Form **13424-M**
(August 2014)

Department of the Treasury - Internal Revenue Service

Low Income Taxpayer Clinic (LITC) Application Narrative

OMB Number
1545-1648

Applicant Organization name

Use this template to complete the Background Information, Program Performance Plan, and Civil Rights Review required to be submitted with all LITC grant applications. Your responses may contain internal references. There is no need to reprint text contained elsewhere on this form.

Background Information

This section is designed to solicit information concerning an applicant's qualifications. The information will be used to determine whether the organization has sufficient experience in delivering services to low income and ESL individuals and the infrastructure to properly manage federal funds. Provide specific responses for each of the following requirements and keep comments concise and relevant.

I. Experience

A. Describe the applicant's experience in operating an LITC program. Do not include information about the experience of specific individuals here. If the applicant has no experience operating an LITC program, describe the applicant's experience in delivering services *(e.g., representation, education, and advocacy)* to low income and ESL individuals and families. Include types of services provided, languages served, number of individuals reached, and geographic area covered.

B. Describe the applicant's existing affiliations with other organizations, such as schools, governmental bodies, or other charitable organizations.

C. Describe the applicant's experience in supervising staff, students, and volunteers and providing technical assistance to other organizations.

D. Describe the applicant's experience networking with other community-based organizations with which it can work to reach taxpayers.

II. Financial Responsibility

E. Describe the applicant's ability to properly spend 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 accounting procedures and other pertinent information.

1. Describe accounting procedures.

2. Describe the method for ensuring that LITC grant funds and matching funds are used solely for qualifying LITC activities. If the applicant also operates a VITA or TCE program, specifically identify how LITC funds are kept separate from those activities.

3. Describe the plans for audits and controls.

4. With regard to the financial statements submitted with this application, provide the following information: *(if a profit and loss statement or other substitute was submitted because financial statements were not available, skip to question 5)*

☐ Unaudited ☐ Audited

i. If audited, was the audit a single audit conducted in accordance with 2 CFR 200.501. ☐ Yes ☐ No

ii. Indicate whether the auditor provided a: ☐ Unqualified opinion ☐ Qualified opinion ☐ No opinion

iii. Indicate the year-end date of the financial statements submitted. *(MM/DD/YYYY)*

5. Describe the qualifications and relevant expertise of the Qualified Business Administrator (QBA) with business administration and managing federal grants.

Program Performance Plan

This section of the application is designed to solicit information concerning the ability of an applicant to operate a quality LITC. Provide specific responses for each of the following requirements and keep comments concise and relevant.

I. Program Staff

A. Describe the qualifications and specific tax expertise of the:

1. The Qualified Tax Expert (QTE); and

2. The Clinic Director.

B. List the titles, responsibilities, and qualifications of clinic staff other than the QTE, QBA, or Clinic Director.

C. If students will be used to provide clinic services, indicate the number and type of students *(law students, graduate accounting students, etc.)*, and

1. Whether the clinic will obtain a special appearance authorizing students to represent taxpayers before the IRS; and	☐ Yes ☐ No
2. Whether permission will be obtained from the United States Tax Court for students to practice before the Court.	☐ Yes ☐ No

D. Identify clinic staff authorized to represent taxpayers before the IRS and identify whether each is an attorney, Certified Public Accountant, or enrolled agent.

E. Identify clinic staff admitted to practice before the U.S. Tax Court and include each individual's Tax Court bar number.

F. Indicate the amount of time that clinic staff and students devote to clinic activities. Detail the method used to track staff and student time.

II. Taxpayer Services

Describe the proposed program plan for the period for which the grant is requested.

G. Describe the type of representation services to be provided.

1. Describe the method used to track the 90/250 income requirement. Include an explanation of any alternative methods used to measure income for purposes of determining eligibility for controversy services *(e.g., seasonal workers.)*

2. Describe the method used to track the amount in controversy for any taxable year and state the policy that will be used to accept cases when the amount in controversy exceeds the amount specified in IRC § 7463 *(currently $50,000.)*

3. Briefly describe the procedure for intake, assignment, and monitoring of controversy cases.

H. Describe consultation services to be provided and how they will be made available to taxpayers.

I. Describe the educational activities to be provided, including educational topics to be addressed, and how they will be made available to taxpayers.

J. Describe the identified population for ESL representation, education, and outreach and identify the methods and media that the clinic will use to reach low income and ESL taxpayers.

III. Clinic Operations

K. Describe plans for tracking the delivery of services to low income and ESL taxpayers.

L. Describe plans to protect taxpayer privacy and to maintain confidentiality of taxpayer information and any tax return information. Describe the procedures used to safeguard client records. Is there a private office or conference room to meet with clients.

M. Describe the clinic's publicity plan, including potential venues for outreach to low income taxpayers.

N. Identify geographic area(s) the clinic will serve. Provide demographic information including the total population, number of low income residents, and number of ESL residents.

O. Indicate the dates, days, and hours of clinic operation. State whether the clinic will be open full-time and year-round. Describe plans for staffing the clinic during periods of student absences if the LITC is part of an academic institution. Specifically state whether the clinic will accept and work new cases during periods of student absences or merely refer taxpayers to other organizations.

P. Describe the clinic's plans for charging nominal fees, if any, and the amount.

IV. Volunteers

Q. Describe the applicant's pro bono panel and how panel members will be identified and recruited.

R. Describe the procedures used to assign cases to volunteers, monitor case progress, and evaluate services to ensure that taxpayers receive quality assistance.

S. Detail the method used to track volunteer time.

V. Training and Resources

T. Describe the training to be provided to clinic staff, students, and volunteers.

U. Identify the continuing professional education (CPE) activities of the clinic staff and volunteers.

V. Describe the clinic's tax library and any plans to provide access to other research resources.

VI. Program Monitoring, Evaluation, and Reporting

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

X. Indicate how the clinic intends to measure client satisfaction.

VII. Program Numerical Goals

Y. If the program goals extend beyond one year, state goals in annual increments of up to three years. Project numerical goals for	First Year	Second Year *(if applicable)*	Third Year *(if applicable)*
1. New representation cases;			
2. Consultations with low income taxpayers;			
3. Educational activities; and			
4. Taxpayers to be reached in educational activities.			

Civil Rights Review

This information is mandatory and required of every applicant annually. Responses to these civil rights questions must be directly related to the clinic and not the sponsoring organization. If the clinic does not have any information to report on these questions, a negative response is required. The applicant must provide the following information as a condition of eligibility under the LITC Program.

A. 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.

B. A description of all pending applications for financial assistance and all financial assistance currently provided by other federal agencies.

C. 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 or disposition of such findings and recommendations.