test marketing materials and messages; and evaluating the effectiveness of existing VITA sites and EITC marketing campaigns, perhaps using some type of scorecard.

Julie Kruse is the director of the National Community Tax Coalition, a project of the Center for Economic Progress, and works on issues around asset building, tax preparation, outreach, and advocacy. The Coalition has over 600 affiliates that do free tax preparation; in fact, these affiliates complete over half of all national community VITA returns. There are also many partners in these efforts nationwide including community non-profits, municipal and county governments, faith-based and business groups, and other national entities. The key activities of the Coalition include capacity-building and training, advocacy (their two main constituencies are VITA sites and taxpayers in general), their national conference with over 500 attendees, and research and pilot programs. The Coalition’s major policy concerns are:

1. inadequate, inconsistent outreach by the IRS on the EITC;
2. inadequate information and other services by the IRS;
3. a chilling effect of dramatic overtargeting of EITC taxpayers for audits (1 in 20 have been audited and/or have had refunds frozen);
4. possible legislative changes to the EITC, and the messages this legislation would send;
5. additional barriers to EITC receipt beyond lack of awareness; and
6. policy implications from the research.

Ms. Kruse discussed the Coalition’s research regarding increasing EITC awareness and uptake. The Coalition received a MacArthur grant to look at EITC outreach. This focus was expanded to look not only at awareness of the EITC, but also at other barriers to receiving the EITC present in individuals, the IRS, and the legislature, which falls under the last policy concern listed above. Ms. Kruse then presented the scope and results of their major research review of EITC awareness and uptake, part of this expanded focus.

This review involved four EITC outreach pilot projects in Fargo-Moorhead ND/MN (where there had never been an EITC outreach campaign); Baltimore, with child care providers; Chicago, with Latino focus groups; and Miami, with Haitian-Americans. The research review examined awareness among those potentially eligible for the EITC, claiming rates among sub-populations, and barriers to claiming.

The review also examined the impact on EITC uptake of a lack of participation in the tax system by low-income taxpayers, or those earning less than \$10,000; the chilling effect of audits of EITC filers; and the particular barriers faced by immigrants, foster parents, and small business owners (these subgroups were identified in the focus groups). Finally, the review examined efforts to measure changes in EITC uptake rates and developed proposed “best practice” around these efforts.

Ms. Kruse then summarized the key findings of their research thus far. EITC awareness (and likely uptake) were found to be lower for: very low-income households, high school dropouts

(there was a strong correlation between education level and EITC awareness, in general), Latinos, Native Americans, immigrants, and rural residents. Special barriers exist for immigrants, small business owners and foster parents (which will be detailed later). Additional information from the focus group research also shows barriers for those with child support payments and outstanding student loans, though this was not found in the broad review. Finally, the review found that barriers to EITC participation are created by overtargeting of EITC taxpayers for audits and perceived and actual breaches of confidentiality in the tax filing process for immigrants.

Ms. Kruse then presented some more detail about the four pilot programs that were conducted. In Chicago, they looked at the impact of an EITC outreach campaign directed at Latinos. Only documented immigrants participated in the focus groups. Specifically, they examined the impact of outreach on awareness of EITC and uptake rates, attitude toward/fear of the IRS, barriers to filing returns, and the knowledge among Latinos of the impact of tax filing on immigration status – paying taxes is required to obtain legal status.

At this point in the presentation, Celinda Lake, the president of Lake Research Partners, presented some of their research findings from this review. Ms. Lake is one of the Democratic party's leading strategists and Lake Research Partners is involved in research on the economy, health care, and the environment. Lake Research Partners performed phone surveys with child care providers in Baltimore and with small town, rural, and very low-income taxpayers in Fargo-Moorhead, ND/MN.

The following summary findings refer to the Fargo survey, unless otherwise noted:

- The most likely use of the EITC refund was to pay off debt, even among higher income groups.
- Those living outside city limits are more likely to use their refund for house payments or rent, utility bills, or medical expenses, as compared to those living inside city limits.
- Similar percentages of participants inside and outside cities filed tax returns last year; of those who did, two-thirds had someone else prepare their return.
- Among self-identified EITC filers, a majority used a paid tax preparer.
- Those living outside the city were slightly more likely not to have received a tax refund.
- Just over a third of participants said that they had filed for the EITC in the past.
- Less than half say they plan to file for the EITC this year, with nearly a quarter unsure, but fewer responded this way than the number of those who say they currently receive it.
- Younger residents and previous recipients are most likely to say they plan to file again.
- Those living outside city limits are slightly more likely to file for the EITC this year.
- Participants were most likely to think one has to be working to receive the EITC and that one will get more money back if he or she has children.
- Participants were unsure about whether receiving welfare benefits impacts EITC eligibility.
- Baltimore residents knew more about the relationship between the EITC and earned income, family size, and refundability.
- There is a great deal of confusion among both self-identified EITC filers and non-filers about whether or not other benefits (such as welfare, or whether or not an individual is paying for child care) affect EITC eligibility or receipt.
- A plurality are informed about the EITC, answering five or more questions correctly (out of 8 regarding the EITC).
- Among those who say they do not plan to file, or are unsure, a quarter do not know if they qualify.

Ms. Lake then summarized the general conclusions of their research. There was a dramatic usage of refunds among respondents for necessities, meaning that those who depend on this source of funds find it hard to wait on refunds. Living in a rural area or being in the lowest-income bracket has a significant impact on awareness and uptake. Finally, outreach campaigns do make a difference, as evidenced by the greater EITC awareness in Baltimore, where outreach campaigns exist.

Ms. Kruse then concluded the presentation. She began with the implications for practice that came out of the four pilot outreach sites. Piloted outreach approaches included media, such as TV, radio (primarily), and newspapers; “marketing ambassadors” (in 2 pilot sites); mailings (in 2 pilot sites), including letters from a known source and postcards; community events at locations such as malls and churches (in 2 pilot sites); and a new coalition in Fargo-Moorhead. The post-pilot research results will be available this summer.

The implications for practice include:

- the need to address debt issues of EITC taxpayers in services (both increasing participation in EITC of those in debt *and* those using EITC to counter debt and repair credit);
- the need to address confusion about the impact of the EITC on other benefits, such as welfare;
- the need to develop EITC outreach models for those with low education (less than high school) and income (less than \$15,000) levels;
- the need to balance tax participation and the privacy needs of immigrants; and
- the need to address the issues of multi-immigration status households.

The implications for policy include:

- Lowest-income taxpayers:
 - o the need to address how little the lowest-income families gain from the EITC and the Child Tax Credit (CTC);
 - o the need to address the impact of the lack of participation in the tax system on EITC receipt;
- Immigrants:
 - o the need to protect immigrants from the sharing of taxpayer information to the Department of Homeland Security;
 - o the need to address issues of multi-status households;
 - o the need to oppose proposed EITC cuts to immigrants, which will cause further confusion;
- EITC overtargeting for enforcement:
 - o EITC audit rates (In FY 2004, 2.2% of EITC taxpayers were audited by W&I exams compared to 1.3% of individuals with incomes over \$100,000);
 - o in addition to the 487,000 audits above, there were 300,000 automated audits, 60,000 special EITC audit “tests,” and hundreds of thousands of secret EITC refund freezes, all resulting in 1 out of 20 EITC taxpayers being audited (the Coalition will look at how this impacts participation in the post-research);
 - o non-response to audits or denied claims can have devastating consequences, such as 3- and 10-year bans on EITC receipt;
 - o the need to research the impact of enforcement on participation;
- Asset-building:
 - o the need to create awareness of EITC use to pay for housing and utilities (and implications for EITC cuts and delays);
 - o the need to include credit repair in asset-building menu of options; and
 - o the need to address debt as a reason for nonparticipation.

Finally, Ms. Kruse presented the implications for research. Further research is needed in the following areas:

- quantitative research on immigrants, taxation, and EITC uptake, and the chilling effects of breaches of confidentiality and audits;
- research on the impact of overtargeting of EITC taxpayers for audits – the impact on EITC taxpayers of refund freezes, including homelessness and utility shut-off, and the “chilling effect” on EITC participation; and
- research on realistic asset-building approaches for EITC taxpayers that answer the following questions:
 - o How much of refunds can EITC taxpayers realistically use for asset-building?
 - o Could credit repair be an entryway to asset-building?
 - o What will the impact of refund splitting be?
 - o How can the EITC be used to impact debt?

Questions:

One participant asked if voter registration is permitted at VITA sites. It is allowed and is one of the easier services to link to tax preparation. Another participant asked about any federal policy developments around the EITC. Ms. Kruse responded that the Coalition’s platform includes the following:

- no cuts to the EITC;
- the promotion of proactive improvements to tax credits – the Coalition is doing research on tax reform proposals that affect low-income taxpayers;
- a federal funding stream for free tax preparation;
- advocacy around immigrant issues – the Coalition is part of a working group around this issue and is especially concerned about issues around confidentiality and identity documents in immigrant reform this year;
- administrative issues to fight overzealous enforcement; and
- RAL issues.

The Coalition also does some state advocacy; many states now provide funding for EITC outreach.

Another participant raised the issue of a low level of awareness about the EITC among Native Americans. The Coalition and Lake Research Partners recommend more research and more pilot outreach programs. They will pick three big questions around EITC outreach and will work in areas that currently have no outreach programs.

A participant asked what connections these outreach programs and EITC stakeholders have with paid preparers. Ms. Kruse responded that they are thinking about “how big VITA should get.” They are looking at sustainability and trying to resolve what impact they want to have on private sector. Generally, they want to help them “clean up their act” and improve financial services to EITC filers and other taxpayers, but their intent is not to take over the field; they would rather have taxpayers use paid preparers than not filing their taxes at all. Ms. Howard responded that AECF is trying to do work around neighborhood saturation. They found that they were not doing as well as they thought in bringing individuals from communities into their sites. The numbers of filers in communities were growing, but these numbers did not necessarily represent the people living in those communities. Ms. Kruse added that the Coalition is trying to attract people who were non-participants in the past, but this is a hard task because the EITC eligible population changes quickly. Ms. Howard added that individuals need high quality services because not every filer wants or needs to know everything about every tax credit; filers assume that preparers know what they are doing and will file for whichever tax credits are appropriate.

Another participant noted that there was greater evidence in the Lake Research Partners' data of EITC awareness than she would have assumed and asked how confident the researchers are that the data is right. Ms. Lake responded that they are not overly confident in that indicator, which is why they asked follow-up questions about the impact of the EITC on other benefits, etc. and found that awareness of those issues is not that high, though their data did show that the outreach campaigns have been effective.

Ms. Howard emphasized the importance of reducing debt for these filers, before they are worrying about the EITC or Individual Development Accounts (IDAs). Ms. Kruse pointed out that the Baltimore participants were higher earners and had a higher savings rate. Ms. Nagle added that rural individuals are using the EITC much more for medical expenses and Ms. Kruse concurred that more research on rural areas is needed. She also mentioned that EITC receipt is actually highest in rural, red state areas. Another participant asked what kind of debt filers are paying off. The research questions did not address that kind of detail. Finally, another participant asked about the primary barrier for those with debt in accessing EITC services. Ms. Kruse was not sure, but stated that they have very strong anecdotal evidence of hesitance to file. She believes it may be an issue of how to pay off the debt in the first place; some individuals have had wages garnished in the past, or other experiences that may add to their hesitance.

Innovations in Outreach – New strategies for EITC outreach campaigns in urban and rural areas (moderated by Larry Ottinger, Fannie Mae Foundation)

Mr. Ottinger then introduced the second panel. He also mentioned two new publications that are available from Fannie Mae: One on state asset building initiatives and their Quarterly Policy Newsletter. Both are available on their website at

The first speaker was Pinky Vincent, of the Citizens for NYC Cash Back program. Ms. Vincent is the program manager for their anti-poverty program, in their “hard to reach” sector.

Citizens for NYC was started when volunteers took up city service jobs during the strikes of the 1970's. Their neighborhood groups work on quality of life activities, focusing on civic participation and economic success, and help low-income individuals navigate city structures. Citizens for NYC is a member of a partnership in New York City, which includes groups such as Food Change and ACORN, that is funded by the Robin Hood Foundation. Specific to the EITC, Citizens for NYC funds 40 neighborhood groups to do outreach and refer clients to tax preparation centers.

Ms. Vincent stated that there is a great need to engage first time EITC filers. The primary goal for Cash Back this year is to reach out to communities to determine if first-timers are eligible for the EITC. They accomplish this goal through a pre-screening process. Cash Back volunteers use pre-screening forms to determine if an individual is eligible for EITC and, if so, what forms he or she needs to bring to the free tax sites. The forms take approximately four minutes to fill out and, if individuals bring their copy of the form to the tax centers, they are allowed to skip the intake line. The form has a list of tax preparation sites on back side. After feedback from participants, which raised concerns about immigrant privacy and identity theft, Cash Back added an ID number on the form to identify which partner organization referred the individual to the tax sites.

Ms. Vincent explained that pre-screening seems to work better than using flyers or other outreach materials, especially in their work with special populations including first-time tax filers,

immigrants, homeless persons, former prisoners, cash earners, or extremely low-earners. The neighborhood groups serve to actively engage those who are being pre-screened and educate them about the EITC. Cash Back also provides funding to these groups to pay for transportation, volunteer services for translation, and to send volunteers to the tax sites with those with special needs. They also orchestrate certain days when a group of clients who all speak a particular language can come to the tax sites and use the services of volunteer translators.

In determining which neighborhoods to target, Cash Back identifies zip codes or congressional districts which have a large number of low-income individuals, using collated information from the IRS. They also look at strong-rooted neighborhood entities and those that serve particular populations, including prostitutes, undocumented immigrants, cash workers, and cab drivers. They also work with sectoral groups. For example, they have worked with the NY Immigration Coalition to shortlist those neighborhood groups that work with underserved linguistic groups. They have also reached out to faith-based organizations and have encouraged faith leaders to speak about free tax preparation and invite volunteers who can pre-screen to services or events.

Other methods of pre-screening include going door-to-door, either performing pre-screenings with those who answer their door, or leaving doorknob hangings; pre-screening low-income contractual workers at JFK Airport, many of whom are recent immigrants; providing transportation to bring a Pakistani/Bangladeshi group from Queens, where there is not a neighborhood group specific to their culture, to the Bronx, where there is; and educating individuals who do not file returns because they earn so little – formerly incarcerated, homeless, food pantry beneficiaries – about the possibility of being eligible for refunds from the IRS. The neighborhood groups are providing these services at no cost to participants.

Ms. Vincent mentioned, in closing, that their success has, in some circumstances, brought criticism. For example, certain neighborhood groups who are sustained by or support paid tax preparers, are unhappy with Cash Back's success in bringing individuals to free tax preparation sites.

Ana Marie Argilagos, the second panelist, is a senior consultant with the Annie E. Casey Foundation, specializing in issues of Native and southwest border communities. Ms. Argilagos explained that she would provide a brief outline of the demographics of these groups, the history of how AECF sparked a movement on EITC and asset building within these communities, available partners and resources, and what they have learned.

The mission of AECF is to build better futures for those most vulnerable families which are least likely to succeed without help. They accomplish this mission through connecting families and building strong communities, data-based advocacy (Kids Count), and fostering public policies and human service reforms. Their work in the southwest border and Indian country began in part because of rapidly increasing young populations and high rates of working poor in these areas where traditional anti-poverty strategies are not working. They have taken on the roles of convenor, connector, and catalyst to bring stakeholders to the table, increase attention to challenges, and leverage opportunities. The border is a bellwether for the nation, as families in borderlands have similar socioeconomic status as in gateway cities. Arizona, California, New Mexico, and Texas are home to 15 percent of Latino kids.

Ms. Argilagos then provided some background on the terminology and demographics of these communities. In most communities, "Latino" and "Hispanic" are used fairly interchangeably,

though in some cases geography dictates which is the preferred term. AECF tends to use “Native Community” to encompass the terms Native American, American Indian, American Indian/American Native (AI/AN), and native Hawaiian.

Ms. Argilagos began by discussing Native Communities. Currently there are 562 recognized tribes in the U.S. (229 of which are in Alaska) that vary greatly in size. Census 2000 indicated that AI/AN is the second fastest growing group in the U.S. behind Latinos. This group has the highest poverty rates, with one in four individuals living below the poverty line. The three states with the largest number populations of AI/AN are California, Oklahoma and Arizona; the three states with the largest proportions are Alaska, Oklahoma and New Mexico; and the three cities with the largest number are New York, Los Angeles, and Phoenix.

To create momentum around the issue of the EITC in Indian Country and the Border, AECF began with the data. Nationally, it is estimated that between 18 to 25 percent of eligible taxpayers are not claiming the EITC, and in these communities, it is probably higher. Then, AECF participated in “community consultations” for over a year in which they did reconnaissance, consultation, outreach and relationship building. They were trying to determine if their ideas about the EITC resonated in these communities and what community members thought about these issues. They were also trying to emphasize that this work had mutual benefit to the foundation and to the communities themselves.

They found that many families in Native Communities do not receive the full value of refundable credits. They also identified the “top” Indian Country zip codes for “rapid refunds” among EITC filers, where RAL receipt ranged from 74 to 78 percent. Ms. Argilagos noted that, in border towns, these percentages are often even higher. She then discussed their rationale for how the EITC can benefit Native Communities. New capital can stimulate tribal economies and the EITC can serve as an economic engine. She mentioned that, in Native Communities, there is reluctance to talk about individual wealth – community members tend to view wealth in terms of their family and community – so, they emphasized that individual asset building strengthens families. Families may be able to accumulate down payments for homes much faster and increase capital for small businesses, which are prevalent in these communities. They can also help families link to public benefits. They also emphasized that the EITC can help prevent “leakage” to Border towns, pawn shops, trading posts, check cashing services, etc.

AECF has many partners in this work; one of the biggest is the National Urban Indian Family Coalition, a network of 17 centers, all trained in EITC issues. She also mentioned several resources available, including an EITC Workbook, Tribal Leader’s Guide, and the Native Financial Education Coalition. See www.oweesta.org/eitc for upcoming EITC resources.

In general, AECF is trying to promote the three “A’s”: *awareness*, by explaining that millions of EITC dollars go unclaimed; increased *access* to free preparation sites, which create alternatives to predatory providers; and educating about building and preserving *assets*, by helping families use refunds to improve their financial standings. They learned several lessons through their work in Indian country:

- in urban areas, stakeholders should work through the National Urban Indian Family Coalition;
- relationships are critical and stakeholders can gain trust by working through national or regional intermediaries that are used to working with “outsiders”;
- work with the largest employers in the community;
- have a plan to discuss self-employment, as it is prevalent, and VITA sites are not usually equipped for these issues; and

- have at least one site which offers year-round services, in case individuals have problems before or after tax season.

Ms. Argilagos then outlined the demographics of border families. There are 32 border counties, within which child poverty (37%) is twice the national rate. Eighty percent of Latino children live in families where parents work and are more likely to live in two-parent families, which means there is a higher percentage of those eligible for the EITC. The high school drop out rate is three times higher than for non-Latino whites, which is notable given Ms. Kruse's presentation that demonstrated that educational level is correlated with EITC awareness.

They have worked with many partners in this arena and have found the U.S.- Mexico Border Philanthropy Partnership of local community foundations to be a very important partner in their efforts. Arizona State University is their research partner; research on border communities is more advanced than that on Native Communities. They have used data to generate excitement and funding from the private sector. The Latino Financial Preferences and Behavior Survey, a bilingual instrument administered by local CBO partners, collected 4,800 surveys in 2005 and found the mean adjusted gross income to be \$11,480.

Other facts they learned in their research include:

- working poor families are spending an increasing amount of funds on family educational attainment;
- questions arose about using "access to a bank account" as a success indicator for family economic security – although the majority of respondents are technically "banked," almost half use money orders to pay bills; possible reasons for this include a lack of trust of financial institutions, too many banking fees, and learned behavior;
- there are high rates of informal borrowing and saving – half of border tax filers have borrowed from or lent money to family members in emergency;
- 92 percent of border tax filers have never heard of IDAs, which stakeholders should keep in mind while preparing Latinos as financial consumers;
- 19 to 30 percent send remittances to family members not living with them; and
- border filers want to know more about (in order): homeownership, IDAs, auto loans, child savings accounts, microbusinesses, and credit cards.

In closing, Ms. Argilagos outlined the lessons they learned from their work in the southwestern border:

- efforts must be bicultural, not just bilingual;
- relationships are critical;
- there is a very strong CBO infrastructure where people are already going to receive help or just to talk – it is important to work with CBOs where it fits with their existing mission;
- use promotoras and mobile preparers to take services to the people;
- for new immigrants, their children are often the conduits for information and services; and
- year-round sites and information on self-employment are important for this population, as well as Native Communities.

The final speaker, Joanna Ramani, is the director of the Baltimore CASH Campaign. CASH began in 2001 with the goals of increasing awareness of the EITC, providing free tax preparation and e-filing to help families avoid RAL's, and connecting people to financial development opportunities like savings accounts, home ownership classes, etc. Free tax preparation is provided through a coalition of community partners, which include mostly CBOs, a couple of employers, and a healthcare worker union (the newest site). There is a wide diversity of funders for this effort.

Through marketing and outreach, the CASH campaign tries to be as visible as possible. They use the following:

- Radio: paid ads on urban, R&B, gospel, Spanish, public radio stations and spots on radio shows – this has been a very effective approach, as many participants mention the radio spots;
- TV: PSAs for television and interviews on TV programs – they are not as sure of the effectiveness of this method;
- Print: paycheck stuffers and 1099-G stuffers, notices in the Baltimore Business Journal (to increase outreach to employers), and “Take the Money” flyers and posters;
- Outdoor marketing: billboards and outdoor banners; and
- Word of mouth/community outreach: flyers are distributed in neighborhoods through over 70 community partners, which has been effective since Baltimore is very neighborhood-focused.

The concept of Marketing Ambassadors (MAs) was taken from EITC outreach efforts in Camden, NJ. CASH staff recognized a need to get deeper into the community and into churches and community associations. MAs were first used during the 2002 tax season. They were recruited from November to December from the pool of past clients and were typically those who had received the EITC. This year, 9 out of 10 MAs are ambassadors from previous years. MAs receive 8 hours of training. The training was contracted out to ACORN this year. Trainers roleplay with MAs to help them be more comfortable in approaching clients. Trainers also held an observation day at a grocery store to assess how MAs were doing. They held weekly meetings to discuss strategies, challenges, and decide on targets for the next week.

From January to February and again at the end of April, MAs participate in several activities. They target five geographical areas with good eligible populations, other traction (ACORN or CASH has sites there), or that represent expansion possibilities. Within these target areas, MAs go to schools, CBO's, day cares, churches, and commercial districts. They distribute flyers, talk informally, and do presentations. MAs are paid a \$300 stipend for their work.

The results of this training this year are 10 trained MAs who have worked approximately 50 hours thus far. They are about to stop their more aggressive activities and will return to their target areas at the end of tax season. One MA has actually trained as a tax preparer. They have distributed over 20,000 flyers.

Questions:

One participant asked about the demographics of native Americans in NYC. Ms. Argilagos did not have numbers with her, but mentioned that there is not as much congregation among Native populations as there may be in other ethnic groups. She suggested that the Urban Indian Family Coalition is a good resource to answer this question.

Another participant asked if the panelists could provide more information on how they are working with unions and employers. Ms. Vincent responded that Food Change has a tax site at a union center. They also go to small businesses in immigrant neighborhoods to talk about promoting EITC to employees. Ms. Ramani described how, when they started working with the union, they were also working with Johns Hopkins University; there was discussion about how to work with both unions and employers, though they agreed that their primary responsibility is to the workers. She provided an example where Erickson, a company in Baltimore, offered a no-cost refund loan to its employees (the Aspen Institute just did a write-up of this). Some of their

higher-level staff also provided some on-site tax preparation, but many employees would not use the services because they were concerned about their employers doing their taxes, so CASH sent in their own staff and the site was treated more as a drop-in site.

Another participant asked about the data/feedback that Marketing Ambassadors gather. Ms. Ramani responded that the MAs track where individuals go to receive tax preparation, but they can not determine if these individuals came to the sites because of information they received from the MAs. They are concerned about how best to track participation while keeping people comfortable. She mentioned that there is a question on the tax preparation intake form about how one found out about the services, but individuals tend to check “word of mouth”; she thinks Cash Back’s pre-screening form is a good way to track how people are finding out about services, but CASH schedules appointments, so the incentive could not be the same

Another participant asked Ms. Vincent if other clients at tax sites get upset when individuals with the pre-screening forms get to jump the line. Ms. Vincent responded that there are two different lines at the tax sites which are often overcrowded, so, generally, other clients do not notice. The participant also asked, given the targeting of Middle Eastern immigrants by the Department of Homeland Security, if Cash Back addresses the larger issues of the government being interested in filers’ I-10s. Ms. Vincent responded that they try to present all of the issues present in immigrants filing taxes and then let the neighborhood groups work with individuals on a case by case basis to make the best decision. Ms. Vincent was also asked how Cash Back knows if they are reaching people who have not received the EITC before and whether they depend on census data. Ms. Vincent responded that they depend on other parties to determine where and how to find these individuals. Finally, Ms. Vincent was asked if they are hesitant to spread the message to immigrants that they may get refunds from the government, when the possibility exists that some might actually end up owing money if they file taxes. Ms. Vincent explained that they do more general education and outreach about EITC. Cash Back also brought in IRS and tax lawyers to talk to people about those who might be affected by these issues, such as those who work in cash-based economies.

Wrap-Up

Ms. Nagle closed the meeting by encouraging meeting participants to use the participant list to follow-up with any of the presenters for whom they have questions or comments. The EITC Funders Network will make notes from this meeting available to the list, and will send out information about upcoming meetings.