



## INSIDE THIS ISSUE

- ◆ Revamping the EITC Funders Network
- ◆ CFED's 2013 Scorecard
- ◆ Outreach: New Strategies
- ◆ Policy: Fiscal Cliff Update
- ◆ Benefits: BACC Pilot
- ◆ Finances: Featured Book
- ◆ Upcoming Webinars!

## 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-related work, and help shape the future of the field.

*The Network is generously funded by:*

*The Annie E. Casey Foundation  
The W.K. Kellogg Foundation  
The C.S. Mott Foundation  
The Piton Foundation*

## A Note From the Coordinator

Dear EITC Funders Network-

Many thanks to those of you who provided feedback on the EITC Funders Network's approach and services. Because of your advice, we've revamped the way the Network operates, the way we talk about our work, and the way we hope to work with each of you!

You'll notice a number of changes here in the eNewsletter. These will soon be followed by changes to the website! Both reflect a change in our approach which will more intentionally help Network members connect their EITC-related work to other aspects of a poverty-reduction or economic security strategy. These exciting changes are more fully outlined in the lead article of this edition of the eNewsletter.

Have work you want to share? Please drop us a note at: [info@eitcfunders.org](mailto:info@eitcfunders.org).

Sincerely,

Ami Nagle, Network Coordinator

## Save the Date!

### EITC Funders Network Meeting

September 11, 2013; 9am-1pm

New Orleans

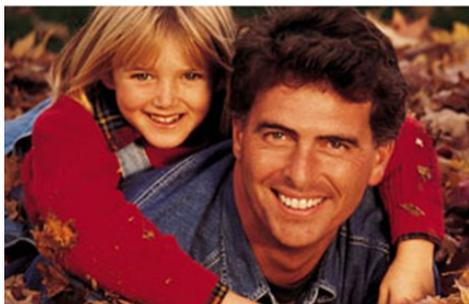
The meeting will be held in conjunction with the National Community Tax Coalition's National Conference

# Revamping the Network

In December 2012, the EITC Funders Network Steering Committee ratified a new approach to the work of the EITC Funders Network. In this revamp, the network will organize its efforts around four thematic areas: **EITC outreach and tax preparation, EITC policy, EITC and benefits access, and EITC and financial empowerment.**

Within each of each of these thematic areas the EITC Funders Network will undertake purposeful programming and build relationships with individual funders and affinity groups to shape the conversation. The driving force behind the Network's new structure is to better align with members' current EITC work to improve the lives of working families.

EITC funders have long recognized that supporting programs that lift families out of poverty and gain economic



stability means taking multifaceted and diverse approaches. While most of our members directly support EITC outreach and free tax preparation, it has become abundantly clear in

the past few years that more funders have expanded their concept of EITC-related work. Several, like the Winthrop Rockefeller Foundation, support efforts to raise awareness of federal and state EITCs and other policies that impact low-income, working families.

Other members, like the Kellogg Foundation, have explored the relationship between the EITC and other public benefits like TANF, SNAP (formerly Food Stamps) and subsidies to help families afford child care. The Arizona Community Foundation, like many other Network funders, has begun to link

*(Continued on page 4)*

## Almost Half of American Households Lack Savings

January 30th, CFED released the 2013 Assets and Opportunities Scorecard. The report and interactive map provide a detailed look at financial security and economic opportunities for households in all 50 states and the District of Columbia. Broken down by financial assets and income, businesses and jobs, housing and homeownership, health care, and education, each state is given a grade reflective of how residents are faring.

The report finds that almost 44% of households do not have a basic personal safety net for emergencies or future needs. Since 2006, median net worth has declined by more than \$27,000. Financial insecurity is significantly higher in households of color, where the median net worth is only 10% of the median net worth of white households.

To read the report and view the interactive map for state-specific breakdowns, visit <http://assetsandopportunity.org/scorecard/>, or listen to the webinar for highlights [here](#).

## Outreach & Tax Preparation

### Creative Strategies to Reach Qualified Households



Although low-wage workers generally file their taxes early in the season to get their refunds as quickly as possible, **March 15 to April 15** remains a critical time for outreach. Organizations across the country have found creative and effective ways to increase the number of qualified households receiving the EITC. Check out the Center on Budget and Policy Priorities' *Outreach Strategies Complete Guide: Help Workers Claim the Tax Benefits they Earned 2013* for new ideas and target populations or to get a jump on next year's Tax Credit Outreach Campaign. The complete guide can be found [here!](#)

## EITC

## Benefits Access

### Pilot Program Connects Students to Benefits

The Center for Law and Social Policy (CLASP) and the American Association of Community Colleges (AACC) have launched the Benefits Access for College Completion pilot (BACC). The initiative, funded by the Ford Foundation, the Kresge Foundation, Lumina Foundation, the Open Society Foundations, and the Annie E. Casey Foundation, works with seven community colleges to develop innovative approaches to increase the number of students earning postsecondary credentials by connecting them to public benefits and services.

The participating colleges have already begun to integrate screening and application assistance for public benefits with the services they already provide. They have also partnered with state and local human services agencies to improve access and information. For more information, check out the website [here!](#)

## Policy

### Congress Protects EITC in Fiscal Cliff Deal

In a last minute deal, at 2am on January 1st, Congress avoided the looming "fiscal cliff" by passing the American Taxpayer Relief Act 2012 (ATRA). While the deal has met resistance on both sides of the political aisle, it succeeded in preserving the EITC and extended the credit for an additional five years. Other protected tax credits included the Child Tax Credit, the American Opportunity Tax Credit, and the Child Dependent Care Tax Credit.

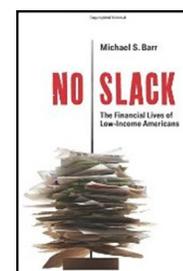
On a side note, the Urban Institute suggests that other features of ATRA may impact charitable giving by modestly increasing donations in 2013. Read their full report [here!](#)

## Financial Empowerment

### Recommended Reading: Finances of America's Poor

Michael S. Barr's recent book, *No Slack: The Financial Lives of Low-Income Americans*, dives into the Detroit metropolitan area's low- and moderate-income neighborhoods to examine how the financial system particularly fails the most vulnerable Americans. Barr explores households' decision-making processes, behaviors and attitudes in an environment of high-cost financial services, barriers to savings, lack of insurance and credit constraints.

Using technological innovation and behavioral economics, Barr calls for improvements for consumer protection and financial access in the financial system. *No Slack* clearly highlights the importance of including financial system reform in poverty reduction efforts. Read more [here!](#)



## *Revamp* (Continued from page 2)

the EITC to financial education, bank accounts, and savings programs.

At a time when fewer households are economically secure and the EITC is threatened by political pressure to reduce the deficit, increased collaboration with strategic and deliberate partnerships are crucial. As we, a community of funders, better understand the relationship between the EITC and other poverty reduction programs, we are restructuring the Network to reflect and better support the diverse work of our members.

Part of this revamp is about increasing our ability to work together on areas of interest and serve as a sounding board for funder initiatives. To strengthen our work in each of the four areas, the Network will be creating discussion circles around:

- Outreach & Tax Preparation
- Policy
- Benefits Access
- Financial Empowerment

The discussion circles will provide a platform for Members to hone in on the information that is most pertinent to them and share information, questions, and concerns with others also interested in the topic. Funders already working within the area, as well as those who are thinking of expanding their work in that direction, are welcomed and encouraged to join. For more information or to join a discussion circle, please email [info@eitcfunders.org](mailto:info@eitcfunders.org).

### **Featured Fact:**

In 2011, the EITC and CTC together lowered the child poverty rate by 6.3 percentage points.

-[Brookings Institute](#)



### **Learn About It:**

*The Changing American Electorate and the Implications for Social Policy* with pollster Celinda Lake

Watch the webinar [here!](#)

## **Upcoming Webinars!**

April 11th, 12:30pm — 1:30 pm ET  
**State EITC Policy Developments:  
 Implications for Asset Building Fields**

*Co-Sponsored with the  
 Asset Funders Network*

Register Online [here!](#)