LITC

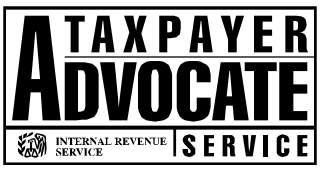
Low Income Taxpayer Clinic

> Access to Representation

> Outreach and Education for Taxpayers Who Speak English as a Second Language

2007 GRANT APPLICATION
Package and Guidelines

TAXPAYER ADVOCATE SERVICE
INTERNAL REVENUE SERVICE



National Taxpayer Advocate

May 2006

Dear Prospective Low Income Taxpayer Clinic Grant Applicant:

I am pleased to announce the opening of the 2007 Low Income Taxpayer Clinic (LITC) grant application period. This year, the application deadline is 4:00 pm on Friday, July 7, 2006.

The Taxpayer Advocate Service (TAS) is committed to enhancing the LITC Program's quality and coverage. The 2007 LITC grant application addresses specific concerns raised by the Treasury Inspector General for Tax Administration (TIGTA) in its recent audit of the LITC Program.[1] Some of the specific improvements include:

- Clarification of the Program Standards and reorganization of Publication 3319 to make it easier for applicants to understand the LITC Program guidelines. We also eliminated duplicate requests for information, thereby streamlining the application process.

- Emphasis on the importance of face-to-face contact as the primary means of educating taxpayers, while recognizing the value of using pamphlets, brochures, and other advertisements so long as those outreach efforts include substantive tax information.

- Addition of a new form, the Tax Information Authorization Form, to help the Program Office identify whether each applicant is in compliance with all federal tax obligations.

During the current 2006 grant cycle, we are pleased that we have at least one clinic in each state plus the District of Columbia and Puerto Rico. The Taxpayer Advocate Service remains committed to achieving the maximum access to representation for low income taxpayers under the terms of this grant program. Thus, in awarding 2007 LITC grants, we will continue to work towards the following program goals:

---

[1] Treasury Inspector General for Tax Administration, *Progress Has Been Made but Further Improvements Are Needed in the Administration of the Low Income Taxpayer Clinic Grant Program* (Sept. 2005) *available at* http://www.treas.gov/tigta/auditreports/2005reports/200510129fr.html.

- Ensuring that each state (plus the District of Columbia and Puerto Rico) continues to be served by at least one clinic;

- Expanding coverage in states that do not have both controversy representation and ESL education and outreach; and

- Ensuring grant recipients demonstrate that they are serving geographic areas that have sizable populations eligible for and requiring LITC services.

The LITC Program Office may award grants to qualifying organizations to fund one-year, two-year or three-year project periods. Any clinic currently receiving an LITC grant that does not expect to use all of its funds must contact the LITC Program Office immediately so that other clinics may benefit from those funds. Moreover, any clinic currently receiving a grant that does not intend to reapply in the 2007 application cycle must notify the LITC Program Office immediately so that we can encourage coverage of that service area by other applicants.

This package contains the current program guidelines, eligibility criteria, required application materials, and instructions to transmit an application to our office electronically or by U.S. mail, private delivery service, or hand delivery. The costs of preparing and submitting an application are the responsibility of each applicant.

Your application must be received by the Internal Revenue Service, Taxpayer Advocate Service, LITC Program Office, Attention: LITC Applications, 1111 Constitution Ave. NW, TA:LITC, Room 1034, Washington, DC 20224, no later than 4:00 pm EDT on Friday July 7, 2006. Applicants may also file electronically at www.grants.gov. The LITC Program Office will mail notification letters to each applicant no later than November 30, 2006.

If you have questions about the LITC Program or grant application process, please contact the LITC Program Office at 202-622-7186 or by email at LITCProgramOffice@irs.gov.

I appreciate your interest in the LITC Program and look forward to working with the 2007 Low Income Taxpayer Clinic grantees in improving the fairness and quality of federal tax administration.

Sincerely,

Nina E. Olson
National Taxpayer Advocate

TABLE OF CONTENTS

I. Introduction ……1

II. Program Overview ……1

III. Definitions ……...1

IV. LITC Program Grant Requirements ……..4

A. Eligibility Criteria ……..……4

1. In General ……4

2. Controversy Clinic Requirements ……4

3. ESL Clinic Requirements ……...7

4. Matching Funds Requirements ……7

B. Office of Management and Budget (OMB) Requirements ……8

C. Audit Requirements ……8

D. Civil Rights Reporting Requirements ……...9

E. Other Applicable Laws and Regulations ……11

F. LITC Grant Agreement ……..…11

G. Operational Requirements ……...12

1. Standards of Operation ……12

2. Managing Funds ……16

3. Grantee Responsibilities ……..18

H. Reporting Requirements ……..19

1. Interim Reports ……..20

2. Annual Reports ……..21

V. LITC Program Office ……..25

A. Responsibilities ……..25

B. Site Assistance Visits ……25

Paperwork Reduction Act Notice:

This application package is provided for awards under the Low Income Taxpayer Clinic Grant Program. The information is requested from the applicants in order to determine their eligibility for an LITC grant and evaluate their grant proposals. Applicants are not required to respond to this collection of information unless it displays a currently valid OMB number. The estimated average burden associated with this collection of information is 60 hours per respondent for program sponsors and 2 hours for student and program participants. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Tax Products Coordinating Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. Do not send grant application forms to this address. Grant applications should be sent to: Internal Revenue Service, Taxpayer Advocate Service, LITC Program Office, TA:LITC, Attn: LITC Applications, 1111 Constitution Ave., NW, Room 1034, Washington, DC 20224.

Catalog of Federal Domestic Assistance Number: 21.008 OMB Approval No. 1545-1648

VI. Completion and Submission of Grant Application ……26

A. LITC Program Grant Application Contents ……26

B. New or Single-Year Grant Applications ……30

C. Continuing Multi-Year Grant Applications ……31

D. Where and When to File ……..32

VII. Selection and Award of Grant Recipients ……33

A. Eligibility Screening ……...33

B. Evaluation Process ……33

1. Technical Evaluation ……34

2. Program Office Evaluation ……...34

C. Notification of Award Decisions ……..35

Appendix A ……A

LITC Program Grant Forms ……...A

Appendix B ……B

LITC Program Grant Application Checklists ……...B

Appendix C ……C

Report Forms and Supplemental Issue Form ……C

Index ……D

INTRODUCTION

This publication outlines requirements for the operation of a qualifying Internal Revenue Service (IRS) Low Income Taxpayer Clinic (LITC) program and provides instructions on how to apply for a grant under Internal Revenue Code (IRC) § 7526. **All applications for this grant must be completed thoroughly and accurately. Failure to do so may result in the application not being considered for a grant.**

This publication and copies of the required forms and certifications should be retained for future reference. Interim and annual reporting requirements are included in this package and must be followed when those reports are prepared.

> **NOTE:** When questions arise regarding the program, they can be submitted by email to the LITC Program Office at: LITCProgramOffice@irs.gov**.**

II. LITC PROGRAM OVERVIEW

The LITC Program provides matching grants for qualifying organizations that represent low income taxpayers involved in controversies with the IRS and for organizations that provide education and outreach on the tax rights and responsibilities of U.S. taxpayers to individuals who speak English as a second language (ESL) or who have limited English proficiency (ESL taxpayers). IRC § 7526 requires clinics to provide services for free or for no more than a nominal fee.

Low income status is determined by guidelines contained in the Federal Poverty Guidelines, which are updated annually by the Department of Health and Human Services (HHS).

IRC § 7526 authorizes the IRS to award organizations matching grants of up to $100,000 per year. Applications are accepted for project periods of up to three years duration. Funding is provided for budget periods of one year, subject to the availability of annual appropriated funds. With respect to applications for two or three-year project periods, the second and third years will be funded subject to satisfactory performance, compliance with grant terms, and availability of appropriated funds. All grant funds awarded to an LITC must be used for the LITC project specifically authorized in the grant.

The LITC Program is administered by the Taxpayer Advocate Service (TAS). The Director of the TAS LITC Program Office reports directly to the National Taxpayer Advocate and is responsible for providing oversight, guidance, and assistance to LITC grantees and prospective applicants. The LITC Program Office is comprised of a program administration manager, controversy and ESL program managers, and other staff who work directly with the clinics.

III. DEFINITIONS

The term **"clinic"** includes:

- A clinical program at an accredited law, business, or accounting school in which students represent low income taxpayers in controversies with the IRS; and

- An organization described in IRC § 501(c) and exempt from tax under IRC § 501(a) that either directly represents taxpayers or refers taxpayers to qualified representatives.

The term **"controversies"** includes:

- An IRS account, collection, examination, or Appeals matter;
- Representation on a federal tax matter in federal courts, including the United States Tax Court;
- Representation or referral of a low income taxpayer involved in a state or local tax controversy, when the clinic is representing or referring that taxpayer in a federal tax controversy;
- Provision of assistance to a nonfiler in the preparation of prior year return(s);
- Provision of assistance to a victim of identify theft on a federal or state tax matter; and
- Preparation of an amended return, if such assistance is necessary to resolve a controversy for which an LITC is representing a taxpayer.

The **"referral"** activity for which grant funds may be expended is the referral of low income taxpayers to a ***pro bono*** panel. A *pro bono* panel consists of qualified representatives who provide *pro bono* representation or nonprofit entities or organizations that provide *pro bono* representation to low income individuals.

What is a *pro bono* panel?

Examples of *pro bono* panels to which taxpayers may be referred include:

- A panel of qualified representatives maintained by the clinic to whom the clinic refers matters and which agrees to provide *pro bono* representation to low income taxpayers;
- A panel maintained by a state bar association which makes referrals, for free or for a nominal fee, to qualified representatives who have agreed to provide *pro bono* representation in legal matters; and
- A panel maintained by a state or local society of accountants which makes referrals, for free or for a nominal fee, to qualified representatives who have agreed to provide *pro bono* assistance to taxpayers.

Programs that inform ESL taxpayers about their federal tax rights and responsibilities must maintain a *pro bono* referral panel to which they may refer federal, state, and local tax controversies. In addition to the examples above, an ESL clinic can refer taxpayers to another LITC, however controversy funding will not be awarded to an organization that is solely making referrals to another LITC.

A **"qualified representative"** is any individual who is authorized to practice before the IRS (*i.e.*, attorney, certified public accountant, enrolled agent) or applicable court. Any controversy clinic that does not have a staff member who is admitted to practice before the United States Tax Court *must* have a *pro bono* panel member who is admitted to practice before the United State Tax Court and to whom it can refer litigation matters.

A **"program to inform"** is one in which the clinic consults with ESL taxpayers to educate them about their rights and responsibilities as U.S. taxpayers.

Examples of **"qualifying ESL activities"** are:

- An educational outreach program about federal taxpayer rights and responsibilities conducted by a clinic and attended by ESL taxpayers;
- Direct consultation with ESL taxpayers regarding their rights and responsibilities as U.S. taxpayers; and
- Ancillary assistance to ESL taxpayers in the preparation of federal tax returns or other required tax forms (see Treas. Reg. § 301.7701-15(a)(7)(vii)).

What is ancillary tax return preparation?

The term "ancillary" means incidental. That is, the LITC's program must focus on outreach and education and not tax return preparation. If, for example, an ESL client requests help with a tax return in the course of an LITC conducting outreach or education activities, the LITC may not provide such assistance unless it arises from the LITC's primary activity of outreach and education. Clinics that engage in ancillary tax preparation **cannot** charge a fee (even if it is a nominal fee) for this service. Tax preparation assistance that is directly related to a controversy is not considered "ancillary" and is permitted under the definition of "controversy."

LITCs receiving funding for qualifying ESL activities must advertise and promote themselves as providing information and education to help ESL individuals understand the federal tax system. For example, an LITC could advertise a community meeting to acquaint ESL individuals with their rights and responsibilities under the federal tax system. Posters, radio advertisements, or any other media announcing the meeting must not mention tax return preparation or refund claim assistance. Nor can any LITC posters advertise return preparation or refund claim assistance.

Generally, if ESL taxpayers require tax preparation assistance, they should be referred to a Volunteer Income Tax Assistance (VITA) program or a Tax Counseling for the Elderly (TCE) site (including a co-located independently funded program), or an IRS Taxpayer Assistance Center, where available. Grant funds awarded to an LITC must be used for the LITC project authorized in the grant agreement and cannot be used to fund VITA or TCE activities.

IV. LITC PROGRAM GRANT REQUIREMENTS

A. ELIGIBILITY CRITERIA

1. In General

The organization must be a qualified clinic that represents or refers low income taxpayers in controversies with the IRS or operates programs to inform ESL taxpayers about their tax rights and responsibilities. Qualified clinics are those that offer services for free or for no more than a nominal fee and either represent low income taxpayers in controversies with the IRS or provide information to ESL taxpayers about their rights and responsibilities as U.S. taxpayers.

The organization may be a clinic providing qualifying services that it conducts within a broader spectrum of activity. A clinic may provide representation in nontax matters as well as representation in tax matters. Such clinics must reasonably allocate their expenses and matching funds for services shared with nonqualifying programs or other organizations in determining allowable expenses for LITC funding and their compliance with the statutory matching funds requirement.

- *Clinic Within a Clinic.* Generally, the operation of a "clinic within a clinic" does not disqualify an applicant from eligibility for an LITC program grant award. Nevertheless, services a clinic provides to taxpayers cannot be separated and operated out of another clinic within that clinic for purposes of meeting the 90/250 income requirement of IRC § 7526(b)(1)(B)(i) (described below).

- *Start-Up Expenses.* Start-up operations qualify for grant funding. Thus, a clinic may be awarded an LITC grant although it anticipates that it will not begin the actual conduct of qualifying activities until after the current grant period. Such applicants still must satisfy the statutory matching funds requirement during the year covered by the grant and must meet all reporting requirements to provide information on the status of the start-up. In addition, LITC grants to these applicants will be conditioned on the conduct of qualifying activities during the immediately succeeding grant year.

- *Nominal Fee.* A clinic must not charge more than a nominal fee for clinic services, in addition to reimbursement of actual costs incurred (*e.g.,* photocopying and court costs). **A clinic may not charge any fee for the preparation of a tax return (except for reimbursement of actual costs incurred, *e.g.*, photocopying).**

2. Controversy Clinic Requirements

- *90/250 Income Requirement*. At least 90 percent of taxpayers represented or referred must have incomes that do not exceed 250 percent of the poverty guidelines published annually by HHS.

  A clinic must use the official poverty guidelines to determine whether a client seeking representation is a low income client for purposes of LITC Program funding. A clinic must base its determination of whether a taxpayer satisfies the income requirement on current income information. The taxpayer must provide this information on an intake form (or similar form) at the time the taxpayer seeks the clinic's assistance. Changes in financial status during representation do not disqualify clients from continuing to receive clinic representation. A clinic may consider the taxpayer's current year return in determining the taxpayer's income, as defined below.

Whether the 90/250 income requirement is met is determined based on taxpayers actually represented. For this purpose, representation occurs when the arrangement is memorialized through a letter of engagement, a *pro bono* representation agreement, or a Form 2848, *Power of Attorney and Declaration of Representative*. If a clinic represents and also refers taxpayers, the 90/250 income requirement is determined by aggregating the representations and referrals.

For purposes of determining the total number of taxpayers represented or referred in controversies with the IRS, include both those who do and do not meet the income requirements. Preparation of a joint return counts as **two** taxpayers assisted. If only one spouse on a joint return is represented or referred, the represented spouse counts as **one** taxpayer assisted.

Satisfaction of the 90/250 income requirement is determined based on the means testing of family units, not on the average income of the taxpayers represented or referred. A clinic must maintain records for the total number of taxpayers represented (or referred) in controversies with the IRS **and** the number of taxpayers represented (or referred) in controversies with the IRS who have incomes that do not exceed 250 percent of the poverty level **and** whose cases meet the amount in controversy requirement (described on page 6).

- *Current Poverty Guidelines*. Applicants must adopt the new income ceilings for determining LITC low income representation eligibility within 30 days from the date of publication of the HHS poverty guidelines in the *Federal Register.*

  Based on the poverty guidelines published on January 24, 2006, the income ceilings for low income representation for the 48 contiguous States, the District of Columbia and Puerto Rico are as follows:

Size of Family Unit	Income Ceiling (250% of Poverty Guidelines)
1	$24,500
2	$33,000
3	$41,500
4	$50,000
5	$58,500

  For family units with more than five members add $8,500 for each additional member.

  For Alaska, the income ceilings for low-income representation are as follows:

Size of Family Unit	Income Ceiling (250% of Poverty Guidelines)
1	$30,625
2	$41,250
3	$51,875
4	$62,500
5	$73,125

  For family units with more than five members add $10,625 for each additional member.

For Hawaii, the income ceilings for low-income representation are as follows:

Size of Family Unit	Income Ceiling (250% of Poverty Guidelines)
1	$28,175
2	$37,950
3	$47,725
4	$57,500
5	$67,275

For family units with more than five members add $9,775 for each additional member.

- *Definition of Income*

  "Income" is defined in accordance with the definition used by the U.S. Bureau of the Census. See http://www.census.gov/population/www/cps/cpsdef.html for the complete list of items included in the definition of income.

  Income includes total annual cash receipts before taxes with the exceptions provided below. For example, income includes salaries before deductions, net receipts from self-employment (receipts after deductions for business expenses), alimony, child support, federally funded and other public assistance, social security, private pensions, university scholarships, dividends, interest, net gambling winnings, and regular insurance or annuity payments.

  Income does not include capital gains, withdrawals from a bank, money received from the sale of property, a house, a car, tax refunds, gifts, loans, a lump sum inheritance, one-time insurance payments, compensation for injury, or non-cash benefits (*e.g.*, employer paid or union paid portion(s) of employee fringe benefits).

- *Definition of Family Unit*

  For purposes of this grant program, a **family unit** is defined as an unrelated individual or a family. An unrelated individual is a person 15 years old or over who is not living with persons related by birth, marriage, or adoption. A family is a group of two or more persons related by birth, marriage, or adoption who live together. However, if related individuals live together, but the person seeking assistance from the clinic is financially independent, then that person may be treated as a family unit. If two unrelated individuals live together, they constitute two family units.

- *Amount in Controversy*.

  The amount in controversy for any taxable year *generally* must not exceed the amount specified in IRC § 7463 (currently $50,000). The amount in controversy includes penalties, but does not include interest. If a clinic takes on a case in which the amount in controversy exceeds the amount specified in IRC § 7463, the clinic must provide an explanation in its interim and annual reports of why the case was accepted.

3. ESL Clinic Requirements

- *Outreach Activities*. Clinics must identify their target audience and develop an outreach strategy to reach that audience. Outreach activities include, but are not limited to: one-on-one consultations, group workshops, and attendance at community events.

- *Publicity*. In addition to conducting outreach activities, clinics are encouraged to reach out to their target audience through publicity efforts. LITCs receiving funding for qualifying ESL activities must advertise and promote themselves as providing information and education to help ESL individuals understand the federal tax system. For example, an LITC could advertise a community meeting to acquaint ESL individuals with their rights and responsibilities under the federal tax system. Posters, radio advertisements, or any other media announcing the meeting must not mention tax return preparation or refund claim assistance. Nor can any LITC posters advertise return preparation or refund claim assistance. Additionally, clinics are encouraged to include substantive tax information (*e.g.,* when to file, what forms to file, who is eligible for the Earned Income Tax Credit (EITC), how to file an offer in compromise (OIC)) in indirect outreach efforts.

- *Ancillary Tax Return Preparation.* **The term "ancillary" means incidental. That is, the LITC's program must focus on outreach and education and not tax return preparation.** If, for example, an ESL client requests help with a tax return in the course of an LITC conducting outreach or education activities, the LITC may not provide such assistance unless it arises from the LITC's primary activity of outreach and education.

- *Nominal Fees*. Clinics that engage in ancillary tax preparation **cannot** charge a fee (even if it is a nominal fee) for this service.

4. Matching Funds Requirements

All applicants must provide **matching funds** on a dollar-for-dollar basis for all LITC Program grant funds received.

- *Qualified Matching Funds.* Cash contributions and third party in-kind contributions (donated property or services) qualify as matching funds. The salary, including fringe benefits, paid for the individuals performing services for the clinic may count as matching funds. The value of volunteer services furnished by professional and technical personnel, consultants and other skilled and unskilled labor may be counted as matching funds if the services are an integral and necessary part of an approved project or program. Services provided by students to satisfy an academic requirement (*e.g.*, representation of taxpayers by students enrolled in a clinic sponsored by a law or business school) do not qualify as matching funds. The cost of equipment used in the clinic may count as matching funds. The fair market rental value of office space provided to the clinic may count as matching funds.

  Indirect expenses, including general overhead of the institution sponsoring the clinic, shall not be counted as matching funds, except for salaries and equipment as indicated above.

  Note: OMB guidance restricts percentages of overhead that can be allocated as matching funds.

- *Volunteer Services*. The rates for volunteer services shall be determined consistent with the principles stated in OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations", Subpart C, § .23.

- *Program Income*. Program income is the clinic's receipts from activities that serve grant purposes and counts as matching funds. For example, these types of fees may count as matching funds: registration fees for training and technical assistance programs for tax practitioners who serve the low income community, registration fees for informational programs for ESL taxpayers, and nominal fees for legal services.

- *Documentation of Matching Funds Sources*. While grant awards may be made based on good faith estimates of matching funds, including verifiable pledge commitment(s) or likely sources of funding, clinics must provide adequate documentation regarding the committed sources of matching funds. For a clinic to obtain a grant payment in advance of actual disbursement or receipt of the required non-federal match, the clinic generally must have firm commitments for the required matching funds. A firm commitment generally consists of a binding written agreement between the grantee and the source of the matching funds that is conditioned solely upon the availability of federal assistance (and such other conditions as approved in advance by the IRS).

- Funds from other federal grants cannot be counted as matching funds unless authorized by statute. (*See* OMB Circular A-110, Subpart C, § .23). Legal Service Corporation funds are ineligible.

B. OFFICE OF MANAGEMENT AND BUDGET (OMB) REQUIREMENTS

Grant award administrative requirements are set forth in OMB Circulars. The basic administrative requirements applicable to individual Grant Agreements are contained in:

- OMB Circular No. A-110, "Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations";

- OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations";

- OMB Circular A-21, "Cost Principles for Educational Institutions"; and

- OMB Circular A-122, "Cost Principles for Non-Profit Organizations."

All applicable provisions of these circulars as revised, and any existing and further supplements and revisions are incorporated into these program requirements and into all grant agreements entered into between the IRS and clinics. Each of these circulars were recently incorporated into Title 2 of the Code of Federal Regulations.

C. AUDIT REQUIREMENTS

OMB Circular A-133 describes the audit requirements applicable to grantees. **If you expend less than $500,000 a year in total federal awards, no audit requirements are applicable.** The IRS, however, has the right to audit expenditure of LITC funds regardless of the dollar amount of federal funding received by the grantee.

If you expend $500,000 or more a year in federal awards, you **must** provide the IRS with a copy of the results of an audit performed in compliance with OMB Circular A-133. You must arrange for an audit by an independent auditor in accordance with the Government Auditing Standards developed by the Comptroller General of the United States. The costs of audits performed in compliance with OMB Circular A-133 are allowable.

An audit under OMB Circular A-133 is organization-wide. The auditor must determine whether:

- Your financial statements present fairly your financial position and the results of your operations in accordance with generally accepted accounting principals;

- You have an internal control structure to provide reasonable assurance that you are managing federal awards in compliance with applicable laws and regulations, and controls that ensure compliance with the laws and regulations that could have a material impact on the financial statements; and

- You have complied with laws and regulations that may have a direct and material effect on your financial statement amounts and on each major federal program.

Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final report for the grant period, subject to certain exceptions set forth in OMB Circular A-110.

D. CIVIL RIGHTS REPORTING REQUIREMENTS

This information is being collected to enforce Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, or national origin in any program or activity receiving federal funds; Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in any education program or activity receiving federal funds; § 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of disability in any program or activity receiving federal funds; and the Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age in any program or activity receiving federal funds.

This section describes the data collection and reporting requirements required of Low Income Taxpayer Clinic grant applicants by the IRS to meet its responsibilities under these laws. This information is required pursuant to the civil rights statutes and the regulations of the Department of Justice and the Department of the Treasury.

This information is mandatory and required of every applicant on an annual basis. All applicants must submit a response to the IRS containing information outlined below. All of the questions must be answered and included with the submission of the Certification of Assurance Concerning Civil Rights Compliance form. As a condition of eligibility under the LITC Program, the applicant must provide the following information in their grant application package:

- A list of active lawsuits or complaints naming the applicant which allege discrimination on the basis of race, color, national origin, age, sex, or disability with respect to service or benefits being provided. The list should include: the date the lawsuit or complaint was filed; a summary of the allegation; and the status of the lawsuit or complaint, including whether the parties to a lawsuit have entered into a consent decree.

- A description of all pending applications for financial assistance and all financial assistance currently provided by other federal agencies. For all applicants for IRS financial assistance, this information should be relevant to the organizational entity actually submitting the application, not necessarily the larger agency or department of which the entity is a part.

- A summary of all civil rights compliance review activities conducted in the last three years. The summary shall include: the purpose or reason for the review; a summary of the findings and recommendations of the review; and a report on the status and/or disposition of such findings and recommendations. For all applicants for IRS financial assistance, this information should be relevant to the organizational entity actually submitting the application, not necessarily the larger agency or department of which the entity is a part.

- A signed and dated Statement of Assurance Concerning Civil Rights Compliance agreeing that all of the records and other information required have been or will be compiled, as appropriate, and maintained by the applicant, recipient, or sub-recipient.

- Additional data may be requested only to the extent that it is readily available or can be compiled with reasonable effort, and is found to be necessary to make a civil rights compliance determination. Examples of data and information which, to the extent necessary and appropriate for determining compliance with applicable civil rights statutes and implementing regulations may be as follows, but not limited to:

  The manner in which services are or will be provided by the program in question, and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination;

  The population eligible to be served by race, color, national origin, age, sex, or disability;

  Data regarding covered employment, including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English;

  The location of existing or proposed facilities connected with the program, and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any persons on the basis of prohibited discrimination;

  The present or proposed membership, by race, color, national origin, sex, age, or disability, in any planning or advisory body which is an integral part of the program; and

  Data, such as demographic maps, the racial composition of affected neighborhoods or census data.

Each multi-year applicant shall update the civil rights reporting requirement information annually. Each application for financial assistance shall be reviewed for its civil rights reporting requirements by an external civil rights unit staff member. Upon completion, the reviewer shall forward a letter of compliance to the applicant indicating the civil rights determination. Financial assistance shall not be awarded to the applicant until the civil rights reviewer has issued a

finding of compliance or conditional compliance. Department of Justice regulations state that all federal agency staff determinations of Title VI compliance shall be made by, or be subject to review by the agency's civil rights office.

If you need additional information or have any questions, please contact Ms. Roslyn D. Brown, Director, External Civil Rights Unit, at (202) 927-2743.

E. OTHER APPLICABLE LAWS AND REGULATIONS

Programs involving use of federal funds are governed by a wide variety of federal laws and regulations. These include:

- Restrictions on political activities at 18 U.S.C. §§ 595, 598, 600-603;
- The preservation requirements in the National Historic Preservation Act (16 U.S.C. § 470 et seq.) and the Archeological and Historic Preservation Act of l966 (16 U.S.C. § 469a-1 et seq.);
- Environmental requirements of the Clean Air Act (42 U.S.C. § 7401 et seq.);
- The non-pollution requirement of the Federal Water Pollution Control Provisions (33 U.S.C. § 1251 et seq.); and
- Restrictions on Lobbying (18 U.S.C. § 1913; 31 U.S.C. § 1352); *see also* 31 CFR, Part 21, New Restrictions on Lobbying. Under 31 USC § 1352 recipients of federal grants are prohibited from using appropriated funds for lobbying the Executive or Legislative branches of the Government with respect to any federal grant. This law also requires that lobbying activities be disclosed by each organization that receives or accepts federal grants of $100,000 or more. The reporting period for disclosure of lobbying activities, if applicable, is the same as the project period.

Certifications are required for LITC funding, according to the “common rule” on non-procurement, debarment and suspension adopted by Department of Treasury at 31 CFR, Part 19, Subpart F. This means you must certify that your organization and Clinic Director are not presently debarred or suspended from covered transactions by any federal agency. In addition, you must certify that within the three-year period before applying for a grant, your organization and Clinic Director have not been convicted of or had a civil judgment rendered against them for fraud, theft or certain other offenses, and have not had one or more public transactions terminated for cause or default. You must also certify that your organization and Clinic Director are not presently criminally or civilly charged with certain offenses.

Additional certifications are required according to the Government-wide requirements for a drug-free workplace (Pub. L. 100-690, Title V, Subtitle D, 41 U.S.C. §§ 702-707), adopted by the Department of the Treasury at 31 CFR, Part 19, Subpart F, and certification of civil rights compliance, as required by the civil rights laws specified above.

Certification forms are included in Appendix A of this application package.

F. LITC GRANT AGREEMENT

LITC organizations execute grant agreements with the IRS. The IRS, subject to the availability of appropriated funds, is authorized to award grants to provide matching funds for the development, expansion, or continuation of qualified LITCs. The LITC Grant Agreement

includes functions and duties to be performed by the LITC grantee, lists the maximum amount of grant award, the type of services to be performed by the clinic, the grant period, and any additional requirements specified in the application package and other pertinent information.

An LITC Program grant may be awarded for up to a three-year performance period. Grants for an approved program plan of two or three years will be funded for each subsequent year subject to the availability of annually appropriated funds, satisfactory performance, and compliance with grant terms. The necessity for renegotiation, suspensions, or terminations of grant agreements will be determined solely by the IRS and will not be subject to appeal. The grant agreement shall be terminated and enforced in accordance with OMB Circular A-110.

G. OPERATIONAL REQUIREMENTS

Low Income Taxpayer Clinics will be held to certain operating and ethical standards during the duration of their grant period

1. Standards of Operation. The LITC Program Office has developed baseline standards of operation for LITC grant recipients. The standards ensure that all LITCs provide consistent and quality service to low income and ESL taxpayers and ensure that all LITCs are accountable for meeting the LITC Program requirements.

- *Qualified Tax Expert* (*QTE*) – Availability of staff member with tax law expertise.

  In general, the QTE must be an Attorney, CPA, or Enrolled Agent currently authorized to practice before the IRS. However, consideration may be given to an applicant who can demonstrate tax expertise because of a related academic degree, documented experience or Continuing Professional Education credits.

  The QTE will assume oversight of technical substantive tax matters.

- *Qualified Business Administrator (QBA)* – Availability of staff member with business administration expertise.

  The QBA must demonstrate education or experience with business or program administration, such as, but not limited to, internal controls, management of federal, state or local grant funding, budget administration and procurement or the equivalent.

  The QBA will have oversight of the clinic's business operations.

- *Clinic Director* – Availability of staff member with overall management responsibility for the clinic.

  The Clinic Director may be the QTE, QBA, or other clinic staff member. The Clinic Director is responsible for managing the clinic, preparing or reviewing the required clinic reports, and signing the reports as the clinic's authorized representative. The Clinic Director serves as the primary contact person for both the LITC Program Office and the Local Taxpayer Advocate's office.

- *Internal Controls* – Assurance of compliance, safeguarding of assets, costs allowable, authorized and allocable.

  LITCs must create a written approval process to document the authorization of expenditures from grant funds. The documentation should include, but is not limited to,

the expenditure's amount, purpose, justification (if necessary), and the name of the approving official. LITCs must have written procedures to track the clinic's fixed assets and inventory.

- *Publicity/Outreach* – Effective publicity/outreach efforts to targeted audience.

  LITCs must identify their target audience and develop and describe the outreach strategy to reach that audience. LITCs should also implement a process that tracks how participants hear about the program and the services offered. For example, an intake form could be used to request needed information. For ESL outreach/education seminars, the clinic could require that all attendees indicate on a sign-in sheet how they learned about the seminar. The sign-in sheet also would allow the clinic to keep track of the number of attendees served, without requiring individual names or signatures.

  Grantees are responsible for effectively publicizing the LITC Program to low income taxpayers and ESL taxpayers. Publicity plans should be completed well in advance of the period during which representation and other assistance will be offered.

  Publicity materials and announcements to advertise the services provided by an LITC may not mention tax return preparation or refund claim assistance. Posters at the LITC site may not advertise tax return preparation or refund claim assistance.

  Although the LITC Program recognizes the importance of using pamphlets, brochures, and other advertisements to reach its target audience, clinics should strive to include substantive tax information (*e.g.,* when to file, what forms to file, who is eligible for the Earned Income Tax Credit (EITC), how to file an offer in compromise (OIC)) in indirect outreach efforts. Additionally, clinics should strive for face-to-face contact (whether in one-on-one consultations or in a group workshop), as the primary method for educating taxpayers.

- *Mentoring Programs* – Availability of mentoring and other technical assistance for clinic staff and volunteers.

  Experienced LITCs may be asked to informally assist less experienced clinics with operational inquiries and technical matters or issues. All clinics are encouraged to identify best practices and submit them to the LITC Program Office for sharing with other clinics to improve the overall quality of the LITC Program.

- *Networking* – Development and maintenance of relationships with other community-based organizations.

  In the program plan, the LITC must identify networks within the community or organizations with which it can work to reach its target audience.

- *Tax Library* – Accessibility to and adequacy of tax library and research arrangements.

  Each clinic must have a current copy of the Internal Revenue Code and Treasury Regulations. Each LITC will establish and maintain current tax information by documented subscription(s) or purchase agreement(s) demonstrating the purchase or access to current tax information, updated Internet information, or through a written agreement with another source. In the latter situation, the LITC may find research sources through bar libraries, local law schools, or accounting and law firms.

- *Continuing Professional Education (CPE)* – Quality of training of the clinic staff, volunteers and other program participants to increase knowledge and skills necessary to effectively deliver the services for which the clinic is funded. The QTE will be required to ensure and document that the LITC staff, volunteers, and other program participants receive appropriate training to enhance skills.

  All clinics must attend the annual LITC conference. The cost of attending the LITC Conference (*e.g.*, transportation, hotel) should be included in an applicant's request for grant funding.

  For returning clinics: The Program Director must attend the annual LITC conference. If the Program Director is not the QTE, we encourage both to attend the annual LITC conference. The QTE is also encouraged to attend CPE programs run by the IRS and professional organizations.

  For new clinics: The QTE and QBA must attend the annual LITC conference and are encouraged to attend CPE programs run by the IRS and professional organizations.

  For all clinics: Any requests for an exception to the clinic attendance rules for the annual LITC conference must be submitted in writing to the Director of the LITC Program Office no later than two weeks in advance of the conference.

.

- *Qualified Volunteers* – Qualifications, training, and background of volunteers used in the clinics.

  Each LITC will develop a written application process or volunteer position description to determine qualifications of volunteers – that is, training, educational background and other qualifications relevant to the services offered by the clinic.

- *Referral Services* – If controversy clinics maintain a referral panel for representing taxpayers in controversies, they must establish adequate referral systems controls. Programs that inform ESL taxpayers about their rights and responsibilities must maintain a *pro bono* panel and must establish adequate referral system controls. Clinics may have their own referral panel, a relationship with an existing referral panel, or both. (See definition of *pro bono* referral panel, page 2).

  To expand clinic coverage, taxpayers with tax controversies may be referred to a panel of qualified representatives who have agreed to provide free representation or other assistance to taxpayers. Clinics are expected to have adequate procedures and a monitoring system in place to ensure such referrals are handled expeditiously and that the actual representation by individuals is, in fact, *pro bono*. *Pro bono* representatives may not charge any fees for services.

  Controversy funding will not be awarded to an organization that is solely making referrals to another LITC.

  An LITC may only refer cases to other *pro bono* organizations, including a panel maintained by a state bar association or a state or local society of accountants. Generally, no one associated with the clinic should provide representation in a declined case. Additionally, no one employed by the clinic, or who serves as a volunteer, should continue providing representation in an accepted case or represent a clinic client in a subsequent, separate matter on a fee-for-service basis. For example, an LITC holds an ESL outreach program where an accountant who is the QTE for the clinic serves as a speaker. An ESL taxpayer who attended the outreach session later seeks to engage the accountant on a fee-for-service basis. Although the ESL taxpayer did not approach the

LITC for representation, the accountant should decline representation of the ESL taxpayer unless the accountant is willing to represent the ESL taxpayer on a *pro bono* basis.

- *Confidentiality* – Assurance that taxpayer information will be kept confidential.

  Taxpayer information is confidential and should be shared on a limited basis. Grantees are responsible for ensuring that taxpayer information is not compromised. Only those who have a need to know in order to effect resolution of the controversy should be allowed access to taxpayer information. A newspaper or other media reporter does <u>not</u> have a need to know of taxpayer information.

  While generally a grantee, its employees, and volunteers, are not treated as income tax return preparers for purposes of preparer penalties, the Treasury Regulations under IRC § 7216 define "tax return preparer" more broadly and generally prohibit a grantee, it employees, and volunteers from disclosing taxpayer return information except when the tax return preparer has obtained prior written consent from the taxpayer. The regulations authorize disclosure without consent only in very limited situations. These situations include disclosures made pursuant to an order of a court or a federal or state agency. For unauthorized disclosure, IRC § 7216 imposes a sanction of up to one year in prison or a $1,000 fine, or both. In addition, IRC § 6713 imposes a civil penalty of $250 for each disclosure, up to $10,000 per calendar year.

  Clinics must keep taxpayer information in a secure location. Taxpayer information must be locked up before employees leave the office. If it is necessary to take taxpayer information out of the office, it should be safeguarded at all times.

  Taxpayer information must be sanitized before being used for teaching purposes. Sanitizing a document includes deletion of names, addresses, taxpayer identification numbers and any other information that could reasonably lead to identification of the taxpayer.

- *Workgroup Service* – Participation in an LITC workgroup.

  Each clinic is required to provide a representative to serve on at least one LITC workgroup. These workgroups will focus on substantive, administrative, and procedural tax issues that impact low income or ESL taxpayers. Examples of workgroups are the Earned Income Tax Credit (EITC), Individual Taxpayer Identification Numbers (ITINs), simplification of notices sent to taxpayers, financial literacy, multilingual tax initiatives, and numerous federal tax compliance issues (*e.g.*, Federal Payment Levy Program, Offer In Compromise (OIC), Collection Due Process (CDP), and Refund Litigation).

- *Tax Compliance* – Compliance with federal tax responsibilities throughout the grant period.

  Clinics must be in compliance with federal tax responsibilities when applying for an LITC grant and also throughout the grant period. To facilitate the resolution of any potential tax compliance issues, we strongly encourage each clinic that is part of a larger organization (*e.g.*, university) to submit with its application package a completed Tax Information Authorization Form that is signed by an authorized official of the larger organization. For those clinics that are part of a larger organization, the absence of a completed form may require additional time to resolve any potential tax compliance issues and could result in a delay in the receipt of grant funds.

2. Managing Funds

ALLOWABLE EXPENSES

Allowable expenses, which must be in accordance with the grant award including OMB Circulars A-122, "Cost Principles for Non-Profit Organizations" and A-21, "Cost Principles for Educational Institutions", as applicable, include but are not limited to:

- Salaries, wages, and personnel benefits;
- Reasonable office supplies and equipment costs;
- Rent, utilities, and custodial services;
- Miscellaneous services, such as printing, postage, insurance, etc.;
- Indirect costs as determined in accordance with principles set forth in OMB Circulars A-21 and A-122;
- Audit services;
- Publicity and training costs directly and solely associated with the program;
- Installation of telephone lines necessary to provide representation to low income taxpayers or information to ESL taxpayers;

  NOTE: To assist taxpayers in having the least cost in contacting a clinic for assistance, it is highly recommended that the clinic have a toll-free number.

- Travel performed by program administrator, coordinator, students or volunteers to monitor or conduct clinic initiatives. Other travel in support of clinic activities such as meetings with the local Taxpayer Advocate contact person and Low Income Taxpayer Clinic Program sponsored LITC meetings;
- Costs incurred in attending the mandatory annual LITC grant conference;
- Costs incurred for interpreter services for hearing-impaired or non-English speaking taxpayers; and
- Cost of acquiring legal research and reference materials, including current copies of the Internal Revenue Code and Treasury Regulations.

UNALLOWABLE EXPENSES

Examples of expenses for which LITC grant funds may NOT be used include, but are not limited to:

- Purchase, construction, repair, or rehabilitation of any building or any portion thereof;
- Costs or expenses incurred which do not support or benefit the program, or which are unnecessary in carrying out the program;

- Certain advertising and public relations costs, as described in OMB Circular A-21, § J.1.f and OMB Circular A-122, Attachment B, § 1;

- Entertainment costs, as described in OMB Circular A-21, § J.17 and OMB Circular A-122, Attachment B, § 14; and

- Costs of goods or services for personal use of the clinic's employees, as described in OMB Circular A-21, § J.22 and OMB Circular A-122, Attachment B, § 19.

PAYMENTS TO LITC PROGRAM GRANTEES

Grantees must have a signed grant agreement on file with the LITC Program Office and must provide written assurances of specific matching funds prior to the payment of any funds. If expenses are incurred prior to approval, and the grant is later denied, all costs incurred will be the responsibility of the applicant.

Electronic Funds Transfer (EFT) payments shall be limited to the minimum amounts needed and be timed in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved program or project. The timing and amount of EFT payments shall be as close as is administratively feasible to the actual disbursements by the recipient organization for direct program or project costs and the proportionate share of any allowable indirect costs.

LITC Program grant payments will be disbursed through EFT. Information regarding the EFT procedure is available on the Division of Payment Management segment of the HHS website at www.dpm.psc.gov. Questions regarding disbursements should be directed to the LITC Program Office at 404-338-8682 or LITCProgramOffice@irs.gov.

Advances of federal grant funds must be maintained in insured accounts. In addition, grantees shall maintain advances in interest bearing accounts, unless:

- The grantee receives less than $120,000 in federal awards per year;

- The best reasonably available interest-bearing account would not be expected to earn interest in excess of $250 per year on federal cash balances; or

- The depository would require an average or minimum balance so high that an interest bearing account would not be feasible, given the grantee's expected federal and nonfederal cash resources.

You shall promptly, but at least annually, remit to the IRS interest earned on advances of federal grant funds. However, you may keep interest up to $250 earned on all advances of federal grant funds per calendar year.

At the time of the interim financial report, the clinic must indicate whether it will be drawing down the remainder of its grant award during the second half of the year. The clinic must also state whether it expects to be deobligating funds and if so, how much. Because grant funds cannot generally be obligated after the end of the federal government's fiscal year (September 30), and because of the time involved to process a deobligation of funds and any potential obligation to another clinic, it is important that a clinic notify the LITC Program Office immediately if that clinic will not be using its entire award. The LITC Program Office

will then contact the clinic shortly thereafter to arrange for a formal release of LITC grant funds so that any obligation to another clinic can be accomplished before September 30, 2007. Unexpended grant amounts and advance payments must be returned to the Internal Revenue Service.

The LITC Program Office will monitor clinics' use of funds throughout the year. If you determine that you will not use all of the funds awarded during the project period, the LITC Program Office should be notified **immediately** in writing. This will give the LITC Program Office time to reobligate those funds to other clinics prior to September 30, 2007 (the end of the federal government's fiscal year). The letter should include the amount being released, the effective date of the release, and the reason that the amount awarded is being released.

All withdrawals from the LITC Program must be made in writing and all unused funds must be returned to the IRS immediately.

The LITC Program Director must approve any changes to the above procedures in writing.

3. Grantee Responsibilities

PROGRAM MANAGEMENT

Grantees are responsible for providing administrative support for the clinic by acting as managers or program leaders for students, volunteers, and LITC employees. Grantees must:

- State the amount of time managers or program leaders will devote to the LITC Program as well as the amount of time that will be devoted to the management of students, volunteers, and LITC employees;
- Provide training for students, volunteers, and LITC employees;
- Obtain a special order from the IRS Office of Professional Responsibility for students who will be representing taxpayers before the IRS. Only students who are enrolled in graduate business and accounting classes or law school programs qualify for authorization by special order. The Office of Professional Responsibility authorization is limited to IRS practice. Permission must be obtained from the courts for student representation. LITCs that receive student authorization from the IRS Office of Professional Responsibility must revoke the authorization after students leave the program;
- Monitor compliance of students, volunteers, and LITC employees with regard to program requirements and guidelines outlined in grant agreement;
- Maintain records of reimbursed expenses, if any, for students, volunteers, and LITC employees; and
- Submit timely reports, prepared in accordance with the guidelines established in this Publication.

CHANGES IN LITC PROGRAM AWARD-SUPPORTED ACTIVITIES

Organizations should **immediately** notify the LITC Program Office of developments that have a significant impact on the award-supported activities. Grantees must notify the LITC Program Office in the case of problems, delays, or adverse conditions that materially impair the ability to

meet the objectives of this award. This notification shall include a statement of the action taken or contemplated, and any assistance needed to resolve the situation. Failure to notify the LITC Program Office may result in freezing of funds or termination of the grant.

LITC Contact Information

Twice a year, clinics are required to update their contact information with the LITC Program Office. This information includes the Clinic Director and contact person (and their phone numbers and email addresses), the clinic address (both the physical address and the mailing address), phone number, fax number, and hours of operation. These requests ensure that the Program Office has the most up-to-date information on each clinic. If there are any changes to this information throughout the year, clinics should immediately notify the LITC Program Office and submit a revised Form 13424, *IRS Low Income Taxpayer Clinic (LITC) Application Information Sheet*.

Selection And Management Of LITC Location

Grantees are responsible for notifying the LITC Program Office of the location, days and hours of clinic operation, and the beginning and ending dates clinic services will be provided.

LITC Program Materials

Grantees that operate programs to inform ESL individuals of their tax rights and responsibilities are responsible for creating, printing, and distributing the educational program materials used in conjunction with this activity.

Withdrawal From LITC Program Or Termination Of Grant

All withdrawals from the LITC Program must be made in writing and all unused funds must be returned to the IRS immediately.

If clinic activity is terminated prior to the expiration of the period of the grant agreement or if a grantee withdraws from the LITC Program, a final program and financial report must be submitted within 90 days of final clinic activity or withdrawal from the program.

Training Conference

Successful grant award recipients are required to attend the annual LITC training conference and to budget for this annual event. The conference will be held on three consecutive days. The dates and location of the conference will be announced at a later time. OMB Circulars A-21 and A-122 allow the use of grant funds to pay for the allowable expenses associated with this mandatory conference.

Any requests for an exception to the clinic attendance rules for the annual LITC conference must be submitted in writing to the Director of the LITC Program Office no later than two weeks in advance of the conference.

H. Reporting Requirements

The LITC Program requires the submission of two reports during a grant cycle – an interim report and an annual report. The LITC Program Office will measure the effectiveness of LITC operations by the quality of service provided to low income taxpayers and ESL taxpayers. Given the complexity of federal tax laws, it is important to monitor the accuracy and thoroughness of representation and information provided to ESL taxpayers.

Failure to timely submit required reports to the LITC Program Office may result in freezing of funds or termination of the grant. Under unusual circumstances, clinics may request an extension of time to submit the interim or annual report. The request must be submitted in writing to the LITC Program Office prior to the due date of the report.

Note: Interim and annual reports (including the report forms contained in Appendix C) are subject to Freedom of Information Act (FOIA) requests. The LITC Program Office will release these reports after appropriate redactions to ensure confidentiality of information.

1. INTERIM REPORTS

Interim reports must be submitted to the LITC Program Office by **July 31, 2007.** The interim report covers the first half of the grant cycle (January 1 through June 30) and consists of an interim financial report and an interim program narrative.

Interim Financial Report

The interim financial report must consist of the following information:

1. A completed Standard Form 269 (Long Form) for the period from January 1, 2007, through June 30, 2007; and

2. A complete financial narrative, describing how grant funds were expended for the period from January 1, 2007, through June 30, 2007.

If, at the time of the interim financial report, the clinic has not drawn down all of its awarded grant funds, the clinic must indicate whether it will be drawing down the remainder of its grant award during the second half of the year. The clinic must also state whether it expects to be deobligating funds and if so, how much. If a clinic does not expect to use its entire grant award, the LITC Program Office will contact the clinic to arrange for a formal release of LITC grant funds.

If, at the time of the interim financial report, a clinic wishes to receive additional funding, it should submit a separate letter with its interim report indicating the amount of additional funds being requested and how these funds will be spent. The clinic's grant award and amount of additional funding requested for the grant period may not exceed $100,000 (*see* IRC § 7526(c)(2)).

Interim Program Narrative

The interim program narrative must contain the following information (prepared double-spaced and numbered in accordance with the information requested below):

1. A detailed explanation of the strategy used for monitoring and evaluating program results.

2. A description of how you define and measure program success.

3. A detailed explanation of the progress made in implementing the LITC Program.

4. The status of proposed goals and objectives.

5. Describe any impediments to meeting established goals and objectives, and efforts made to overcome them, if applicable.

6. Describe the clinic's efforts to publicize the program and the number of individuals reached through the marketing activities. Include examples of publicity such as flyers, brochures, posters, and newsletters distributed. Other publicity efforts should also be discussed, including radio and television ads, newspaper articles, workshops, outreach events, and visits to other organizations.

7. Describe the type of representation or other assistance provided to low income taxpayers or ESL taxpayers, including a list of topics discussed during educational presentations.

8. A completed **Supplemental Issue Form**, contained in Appendix C of this Publication. This form identifies some of the most common tax issues and will help capture the type of assistance provided to taxpayers. If anything in the form requires an additional explanation, please include this explanation in the body of the report. You may describe cases that involve novel or complex issues. In describing cases, please do not provide taxpayer identifying information.

9. A completed copy of the **Interim Report Form**, contained in Appendix C of this Publication. This form is designed to capture the work the clinic has performed during the first six months of the grant cycle. This form should be filled out in its entirety. Enter N/A if a category does not apply to the clinic. If anything in the form requires an additional explanation, please include this explanation in the body of the report. In addition, for any case opened during the period where the amount in controversy exceeded $50,000, please describe the reason(s) for accepting the case.

Interim reports should be submitted by July 31, 2007, to the following address:

Internal Revenue Service
Taxpayer Advocate Service
LITC Program Office
TA:LITC
Attention: Interim Reports
1111 Constitution Ave., NW
Room 1034
Washington, DC 20224

2. ANNUAL REPORTS

Annual reports must be submitted to the LITC Program Office by **March 31, 2008**. The annual report covers the entire grant cycle (January 1 through December 31) and consists of a year-end financial report and a year-end program narrative. For grantees that have been approved for the year 2008, failure to submit the year-end report for 2007 may result in freezing of grant funds or termination of the grant.

Year-End Financial Report

The year-end financial report must consist of the following information:

1. A completed Standard Form 269 (Long Form) for the period from January 1, 2007, through December 31, 2007;

2. A complete financial narrative, describing how grant funds were expended for the period from January 1, 2007, through December 31, 2007;

3. A breakdown of the actual LITC expenses incurred during the calendar year;

4. The source, date, availability and amount of matching funds received for the LITC Program; and

5. An itemization and explanation of actual program costs for all expenses. If space was rented for the clinic, provide a breakdown of costs incurred, including rent and insurance.

Year-End Program Narrative

The year-end program narrative must contain the following information (prepared double-spaced and numbered in accordance with the information requested below):

1. *Implementation of the LITC Program.* Describe the strategy for monitoring and evaluating program results, including how success is defined and measured. In addition, describe the overall approach taken to implement the LITC Program and the steps taken to ensure compliance with its rules and administrative guidelines. Include a discussion of the clinic's on-site quality review procedures. (For example, explain internal procedures used to monitor and evaluate clinic activities to ensure the program was administered in accordance with grant agreement guidelines).

2. *Information Provided to ESL Taxpayers*. Identify how the topics were determined and the type of analysis that was performed to determine how to best meet the educational needs of the ESL community your organization serves.

   - If written information was developed, identify the reviewer and his or her qualifications. Identify the languages other than English in which materials were prepared. If other languages were used, identify the person(s) who reviewed the information and their qualifications.

   - Identify the methods used to convey information to ESL taxpayers.

   - Identify the topics discussed during educational presentations.

3. *Training Provided to Students, Volunteers, and LITC Employees*. This includes all training provided by the clinic, academic institution, or outside sources. Identify the efforts undertaken to ensure students, volunteers, and LITC employees were adequately prepared to assist taxpayers.

- Describe how training materials were developed and prepared. Identify who prepared the training materials, the qualifications of the preparer and how the accuracy of the training materials was verified.

- Describe how the training was provided and the qualifications of the instructor.

4. *Case Tracking.* Describe the process used to control assignment of controversy cases to students, volunteers and LITC employees.

   - Describe how you determined to whom the case would be assigned. Identify the skill levels of the students, volunteers, and LITC employees in the clinic.

   - Describe clinic procedures when the controversy issue exceeds students', volunteers', and LITC employees' levels of training.

   - Describe the type of mentoring program in place to assist students, volunteers, and LITC employees in resolving controversies.

   - Describe the type of monitoring system used to insure that controversies were resolved expeditiously and appropriately.

5. *Publicity for the LITC*. Describe the clinic's efforts to publicize the program and the number of individuals reached through the marketing activities. Include examples of publicity such as flyers, brochures, posters, and newsletters distributed. Identify who developed the publicity materials. If publicity materials were translated into another language, identify who verified the accuracy of the information and their qualifications. Other publicity efforts should also be discussed, including radio and television ads, newspaper articles, workshops, outreach events, and visits to other organizations.

6. *Referral Mechanism for Controversies*. Describe the type of referral system you used to refer taxpayers with a controversy. Indicate whether follow-up action was performed to determine the outcome of the controversy or to determine if the referral person/organization was able to assist the taxpayer. Describe the procedures that you had in place to resolve controversies for taxpayers who did not receive appropriate assistance from the referral person/organization.

7. *Privacy and Confidentiality*. Describe steps taken to ensure taxpayer privacy and to maintain the confidentiality of tax information.

8. *Pro Bono Panel*. Describe the qualified *pro bono* representatives to whom taxpayers were referred. Include relevant education and experience of panel members.

9. *Nominal Fee*. Describe the nominal fee, if any, charged for representing or providing tax information to taxpayers, including the basis for determining the amount of the nominal fee to be charged.

10. *Delivery of Services.* Describe the type of assistance given by telephone and the procedures used to monitor its quality, if applicable.

11. *Miscellaneous.* Describe the types of activity performed by the clinic that facilitated accomplishment of the LITC Program mission and that are not included elsewhere in your narrative.

12. *Program Goals.* Explain whether established goals were met and if goals were not met, the reasons why.

13. *Special Orders for Student Practice.* Attach copies of the special orders for student practice issued by the IRS Office of Professional Responsibility, if applicable.

14. *Supplemental Issue Form*. A completed copy of the **Supplemental Issue Form** contained in Appendix C of this Publication. This form identifies some of the most common tax issues and helps capture the type of assistance provided to taxpayers. If anything in the form requires an additional explanation, please include this explanation in the body of the report. You may describe cases that involve novel or complex issues. In describing cases, please do not provide taxpayer identifying information.

15. *Annual Report Form.* A completed copy of the **Annual Report Form**, contained in Appendix C of this Publication. This form is designed to capture the work the clinic has performed during the entire grant period. This form should be filled out in its entirety. If anything in the form requires an additional explanation, please include this explanation in the body of the report.

    Note: With respect to low income taxpayers whose controversies exceeded $50,000, explain the circumstances surrounding the representation or referral (*e.g.*, the taxpayer had other taxable years in controversy that did not exceed the statutory amount, the taxpayer's issues were of significance to the low income taxpayer population generally, etc.).

Annual Reports should be submitted by March 31, 2008, to the following address:

Internal Revenue Service
Taxpayer Advocate Service
LITC Program Office
TA:LITC
Attention: Annual Report
1111 Constitution Ave., NW
Room 1034
Washington, DC 20224

NOTE: LITCs that terminate clinic activity prior to the expiration period of the grant agreement or withdraw from the LITC Program must submit a final report to the IRS within **90 days of final clinic activity or withdrawal from the program.**

Subject to OMB approval, the LITC Program Office may require additional reporting information from LITC grantees. Please refer to www.irs.gov/advocate prior to submitting your application for updates to information reporting requirements.

V. LITC PROGRAM OFFICE

A. RESPONSIBILITIES

The LITC Program Office will assist LITCs in various ways at the national and local levels including:

- Furthering the clinics' understanding of the LITC Program and their roles within the Program;
- Assisting with the placement of clinic materials in IRS Offices;
- Maintaining a publication listing LITCs (Publication 4134) and ensuring that the publication is included in appropriate IRS mailings and mentioned in appropriate IRS publications;
- Informing the public about the availability of LITCs as appropriate and to the extent permitted by law, including references on the IRS Website at www.irs.gov;
- Assisting with clinic marketing efforts to promote the LITC Program;
- Answering questions from potential LITC applicants and current grantees;
- Providing information on how to obtain a special order for student practice from the IRS Office of Professional Responsibility;
- Coordinating meetings between IRS officials and LITC Program grantees;
- Coordinating and making periodic on-site assistance visits;
- Providing technical assistance, suggestions, recommendations, and guidance to LITCs regarding operation of their programs;
- Coordinating the cross-functional LITC Program grant application review process;
- Coordinating LITC workgroups;
- Coordinating access to e-services products offered by the IRS; and
- Providing information on how to obtain tax forms and instructions, IRS publications and other pertinent IRS program materials.

B. SITE ASSISTANCE VISITS

The LITC Program Office will periodically perform on-site assistance visits to selected clinics. Site assistance visits are a means of providing reliable information to ensure grant funds are being used appropriately and effectively and that the clinic is complying with the terms and conditions of the LITC grant agreement and Program guidelines. These visits provide an opportunity to share information about technical issues and identify areas where clinic services can be improved. Site assistance visits also provide an opportunity for clinic personnel to ask questions and share information about problems they may be encountering and to identify best practices that can be shared with all LITCs.

During site assistance visits, the review process may include reviews of intake procedures, systems for recording referrals of clients, communication and publicity plan, demographics/population information, case statistics and analysis. Prior to the assistance visit, the clinic will receive a list of items and topics to be reviewed. Additional items may be requested during or after the assistance visit. This list may be derived from the standards for clinic operation. As part of monitoring and evaluating clinic activities, however, the LITC Program Office will be mindful of the clinic's requirement to protect privileged information.

A site assistance visit generally begins with an opening conference at which the LITC Program Office personnel and clinic staff will meet and discuss the purpose of the visit and the items to be covered. A site assistance visit generally closes with a conference discussing the results of the visit. The clinic will receive a written report of the visit, including any items requiring corrective action, generally within 90 days of the visit.

- New Clinics - All new clinics can expect to receive a site assistance visit from the LITC Program Office staff within the first six months of the grant cycle. Clinics will be contacted prior to the date of the visit to discuss specific items that may be reviewed. This initial visit ensures that the clinic is operational and is not experiencing any major difficulties. If the Program Office identifies problems during the initial visit, the Program Office will schedule an in-depth follow-up visit.

- Returning Clinics - The LITC Program Office strives to conduct a site assistance visit to each clinic at least once every three years. Prior to a planned visit, the clinic will be notified of the issues and items to be addressed during the visit.

All clinics should receive at least one visit from their Local Taxpayer Advocate (LTA) during the year. This visit is designed to help foster the relationship between the clinic and its local Taxpayer Advocate Office.

The LITC Program Office may make unscheduled visits during the year.

VI. COMPLETION AND SUBMISSION OF GRANT APPLICATION

A. LITC PROGRAM GRANT APPLICATION CONTENTS

PLEASE NOTE THAT THE GRANT APPLICATION FORMAT DIFFERS FROM PREVIOUS YEARS.

- **Background Information (limited to 15 pages, double-spaced)** - This section is designed to solicit information concerning an organization's qualifications. Provide specific responses for each of the following requirements and keep comments concise and relevant. Begin each response by annotating the letter that corresponds to the appropriate requirement.

  a. Describe nature of organization. Include a full explanation of existing affiliations with other organizations, such as schools, governmental bodies, or other charitable organizations.

  b. Describe experience in coordinating an LITC Program. Include type and duration of service, target groups and geographic areas covered.

  c. Describe experience in delivering services to low income taxpayers and ESL taxpayers. Include type of service provided, languages served, number of individuals reached, and geographic area covered.

d. Provide a detailed description of your matching funds. Identify committed sources of funding to match the amount of funding requested. Provide copies of any agreements, memoranda of understanding or similar documents pertaining to matching funds. Any good faith estimates of matching funds must be accompanied by letters of intent from third parties in an amount equal to the estimated matching funds or a description of when such letter of intent or award letter will be granted.

e. Describe the organization's ability to properly utilize and account for program funds. Include examples of experience in managing federal grants, if any, and a description of the organization's existing accounting system and accounting support staff. Include copies of relevant internal procedures, and other pertinent information. Specifically describe the following:

i. Accounting procedures;

ii. The method for allocating allowable expenses and matching funds between qualifying and non-qualifying activities or programs, if applicable;

iii. The plans for audits and controls; and

iv. The procedures that will be used for proper cost allocation for LITC Program grant funds if the organization seeks to operate both Volunteer Income Tax Assistance (VITA) and LITC Programs or both Tax Counseling for the Elderly (TCE) and LITC Programs.

f. State whether the applicant is in compliance with federal tax responsibilities. Clinics must be in compliance with federal tax responsibilities when applying for an LITC grant and also throughout the grant period. To facilitate the resolution of any potential tax compliance issues, we strongly encourage each clinic that is part of a larger organization (*e.g.*, university) to submit with its application package a completed Tax Information Authorization Form that is signed by an authorized official of the larger organization. For those clinics that are part of a larger organization, the absence of a completed form may require additional time to resolve any potential tax compliance issues and could result in a delay in the receipt of grant funds. A Tax Authorization Form is included in Appendix A.

- **Determination of Program Performance** - This section of the application is designed to solicit information concerning the ability of a clinic to represent taxpayers, refer taxpayers, or inform ESL taxpayers about their rights and responsibilities as U.S. taxpayers. Provide specific responses for each of the following requirements and keep comments concise and relevant. Double-space and begin each response by annotating the letter that corresponds to the appropriate requirement.

1. Describe your ability to meet the Standards of Clinic Operation. Specifically, address each of the standards listed below and described, in their entirety, previously in this Publication. Applicants must answer the following questions:

a. Who is the clinic's Qualified Tax Expert (QTE)? What are the QTE's qualifications and relevant expertise?

b. Who is the clinic's Qualified Business Administrator (QBA)? What are the QBA's qualifications and relevant expertise?

c. Who is the clinic's Clinic Director? What are his or her qualifications and relevant expertise?

d. What is the clinic's publicity and outreach plan, including potential venues for outreach to low income taxpayers?

e. What is the clinic's experience in mentoring and providing technical assistance to staff, students, and volunteers, as well as to other clinics?

f. What is the clinic's experience networking with other community-based organizations with which it can work to reach its target audience?

g. What is the clinic's accessibility to, and adequacy of, a tax library?

h. What are the qualifications, training, and background of students, volunteers or staff of the clinic? This includes all training provided by the clinic, academic institution, or outside sources. How will potential students, volunteers or staff be identified, monitored, and evaluated to ensure taxpayers receive accurate assistance?

i. What are the continuing professional educational (CPE) activities of the clinic staff and volunteers?

j. What is the clinic's *pro bono* network referral panel? How are panel members recruited and what are the procedures for monitoring and following up on referrals?

2. Provide background information on quality of management staff. List the titles, responsibilities and qualifications of the top five members of professional staff who will be involved with the LITC Program.

3. Describe your proposed program plan. The plan should not be limited to what has been done in the past or to existing programs. Include a description of the type of assistance (representation, referral, or ESL) that will be provided if an award is granted. Provide a detailed description of your program goals. If the program goals extend beyond one year, state goals by annual increments of up to three years. **If more than one type of assistance will be provided, provide a separate program plan and goals for each.**

4. Explain internal procedures for monitoring and evaluating clinic activities to ensure the program is administered in accordance with eligibility guidelines and that grant funds are used for program purposes. The following procedures must also be explained in this section, if applicable:

a. Plans for ensuring the 90/250 income requirement is satisfied;

b. Plans for ensuring the amount in controversy for any taxable year generally does not exceed the amount specified in IRC § 7463 (currently $50,000);

c. Plans for ensuring that programs to inform ESL taxpayers about their tax rights and responsibilities reach the targeted audience;

d. Plans for charging nominal fees, if any; and,

e. Plans for determining number of ESL taxpayers served.

5. Identify geographic area(s) the clinic will serve. This includes a breakdown of the counties served by the clinic. Also identify any languages in which the clinic will be able to provide proficient assistance. Clarify if interpreters will be available.

6. Include dates, days and hours of clinic operation. All clinics must indicate whether the clinic will be open full-time and year round. Year-round, full-time access is preferable to part-time or partial year access for clients. In making grant awards, consideration will be given to whether clinics are open full-time and year round. Describe plans for staffing the LITC during periods of student absences if the LITC is part of an academic organization.

7. Describe plans to ensure taxpayer privacy and to maintain confidentiality of taxpayer information and any tax returns prepared.

8. Describe the strategy for monitoring and evaluating program results (in short and long-term), including how success will be defined and measured.

9. Describe plans, if any, to make name or organizational changes**. Requests to approve name or organizational status changes must be submitted in writing to the LITC Program Office in advance of the effective dates of proposed changes with sufficient time to afford program evaluation and legal review.** Supplemental information may be required. Supplemental information may include, but is not limited to, certifications by the clinic's legal counsel that transfers were properly effected under applicable laws and evidence that a successor-in-interest is eligible to perform the grant and will comply with all the terms of the grant, including the program plan. IRS approval criteria will include, but is not limited to, the statutory requirements of IRC § 7526. The statutory requirements include, but are not limited to, the limitation that the aggregate amount of grants which may be made to a clinic for a year shall not exceed $100,000 (*see* IRC § 7526(c)(2)).

- **Budget/Financial Information** – This section is designed to solicit information concerning an organization's budget request for the grant cycle. Provide the requested forms or information listed below. **Organizations conducting more than one qualifying activity must provide a separate budget for each activity.**

  1. Standard Form 424A, *Budget Information – Non-Construction Programs* **(one for each qualifying program, if applicable)**.

  2. Budget narrative **(one for each qualifying program, if applicable)**. The budget narrative should explain the expenses stated on Standard Form 424A.

  3. Copy of most recent audited or unaudited financial statement. If an unaudited financial statement is submitted, please explain why an audited financial statement is not available.

  4. Copy of most recent A-133 Audit with findings, if applicable.

B. NEW OR SINGLE-YEAR GRANT APPLICATIONS - GENERAL INSTRUCTIONS FOR SUBMISSION OF LITC PROGRAM GRANT APPLICATION PACKAGES

If applying by mail, private delivery service, or hand delivery, rather than electronically, the Application Package must be assembled as described below and submitted in **quadruplicate** (four sets). The LITC Program Office will provide a copy of your Application Package to the IRS EEO Office, for a pre-award civil rights compliance review. **All application documents must be typed, double-spaced and numbered at the bottom of the page. All documents (originals and copies) must have original signatures in blue ink.**

NOTE: If your multi-year grant cycle has ended, you must submit a complete new application. For applicants seeking continuing funding for current multi-year grants, see below for the instructions for continuing multi-year grant applications.

LITC Program Grant Application Package Assembly

It is very important that the LITC Program grant application package be assembled correctly. **An improperly assembled or incomplete application will cause a delay in processing and may result in rejection of the application.** A copy of IRS Form 12183, Grant Agreement, included in Appendix A, is for information only and is not required to be submitted with your package. Once a grant has been awarded, a clinic will receive a completed Form 12183 to sign and denote acceptance of the award. A checklist is provided in Appendix B to assist in assembling the package in the correct order. The application package should be assembled in the following manner:

1. Standard Form 424, Application for Federal Assistance: completed according to instructions provided with form and signed and dated in blue ink (not a photocopy) by an authorized representative of the organization. The LITC Program Catalog of Federal Domestic Assistance Number, Block #10, is 21.008.

   NOTE: In Box 5, the organization's legal name should be shown in the space provided. The clinic's name (if different from the organization's legal name) should be placed in the space designated for the "Organizational Unit."

2. Background Information prepared according to instructions (page 27).

3. Copy of the determination letter issued by IRS recognizing organization as exempt under IRC § 501(c), if applicable.

4. Copy of letter of academic accreditation for affiliated college, university or other institution of higher learning, if applicable.

5. Determination of Program Performance prepared according to instructions (**one for each qualifying program, if applicable)** (page 27).

6. Budget/Financial Information prepared according to instructions (**one for each qualifying program, if applicable)** (page 29).

7. Completed Form 13424, *IRS Low Income Taxpayer Clinic (LITC) Application Information Sheet*. The form is included in Appendix A of this package.

8. Assurances and Certifications signed and dated in blue ink by an authorized representative of the organization. Assurances and Certifications should be submitted in the following order:

a. Standard Form 424B, *Assurances – Non-Construction Programs*;

b. Certification Regarding Debarment, Suspension and Other Responsibilities Matters Primary Covered Transactions;

c. Certification Regarding Government-Wide Requirements for Drug-Free Workplace (Grants);

d. Certification of Assurance Concerning Civil Rights Compliance;

e. Standard Form LLL, *Disclosure of Lobbying Activities*; and

f. Tax Information Authorization Form (if applicable).

C. CONTINUING MULTI-YEAR GRANT APPLICATIONS - GENERAL INSTRUCTIONS FOR SUBMISSION OF LITC PROGRAM GRANT APPLICATION PACKAGES

If applying by mail, private delivery service, or hand delivery rather than electronically, the Application Package must be assembled as described below and submitted in **quadruplicate** (four sets). The LITC Program Office will provide a copy of your Application Package to the IRS EEO Office, for a pre-award civil rights compliance review. **All application documents must be typed, double-spaced and numbered at the bottom of the page. All documents (originals and copies) must have original signatures in blue ink.**

NOTE: If your multi-year grant cycle has ended, you must submit a complete new application.

LITC Program Grant Application Package Assembly

It is very important that the LITC Program grant application package be assembled correctly. **An improperly assembled or incomplete application will cause a delay in processing and may result in rejection of the application.** A copy of IRS Form 12183, Grant Agreement, included in Appendix A, is for information only and is not required to be submitted with your package. Once a grant has been awarded, a clinic will receive a completed Form 12183 to sign and denote acceptance of the award. A checklist is provided in Appendix B to assist in assembling the package in the correct order. The application package should be assembled in the following manner:

1. Standard Form 424, *Application for Federal Assistance*, completed according to instructions provided with form and with original signatures signed in blue ink (not a photocopy) by an authorized representative of the organization. Check "continuation" in Block 8, Type of Application. The LITC Catalog of Federal Domestic Assistance Number, Block 10, is 21.008.

2. A letter requesting continuation in the LITC Program for the 2007 grant cycle. The letter must include the grant amount requested for the 2007 grant cycle and any proposed program modifications to the original application.

3. Standard Form 424A, *Budget Information – Non-Construction Programs* – check the continuation box **(one for each qualifying program, if applicable)**.

4. Budget Narrative **(one for each qualifying program, if applicable)**. The budget should explain the expenses stated on Standard Form 424A and should include the cost for up to two individuals from your organization to attend the annual IRS LITC conference.

5. Provide a detailed description of your matching funds. Identify committed sources of funding to match the amount of funding requested. Provide copies of any agreements, memoranda of understanding or similar documents pertaining to matching funds. Any good faith estimates of matching funds must be accompanied by letters of intent from third parties in an amount equal to the estimated matching funds or a description of when such letter of intent or award letter will be granted.

6. An estimate of funds that will not be expended during the 2006 year and the reason why the funds will not be used.

7. Completed Form 13424, *IRS Low Income Taxpayer Clinic (LITC) Application Information Sheet*. The form is included in Appendix A of this package.

8. Assurances and Certifications signed and dated in blue ink by an authorized representative of the organization. Assurances and Certifications should be submitted in the following order:

   a. Standard Form 424B, *Assurances – Non-Construction Programs*;

   b. Certification Regarding Debarment, Suspension and Other Responsibilities Matters Primary Covered Transactions;

   c. Certification Regarding Government-Wide Requirements for Drug-Free Workplace (Grants);

   d. Certification of Assurance Concerning Civil Rights Compliance;

   e. Standard Form LLL, *Disclosure of Lobbying Activities*; and

   f. Tax Information Authorization Form (if applicable).

NOTE: Attachments must be assembled in the order listed above and all certifications must be signed and dated in blue ink.

D. WHERE AND WHEN TO FILE

Applications may be submitted either electronically or in hardcopy by mail, private delivery service, or hand delivery. To submit an electronic application, go to www.grants.gov to apply through the Federal Grants web site. For applicants applying through the Federal Grants website, the Funding Number is TREAS-GRANTS-052007-001. All applications (whether submitted electronically or in hardcopy) **must be received** by 4:00 p.m. EDT on **July 7, 2006**, in order for them to be considered for 2007 LITC Program grant funding. Applications submitted in hardcopy should be sent to the following address:

Internal Revenue Service
Taxpayer Advocate Service
LITC Program Office
TA:LITC
Attention: LITC Applications
1111 Constitution Ave., NW
Room 1034
Washington, DC 20224

An application may be withdrawn at any time during the application process or prior to the time grant money is awarded. All withdrawals must be made in writing to the above address.

VII. SELECTION AND AWARD OF GRANT RECIPIENTS

Through the selection and award decision-making process, the IRS will seek to implement Congressional intent to provide grants to academic institutions and nonprofit organizations throughout the United States for low income representation, and ESL tax educational services.

The IRS may award grants with one-year, two-year, and three-year project periods to clinics evaluated under this application cycle's selection and award process. Clinics awarded a two or three-year grant based on acceptance of their program plans will not undergo formal evaluation under the second or third year cycle selection and award process. However, two and three-year recipients will be reviewed annually for satisfactory performance and progress in meeting goals and objectives as well as compliance with grant terms. The funding level for subsequent years will be reviewed annually and may be increased or decreased at the discretion of the LITC Program Office. **All funding will be based on the availability of annually appropriated funds**. Awarding of multi-year grants is at the discretion of the LITC Program Office.

All applications will undergo a preliminary eligibility screening. Applications that do not meet all eligibility screening criteria will be eliminated from the award process. Applications that pass the eligibility screening will then be evaluated based on their Technical Merit, Amount of Funding Requested, and Other Considerations.

A. ELIGIBILITY SCREENING

Applications will be reviewed to determine the following information:

- Length of Grant Requested (one-year, two-year or three-year);
- Type of Organization (Law/Business/Accounting School or IRC § 501(c)) ;
- Type of Service Proposed (Controversy, ESL, or both); and
- Status of Organization (previous recipient of an LITC grant, start-up or other).

Applications will be reviewed further to determine if all required items are included in the application package. Please be sure to use the checklist in Appendix B to ensure all required items are included.

.

B. EVALUATION PROCESS

Applications that pass the eligibility screening process will undergo a two-tiered evaluation process. Applications will be subject to both a technical evaluation by an IRS ranking panel and a secondary evaluation by the LITC Program Office. The IRS retains discretionary authority to award grant funds based on controversy, ESL or a combination of program plans to achieve the goals of the LITC Program.

1. Technical Evaluation

During the technical evaluation, each application will be awarded points in each of the areas listed below based on the information contained in their proposed program plan(s). Each criterion reflects the maximum number of points that may be assigned in that category. In assigning numerical points, the IRS will evaluate the program plan based on how it will assist in accomplishment of the LITC Program goals as stated elsewhere in the application package. Organizations can receive a maximum of 100 points.

If you are applying for more than one qualifying activity (*i.e.*, a combination of controversy and, ESL), you must submit separate program plans and each program plan will be evaluated separately. Points will be assigned as follows:

- Quality of programs offered to assist low income taxpayers or ESL taxpayers. This item evaluates the qualifications of administrators and qualifications and tax expertise of qualified representatives; comprehensiveness of the services to be provided; amount of time devoted to the program by clinic staff; quality of training and technical support to clinic volunteers, students, and LITC employees; plans for supervising clinic volunteers, students, and LITC employees; procedures for ensuring the confidentiality of taxpayer information; publicity of clinic operations; and the dates and days and hours of clinic operation. **(Maximum 75 points)**.

- Experience in sponsoring a tax clinic where individuals with tax controversies with the IRS were represented, or experience in sponsoring a tax clinic where taxpayers with tax controversies with the IRS were referred to a *pro bono* panel of qualified representatives, or experience in providing a program to inform ESL taxpayers about their tax rights and responsibilities. **(Maximum 10 points)**.

- Quality of grant administration and internal accounting procedures. **(Maximum 10 points)**.

- Number of low income or ESL taxpayers in geographic area and proposed efforts to reach these taxpayers. **(Maximum 5 points)**.

2. Program Office Evaluation

After the completion of the technical evaluation, applications will undergo a secondary review by the LITC Program Office. This evaluation will be based on the information contained in the program plan, as well as the clinic's history in the LITC Program (if they are a returning clinic). Specifically, the evaluation will look at:

- **New Applicants**. The LITC Program Office will perform a general review of the application and program plan to ensure that the clinic has sufficient funds, can meet the program requirements, and that the technical review did not raise any significant concerns.

- **Returning and Multiyear Applicants**. The LITC Program Office will perform a general review of the application and program plan, as well as a more detailed review of the clinic's history in the LITC Program. The Program Office will look at:

    1. Timeliness and completeness of interim and annual reports;

2. Any significant concerns raised by prior site assistance visits and whether the clinic has addressed those concerns;

3. Whether the clinic's activities match their program plan;

4. Clinic's involvement with other clinics, community groups, Taxpayer Advocate Service (TAS), and the LITC Program Office; and

5. Whether the clinic has a history of deobligating funds.

All applicants will also undergo a review of the organization's federal tax compliance status. Grant funds may be withheld or denied based on an applicant's failure to be in full compliance with all current federal tax obligations.

The decision of whether or not to award grant funds will be based on the technical evaluation, Program Office evaluation, and the following additional considerations:

- To foster parity regarding clinic availability and accessibility for low income and ESL taxpayers nationwide, the LITC Program Office will consider the geographic areas of applicants and the languages in which the applicants will assist taxpayers.

- If applications from more than one clinic sponsored by the same institution or organization are received, the LITC Program will consider all factors surrounding the operation of the clinics, including the geographic areas served by the clinics and the comprehensiveness of the services to be provided, in determining whether and in what amount grants will be made to one or more such clinics.

- For academic clinics, which generally serve fewer taxpayers than nonacademic clinics because of the time involved in teaching and mentoring students, the LITC Program will consider additional ways in which academic clinics can accomplish LITC Program goals (*e.g.*, providing technical assistance, training, and mentoring to other LITC programs, publishing articles about the LITC Program, commenting on proposed Treasury regulations that affect low income or ESL taxpayers, and monitoring graduates to determine whether they perform *pro bono* work on behalf of or otherwise assist low income taxpayers).

- The number of taxpayers who will be served by the clinic, including the ESL taxpayers in the geographic area and the languages served by the clinic.

- The existence of other LITC Programs serving the same population.

- Appropriateness of funds sought for quantity and quality of services to be offered.

- Other sources of funding available to the clinic.

C. NOTIFICATION OF AWARD DECISIONS

The LITC Program Office will notify organizations of their acceptance or non-acceptance into the program. Accepted organizations will be provided the name, address and telephone number of a local IRS contact person after their Form 12183, Grant Agreement, is signed. The LITC Program Office may, at its discretion, conduct a site inspection visit to a prospective LITC Program location prior to awarding grant funds.

Appendix A

LITC Program Grant Forms

Version 7/03

APPLICATION FOR FEDERAL ASSISTANCE

		2. DATE SUBMITTED	Applicant Identifier
1. TYPE OF SUBMISSION: Application	Pre-application	**3. DATE RECEIVED BY STATE**	State Application Identifier
☐ **Construction**	☐ **Construction**	**4. DATE RECEIVED BY FEDERAL AGENCY**	Federal Identifier
☐ **Non-Construction**	☐ **Non-Construction**		

5. APPLICANT INFORMATION

Legal Name:		**Organizational Unit**:	
		Department:	
Organizational DUNS:		Division:	
Address:		**Name and telephone number of person to be contacted on matters involving this application (give area code)**	
Street:		Prefix:	First Name:
City:		Middle Name	
County:		Last Name	
State:	Zip Code	Suffix:	
Country:		Email:	
6. EMPLOYER IDENTIFICATION NUMBER *(EIN):*		Phone Number (give area code)	Fax Number (give area code)
☐☐-☐☐☐☐☐☐☐			

8. TYPE OF APPLICATION:	**7. TYPE OF APPLICANT: (**See back of form for Application Types)
☐ **New** ☐ **Continuation** ☐ **Revision**	
If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) ☐ ☐	Other (specify)
Other (specify)	**9. NAME OF FEDERAL AGENCY:**
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: ☐☐-☐☐☐	**11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:**
TITLE (Name of Program):	
12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.):*	

13. PROPOSED PROJECT		**14. CONGRESSIONAL DISTRICTS OF:**	
Start Date:	Ending Date:	a. Applicant	b. Project

15. ESTIMATED FUNDING:		**16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?**
a. Federal	$ .00	a. Yes. ☐ THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON
b. Applicant	$ .00	
c. State	$ .00	DATE:
d. Local	$ .00	b. No. ☐ PROGRAM IS NOT COVERED BY E. O. 12372
e. Other	$ .00	☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
f. Program Income	$ .00	**17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?**
g. TOTAL	$ .00	☐ Yes If "Yes" attach an explanation. ☐ No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative		
Prefix	First Name	Middle Name
Last Name		Suffix
b. Title		c. Telephone Number (give area code)
d. Signature of Authorized Representative		e. Date Signed

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form used by applicants as a required face sheet for pre-applications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item:	Entry:	Item:	Entry:
1.	Select Type of Submission.	11.	Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.
2.	Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).	12.	List only the largest political entities affected (e.g., State, counties, cities).
3.	State use only (if applicable).	13	Enter the proposed start date and end date of the project.
4.	Enter Date Received by Federal Agency Federal identifier number: If this application is a continuation or revision to an existing award, enter the present Federal Identifier number. If for a new project, leave blank.	14.	List the applicant's Congressional District and any District(s) affected by the program or project
5.	Enter legal name of applicant, name of primary organizational unit (including division, if applicable), which will undertake the assistance activity, enter the organization's DUNS number (received from Dun and Bradstreet), enter the complete address of the applicant (including country), and name, telephone number, e-mail and fax of the person to contact on matters related to this application.	15	Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.
6.	Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.	16.	Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.
7.	Select the appropriate letter in the space provided. A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District H. Independent School District I. State Controlled Institution of Higher Learning J. Private University K. Indian Tribe L. Individual M. Profit Organization N. Other (Specify) O. Not for Profit Organization	17.	This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
8.	Select the type from the following list: • "New" means a new assistance award. • "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date. • "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision enter the appropriate letter: A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration	18	To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)
9.	Name of Federal agency from which assistance is being requested with this application.		
10.	Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.		

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		$	$	$	$	$ 0.00
2.						0.00
3.						0.00
4.						0.00
5. Totals		$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total
	(1)	(2)	(3)	(4)	(5)
a. Personnel	$	$	$	$	$ 0.00
b. Fringe Benefits					0.00
c. Travel					0.00
d. Equipment					0.00
e. Supplies					0.00
f. Contractual					0.00
g. Construction					0.00
h. Other					0.00
i. Total Direct Charges *(sum of 6a-6h)*	0.00	0.00	0.00	0.00	0.00
j. Indirect Charges					0.00
k. TOTALS *(sum of 6i and 6j)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
7. Program Income	$	$	$	$	$ 0.00

Authorized for Local Reproduction

Standard Form 424A (Rev. 7-97)
Prescribed by OMB Circular A-102

Previous Edition Usable

SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	$	$	$	$ 0.00
9.				0.00
10.				0.00
11.				0.00
12. TOTAL *(sum of lines 8-11)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	**1st Quarter**	**2nd Quarter**	**3rd Quarter**	**4th Quarter**
13. Federal	$ 0.00	$	$	$	$
14. Non-Federal	0.00				
15. TOTAL *(sum of lines 13 and 14)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	$	$	$	$
17.				
18.				
19.				
20. TOTAL *(sum of lines 16-19)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

Authorized for Local Reproduction

INSTRUCTIONS FOR THE SF-424A

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0044), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a *single* Federal grant program (Federal Domestic Assistance Catalog number) and *not requiring* a functional or activity breakdown, enter on Line 1 under Column (a) the Catalog program title and the Catalog number in Column (b).

For applications pertaining to a *single* program *requiring* budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in *Column* (a) and the respective Catalog number on each line in Column (b).

For applications pertaining to *multiple* programs where one or more programs *require* a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For new applications, leave Column (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant program applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5 - Show the totals for all columns used.

Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Line 6a-i - Show the totals of Lines 6a to 6h in each column.

Line 6j - Show the amount of indirect cost.

Line 6k - Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7 - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount, Show under the program

narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11 Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a) - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b) - Enter the contribution to be made by the applicant.

Column (c) - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d) - Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e) - Enter totals of Columns (b), (c), and (d).

Line 12 - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D. Forecasted Cash Needs

Line 13 - Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14 - Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15 - Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19 - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20 - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21 - Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22 - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23 - Provide any other explanations or comments deemed necessary.

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		$	$	$	$	$ 0.00
2.						0.00
3.						0.00
4.						0.00
5. Totals		$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total
	(1)	(2)	(3)	(4)	(5)
a. Personnel	$	$	$	$	$ 0.00
b. Fringe Benefits					0.00
c. Travel					0.00
d. Equipment					0.00
e. Supplies					0.00
f. Contractual					0.00
g. Construction					0.00
h. Other					0.00
i. Total Direct Charges *(sum of 6a-6h)*	0.00	0.00	0.00	0.00	0.00
j. Indirect Charges					0.00
k. TOTALS *(sum of 6i and 6j)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00
7. Program Income	$	$	$	$	$ 0.00

Authorized for Local Reproduction

Standard Form 424A (Rev. 7-97)
Prescribed by OMB Circular A-102

Previous Edition Usable

SECTION C - NON-FEDERAL RESOURCES				
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	$	$	$	$ 0.00
9.				0.00
10.				0.00
11.				0.00
12. TOTAL *(sum of lines 8-11)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	**1st Quarter**	**2nd Quarter**	**3rd Quarter**	**4th Quarter**
13. Federal	$ 0.00	$	$	$	$
14. Non-Federal	0.00				
15. TOTAL *(sum of lines 13 and 14)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT				
(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	$	$	$	$
17.				
18.				
19.				
20. TOTAL *(sum of lines 16-19)*	$ 0.00	$ 0.00	$ 0.00	$ 0.00

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

Authorized for Local Reproduction

INSTRUCTIONS FOR THE SF-424A

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0044), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

General Instructions

This form is designed so that application can be made for funds from one or more grant programs. In preparing the budget, adhere to any existing Federal grantor agency guidelines which prescribe how and whether budgeted amounts should be separately shown for different functions or activities within the program. For some programs, grantor agencies may require budgets to be separately shown by function or activity. For other programs, grantor agencies may require a breakdown by function or activity. Sections A, B, C, and D should include budget estimates for the whole project except when applying for assistance which requires Federal authorization in annual or other funding period increments. In the latter case, Sections A, B, C, and D should provide the budget for the first budget period (usually a year) and Section E should present the need for Federal assistance in the subsequent budget periods. All applications should contain a breakdown by the object class categories shown in Lines a-k of Section B.

Section A. Budget Summary Lines 1-4 Columns (a) and (b)

For applications pertaining to a *single* Federal grant program (Federal Domestic Assistance Catalog number) and *not requiring* a functional or activity breakdown, enter on Line 1 under Column (a) the Catalog program title and the Catalog number in Column (b).

For applications pertaining to a *single* program *requiring* budget amounts by multiple functions or activities, enter the name of each activity or function on each line in Column (a), and enter the Catalog number in Column (b). For applications pertaining to multiple programs where none of the programs require a breakdown by function or activity, enter the Catalog program title on each line in *Column* (a) and the respective Catalog number on each line in Column (b).

For applications pertaining to *multiple* programs where one or more programs *require* a breakdown by function or activity, prepare a separate sheet for each program requiring the breakdown. Additional sheets should be used when one form does not provide adequate space for all breakdown of data required. However, when more than one sheet is used, the first page should provide the summary totals by programs.

Lines 1-4, Columns (c) through (g)

For new applications, leave Column (c) and (d) blank. For each line entry in Columns (a) and (b), enter in Columns (e), (f), and (g) the appropriate amounts of funds needed to support the project for the first funding period (usually a year).

For continuing grant program applications, submit these forms before the end of each funding period as required by the grantor agency. Enter in Columns (c) and (d) the estimated amounts of funds which will remain unobligated at the end of the grant funding period only if the Federal grantor agency instructions provide for this. Otherwise, leave these columns blank. Enter in columns (e) and (f) the amounts of funds needed for the upcoming period. The amount(s) in Column (g) should be the sum of amounts in Columns (e) and (f).

For supplemental grants and changes to existing grants, do not use Columns (c) and (d). Enter in Column (e) the amount of the increase or decrease of Federal funds and enter in Column (f) the amount of the increase or decrease of non-Federal funds. In Column (g) enter the new total budgeted amount (Federal and non-Federal) which includes the total previous authorized budgeted amounts plus or minus, as appropriate, the amounts shown in Columns (e) and (f). The amount(s) in Column (g) should not equal the sum of amounts in Columns (e) and (f).

Line 5 - Show the totals for all columns used.

Section B Budget Categories

In the column headings (1) through (4), enter the titles of the same programs, functions, and activities shown on Lines 1-4, Column (a), Section A. When additional sheets are prepared for Section A, provide similar column headings on each sheet. For each program, function or activity, fill in the total requirements for funds (both Federal and non-Federal) by object class categories.

Line 6a-i - Show the totals of Lines 6a to 6h in each column.

Line 6j - Show the amount of indirect cost.

Line 6k - Enter the total of amounts on Lines 6i and 6j. For all applications for new grants and continuation grants the total amount in column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. For supplemental grants and changes to grants, the total amount of the increase or decrease as shown in Columns (1)-(4), Line 6k should be the same as the sum of the amounts in Section A, Columns (e) and (f) on Line 5.

Line 7 - Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount, Show under the program

narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11 Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a) - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b) - Enter the contribution to be made by the applicant.

Column (c) - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d) - Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e) - Enter totals of Columns (b), (c), and (d).

Line 12 - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D. Forecasted Cash Needs

Line 13 - Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14 - Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15 - Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19 - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20 - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21 - Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22 - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23 - Provide any other explanations or comments deemed necessary.

Applicant's Name _____

CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITIES MATTERS
PRIMARY COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 31 CFR Part 19, Section 19.510, Participants' Responsibilities.

1. **The prospective primary participant certifies to the best of its knowledge and belief, that It and its principles;**

   (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency,

   (b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property,

   (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1.b) of this certification, and

   (d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

2. **Where the prospective primary participant is unable to certify to any of the above, such prospective participant may attach an explanation to this proposal.**

(Before signing certification, read the instructions which are an integral part of the certification.)

_____
Print/Type:

_____
NAME OF RESPONSIBLE OFFICIAL

_____
TITLE

_____
(Signature) *(Date)*

Applicant's Name_____

CERTIFICATION REGARDING GOVERNMENT-WIDE REQUIREMENTS FOR DRUG-FREE WORKPLACE (GRANTS)

This certification is required by the Treasury regulations implementing the Drug-Free Workplace Act of 1988, 31 CFR Part 19, Section 19.630, Certification Requirements and Procedures. The regulation was published as Part 11 of the May 25, 1990 Federal Register (55 FR 21688-21691).

1. **The applicant certifies that it will or will continue to provide a drug-free workplace by:**
   (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the action that will be taken against employees for violation of such prohibition;
   (b) Establishing a drug-free awareness program to inform other employees about
      (1) the dangers of drug abuse in the workplace,
      (2) the grantee's policy of maintaining a drug-free workplace,
      (3) any available drug counseling, rehabilitation, and employee assistance programs, and
      (4) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
   (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
   (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will –
      (1) abide by the terms of the statement, and
      (2) notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
   (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such convictions. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the federal agency has designated a central point for the receipt of such notices. Notices shall include the identification number(s) or each affected grant;
   (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted –
      (1) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended, or
      (2) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency;
   (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of Paragraphs (a), (b), (c), (d), (e), and (f).
2. **The applicant may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:**

Check ☐ if there are workplaces on file that are not identified here.

_____
Place of Performance

_____
Street Address

_____
City County

_____
State Zip Code

(Before signing certification, read the instructions which are an integral part of the certification.)

Print/Type:

_____
NAME OF RESPONSIBLE OFFICIAL

_____
TITLE

_____
(Signature) *(Date)*

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action: ☐ a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	**2. Status of Federal Action:** ☐ a. bid/offer/application b. initial award c. post-award	**3. Report Type:** ☐ a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: ☐ **Prime** ☐ **Subawardee** Tier _____, *if known*: **Congressional District**, *if known*: 4c	**5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:** **Congressional District**, *if known*:	
6. Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____	
8. Federal Action Number, *if known*:	**9. Award Amount,** *if known*: $	
10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*):	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*):	
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employeeof a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizationallevel below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

    (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

OMB Approval No. 0348-0040

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
APPLICANT ORGANIZATION	DATE SUBMITTED May 22, 2007

FINANCIAL STATUS REPORT

(Long Form)

(Follow instructions on the back)

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Federal Grant or Other Identifying Number Assigned By Federal Agency	OMB Approval No. **0348-0039**	Page of pages
3. Recipient Organization (Name and complete address, including ZIP code)			
4. Employer Identification Number	5. Recipient Account Number or Identifying Number	6. Final Report ☐ Yes ☐ No	7. Basis ☐ Cash ☐ Accrual
8. Funding/Grant Period *(See instructions)* From: (Month, Day, Year)	To: (Month, Day, Year)	9. Period Covered by this Report From: (Month, Day, Year)	To: (Month, Day, Year)

10. Transactions:	I Previously Reported	I This Period	III Cumulative
a. Total outlays			0.00
b. Refunds, rebates, etc.			0.00
c. Program income used in accordance with the deduction alternative			0.00
d. Net outlays *(Line a, less the sum of lines b and c)*	0.00	0.00	0.00
Recipient's share of net outlays, consisting of: e. Third party (in-kind) contributions			0.00
f. Other Federal awards authorized to be used to match this award			0.00
g. Program income used in accordance with the matching or cost sharing alternative			0.00
h. All other recipient outlays not shown on lines e, f or g			0.00
i. Total recipient share of net outlays *(Sum of lines e, f, g and h)*	0.00	0.00	0.00
j. Federal share of net outlays *(line d less line i)*	0.00	0.00	0.00
k. Total unliquidated obligations			
l. Recipient's share of unliquidated obligations			
m. Federal share of unliquidated obligations			
n. Total Federal share *(sum of lines j and m)*			0.00
o. Total Federal funds authorized for this funding period			
p. Unobligated balance of Federal funds *(Line o minus line n)*			0.00
Program income, consisting of: q. Disbursed program income shown on lines c and/or g above			
r. Disbursed program income using the addition alternative			
s. Undisbursed program income			
t. Total program income realized *(Sum of lines q, r and s)*			0.00

11. Indirect Expense	a. Type of Rate *(Place "X" in appropriate box)* ☐ Provisional ☐ Predetermined ☐ Final ☐ Fixed			
	b. Rate	c. Base	d. Total Amount	e. Federal Share

12. *Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.*

13. Certification: **I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.**

Typed or Printed Name and Title	Telephone (Area code, number and extension)
Signature of Authorized Certifying Official	Date Report Submitted May 22, 2007

FINANCIAL STATUS REPORT
(Long Form)

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0039), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET.

Please type or print legibly. The following general instructions explain how to use the form itself. You may need additional information to complete certain items correctly, or to decide whether a specific item is applicable to this award. Usually, such information will be found in the Federal agency's grant regulations or in the terms and conditions of the award (e.g., how to calculate the Federal share, the permissible uses of program income, the value of in-kind contributions, etc.). You may also contact the Federal agency directly.

Item	Entry
1, 2 and 3.	Self-explanatory.
4.	Enter the Employer Identification Number (EIN) assigned by the U.S. Internal Revenue Service.
5.	Space reserved for an account number or other identifying number assigned by the recipient.
6.	Check *yes* only if this is the last report for the period shown in item 8.
7.	Self-explanatory.
8.	Unless you have received other instructions from the awarding agency, enter the beginning and ending dates of the current funding period. If this is a multi-year program, the Federal agency might require cumulative reporting through consecutive funding periods. In that case, enter the beginning and ending dates of the grant period, and in the rest of these instructions, substitute the term "grant period" for "funding period."
9.	Self-explanatory.
10.	The purpose of columns, I, II, and III is to show the effect of this reporting period's transactions on cumulative financial status. The amounts entered in column I will normally be the same as those in column III of the previous report *in the same funding period*. If this is the first or only report of the funding period, leave columns I and II blank. If you need to adjust amounts entered on previous reports, footnote the column I entry on this report and attach an explanation.
10a.	Enter total gross program outlays. Include disbursements of cash realized as program income if that income will also be shown on lines 10c or 10g. Do not include program income that will be shown on lines 10r or 10s. For reports prepared on a cash basis, outlays are the sum of actual cash disbursements for direct costs for goods and services, the amount of indirect expense charged, the value of in-kind contributions applied, and the amount of cash advances and payments made to subrecipients. For reports prepared on an accrual basis, outlays are the sum of actual cash disbursements for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase or decrease in the amounts owed by the recipient for goods and other property received, for services performed by employees, contractors, subgrantees and other payees, and other amounts becoming owed under programs for which no current services or performances are required, such as annuities, insurance claims, and other benefit payments.
10b.	Enter any receipts related to outlays reported on the form that are being treated as a reduction of expenditure rather than income, and were not already netted out of the amount shown as outlays on line 10a.
10c.	Enter the amount of program income that was used in accordance with the deduction alternative.
Note:	Program income used in accordance with other alternatives is entered on lines q, r, and s. Recipients reporting on a cash basis should enter the amount of cash income received; on an accrual basis, enter the program income earned. Program income may or may not have been included in an application budget and/or a budget on the award document. If actual income is from a different source or is significantly different in amount, attach an explanation or use the remarks section.
10d,	e, f, g, h, i and j. Self-explanatory.
10k.	Enter the total amount of unliquidated obligations, including unliquidated obligations to subgrantees and contractors. Unliquidated obligations on a cash basis are obligations incurred, but not yet paid. On an accrual basis, they are obligations incurred, but for which an outlay has not yet been recorded. Do not include any amounts on line 10k that have been included on lines 10a and 10j. On the final report, line 10k must be zero.
10l.	Self-explanatory.
10m.	On the final report, line 10m must also be zero.
10n,	o, p, q, r, s and t. Self-explanatory.
11a.	Self-explanatory.
11b.	Enter the indirect cost rate in effect during the reporting period.
11c.	Enter the amount of the base against which the rate was applied.
11d.	Enter the total amount of indirect costs charged during the report period.
11e.	Enter the Federal share of the amount in 11d.
Note:	If more than one rate was in effect during the period shown in item 8, attach a schedule showing the bases against which the different rates were applied, the respective rates, the calendar periods they were in effect, amounts of indirect expense charged to the project, and the Federal share of indirect expense charged to the project to date.

CERTIFICATION STATEMENT OF ASSURANCE CONCERNING CIVIL RIGHTS COMPLIANCE

The Applicant provides this assurance in consideration of and for the purpose of obtaining Federal grants, loans, contracts, property, discounts or other Federal financial assistance from the Internal Revenue Service. The Applicant agrees:

1. To conduct its activities so that no person is excluded from participation in, is denied the benefits of, or is subject to discrimination, as prohibited by the laws identified in paragraph 2 and implementing regulations, in the distribution or services and/or benefits provided under this financial assistance or grant program.

2. To compile, maintain and submit information to the Internal Revenue Service concerning its compliance with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), as amended, Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended, Title IX of the Education Amendments of 1972 (Pub. L. 92-318), as amended, and the Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, in accordance with those laws and the implementing regulations.

3. To provide to the address shown on the Civil Rights Requirements statement, a copy of any finding issued by a Federal or State court or by a Federal or State administrative agency that the Applicant has discriminated on the basis of race, color, national origin, sex, age or disability.

4. To inform the public that persons who believe they have been discriminated against on the basis of race, color, national origin, sex, age or disability, in the distribution of services and benefits resulting from this financial assistance or grant program may file a complaint with the Department of the Treasury at the following address:

Director, Office of Equal Opportunity Program
Department of the Treasury
1500 Pennsylvania Avenue, NW
Metropolitan Square – Room 6068
Washington, DC 20220

The Applicant agrees that compliance with this assurance constitutes a condition for continued receipt of Federal financial assistance and is binding on the Applicant, it successors, transferees and assignees.

The person whose signature appears below is authorized to sign this assurance and commit the Applicant to the above provisions.

_____
(NAME AND TITLE OF AUTHORIZED OFFICIAL)

_____

(SIGNATURE OF AUTHORIZED OFFICIAL) (DATE)

IRS Low Income Taxpayer Clinic (LITC)
Application Information Sheet

Name of Sponsoring Organization _____

Contact Person _____ Title _____

Contact Person's Phone Number _____ Fax Number _____

Contact Person's E-Mail Address _____

Street Address	**Mailing Address**
_____	_____
_____	_____
(City) (State) (Zip Code)	(City) (State) (Zip Code)

Name of Clinic _____

Street Address	**Mailing Address**
_____	_____
_____	_____
(City) (State) (Zip Code)	(City) (State) (Zip Code)

Public Telephone Number _____

Clinic Director _____ Title _____

Clinic Director's Phone Number _____ Fax Number _____

Clinic Director's E-Mail Address _____

Grants Officer/Financial Administrator _____ Title _____

Street Address	**Mailing Address**
_____	_____
_____	_____
(City) (State) (Zip Code)	(City) (State) (Zip Code)

Grants Officer's/Financial Administrator's Phone Number _____ Fax Number _____

Grant Officer's/Financial Administrator's E-Mail Address _____

Funds will be forwarded to this address.

LITC Tax Information Authorization

As provided for in Publication 3319, all applicants for an LITC grant must be in compliance with Federal tax responsibilities. The LITC Program Office will conduct compliance checks on organizations applying for an LITC grant and will also conduct periodic checks throughout the grant period. Therefore, any LITC that is part of a larger organization (e.g., university) will need to have an authorized official from the larger organization complete the following authorization:

Name of Academic Institution or other Parent Organization:

_____

Name of Low Income Taxpayer Clinic:

_____

I authorize the Internal Revenue Service to disclose the following return information, as that term is defined in Internal Revenue Code section 6103(b), of the Academic Institution or Parent Organization (listed above) to the Director of the Low Income Taxpayer Clinic (listed above) in connection with the clinic's application for a low income taxpayer clinic matching grant and continued entitlement to such grant. Specifically, I authorize the Internal Revenue Service to disclose that the Academic Institution or Parent Organization has an outstanding federal tax liability (amount, type of tax, and periods) that may affect the approval of the clinic's grant application by the Internal Revenue Service or the clinic's continued entitlement to such grant.

I am aware that without this authorization the return information of the Academic Institution or Parent Organization is confidential and is protected by law under the Internal Revenue Code. I certify that I am authorized by law to bind the Academic Institution or Parent Organization and that I have authority to execute this consent to disclose return information.

Taxpayer Name: _____

Taxpayer Address: _____
_____

Employer Identification Number: _____

Name and Title of Authorized Person: _____

Signature of Authorized Person: _____

Telephone Number of Authorized Person: _____

Date: _____

GRANT AGREEMENT

The Grant Agreement is entered into by the Internal Revenue Service, Department of the Treasury, United States of America, hereinafter referred to as IRS, and

_____

(Name of Grantee)

Hereinafter referred to as recipient.

The recipient agrees to operate an LITC Program in conformity with the approved Grant Application and

1. Program Requirements (as stated in Publication 3319, "Low Income Taxpayer Clinics 2006 Application Package and Guidelines");

2. Section 3601 of the Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105-206, adding 26 U.S.C. § 7526; and,

3. Office of Management and Budget Circulars No. A-110, A-133 and either A-21 or A-122, as applicable.

Grant Agreement Period:

The Grant Agreement covers the period _____ to_____.

NOTE: If expenses are incurred prior to approval, and the grant is later denied, all costs incurred will be the responsibility of the Recipient.

Maximum Amount of Funds Available from Internal Revenue Service for Expense Reimbursement:

The Maximum amount available from the Internal Revenue Service under this Grant Agreement is _____. This amount may be increased in writing only by the Internal Revenue Service, Taxpayer Advocate Service, LITC Program Office, Mail Stop 211-D, 401 W. Peachtree St. NW, Atlanta, GA 30308. No additional expense reimbursements or other payments shall be made by the Internal Revenue Service unless the maximum amount of funds set forth above has been increased in writing by the National Taxpayer Advocate

Approved by an Authorized Representative of the Program Sponsor by:

Name (Please Print)

Title (Please Print)

Signature Date

Approved for the Internal Revenue Service by:

Name (Please Print)

Title (Please Print)

Signature Date

For Information Only

Appendix B

LITC Program Grant Application Checklists

LITC PROGRAM GRANT APPLICATION PACKAGE SUBMISSION CHECKLIST

NEW OR SINGLE YEAR GRANT APPLICATIONS

New or single year applications for the LITC Program Grant Application **must** include the following information

Background Information (limited to 15 pages, double spaced)
Items described under section VI of this package.

Determination of Program Performance
Items described under section VI of this package.

Budget/Financial Information
Items described under section VI of this package.

Requisites for Package Submission
Submit application in quadruplicate (four sets). Double Space and sign all documents (application, certifications, etc) in **blue ink**. Each set must have original signatures.

Package Assembly
It is very important that the LITC Program Grant Application Package be assembled correctly. A copy of the standard forms and certifications are included Appendix A of this publication. The application package **must** be assembled in the following manner:

__1. Standard Form 424, *Application for Federal Assistance*.

__2. Background Information.

__3. Copy of determination letter issued by IRS recognizing organization as exempt under IRC Section 501(c) (if applicable).

__4. Copy of letter of academic accreditation for college, university or other institution of higher learning (if applicable).

__5. Determination of Program Performance (**one for each qualifying program, if applicable**).

__6. Budget/Financial Information (**one for each qualifying program, if applicable**).

__7. Completed Form 13424, *IRS Low Income Taxpayer Clinic (LITC) Program Grant Application Sheet*.

__8. Assurances and Certifications signed in **blue ink** by an authorized representative of the organization. Assurances and Certifications should be submitted in the following order:

- __A. Standard Forms 424B, *Assurances – Non-Construction Programs*
- __B. Certification Regarding Debarment, Suspension and Other Responsibilities Matters Primary Covered Transactions
- __C. Certification Regarding Government-wide Requirements for Drug-Free Workplace (Grants)
- __D. Certification of Assurance Concerning Civil Rights Compliance
- __E. Standard Form LLL, *Disclosure of Lobbying Activities*
- __F. Tax Information Authorization (if applicable).

DELIVERY OF LITC GRANT APPLICATION PACKAGE

Applications may be submitted either electronically or in hardcopy by mail, private delivery service, or hand delivery. To submit an electronic application, go to www.grants.gov to apply through the Federal Grants web site. For applicants applying through the Federal Grants website, the Funding Number is TREAS-GRANTS-052007-001. All applications for both new or single year applications and continuing multi-year grant applications (whether submitted electronically or in hardcopy) ***must be received*** *by 4:00 p.m. EDT on* ***July 7, 2006****, in order for them to be considered for 2007 LITC Program grant funding. Applications submitted in hardcopy should be sent to the following address:*

Internal Revenue Service
Taxpayer Advocate Service
LITC Program Office
TA:LITC
Attention: LITC Applications
1111 Constitution Ave., NW
Room 1034
Washington, DC 20224

Thank you for submitting an application to the Low Income Taxpayer Clinic (LITC) Grant Program.

LITC PROGRAM GRANT APPLICATION PACKAGE SUBMISSION CHECKLIST

CONTINUING MULTI-YEAR GRANT APPLICATIONS

Continuing multi-year applications for the LITC Program Grant Application **must** include the following information

Continuation Request
Letter described under Section VI of this package.

Budget/Financial Information
Items described under section VI of this package.

Requisites for Package Submission
Submit application in quadruplicate (four sets). Double Space and sign all documents (application, certifications, etc) in **blue ink**. Each set must have original signatures.

Package Assembly
It is very important that the LITC Program Grant Application Package be assembled correctly. A copy of the standard forms and certifications are included Appendix A of this publication. The application package **must** be assembled in the following manner:

__1. Standard Form 424, *Application for Federal Assistance*.

__2. Letter requesting continuation in the LITC Program for the 2007 grant cycle.

__3. Standard Form 424A, *Budget Information – Non-Construction Programs* (**one for each qualifying program, if applicable**).

__4. Budget Narrative (**one for each qualifying program, if applicable**).

__5. Detailed description of matching funds.

__6. Estimate of funds that will not be expended during the 2006 year.

__7. Completed Form 13424, *IRS Low Income Taxpayer Clinic (LITC) Program Grant Application Sheet*.

__8. Assurances and Certifications signed in **blue ink** by an authorized representative of the organization. Assurances and Certifications should be submitted in the following order:

- __A. Standard Forms 424B, *Assurances – Non-Construction Programs*
- __B. Certification Regarding Debarment, Suspension and Other Responsibilities Matters Primary Covered Transactions
- __C. Certification Regarding Government-wide Requirements for Drug-Free Workplace (Grants)
- __D. Certification of Assurance Concerning Civil Rights Compliance
- __E. Standard Form LLL, *Disclosure of Lobbying Activities*
- __F. Tax Information Authorization (if applicable).

DELIVERY OF LITC GRANT APPLICATION PACKAGE

Applications may be submitted either electronically or in hardcopy by mail, private delivery service, or hand delivery. To submit an electronic application, go to www.grants.gov to apply through the Federal Grants web site. For applicants applying through the Federal Grants website, the Funding Number is TREAS-GRANTS-052007-001. All applications for both new or single year applications and continuing multi-year grant applications (whether submitted electronically or in hardcopy) ***must be received*** *by 4:00 p.m. EDT on* ***July 7, 2006****, in order for them to be considered for 2007 LITC Program grant funding. Applications submitted in hardcopy should be sent to the following address:*

Internal Revenue Service
Taxpayer Advocate Service
LITC Program Office
TA:LITC
Attention: LITC Applications
1111 Constitution Ave., NW
Room 1034
Washington, DC 20224

Thank you for submitting an application to the Low Income Taxpayer Clinic (LITC) Grant Program.

Appendix C

Report Forms and Supplemental Issue Form

Low Income Taxpayer Clinic
Interim Report Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

I. Controversy Activities

A	Number of cases[1] open prior to start of period.	
B	Number of cases opened during period.	
C	Number of cases closed during period.	
D	Number of cases opened during period for taxpayers whose income **exceeded** 250% of the poverty level.	
E	Number of cases opened during period for taxpayers where the amount in controversy **exceeded** the amount specified in IRC § 7463 (currently $50,000).	
F	Number of consultations during period that did not result in representation.[2]	
G	Number of issues addressed during period[3] (see the Supplemental Issue Form).	
H	Number of cases in U.S. Tax Court during period.[4]	
I	Number of informal consultations in U.S Tax Court during period.	
J	Number of refund suits filed in U.S. District Court or U.S. Court of Federal Claims during period.	
K	Total number of cases referred to a qualified representative during period.	
L	Of the total cases reported in K (above), number where income **exceeded** 250% of the poverty level.	

[1] A case includes all issues and tax periods for one taxpayer with whom the clinic enters into a *pro bono* or clinic representation agreement, or for whom the clinic obtains a Power of Attorney (POA) or other official authorization.
[2] Consultations include those instances where the clinic provided brief advice to the taxpayer but did not enter into a *pro bono* or clinic representation agreement, engagement letter, or obtains a Power of Attorney (POA) or other official authorization.
[3] Clinics are encouraged to track the procedural status of cases. This information helps the LITC Program Office better understand the level of service offered to taxpayers and the amount of controversy work undertaken by the clinic. For a list of issues, see the Supplemental Issue Form in this section. This form must be submitted as an attachment to the Interim Report and the total number of issues listed on the form carried to the Interim Report Form.
[4] Cases in U.S. Tax Court include petitions submitted to the court by the clinic, later entries of appearance, and informal advice provided at a U.S. Tax Court calendar session.

Low Income Taxpayer Clinic
Interim Report Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

M	Of the total cases reported in K (above), number where the amount in controversy **exceeded** the amount specified in IRC § 7463 (currently $50,000).	
N	Number of consultations that did not qualify for clinic services but were referred to appropriate *pro bono* alternatives such as state bars.	
O	Number of taxpayers assisted during period[5] including those for whom cases were not opened.	
P	Number of tax periods included in cases handled during period.	
Q	Number of state tax matters handled during period.	
R	Number of bankruptcy cases handled during period.	

II. ESL, Publicity, and Outreach Activities

A	Number of outreach, workshops and education programs conducted during period.	
B	Number of ESL taxpayers that attended outreach, workshops, and education programs during period.	
C	Number of direct contacts or consultations with ESL taxpayers during period.	
D	Number of radio or television advertisements/appearances and newspaper articles during period.[6]	
E	Number of ESL taxpayers referred for controversy representation during period.	
F	Number of controversy cases opened for ESL taxpayers during period.	

[5] For reporting purposes, preparation of a joint return counts as two taxpayers assisted. If representation/referral is provided to only one spouse on a joint return, the number of taxpayers assisted should be reported as one.
[6] Please provide additional information in your report on the frequency of the advertisements, programs, and articles, the potential listening, viewing, or reading audience and any other information about your publicity efforts.

Low Income Taxpayer Clinic
Interim Report Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

IV. Return and Other Tax Form Preparation

A	Number of tax returns (including amended returns) that were prepared during period.	
B	Number of returns in A (above) that were directly related to a controversy with the IRS for which the clinic provided assistance.	
C	Number of returns in A (above) prepared for ESL taxpayers during period.	
D	Number of returns in A (above) that were ancillary to ESL outreach and education activities.	
E	Number of Individual Taxpayer Identification Number (ITIN) applications prepared during period.	

Low Income Taxpayer Clinic
Annual Report Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

I. Controversy Activities

		Jan. 1 – June 30	July 1 – Dec. 31	Total
A	Number of cases[1] open prior to start of period.			
B	Number of cases opened during period.			
C	Number of cases closed during period.			
D	Number of cases opened during period for taxpayers whose income **exceeded** 250% of the poverty level.			
E	Number of cases opened during period for taxpayers where the amount in controversy **exceeded** the amount specified in IRC § 7463 (currently $50,000).			
F	Number of consultations during period that did not result in representation.[2]			
G	Number of issues addressed during period[3] (see the Supplemental Issue Form).			
H	Number of cases in U.S. Tax Court during period.[4]			
I	Number of informal consultations in U.S Tax Court during period.			
J	Number of refund suits filed in U.S. District Court or U.S. Court of Federal Claims during period.			

[1] A case includes all issues and tax periods for one taxpayer with whom the clinic enters into a *pro bono* or clinic representation agreement, or for whom the clinic obtains a Power of Attorney (POA) or other official authorization.
[2] Consultations include those instances where the clinic provided brief advice to the taxpayer but did not enter into a *pro bono* or clinic representation agreement, engagement letter, or obtains a Power of Attorney (POA) or other official authorization.
[3] Clinics are encouraged to track the procedural status of cases. This information helps the LITC Program Office better understand the level of service offered to taxpayers and the amount of controversy work undertaken by the clinic. For a list of issues, see the Supplemental Issue Form in this section. This form must be submitted as an attachment to the Annual Report and the total number of issues listed on the form carried to the Annual Report Form.
[4] Cases in U.S. Tax Court include petitions submitted to the court by the clinic, later entries of appearance, and informal advice provided at a U.S. Tax Court calendar session.

Low Income Taxpayer Clinic
Annual Report Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

K	Total number of cases referred to a qualified representative during period.			
L	Of the total cases reported in K (above), number where income **exceeded** 250% of the poverty level.			
M	Of the total cases reported in K (above), number where the amount in controversy **exceeded** the amount specified in IRC § 7463 (currently $50,000).			
N	Number of consultations that did not qualify for clinic services but were referred to appropriate *pro bono* alternatives such as state bars.			
O	Number of taxpayers assisted during period[5] including those for whom cases were not opened.			
P	Number of tax periods included in cases handled during period.			
Q	Number of state tax matters handled during period.			
R	Number of bankruptcy cases handled during period.			

[5] For reporting purposes, preparation of a joint return counts as two taxpayers assisted. If representation/referral is provided to only one spouse on a joint return, the number of taxpayers assisted should be reported as one.

Low Income Taxpayer Clinic
Annual Report Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

II. ESL, Publicity, and Outreach Activities

		Jan. 1 – June 30	July 1 – Dec. 31	Total
A	Number of outreach, workshops and education programs conducted during period.			
B	Number of ESL taxpayers that attended outreach, workshops, and education programs during period.			
C	Number of direct contacts or consultations with ESL taxpayers during period.			
D	Number of radio or television advertisements/appearances and newspaper articles during period.[6]			
E	Number of ESL taxpayers referred for controversy representation during period.			
F	Number of controversy cases opened for ESL taxpayers during period			

[6] Please provide additional information in your report on the frequency of the advertisements, programs, and articles, the potential listening, viewing, or reading audience and any other information about your publicity efforts.

Low Income Taxpayer Clinic
Annual Report Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

IV. Return and Other Tax Form Preparation

		Jan. 1 – June 30	July 1 – Dec. 31	Total
A	Number of tax returns (including amended returns) that were prepared during period.			
B	Number of returns in A (above) that were directly related to a controversy with the IRS for which the clinic provided assistance.			
C	Number of returns in A (above) prepared for ESL taxpayers during period.			
D	Number of returns in A (above) that were ancillary to ESL outreach and education activities.			
E	Number of Individual Taxpayer Identification Number (ITIN) applications prepared during period.			

Low Income Taxpayer Clinic
Supplemental Issue Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

Note: For each issue listed below, please provide the total number of cases worked during the period containing that issue. Cases can involve more than one issue; each issue should be reported separately.

I. Collection Issues

		Jan. 1 – June 30	July 1 – Dec. 31	Total
A	Levy			
B	Lien			
C	Payment			
D	Collection Due Process (CDP)			
E	Offer In Compromise (OIC)			
F	Installment Agreement			
G	Currently Not Collectible (CNC)			

II. Examination Issues

		Jan. 1 – June 30	July 1 – Dec. 31	Total
A	EITC Exam			
B	EITC Certification			
C	EITC Recertification			
D	Other Correspondence Exam			
E	Non-EITC Office or Field Exam[1]			
F	Automated Substitute for Return (ASFR)			
G	Automated Underreporter (AUR)			

[1] Office exams are those examinations which are not conducted through correspondence from a service center.

Low Income Taxpayer Clinic
Supplemental Issue Form

_____
(clinic name)

For period beginning _____ and ending _____
(date) (date)

III. Miscellaneous Issues

		Jan. 1 – June 30	July 1 – Dec. 31	Total
A	Appeal (not CDP)			
B	Refund Claim			
C	Tax Court			
D	Refund Litigation			
E	Relief from Joint and Several Liability (Innocent Spouse)			
F	Employment Tax Liability			
G	IRC § 6672 Trust Fund Recovery Penalty			
H	Other Civil Penalties			
I	Individual Taxpayer Identification Numbers (ITINs)			

IV. Other Issues[2]

		Jan. 1 – June 30	July 1 – Dec. 31	Total
A				
B				
C				
D				
E				
F				
G				
H				
I				
J				
K				

[2] For those issues not listed elsewhere on this form, please indicate the specific issue and the total number of cases worked during the period containing that issue.

Index of LITC Terms

Term	Page Number
90/250 Requirement	4, 5
Allowable Expenses	16
Amount in Controversy	6
Ancillary	3, 7
Ancillary Tax Return Preparation	3, 7
Annual Report	21
Annual Report Form	24, Appendix C
Contents of	21
Application	26
Assembly of	30, 31
Background Information	26
Budget/Financial Information	29
Contents	26
Continuing Multi-Year Grant Applications	31
Determination of Program Performance	27
Electronic Application Website	32
New or Single-Year Grant Applications	30
Where and When to File	32
Audit	8
Cash Contributions	7
Civil Rights Reporting Requirements	9
Clinic	1
Clinic Director	12
Clinic within a Clinic	4
Confidentiality	15, 20
Continuing Professional Education (CPE)	14
Controversies	2
Controversy Clinic Requirements	4
Deobligating Funds	17, 20, 35

Determination of Program Performance 27
Documentation of Matching Funds Sources 8
Electronic Application Website 32
Electronic Funds Transfer 17
ESL Clinic Requirements 7
Expenses 16
    Allowable Expenses 16
    Indirect Expenses 7
    Unallowable Expenses 16
Family Unit Defined 6
Fees 1, 4, 7, 8, 14, 15, 23, 28
Firm Commitment 8
Grant Agreement 11
Income Defined 6
Income Ceiling 5
Indirect Expenses 8
In-kind Contributions 7
Interim Report 20
    Contents of 20
    Interim Report Form 21, Appendix C
Internal Controls 12
Legal Service Organizations 8
LITC Conference 14, 16, 19, 31
LITC Contact Information 19
LITC Program Office 25
    Email Address 1
Matching Funds 16
    Cash Contributions 7
    Documentation of Matching Funds Sources 27
    Firm Commitment 8
    In-kind Contributions 7
    Legal Service Organizations 8

Office Space	7
Program Income	8
Volunteer Services	8
Mentoring Programs	12
Name or Organization Change	29
Networking	12
Nominal Fee	1, 4, 7, 14, 15, 23, 28
Office Space	7
OMB Circulars	8, 9, 12, 16, 17, 19
OMB Requirements	8
Outreach Activities	3, 7, 13
Poverty Guidelines	5
Pro Bono Panel	2, 3, 5, 14
Program Income	8
Qualified Business Administrator (QBA)	12
Qualified Matching Funds	7
Qualified Tax Expert (QTE)	12
Qualified Volunteers	12
Payments to LITC Grantees	17
Program Income	8
Program to Inform	3
Publicity	7, 13, 16
Qualified Representative	3
Qualifying ESL Activities	3
Referral Activity	2, 14
Referral Services	2, 14
Reporting Requirements	19
Annual Report	21
Interim Report	20
Site Assistance Visits	25
Standards of Operation	12
Start-up Expenses	4

Student Authorization	18
Supplemental Issue Form	21, 24, Appendix C
Tax Compliance	15, 27
Tax Information Authorization Form	15, 27, Appendix A
Tax Library	13
Tax Preparation	3, 7
Training Conference	14, 16, 19, 31
VITA	3, 27
Withdrawal from Program	18, 19, 24, 33
Workgroup	15
Unallowable Expenses	16
Volunteer Services	8

Department of the Treasury
Internal Revenue Service

publish.no.irs.gov

Publication 3319 (5-2006)
Catalog Number 26939S