



Urban Partnerships for Welfare Reform: National Academy

*Developing Innovative Financial
Solutions: Effective Use of Earned
Income Tax Credit (EITC) and Other
Asset Building Strategies*

Los Angeles



Key Features

- The Los Angeles County Department of Public Social Services has coordinated an internal EITC Outreach Campaign for the last six years.
- The campaign is intended to educate staff and participants on the benefits of the EITC, the Child Tax Credit (CTC), and the Volunteer Income Tax Assistance (VITA) Program, as well as promote Financial Literacy.
- Although the main thrust of this campaign takes place during the tax season, some outreach activities continue throughout the year.



Successful Strategies

- Awareness campaign to increase the utilization of the EITC.
- Implemented the VITA Program for CalWORKs participants.
- Promote the utilization of other tax credits for working families; thereby, further increasing our working participants earnings.
- Partner with the Internal Revenue Service (IRS) Stakeholder Partnership, Education and Communication (SPEC) Division.



Surprises

- The complex process to successfully conduct a targeted massive mailing.
- The lack of awareness of the VITA program (85% of surveyed participants responded never using VITA services before).
- This past tax season, over \$2.1 million were claimed by about 850 families in DPSS-VITA sites.
- \$1.5 million was attributed to the EITC.



Challenges

- How do you fund this program?
- What level of staff to utilize?
- What type of office and location of the site?
- How do we promote the program?
- How to schedule appointment for VITA services?
- How to address training needs?



Replication Advice

- Start small!!
- Pilot the program to a small targeted population in a strategic location.
- Make sure training is scheduled well in advance.
- The mailing to your target population must be timely to coincide with the start of tax season and according to the capacity to handle the workload.
- Become familiar with the software that will be used to electronically file (efile).



Managing During Change

- We put '*lessons learned*' during the pilot in practice before the VITA program was expanded to all CalWORKs participants.
- Staff was asked to 'volunteer' and further screened for aptitude to the project.
- Be flexible!



Visions for the Future

- Expand the VITA services to the Medi-Cal and Food Stamp participants with earnings during the 2007 tax season.
- Include Financial Education as a component in our Employment Services Program.
- Provide Record Keeping Workshops on earnings and expenses to our self-employed participants.