XI. APPENDICES

GLOSSARY

Credit Score – a number typically between 300 and 850 that is based upon a statistical analysis of person’s credit files (typically from the three major credit bureaus), to represent the creditworthiness of an individual (http://www.en.wikipedia.org/wiki/Credit_score, 2007)

Fringe Economy – Refers to a range of businesses that engage in financially predatory relationships with low income or heavily indebted consumers by charging excessive interest rates, super high fees, or exorbitant prices for goods or services (Karger, 2006)

- Auto Title Loans – a short – term cash loan usually no longer than 30 days with high interest rate. The loan is secured by a free and clear title.

- Buy Here – Pay Here Car Lots - Used car lots that offer loans with high interest rates.

- Check Cashing Stores – Stores\ businesses that cash checks for a fee.

- Payday Loans - Small short-term loans, usually no more than $1,500 to cover expenses until the borrowers’ next payday

- Money Transfer Company – Allows people to make direct bill payments and ether send money either to a person or bank account for a fee

- Pawnshops – Gives loans while holding objects of value. The pawnbroker returns the object when the loan is repaid, usually at a high interest rate. The collateral is sold if the borrower does not repay the loan in a specified time.

- Refund Anticipation Loans – Short –term loans, often with high interest rates or fees, secured by an expected tax refund

- Rent to Own Stores – Rents short or long-term consumer goods. The consumer pays more than the item is worth in addition to high interest rates.

FICO – a method developed by Fair Isaac & Co. to determine the likelihood that the credit users will pay their bills (http://www.mtg-net.com/sfaq/faq/fico.htm, 2007)

IDA – Individual Development Account – a special matched savings account designed to help those of modest means establish a pattern of regular savings and, ultimately purchase a productive assess (http://www.workworld.org, 2007)
Loan Flipping – the practice of a borrower being encouraged to get a new loan or by refinancing “rolling over” an existing loan. Usually results in additional fees and higher interest rates (http://www.pliwatch.org/tips_fliploan.html)

Mainstream Financial Institutions – banks, savings and loans, and credit unions that act as intermediaries between the capital and debt markets, facilitating the flow of money through the economy and lend money to qualifying borrowers (Morisseau-Kuni, 2007)

Predatory Lending - the practice of intentionally placing consumers in loan products with significantly worse terms and or higher costs than loans offered to similarly qualified consumers in the region for the primary purpose of enriching the originator and with little or no regard for the costs to the consumer (http://www.dollarsandsense.org, 2007)

Secured Credit Card – credit cards that are secured with cash collateral for persons who more than likely would not qualify for a conventional rate bank issued card (http://www.finweb.com, 2007)

Unbanked – refers to those individuals who have no relationship with a bank or other mainstream financial institutions (Friedman, 2005).
### MONITORING REPORTS

**KEEP THE MONEY FOR YOURSELF MONITORING REPORT**  
**MAY 2007 – SEPTEMBER 2007**

**PERSON RESPONSIBLE FOR MONITORING:** Ester L. Ainsworth  
**FREQUENCY OF MONITORING:** Monthly

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>DATES</th>
<th>STATUS</th>
<th>TIMELINESS</th>
<th>EXPLANATION FOR DELAY</th>
<th>ALTERNATIVE ACTION</th>
<th>ATTAINMENT OF OUTPUTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification of Funding Sources (staff &amp; programmatic costs)</td>
<td>Start: 5/15/07 End: 8/31/07</td>
<td>Partially Completed</td>
<td>Postponed</td>
<td>Coalition deemed it best to focus on campaign for 2006 tax filing season.</td>
<td>Solicit City of Jackson to use existing funding from the Housing and Community Development Office</td>
<td>Target: 6 funding sources To Date: 1</td>
</tr>
<tr>
<td>Identification of potential sites to house Financial Literacy Program</td>
<td>Start: 5/15/07 End: 8/31/07</td>
<td>Partially Completed</td>
<td>Postponed</td>
<td>Coalition deemed it best to focus on campaign for 2006 tax filing season.</td>
<td>Solicit City of Jackson to absorb Program</td>
<td>Target: 4 sites To Date: 1</td>
</tr>
<tr>
<td>Identification of potential members for Board of Directors</td>
<td>Start: 5/15/07 End: 9/30/07</td>
<td>Partially Completed</td>
<td>On Schedule</td>
<td></td>
<td></td>
<td>Target: 30 persons To Date: 10</td>
</tr>
<tr>
<td>Hire Project Staff</td>
<td>Start: 5/15/07 End: 7/31/07</td>
<td>Partially Completed</td>
<td>Postponed</td>
<td>Coalition deemed it best to focus on campaign for 2006 tax filing season.</td>
<td>Solicit City of Jackson to use personnel from existing staff in Housing and Community Development Office with technical skills to implement Program</td>
<td>Target: 4 persons To Date: 0</td>
</tr>
<tr>
<td>Initiate Project (Outreach Campaign for <em>VITA Program)</em></td>
<td>Start: 5/15/07 End: 9/30/07</td>
<td>Started</td>
<td>On Schedule</td>
<td></td>
<td></td>
<td>Target – 3 Community Wide Meetings 1</td>
</tr>
<tr>
<td>* Volunteer Income Tax Assistance Program</td>
<td></td>
<td></td>
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**KEEP THE MONEY FOR YOURSELF MONITORING REPORT**  
**NOVEMBER 2007**

**PERSON RESPONSIBLE FOR MONITORING:** Ester L. Ainsworth  
**FREQUENCY OF MONITORING:** Monthly

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<th>TIMELINE SS</th>
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<th>ALTERNATIVE ACTION</th>
<th>ATTAINMENT OF OUTPUTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Outreach Campaign for VITA Program)</td>
<td>Start: 9/1/07</td>
<td>Started</td>
<td>On Schedule</td>
<td></td>
<td>Target 500 – EITC Brochures to Public</td>
<td>To Date – 1,000</td>
</tr>
<tr>
<td></td>
<td>End: 11/30/07</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provide Training for VITA Program Site Coordinators</td>
<td>Start 11/12/07</td>
<td>Completed</td>
<td>On Schedule</td>
<td>This will be an ongoing process for the Coalition</td>
<td>Target 2 - Site Coordinators</td>
<td>To Date – 2</td>
</tr>
<tr>
<td></td>
<td>End: 11/16/07</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Monitoring &amp; Evaluation</td>
<td>Start: 5/15/07</td>
<td>Partially Completed</td>
<td>On Schedule</td>
<td>This will be an ongoing process for the Project</td>
<td>Continue to review and assess project activities</td>
<td>Target – Conduct 2 program activities for review and evaluation</td>
</tr>
<tr>
<td></td>
<td>End: 10/31/07</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
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**KEEP THE MONEY FOR YOURSELF MONITORING REPORT**

**DECEMBER 2007 - JANUARY 2008**

**PERSON RESPONSIBLE FOR MONITORING:** Ester L. Ainsworth  
**FREQUENCY OF MONITORING:** Monthly

<table>
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<th>DATES</th>
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<th>ALTERNATIVE ACTION</th>
<th>ATTAINMENT OF OUTPUTS</th>
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<tbody>
<tr>
<td><strong>Outreach Campaign for VITA Program</strong></td>
<td>Start: 9/1/07, End: 04/30/08</td>
<td>Started</td>
<td>On Schedule</td>
<td></td>
<td></td>
<td>Target 3 Mass Media Campaigns for VITA Program To Date: 2</td>
</tr>
<tr>
<td><strong>Soliciting and surveying of Program Participants</strong></td>
<td>Start: 9/1/07, End: 04/30/08</td>
<td>Started</td>
<td>On Schedule</td>
<td></td>
<td></td>
<td>Target 50 Participants To Date: 25</td>
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<tr>
<td><strong>Opening of VITA Centers</strong></td>
<td>Start: 01/11/08, End: 04/16/08</td>
<td>Completed</td>
<td>On Schedule</td>
<td></td>
<td></td>
<td>Target 9 Sites To Date – 9</td>
</tr>
<tr>
<td><strong>Program Monitoring &amp; Evaluation</strong></td>
<td>Start: 5/15/07, End: 05/15/08</td>
<td>Partially Completed</td>
<td>On Schedule</td>
<td>This will be an ongoing process for the Project</td>
<td>Continue to review and assess project activities</td>
<td>Current Target — Prepare 200 Free Tax Returns To Date – 150 accepted</td>
</tr>
</tbody>
</table>
COMMUNITY SURVEY

Helping Our Community to “Bring the Wealth Home”

Dear Community Participant,

I am inviting you to participate in this research project to help us find out how people in our community get their taxes prepared. We want to use this information to help us improve the service we offer at our VITA centers. VITA is a Volunteer Income Tax Assistance program that is FREE to the public. I have attached a short survey about rapid anticipation loans, check cashing companies, and federal income tax refunds. The survey should take you about twenty minutes to complete. The West Jackson Weed and Seed Program will use the information to help provide better financial assistance to the residents of our community and the City of Jackson.

This survey is a voluntary survey. If you choose to participate in this survey please fill in your answers and give the survey back to me, fax it to 601-960-2192 or return it as instructed. Please do not put your name on the survey. I promise to respect your privacy. No one will know that you completed the survey or how you completed the survey when we review the information.

Please know that there are no risks to you for filling out this survey. If you are interested in the results of the survey I will be happy to share the results with you. Please call me at 601-960-2001 and I will send you a copy of the information or if you have any questions about being a part of this study.

Thank You.

Ester L. Ainsworth
Neighborhoods Division Manager, City of Jackson
Weed and Seed Coordinator
Jackson Asset Building Coalition
“Bringing the Wealth Home” Survey

Date: __________________________

Gender  □ Female  □ Male

Age Group  □ 18 - 24  □ 25 - 29  □ 30-34
□ 35 - 39  □ 40 - 44  □ 45-49
□ 50 - 54  □ 55 - 59  □ 60+

Marital Status  □ Single  □ Married  □ Other

Race  □ White  □ Black or African American
□ American Indian  □ Asian  □ Other

What is your income level?
□ $0 - $4,999  □ $5,000 - $9,999
□ $10,000 - $14,999  □ $15,000 - $19,999
□ $20,000 - $24,999  □ $25,000 - $29,999
□ $30,000 - $34,999  □ $35,000 - $39,999
□ $40,000 - $44,999  □ $45,000 or more

What is your educational level?
□ less than high school  □ Some High School  □ GED
□ High School Degree  □ Some College  □ College Degree
□ College Degree or Higher
DO YOU GET ALL THE BENEFITS YOU ARE ELIGIBLE FOR?

1. Do you have any children?  □ Yes  □ No

2. Do you have any children under the age of 18?  □ Yes  □ No

3. How many of them live in your household?  ____________

4. Do you claim them on your taxes?  □ Yes  □ No

5. Did you receive the Earned Income Tax Credit benefit for your children?  □ Yes  □ No

6. Do you know if you qualify for an Earned Income Tax benefit or other tax benefits?  □ Yes  □ No

7. Would you like to know more about the Earned Income Tax and other Tax Credit Programs?  □ Yes  □ No

YOU AND YOUR TAXES

8. My taxes are prepared by:
   □ Tax Preparation Service (i.e., Econotax, H&R Block, etc.)
   □ the IRS Office on Farish Street
   □ Local VITA Center (Free income tax preparation)
   □ Other (Specify) __________________________

9. How many tax preparation services are in your community?
   □ 0 - 4  □ 5 - 9  □ 10 - 14  □ 15 - 19  □ 20 or more

3
10. Do you have access to a VITA Center (Free Tax Service)? □ Yes □ No

11. Do you get your taxes prepared by:
   □ the same service every year □ a different service every year

12. When you file your taxes do you use:
   □ your W-2 Tax Statement
   □ your last check stub
   □ other (Specify) ____________________________

13. When you filed your taxes last year did you get a/an
   □ a refund
   □ refund anticipation loan
   □ neither - I owed
   □ extension

14. Did you know that you got a refund anticipation loan? □ Yes □ No

15. Approximately how much were you charged for the refund anticipation loan?
   □ $50 - $99 □ $100 - $149
   □ $150 - $299 □ $300 - $349
   □ $350 - $399 □ $400 - $449
   □ $450 - $499 □ $500 or more

16. How many times have you received a refund anticipation loan?
   □ 0-4 tax years □ 5 or more tax years
17. Were you aware of other ways to get your refund other than getting a refund anticipation loan?  □ Yes □ No

18. After you got your taxes prepared, did the person or the company you used offer to help you if there was a problem with your taxes?  □ Yes □ No

19. I used:
□ direct deposit for my refund
□ direct deposit for my refund anticipation loan
□ a check cashing service to get my money because I don’t use banks

20. If you used a check cashing service to get your check cashed, how much did you pay for the service?
□ 0% - 4% □ 5% - 9% □ 10% - 14% □ 15% - 19% □ 20% or more

21. How many check cashing services are in your community?
□ 0 – 4 □ 5 – 9 □ 10 - 14 □ 15 - 19 □ 20 or more

---

Thank you for completing this survey.

Don’t forget to make sure that you have answered all of the questions.
NEWS REPORT ON RAPID ANTICIPATION LOANS

By: Marsha Thompson

An untold number of tax service businesses are cropping up in Mississippi. They offer promises of quick cash. An offer called "refund anticipation loans." Experts say it's a costly loan. A West Jackson tax service business offering "RALS" was raided by U.S. Secret Service agents Wednesday.

Experts say tax refund loans that cost you a lot more than you know. In North Jackson, Lady Liberty Tax Service is with a huge American flag. Sixteen from tax loan businesses are popping up everywhere, even on a side street in West Jackson. The owner refused to go on camera. We asked if he was a Certified Public Accountant. His response, "NO." When asked about his tax refund loan business he said it was off last year.

The lure of these loans, promises of fast cash. No-W2's no problem. We found this tax loan service doing business in a residential neighborhood. U.S. Secret Service agents served with a search warrant seized records from Singleton Tax Service Wednesday. When we tried to get more information from women holding inside but they told us to get away from their gate and slammed the door.

The Fed's tell us the investigation surrounds several cases of identity theft. No one at the home would comment. Oddly enough, people from all parts of Mississippi flocked there for tax preparation. One truck that drove up had a pick-up logo. Another from Lincol County. A passerby who refused to identify herself told us "A friend said this was a good place to get taxes done. She said she was great at handling, putting down things to get more money back." So you can get more money back. "Yes," the woman replied. "Signs on the gate offer refund anticipation loans, a quick way to get your tax refund. The problem: it's actually an expensive and time-consuming loan, in return from HSBC bank.

Bill Heath, President of the Better Business Bureau of Mississippi says the problem is that the lender fees associated with RALT's can translate into annual percentage rates of about 240% or 80%, far greater than those of other kinds of loans. RALT's are more likely to negatively affect the working poor, hitting them at a time when holiday purchases made on credit are about to hit their wallets.

But do taxpayers understand the bottom line of borrowing refunds and the interest rates that are added on? According to HSBC Tax Service, yes. The man who came to the door refused to go on camera but said, "I told them it's a loan and that it's expensive."

Jennifer Chapman said Simpletax charged her $404.00 dollars to do her taxes. Some of that was interest that would go to the banks for her loan. Connie Dinko told us, "We knew we brought out W-2's in and we just want our money, I have waited over a month for mine."

Dinko claims the IRS said her tax refund money was clear. Chapman told us she has used Simpletax Service repeatedly and was also promised her check in two weeks. "No money came back, according to the single mother. She was due over $5,003.00."

file://C:\Documents and Settings\ashworth\My Documents\WLBT 3 - Jackson, MS Thru... 3/28/2008
COMMUNITY OUTREACH SAMPLES

SAVE THE DATE
January 11, 2008
so you can
Bring the Wealth Home

Please call 211 or 601-360-0450 for more information.

WEST JACKSON WEED & SEED, INC.
HELPING YOU TO

“KEEP THE MONEY FOR YOURSELF”

West Jackson Weed & Seed Inc., in coordination with the Jackson Asset Building Coalition and the IRS, is providing FREE income tax preparation and assistance for low to moderate income individuals and families. Services will be provided at the Ottis Park Family Life Center located at 629 Flanders Street.

For More Information, Please Contact
Earl L. Abner (601-548-2801) or Thomas Bing (601-548-3078) or 601-212-1242

BRING THESE ITEMS WITH YOU!

- Valid Picture ID
- Copies of ALL W2, 1099 forms
- Social Security Number (SSN) or Individual Tax Identification Number (ITIN) for all individuals to be listed on the return
- Tax identification number & Address for child/dependent Day Care
- Account & routing transit number for direct deposit/debit
- Copy of 2006 return (if you have it)
- Amounts of Other Income

VITA CENTER HOURS
JANUARY 11, 2008 - APRIL 15, 2008
MONDAY - 9:00 A.M. - 12:00 P.M.
TUESDAY - 9:00 A.M. - 12:00 P.M.
WEDNESDAY - 9:00 A.M. - 12:00 P.M.
THURSDAY - 9:00 A.M. - 12:00 P.M.
FRIDAY - 10:00 A.M. - 4:00 P.M. & 4:00 P.M. - 6:00 P.M.
SATURDAY - 1:00 P.M. - 5:00 P.M.
SAVINGS FOR THE COMMUNITY THROUGH THE VITA PROGRAM

JACKSON HINDS ASSET BUILDING COALITION

<table>
<thead>
<tr>
<th>Earned Income Tax Credit</th>
<th>Total Refund Amount</th>
</tr>
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<tbody>
<tr>
<td>2006</td>
<td>2007</td>
</tr>
<tr>
<td>$797,066.00</td>
<td>$1,180,937.00</td>
</tr>
<tr>
<td>$1,564,319.00</td>
<td>$2,073,265.00</td>
</tr>
</tbody>
</table>


NOTE – TAXES WERE PREPARED FREE!

Processing Fees for Tax Preparation

- $100-$199
- $200-$299
- $300+

[Bar chart showing distribution of processing fees]
COMMUNITY TESTIMONIAL

PROGRAM PARTICIPANT TESTIMONIAL
DeAndra Taylor

This Program was very beneficial to me and my finances, of course, because Ms. Ainsworth didn’t charge me anything. I was overjoyed because last year I paid out half of what my refund was. At the time the opportunity came to the AmeriCorps group, I was looking for the cheaper, but knowledgeable place to have my taxes prepared. Ms. Ainsworth was there and it seems that she answered my prayers. Although it was better because she was preparing my taxes for **FREE** and that’s a word we all love! I paid $100 and my refund was $200. This year I got all of my tax refund back!

Thank you Ms. Ainsworth &

The Weed and Seed Program