



COUNTY ADMINISTRATOR
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TO: Conan Smith, Chair
Ways & Means Committee

THROUGH: Robert E. Guenzel
County Administrator

FROM: Trenda Rusher, Director
ETCS

DATE: February 18, 2009

SUBJECT: Fiscal Year (FY) 2009 Community Services Block Grant Discretionary
(CSBG-T) funds

BOARD ACTION REQUESTED:

ETCS is requesting ratification of the County Administrator's signature on the application of ETCS for the Fiscal Year (FY) 2009 Community Services Block Grant Discretionary (CSBG-T) funds. The application is to the Michigan Department of Human Services (DHS) in the amount of \$15,000 for the period of January 1, 2009 through June 30, 2009. Also requested is approval of the budget.

BACKGROUND:

The Michigan Department of Human Services (DHS) is providing funds to the Michigan Community Action Agencies to provide free Income Tax Preparation assistance and to promote Earned Income Tax Credit (EITC) filing by low-income Michigan citizens. While use of these funds is targeted to low-income families, all individuals or households are eligible for free tax preparation services. As the Washtenaw County Community Action Agency, ETCS will provide Tax Preparation Assistance to low income Washtenaw County residents.

This CSBG-T application is a renewal grant for ETCS. ETCS is a part of the Washtenaw County Asset Building Coalition (formerly the Washtenaw County EITC Coalition) and has taken the lead on this project for the past three (3) years. This Coalition is comprised of area human services providers including the Michigan Department of Human Services (DHS), Michigan State University (MSU) Extension Services, the Internal Revenue Service (IRS) and the Ross School of Business (University of Michigan).

Tax preparation services will be provided at a variety of locations throughout the county including the Michigan Works! One-Stop Service Center located at 304 Harriett Street in Ypsilanti.

DISCUSSION:

The target audience for the CSBG-T grant is the low-income residents of Washtenaw County, specifically those who are eligible for the Earned Income Tax Credit (EITC), as well as anyone who is eligible for our community action programs. EITC is as a new federal anti-poverty approach. Many County residents qualify for EITC (among others like the Home Heating and Homestead credits) yet do not claim it. The goal of the CSBG-T grant is help citizens obtain the largest tax return for which they are entitled. Each return is prepared by a volunteer, reviewed by a highly trained site supervisor and then e-filed. The IRS partners assist with tracking and help by troubleshooting any issues with rejected claims.

As part of the Washtenaw County Asset Building Coalition, ETCS works in close partnership with the Ross School of Business to recruit and train volunteers. Almost all of the volunteers are students and the IRS leads the training and certification of the volunteers. Tax preparation sites include the Michigan Works! Service Center (304 Harriet St in Ypsilanti), and the Ann Arbor District Library (343 S Fifth Ave in Ann Arbor).

In addition to tax preparation assistance, the Coalition also offers financial literacy training through MSU extensions. Training is mostly conducted at the Michigan Works! Service Center in a classroom setting.

Washtenaw County ETCS is also involved in the Southeast Michigan Regional Asset Building Coalition. This group aims to provide more comprehensive, region-wide marketing and training for Southeast Michigan. The United Way is the lead agency in this Coalition.

In FY 2008, the Washtenaw County Asset Building Coalition, of which ETCS is a partner, served 167 households with tax preparation. While 167 households were served, the total number of household *members* served was 191. For FY 2008, the breakdown of the return on investment for the CSBG-T grant in Washtenaw County is as follows:

- \$215,683 in total for all tax returns
- \$88,813 for EITC credit
- \$8,636 in Home Heating credit
- \$37,655 in Homestead property credit

For Fiscal Year (FY) 2008, ETCS received \$13,000 in CSBG-T grant funds. For FY 2009, ETCS will receive \$15,000, which represents an increase of \$2,000. For FY 2009, ETCS aims to assist an additional 37 households with tax preparation assistance, for a total goal of 200 households.

IMPACT ON HUMAN RESOURCES:

None.

IMPACT ON BUDGET:

The requested Board action approves the FY 2009 CSBG-T budget in the amount of \$15,000.

IMPACT ON INDIRECT COSTS:

None.

IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES:

None.

CONFORMITY TO COUNTY POLICIES:

This matter has been reviewed by the Washtenaw County Community Action Board, Corporation Counsel, the Finance Department, Human Resources, the County Administrator's Office and the Ways and Means Committee. The requested Board action is in conformity with County policies.

ATTACHMENTS/APPENDICES:

FY 2009 CSBG-T budget
FY 2009 CSBG-T Grant Agreement

Washtenaw County ETCS
Summary Budget
Fund #2600 - CSBG-T Discretionary / EITC
Period from January 1, 2009 to June 30, 2009

Revenues

50000	Federal Revenue	\$ 15,000
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Expenditures

70050	Personal Services	\$ 10,100
80000	Other Services and Charges	4,900
		<u>\$ 15,000</u>

A RESOLUTION RATIFYING THE COUNTY ADMINISTRATOR'S SIGNATURE ON THE ETCS FISCAL YEAR (FY) 2009 COMMUNITY SERVICES BLOCK GRANT DISCRETIONARY (CSBG-T) GRANT TO THE MICHIGAN DEPARTMENT OF HUMAN SERVICES (DHS) IN THE AMOUNT OF \$15,000, FOR THE PERIOD OF JANUARY 1, 2009 THROUGH JUNE 30, 2009; APPROVING THE BUDGET; AUTHORIZING THE ADMINISTRATOR TO SIGN THE GRANT AGREEMENT;

WASHTENAW COUNTY BOARD OF COMMISSIONERS

March 4, 2009

WHEREAS, ETCS submitted the Fiscal Year 2009 CSBG-T grant Agreement with the Michigan Department of Human Services in the amount of \$15,000 for the period of January 1, 2009 through June 30, 2009; and

WHEREAS, ETCS is the administering agency for Community Action program services in Washtenaw County and these funds are necessary for the delivery of services to low-income customers in need of tax preparation assistance; and

WHEREAS, these Michigan Department of Human Services CSBG-Tax Preparation funds are to be used to provide tax preparation services, to promote Earned Income Tax Credit (EITC) filing, and to provide financial literacy classes; and

WHEREAS, ETCS aims to serve 200 households in FY 2009; and

WHEREAS, ETCS is partnering with the Internal Revenue Service (IRS), University of Michigan, Michigan State University (MSU) Extensions and the Department of Human Services (DHS) to administer the program, and

WHEREAS, ETCS is a member of the Washtenaw County Asset Building Coalition and will help oversee, administer and coordinate this effort; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, the Human Resources Department, the County Administrator's Office, and the Ways and Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby ratifies the County Administrator's signature on the CSBG-T Grant agreement with the Michigan Department of Human Services in the amount of \$15,000 for the period of January 1, 2009 through June 30, 2009, as on file with the County Clerk;

BE IT FURTHER RESOLVED that the Board of Commissioners takes the following actions contingent upon receipt of the grant award in conformity with the application:

1. Authorizing the County Administrator to sign the Grant Agreement
2. Amending the budget as attached hereto and made a part hereof
3. Authorizing the County Administrator to sign the delegate contracts upon review by Corporation Counsel, to be filed with the County Clerk.