



## OVERVIEW

The [Community Economic Development Association of Michigan \(CEDAM\)](#) requests proposals from Michigan's free tax preparation service providers regarding their plans to expand service **through September 30, 2022.**

CEDAM, in partnership with the Michigan Department of Health and Human Services (MDHHS), is seeking to increase the number of households filing for the Home Heating Credit. Our two-pronged approach includes expanding access to free tax prep assistance and implementing a coordinated awareness campaign.

Through the MDHHS' generous support, CEDAM will be administering a fund to support program expansion and increase HHC uptake for the 2022 tax season. Funding may be used for activities including, but not limited to, hiring staff, adding new sites, acquiring technology, marketing, and diversifying service delivery options.

## BACKGROUND

### *Overview of CEDAM*

CEDAM is a nonprofit trade association serving Michigan's community economic development industry. Our members are nonprofit affordable housing developers, Main Street organizations, Community Development Corporations (CDCs), Community Development Organizations (CDOs), community foundations, municipalities, and many other types of organizations working to ensure their communities are financially empowered, equitable and vibrant. We enhance locally-driven community economic development efforts through training and resources, technical assistance, capacity building, and policy advocacy.

CEDAM oversees the Michigan Economic Impact Coalition (MEIC), a diverse coalition of free tax preparation service providers, financial educators, asset-building practitioners, community-based organizations, and government agencies seeking to empower Michigan taxpayers financially.

### MEIC Goals:

1. Increase access to free tax assistance and financial empowerment tools and services for Michigan workers
2. Protect and expand tax credits for financially vulnerable individuals
3. Increase the capacity of practitioners to provide quality financial empowerment tools and services to their clients

In response to the COVID-19 pandemic and its impact on low-income households, the MEIC has prioritized the advancement of inclusive access to all state and federal tax credits that promote household financial stability.

### *Overview of Home Heating Credit Filing Supports*

The [Home Heating Credit \(HHC\)](#) is an important but often overlooked state tax credit. Not only does the credit help cover home energy costs, but it also dramatically [increases food assistance benefits](#) for some households. Recently, Governor Whitmer lauded the importance of the HHC in helping families from having to choose between heating their homes and putting food on the table. Unfortunately, many families do not file for this credit due to a lack of awareness and limited access to [free tax preparation assistance](#). As a result, the total number of households receiving the HHC has [declined by nearly 40%](#) (288,000 to 178,000) over the last three tax seasons.

Expanding VITA/TCE site capacity and keeping them open beyond tax season is critical to serving HHC eligible households. Because IRS rules and regulations ensure that free tax prep sites serve exclusively low-income, elderly, disabled, and limited-English speaking households, those assisted are likely the same households eligible for the HHC. Furthermore, VITA/TCE sites [produce the highest quality tax preparation](#) services— even when compared to paid preparers—and are readily positioned within communities to help address uptake.

## **SCOPE OF WORK**

### **Expand free tax preparation services to HHC eligible households**

Limited access to free tax preparation services prevents many low-income households from filing for the HHC. Expanding free tax preparation service capacity will enable more individuals to file and thereby receive hundreds, if not thousands, of dollars in wiggle room back. Your program can expand service through:

1. hiring or retaining personnel to manage program operations,
2. acquiring new technology,
3. incentivizing volunteers,
4. extending your program's season, and/or
5. adding tax site locations.

### **Participate in CEDAM-led outreach efforts to increase HHC uptake**

Raising awareness of the HHC and free tax prep assistance is essential to increasing the filing rate. CEDAM, with the support of a marketing consultant, will develop a combination of ready-t-use and ready-to-update outreach materials. Your program can support outreach efforts by:

1. assisting in distributing informational materials, and
2. updating site information with MI 2-1-1.

### **Provide impact reporting data**

Reporting on program performance is critical to measuring our impact and helping us share the story of this invaluable work. Impact reports are the foundation by which we evaluate the success of this initiative, recommend changes, and advocate for continued support. Your program will be responsible for:

1. tracking and reporting performance metrics, and
2. providing a written impact narrative and budget at the end of this grant period.

## RESPONSES

Respondents should be free tax preparation service providers in good standing with the IRS and possess at least three years of experience operating an Internal Revenue Service (IRS) sponsored Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) program within Michigan. Please use [this template](#) to submit your narrative.

The proposal narrative should not exceed five pages and should include the following:

1. **Competence & Experience** | Provide a brief narrative describing your organization and its experience relevant to the provision of free tax preparation services.
2. **Project Scope** | Describe your organization's current VITA/TCE operation and how your organization would expand services to increase HHC filing given the scope of work.
  - a. Include unique characteristics that set it apart from others providing similar services and how those strengths will benefit will increase HHC filing.
  - b. Provide client and program data to establish your current program impact. Please include client demographics, including zip codes, average AGI, total federal and state refunds, and other information that demonstrates program effectiveness.
  - c. Articulate the barriers to inclusive service expansion and how you plan to address them.
3. **Budget** | Provide a budget and budget narrative regarding cost incurred during the grant period of April 11 to September 23, 2022, to deliver free tax preparation service expansion activities:

	Grant Funds	Cash Match/ In-Kind Match	Totals
Salaries/Personnel			
Fringe Benefits			
Marketing/Outreach			
Technology			
Materials/Supplies			
Other			
<b>Totals</b>			

The budget narrative should describe how the planned expenses and requested funding support the scope of services. Please include narrative descriptions for the line items above.

Not relevant to the five-page limit, please provide resumes for the individual or team executing the proposal and submit a list of all organization tax sites, including their site ID numbers, addresses, days and hours of operations using the [provided template](#).

### **ANTICIPATED FUNDING**

Depending upon the number and scope of proposals submitted, we anticipate funding projects between \$15,000 and \$100,000. However, the committee will consider proposals above or below this range if program need, service capacity, and geographical reach are deemed of sufficient merit. Preference will be given to proposals that seek to expand service to underserved and marginalized communities.

### **PERFORMANCE METRICS + IMPACT NARRATIVE**

To demonstrate program impact, respondents must be able to track and report on a range of data points. You can find the required data points, instructions, and reporting forms [here](#). These metrics are designed to be captured during the tax preparation process by your volunteer preparers using TaxSlayer. For those free tax preparation programs that have previously participated in our MEIC data collection, you will notice these metrics are identical, with an additional custom credit to capture clients' zip codes. Respondents will need to provide an excel spreadsheet of their clients' Home Heating Credit amounts matched to their zip codes.

In addition to reporting forms and spreadsheets, respondents will also be required to submit an impact narrative (three-page maximum). This narrative should summarize activities conducted throughout the project, the impact of project funding, areas of overall improvement for the initiative, and as needed clarifications of reported data.

### **GRANTEE EXPECTATIONS**

Grantees are expected to become CEDAM members and attend the MEIC's standing meeting on the last Thursday of the month. To evidence the successful execution of this grant, grantees are responsible for reporting on the data points listed in the above section. On June 30, 2022, grantees will submit mid-grant impact data. By September 23, 2022, grantees will submit final impact data, an impact narrative, and a budget report.

### **SUBMISSION + TIMELINE**

Please submit responses via email to Brian Rakovitis ([rakovitis@cedamichigan.org](mailto:rakovitis@cedamichigan.org)) with "HHC Uptake RFP" in the subject line. Responses should be submitted no later than **5pm on March 21**. Funding for this project is contingent upon CEDAM securing a pending grant. However, the selection committee plans to notify awardees by no later than April 1, 2022. We anticipate the grant period will run from April 11 to September 30, 2022.