



tax & financial services
for those in need

Creating Pathways

A newsletter for friends of AccountAbility Minnesota

Summer 2012

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AccountAbility Minnesota

2610 University Ave. W.,
Suite 450
St. Paul, MN 55114

651-287-0187
651-287-0190 (fax)



2012 tax season: 550 volunteered, 11,000 served, \$20.3 million returned

AccountAbility Minnesota (AAM) customers Michael and Maria used this year's refund to pay bills, pay down debt, and save for an emergency and for their children's future. For them, tax time means starting the year out with a clean slate and in a good spot – free from debt and adding to their savings. Michael and Maria are not unlike many of AAM's customers in how they spend and save their refund.

Before coming to AAM Michael and Maria were going to a paid preparer to have their taxes done, forfeiting hundreds of dollars of their refund just to receive it. They learned about AAM two years ago from a brochure and have been coming ever since.

When getting their taxes done, Michael and Maria also took advantage of the financial products and services we offer to help them to meet their financial goals. This year, in addition to having their taxes done, Michael and Maria bought two U. S. Savings Bonds for their children through their tax return.

2012 tax season numbers (to date)

- Identified and filed for \$20.3 million in refunds for taxpayers in Minnesota.
- Enlisted the help of nearly 550 volunteers who donated 17,979 hours filing 21,916 returns.
- Assisted 10,903 taxpayers in filing taxes, free of charge.
- Connected 163 unbanked customers to new credit union and bank savings accounts and 458 to prepaid debit cards.
- Customers saved a collective \$23,800 through U. S. Savings Bonds.

During the 2012 tax season, AAM captured the significance of tax time for families through the "My Refund Means..." campaign. To see more photos, visit www.accountabilitymn.org or www.facebook.com/accountabilityminnesota.

"It's important to us to use part of our refund to put a little money aside for our children. We did that through savings bonds this year. The money is locked in at a good interest rate and will be a lot more when our kids are grown."



Director's note by Tracy Fischman



I start this letter with a thank you to our 550 volunteers. We are incredibly grateful for their hard work and dedication, which helped us serve a record number of customers this tax season. We are pleased to feature a wonderful and long-standing volunteer in this issue, and to highlight our 40th anniversary activities and some extraordinary partners in our work.

Now, with summer upon us, we continue to provide free tax and financial services. We also take time to reflect to inform our work moving forward. Yet summer is also a time to catch up on our reading and get a little rest. Recently, as I was talking about good reads with a colleague, I also shared a funny story about my Dad. A few weeks ago he was invited to join a book club with some high school friends, all of whom are close to 80. My Dad has never been in a book club, so this in and of itself was fairly surprising. This book club has met for many

years, and they seem to take their reading and the ensuing discussions quite seriously. The recent book/essay on the docket was "A Room of One's Own" by Virginia Woolf. When I heard this, I nearly fell over. My Dad is reading Virginia Woolf? It is probably fair to say that many women who self-identify as feminists or who hold values of social equality for women have, at some point, read this book.

I was pleased to see my Dad – whom I would not describe as a likely book-club goer or Virginia Woolf reader – step outside of what he knows, to push his own boundaries and to open up to new learning and ideas.

So what does this have to do with AccountAbility Minnesota (AAM)? Please go with me here... I see it as a metaphor. We are celebrating 40 years of service this year (have you heard that yet?). At our core, we haven't strayed. Our values and commitment have not wavered. Yet we've grown and reflected and learned to better and more holistically support the low- and moderate-income customers we serve. Sometimes we make simple tweaks to be more effective. Sometimes we step back and ask strategic questions to guide change, such as:

- *What does it take to help our customers become more economically secure?*
- *What unique and collective strengths and skills do we have that can help families fulfill their dreams for the future?*
- *How do we help our customers take advantage of the tax-time "money*

moment" so they can meet their basic needs but also save – even a small amount – for an emergency and for the future?

- *What opportunities and responsibilities do we have to shape policy debates related to tax credits, asset building, and public benefit supports?*

We are not simply a tax prep organization. The rising poverty rates matter to us. Predatory financial products that are often the only options for low-income consumers are damaging to many of the people and communities we serve, and that matters to us. The growing disparities in wealth and challenges low-income people face in realizing their dreams matter to us.

We do not seek to overhaul the package of services we offer. We are experts in what we do, thanks to our dedicated staff and volunteers. We do, however, see ourselves as change agents. And we have changed over the years – changed to do more to meet our customers' needs, changed to move from a tax organization to an organization that uses the tax code – as well as financial products and services – to help people move to a more economically secure place.

AAM, like my Dad, continues to evolve and grow with time, changing landscapes and new opportunities. We have a 40 year history of service and success (with some failures along the way), and we are geared up to ensure relevance and impact for decades to come.

Governor Mark Dayton declared April Financial Literacy Month in Minnesota. We welcomed Minnesota Department of Revenue Commissioner Myron Frans and senior staff, as well as our colleagues from the IRS, to AccountAbility Minnesota in April to celebrate our use of tax time to create a "money moment," encouraging families to use their refunds to build economic security.

back row, l to r: Timothy Kenney, AccountAbility Minnesota (AAM); Steve Soria, Internal Revenue Service (IRS); Carla Gainey, AAM; Mary Kaye Jones, IRS; Commissioner Myron Frans, Minnesota Department of Revenue (MDOR); Tracy Fischman, AAM; Anne Johnson, AAM; Brian Kao, AAM; Rick Miller, IRS; front row, l to r: Matt Massman, MDOR; Terri Steenblock, MDOR; Stacy Opitz, AAM



40 years and counting

AccountAbility Minnesota's 40th Anniversary Celebration

Platinum sponsor:



GENERAL MILLS

Gold sponsor:



Silver sponsor:

Sunrise Banks

Bronze sponsor:

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Federal
Anonymous Donor**

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(in formation)

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Ashley Reisenauer
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Lori-Anne Williams

We're having a party and want you to join us!

We are celebrating our 40th anniversary with a fundraiser on Thursday, September 27, starting at 5:30 p.m. For four decades the free tax and financial services provided by AccountAbility Minnesota (AAM) have created pathways to economic security for thousands of Minnesotans.

The celebration will be held at CoCo, which is located on the 4th floor of the historic Grain Exchange building at 4th Ave. and 4th St. in Minneapolis (ramp and street parking are available).

There will be live music by the Dean Harrington Trio, delicious hors d'oeuvres from Chow-girls Killer Catering, and a silent auction with something for nearly everyone – from weekend getaways to housecleaning to collectible sports memorabilia.

Broadcast veterans Bob McNaney (KSTP) and Trisha Volpe (KARE) will emcee this evening of festivities, food and fundraising.

We hope that you will help us celebrate our 40th anniversary.

Sponsorship opportunities are available at several levels. Contact Lori-Anne Williams at lawilliams@accountabilitymn.org or 651-262-2156 for more information.

Tickets are \$75 each and can be purchased online at www.accountabilitymn.org or by contacting Lori-Anne Williams, development director.

We thank our generous sponsors to date. They include Platinum sponsor General Mills, Gold sponsor US Bank, Silver sponsor Sunrise Community Banks, and Bronze sponsors Citizens Community Federal and an anonymous donor.

The funds raised through this event will ensure that AAM continues its year-round work of providing free tax preparation and financial services to low- and moderate-income working individuals, families, and sole-proprietors.

We work hard to break down barriers that often keep customers from accurately filing their taxes in a timely manner. Your support will strengthen our ability to address such barriers and serve more people with free tax and financial services.

If you would like to sponsor the event or serve on the planning committee, contact Lori-Anne Williams at lawilliams@accountabilitymn.org.



Twin Cities tax sites

AccountAbility Minnesota
Creskide Community Center
Eastside Financial Center
East Side Neighborhood Services
Hallie Q. Brown Center,
Martin Luther King Center
Hennepin Technical College
Hope Community Center
Latino Economic Development
Center (LEDC)
Minneapolis Urban League
Neighborhood Development
Alliance (NeDA)
Neighborhood House
ResourceWest

Technical assistance partners

Community Action Duluth, *Duluth*
Community Action Partnership
of Suburban Hennepin
(CAPSH), *Hopkins*
Lakes & Pines Community
Action Council, *Mora*
Prairie Five Community Action
Council, *Madison*
Sabathani Community Center
Minneapolis
Tri-County Action Program,
St. Cloud
Tri-County Community Action,
Brainerd & Little Falls
U.S. Federal Credit Union,
Twin Cities
West Central Minnesota
Communities Action,
Alexandria & Elbow Lake
Western Community Action, Inc.,
Jackson & Marshall
White Earth Investment Initiative,
White Earth Reservation

Financial services partners

Community Financial Resources
University National Bank
US Bank
US Federal Credit Union

He's been volunteering since the late-1970s

As we celebrate our 40th year we sat down with a volunteer who's been with us for most of those years, Tom Brix, to learn more about AccountAbility Minnesota's (AAM's) history.

Tom was recruited to volunteer by AAM's founder, the late Jim Dodge, in the 1970s. He was Jim's boss at the accounting firm Haskins and Sells (acquired by Deloitte). It was Haskins and Sells that supported Jim in his endeavor to help start AAM – Jim remained on Haskins and Sells payroll while he dedicated his work time to starting the organization.

Tom was happy to serve as one of the first volunteer tax preparers when Jim recruited him. He began his volunteer tenure at the Phyllis Wheatley Community Center in North Minneapolis. Tom was very familiar with the North Minneapolis community having spent much of his childhood in the neighborhood – his father owned a meat market on West Broadway and Tom attended school across the street at Ascension Parish.

"It was a lot different back then when I started volunteering – everything was done on paper," said Tom. "It took about the same amount of time to do a tax return but it was a lot harder if you made a mistake on paper. You couldn't hit backspace – you'd have to start all over with a new paper form."

Tom told us there was a strong demand for our services right off the bat – clinics were just as busy then as they are now.

"I've seen a lot of the same families from year to year," said Tom. "It's nice to see the same appreciative faces again and again."

Volunteers like Tom are an integral part of our program. From the start they made our work possible, particularly when there was only one staff person. Early on, Tom, like many original volunteers, played many roles.

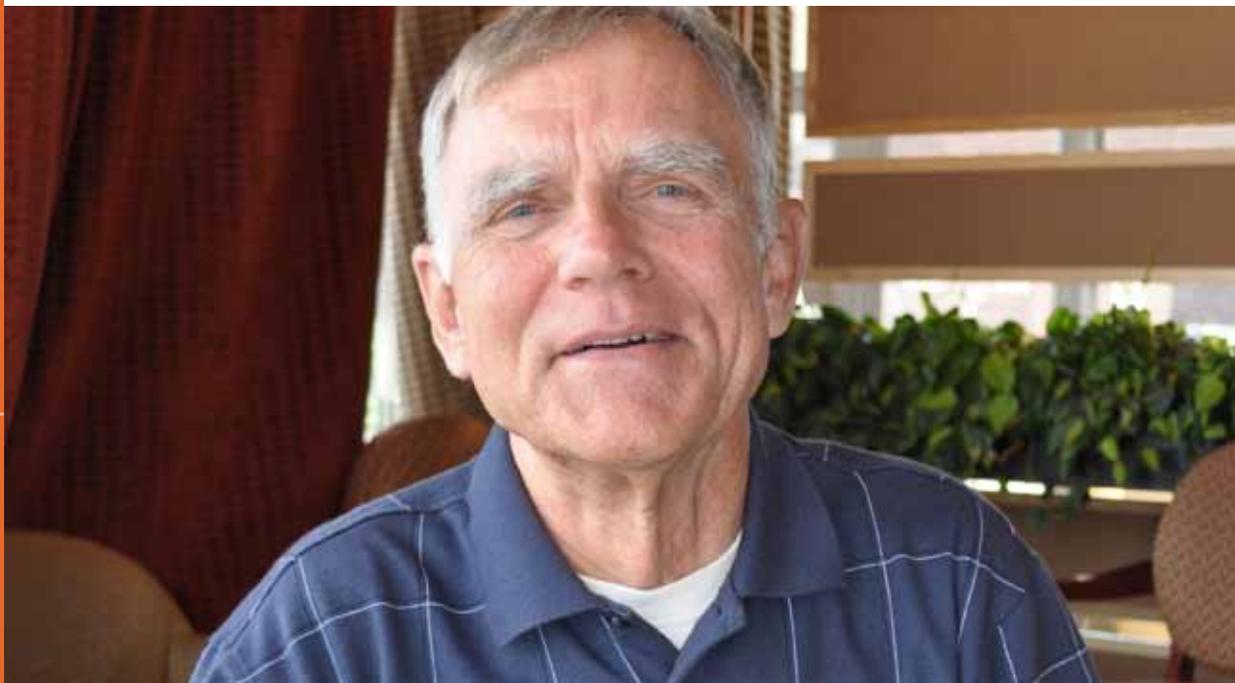
"At the beginning there weren't nearly as many staff or volunteers at AccountAbility Minnesota," said Tom. "I remember serving as the tax site manager, preparing returns and reviewing them all at one tax clinic. I did it all."

When we asked Tom what has kept him coming back year after year, he humbly said, "I guess I'm just a creature of habit."

For Tom, like many volunteers, it's about providing a much-needed service.

"Volunteering has been an opportunity to learn about income taxes. It has also been about helping people that need assistance receive the money from the credits that are available that they might not otherwise know about unless they have someone prepare their taxes," said Tom.

Tom is not alone in his lengthy and impressive volunteer tenure with AAM. We have 28 volunteers that have been with us for 10+ years. We are grateful for all that they do.



AccountAbility MN - Missy's fundraising page - Donate now!!

Missy Brooks fundraising for ACCOUNTABILITY MINNESOTA

8 Donors

0 +1 0 Tweet 0 Like 1 Pin it

Helping AccountAbility Minnesota meet their \$10,000 challenge grant by bringing in at least four new donations at \$40!



Make a Donation

\$245 raised of \$350

\$ type an amount min \$10

Make this donation One Time Only

Ejero's Fundraiser For AccountAbility MN

Ejero Hussen fundraising for ACCOUNTABILITY MINNESOTA

3 Donors

Assisting Minnesotans to move out of poverty by providing pathways to economic security.



As a volunteer for AccountAbility Minnesota, I help prepare taxes for low-income individual and families. But as a passionate believer in the cause, this fundraising effort is important to me personally. AAM

Make a Donatio

\$150 raised

Choose a suggested amount below, or whatever you want.

\$ 40 for 40 years of service

\$ 100 makes it possible for a volunteer to process at least six tax returns, with an average return of \$2,000

\$ 500 makes it possible to open 25 savings accounts for AAM customers with an average of \$300 saved!

\$ 1,000 makes it possible for AAM to run one tax site for one week, with approximately 80 customers served!

\$ other min:

Make this donation One Time Only

DONATE

More Ways You Can Help

Volunteers like Missy Brooks and Ejero Hussen created "fundraising pages" at GiveMN.org to encourage their friends and family to support the work of AAM. Through GiveMN, AAM raised 95% of the 4@40 funds that came in for the campaign!

Volunteers raise more than \$21,000, doubling our number of donors

This tax season we launched our first-ever volunteer fundraising campaign, 4@40. In celebration of our 40th year of providing free tax preparation we challenged our volunteers to ask 4 friends to give \$40, hence the name.

Our volunteers stepped up to the challenge with great enthusiasm and dedication to further support our collective work to ensure that everyone, regardless of their income, has access to high-quality tax and financial services.

Through this campaign, our volunteers helped us to double our number of donors and raised \$21,172 for the organization!

AccountAbility Minnesota set an audacious fundraising goal this fiscal year – by June 30, 2012 (the end of our fiscal year) we hope to have raised \$40,000 through individual donations. Adding the \$21,172 that we raised through the 4@40 campaign to the other gifts we have received throughout the year puts us just a few thousand short of reaching \$40,000.

Please help us to reach our \$40,000 goal by June 30, 2012 by making a donation today. Your support will ensure that hardworking, low-income families will receive quality tax assistance and access to financial services that will help them build a secure future.

You can use the enclosed envelope to make a contribution or go online to www.accountabilitymn.org to make a donation.

Thank you in advance for your support!

4@\$40 campaign

Total raised:

\$21,172

Total number of donors through the campaign:

301

Total number of volunteers that participated in the campaign:

97

Helping us to do what we do better

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When the phone rings at AccountAbility Minnesota (AAM), we often think about Minnesota Philanthropy Partners (MN Partners) and two of its affiliates, The Saint Paul Foundation and the F.R. Bigelow Foundation. In 2012, thanks to the F.R. Bigelow Foundation, AAM got a new phone system (where we take as many as 2,000 calls per week). In addition, The Saint Paul Foundation helped us with the build-out of our offices, increase our financial services work in the east metro, and undertake a message testing project to increase use and relevancy of our financial services program.

MN Partners is a new name to describe the network of 1,600 foundations, funds and organizations that share staff and services to have the greatest possible impact through charitable giving, but the different entities have worked together for decades. MN Partners is anchored by four foundations: The Saint Paul Foundation, Minnesota Community Foundation, the F.R. Bigelow Foundation and the Mardag Foundation.

MN Partners is one of this state's true assets. As its website states, "Together, we are making a difference in the lives of Minnesotans... Together we thrive." AAM is fortunate to receive funding from two affiliates of MN Partners, but we receive more than dollars from the entities that this large and visionary organization supports.

We recently talked to Carrie Jo Short, director of grants and program services at MN Partners, to learn more about the organizations' commitment to communities and why they invest in AAM.

"I have always been proud of our grant making work," Carrie Jo stated, explaining that MN Partners' foundations and affiliated funds may have their own missions, but together their goal is to do good – and make change – in the community through philanthropic giving.

One of Carrie Jo's main focus areas is economic development, and she sees us as a wise investment because AAM helps its customers boost their income. "It's like getting a raise," she says about tax refunds and tax credits many AAM customers receive. In addition, Carrie Jo sees value in our financial services. "That's how they stay away from predatory alternatives like check cashing and payday loans."

Carrie Jo noted that it is not uncommon for a nonprofit to receive grants from more than one affiliate of MN Partners, and AAM has been fortunate to receive three different grants just this year alone from two of MN Partners' affiliates: The Saint Paul Foundation granted \$36,573 from the Community Economic Relief Fund for AAM to expand our office to better serve more customers through tax



self-preparation, along with creating additional space for volunteer trainings and administrative meetings. The F.R. Bigelow Foundation granted \$40,000 to fund an updated phone system, along with a new office copier and other technology which will help us serve customers more efficiently. The Saint Paul Foundation granted \$25,000 to expand AAM's work in the east metropolitan area, and for our customer research project on identifying relevant and resonant financial services messages.

Carrie Jo is passionate about her work, which she has been doing for nearly two decades. "I want to see success," she says, "I'm invested in seeing Minnesota nonprofits help people on the path to economic success."

By working together, MN Partners and its affiliates and AAM are making new inroads in free tax and financial services for low-income individuals and families.

AAM receives grants and gifts from nearly 40 corporations, foundations, and government entities. We will continue to highlight many of them in future issues.

MN Partners also provides AAM with tools and resources to help us to raise funds from donors.

- Our volunteers used GiveMN.org, another MN Partners affiliate, to build their own fundraising pages for AAM's 4@40 fundraising campaign (see pg. 5).
- MN Partners produced a video as part of its Nonprofits to Know program about our work and the individuals we serve that we will use in fundraising.

Check out our 2011
annual report online
at
accountabilitymn.org

Taking on the statewide Claim It! campaign

Earlier this year, AccountAbility Minnesota (AAM) assumed leadership of the statewide Claim It! campaign, which was previously overseen by Andrea Ferstan at the Greater Twin Cities United Way (who is still involved in the campaign).

This year the campaign celebrates its 6th year of raising awareness about the Earned Income Tax Credit (EITC) to increase the number of Minnesotans claiming it and using free tax preparation services.

To drive the campaign, AAM hired a new staff person, Brian Kao. We checked in with Brian and Andrea to talk about the impact of the campaign thus far, the change in management, and the future vision of Claim It!.

How did Claim It! get started?

Andrea: We want to see everyone in Minnesota who is eligible for the EITC claiming it.

According to research by the Brookings Institution, only 4 out of 5 people who were eligible for the EITC were claiming it, on average. For many of these taxpayers, missing out on this valuable tax credit can be the difference between being able to take care of their daily necessities and needing to choose between medicine or food or rent.

Why is the EITC so important?

Brian: It is important to remember that tax credits are an effective way to help struggling families boost their income and make ends meet. In fact, the EITC alone has been credited with pulling more than 6 million people out of poverty nationwide, half of them children.

Andrea: In Minnesota, the EITC returned over \$645 million dollars to the pockets of hard-working Minnesotans alone! And the tax credit doesn't just benefit these families. Since many people will use their returns to address basic needs such as housing, food, clothes or to reduce debt and save, the EITC also positively affects the economy of local communities.

How does the Claim It! campaign operate and what has the impact been so far?

Brian: In brief, Claim It! is an awareness raising campaign. We work in as many ways as we can and with as many partners as we can to spread the word about the EITC and free tax prep. For example, last year Claim It! developed posters, flyers, radio ads and bus shelter signs about the EITC which were distributed by local counties, universities, free tax preparation sites, and many more partners around the state.

Andrea: Since the Claim It! campaign started in 2006, the average increase of additional EITC claimants in Minnesota has been 5.4%. This represents a 2.75% increase over the time period prior to Claim It!. In 2011, an estimated \$24 million additional dollars via the EITC were put into the hands of low-income households compared to the previous year.

What's next for Claim It! in 2013 and beyond?

Brian: Just like any outreach initiative, there are still many people we can reach, such as those that speak a language other than English and taxpayers that are newly eligible for the EITC.

Since the campaign is reaching out to specific populations, we're looking to work with key partners who can help us reach those populations. We will develop new marketing materials that increase the visibility of the campaign.



For more information on the campaign, contact Brian Kao at bkao@accountabilitymn.org.

Funders

(\$1,000 level & above)

3M (in-kind)
Allianz Life Insurance Company of North America
Ameriprise Financial
Brookfield Properties
F.R. Bigelow Foundation
Deluxe Corporation Foundation
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Great River Energy
Greater Twin Cities United Way and its Claim It! Initiative
Initiative Foundation
Internal Revenue Service – Volunteer Income Tax Assistance
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The McKnight Foundation
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Minnesota Society of CPAs
Minnesota Department of Human Services, Office of Economic Opportunity
Minnesota Department of Revenue
Northwest Area Foundation
Otto Bremer Foundation
Pohlad Family Foundation
PriceWaterhouseCoopers
RBC Foundation USA
The Saint Paul Foundation
The Richard M. Schulze Family Foundation
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Tax Executives Institute, Inc. – National
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A decorative graphic consisting of multiple overlapping, hand-drawn style ovals in various colors (purple, green, blue, orange, red) that frame the central text.

40 years and counting

AccountAbility Minnesota's 40th Anniversary Celebration

Join us for the party on
September 27!

See details inside.