

Priority: Basic Needs
Program Offer Type: Existing Operating
Related Programs:

Lead Agency: Commission on
Program Contact: Janet Hawkins

Program Characteristics:

Executive Summary

The Family Economic Security Project helps working families claim the Advance Earned Income Tax Credit (AEITC) and other available state/federal tax credits. We also work with employers to provide free tax preparation assistance at the workplace. This project will involve 40 local employers, provide direct tax preparation assistance to 800 employees and secure \$1.2 million in federal and state tax benefits for low- and moderate-income families.

Program Description

The Advance EITC enables low- and moderate-income workers with children to receive part of their federal tax credit in their paychecks throughout the year, instead of waiting until they file their taxes. This proposal gives direct assistance to employers to set up workplace Advance EITC campaigns, which includes free tax assistance for employees, tax credit information, and financial education resources. Specific activities under this proposal include:

- (a) County staff and a contracted provider work with local employers to provide information and support for company-sponsored AEITC campaigns, informing their employees about the program and helping with enrollment.
- (b) Employees access free tax preparation services, thus avoiding costly fees for tax preparation and predatory "refund anticipation loans."
- (c) Employees receive financial education through materials and workplace education sessions.

Program Justification

Connecting low-wage workers to tax credits, specifically the AEITC, is a very effective method of increasing family income. However, very few local employers inform or enroll their employees in the Advance EITC program or offer free tax preparation assistance. Key facts:

- The total AEITC credit is currently \$1,750 per year. Workers who earn between \$8.40/hour to \$20/hour are eligible to participate.
- 2008 Family Economic Security Project participants received an average of \$971 per household in federal tax refunds and saved tax preparation fees.
- The FES Project brought \$375,000 into the local economy through the individual and family tax refunds. Unclaimed tax credits remain in the federal treasury, if the taxpayer doesn't file for them.
- "Decrease child and family poverty by increasing the financial and social assets of low-income families"; a goal of CCFC's 6-Year Community Plan.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY07-08)	Current Year Purchased (FY08-09)	Current Year Estimate (FY08-09)	Next Year Offer (FY09-10)
Output	Number of employers participating.	0	30	30	40
Outcome	Participants whose yearly income is lifted above FPIG	0	400	400	600
Outcome	Increase in families who use free tax prep services	0.0%	25.0%	25.0%	25.0%
Efficiency	Dollars leveraged per county dollar ratio	0	24	6	6

Performance Measure - Description

- Outcome information is based on current FES Project data on average refund per household.
- Percentage increase is based on IRS figures for number of households who utilized free tax preparation sites in Multnomah County in 2007.
- New leverage ratio based on FES Project actual performance data.

Legal/Contractual Obligation

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2009	2009	2010	2010
Personnel	\$45,284	\$0	\$31,500	\$0
Contracts	\$27,000	\$0	\$36,800	\$0
Materials & Supplies	\$2,648	\$0	\$993	\$0
Subtotal: Direct Exps:	\$74,932	\$0	\$69,293	\$0
Administration	\$0	\$0	\$0	\$0
Program Support	\$0	\$0	\$0	\$0
Subtotal: Other Exps:	\$0	\$0	\$0	\$0
Total GF/non-GF:	\$74,932	\$0	\$69,293	\$0
Program Total:	\$74,932		\$69,293	
Program FTE	0.35	0.00	0.10	0.00
Program Revenues				
Program Revenue for Admin	\$0	\$0	\$0	\$0
Total Revenue:	\$0	\$0	\$0	\$0

Explanation of Revenues

Significant Program Changes

Last year this program was: #10011, Family Economic Security