UNITED WAY OF SNOHOMISH COUNTY
FREE TAX PREPARATION PROGRAM
REPORT ON 2018 RESULTS

This program was made possible thanks to the support of several key partners:
Washington State Department of Commerce, Internal Revenue Service VITA, WSECU, and Goodwill

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Summary of Results

Free Tax Preparation Services

The 2018 Free Tax Program embarked on a historic season in program evolution and design. Beginning its 12th year in providing free tax preparation services, the United Way of Snohomish County ran a different method of tax preparation called the drop-off model. Through this model of preparation, taxpayers visited one of twelve (12) sites across Snohomish County to have their taxes prepared and returned a week later to pick-up their finished tax return. This model was a shift from the previous method the program used and presented many insights into the program's capabilities and community's response.

During the 2018 campaign, 81 volunteers served over 3,000 hours to help their neighbors complete 2,159 tax returns with refunds totaling over $3,600,000. Our volunteers provided this free service six days a week, at 12 drop-off locations. Together, our volunteers and staff implemented IRS regulations and procedures for Volunteer Income Tax Assistance (VITA) programs to provide our clients with a high level of customer service.

Summary of 2018 Results	
Households Served	2,159
Total Refunds	$3,690,433.00
Avg. household Adjusted Gross Income (AGI)	$26,117.67
Avg. household Adjusted Gross Income (AGI) for Households with Dependents	$34,933.97
MyFreeTaxes.com Self-Prep	283

Summary of Program Results 2007-2018	
Total Households Served	28,381
Total Refunds	$45,488,470
Total Volunteer Hours	41,199

Why Free Tax Preparation?

United Way of Snohomish County first offered the free tax preparation service in 2006, via the IRS' VITA program. The organization saw a rising number of households in Snohomish County experiencing financial instability as the divide between cost of living and household income became greater year after year. With the help of many community volunteers, increasing a household's supplemental income for food and other basic resources was an outcome to look towards. Further analysis showed that there were particular gaps in the community around accessing needed tax credits such as the Earned Income Tax Credit, plus acknowledgement of the high costs that are often associated with tax preparation at paid preparation businesses. Missing needed credits, coupled with the expenses of tax preparation, often left low-income households with less of a refund than they were entitled, taking much needed income from the pockets of working families. Bringing a free tax preparation service to Snohomish

County was one step towards increasing the supplemental income of low-income households, by helping them keep more of the money they've earned.

United Way of Snohomish County's Free Tax Preparation Program has brought back over $45 million in tax refunds to low-income taxpayers over the past 12 years, including saving households over $4.5 million in tax preparation filing fees and costs.

New for 2018 – Drop-Off Model Pilot Season

United Way of Snohomish County had a strategic shift at the beginning of 2017 to align the organization's work towards moving children birth to age 8 and their families with low income out of poverty and on the path to stability. This new work, called CORE (Creating Open Roads to Equity), combines a two-generational approach around collaborations with multiple cross-sector partners. CORE places families at the center of services, focusing on the causes of poverty unique to families.

Historically, United Way of Snohomish County worked on single programs and provided funding towards services affecting all low-income individuals in Snohomish County, regardless of household makeup. With a narrowed focus on a targeted population, all forms of work and resources needed to align to serve this specific population. Existing programs, such as the Free Tax Preparation program, needed to be looked at differently with family outcomes in mind.

Prior to making the decision to pilot a new model of tax preparation, analysis of past program data was performed. Data revealed that while the program was serving individuals well, it was not reaching the new target population (young children and their families). Serving only 30% of households with dependents on average each season, the existing model did not meet the needs of a busy family with low income. In addition to analyzing past program data, barriers and challenges to access were also looked at. Predictably, four main barriers to access were identified: transportation, site locations, lack of time & available shifts, and child care assistance.

Compiling the barriers already affecting a family's access to resources, the existing program also provided challenges to families using the service. The program is built on volunteer tax preparers, and for many weeks of the season, the demand for free tax preparation exceeds the capacity of the program. This has resulted in long wait times to be served, which can be problematic for a parent with a young child in tow to have to wait up to three hours to get their taxes prepared. Access to rural areas is also becoming progressively problematic as housing costs continue to increase, forcing many low-income families to move to areas where rent is more affordable – often increasing other challenges in achieving stability such as transportation, job security and more.

From this analysis, the discovery of the drop-off model was developed to pilot in Snohomish County in 2018. Referred to as "Virtual VITA" to the Internal Revenue Service (IRS), this model provided an opportunity to reduce the challenges affecting many families in accessing free tax preparation.

What is the Drop-Off Model?

The drop-off model (Virtual VITA) is an expanding IRS-approved model used across the nation by many existing VITA programs. In this model of tax preparation, clients visit a drop-off site (tax site) and meet with a tax volunteer who copies their tax documents for return preparation off-site. The clients then return one-week later to the same drop-off site to 'pick-up', sign, and take home a copy of their return for their records. The return is then electronically filed with the IRS.

The major change from the previous model was the fact that preparation of the return was not done in-person, or in front of the taxpayer. Should there be a mistake found at pick-up, it would be corrected on-site, however, the preparation of the return was done at the preparation sites, held at the United Way of Snohomish County office and the Edmonds Community College campus. This led to two tax volunteer roles – the Tax Preparer at the preparation site, and the Tax Counselor at the drop-off locations.

Programs across the nation that have ran their own versions of Virtual VITA, have only implemented the model in a few of their tax sites, while maintaining on-site preparation options for clients. United Way of Snohomish County made the decision to implement the model across the entire program in 2018, eliminating on-site preparation.

Changes to Existing Tax Preparation Model

Shifting to a new model after 11 years presented changes to existing partnerships, growing pains for returning volunteers, and a multitude of quick adaptations to the demands of the largest free tax preparation service in Snohomish County. Along with the transition to a new model, the program implemented other aspects into the 2018 tax season as well.

Rural Expansion - With the goal of increasing access to free tax preparation for low income families top of mind, the program tested the rural access barrier first by increasing the existing site locations from six sites to 12 sites across Snohomish County. The program had grown over the past 11 years, however the majority of sites were located along the I-5 corridor, where the county's most populated cities are. As mentioned before, housing costs are continuing to rise, and expanding access to more rural areas reduces barriers for those families by increasing the amount of locations where families can access free tax preparation. Close proximity to public transit was also important, including locations within walking distance of other useful services such as grocery stores, schools, libraries, and thrift stores.

Reduced Wait Times - Reducing wait times while at the tax sites was another opportunity to improve upon using the drop-off model. In the existing model of on-site tax preparation, families would often wait long times consisting of two to three hours to have their taxes prepared. By the end of the tax season, the use of the drop-off model reduced the typical wait times at most sites by almost 80%, to just under 20-30 minutes on average.

Connections to other resources – In 2010, United Way began partnering with the nonprofit WithinReach, to increase awareness and connection to public benefits to further help households' food and health security. Keeping this partnership with WithinReach was a challenge when applying the drop-off model of tax preparation. This important service was decidedly put on pause for the 2018 tax season as the program focused on piloting the drop-off model.

The expansion to 12 sites throughout Snohomish County provided not only increased access for families, but also forged new partnerships for the program. New sites consisted of: North Counties Family Services, Stanwood Library (Sno-Isle Libraries), Arlington Community Resource Center (Lutheran Community Services NW - LCSNW), Lake Stevens Family Support Center (LCSNW), Granite Falls Family Support Center (LCSNW), Volunteers of America Sky Valley Integrated Service Center (VOAWW), Familias Unidas (LCSNW), and Take the Next Step. 6 of 7 of these new sites are known as family resource centers, with case managers and resource specialists on-site. Bringing free tax preparation into these new communities provided the opportunity to bring more families into these locations that may have been unaware of the services and help before. The drop-off model helped offer connections to local community resources and people knowledgeable in providing assistance to families in need.

Translation Services – Since 2010, the free tax preparation program staffed each site with a Spanish translator. Keeping additional staff on site was not economically feasible, with program expansion and the adaptation of the drop-off model. To fill this gap and meet this important need, the program connected with third-party translator services to find alternative ways to communicate with every taxpayer that enters a tax site – regardless of whatever language they spoke. The program partnered with United Language Group (ULG) to provide over-the phone translation services, for over 200 languages. Each tax site had a site phone, and after connecting with ULG, the tax volunteer or site manager would be able to connect with translators.

Though this was a change from the traditional in-person translator – the partnership with ULG provided the program the opportunity to communicate with more than just Spanish-speaking taxpayers, but also taxpayers who spoke Vietnamese, Arabic, Russian, Ukrainian, and even Kurdish. As Snohomish County becomes more and more ethnically diverse, awareness of other cultures and languages is increasingly important. This improvement to translation services allowed the program to communicate with more families in a better and more effective way than before.

Tax Help Phone & Email Line Implementation – To improve upon the responsiveness of the program with the community and the clients it serves, the program developed a separate call line and email address devoted to questions and inquiries of just the tax program. The tax line phone and email line received inquiries of clients seeking tax services like hours and locations, clients with questions about their tax return and status of when it was available for pickup, and general tax law questions. Utilizing the expertise of paid staff, complex tax law questions about returns were forwarded and responded to by site managers, and general questions about the program were responded to daily by the program administrative assistant. Traditionally, all tax program questions were filtered to the program manager, which increased the workload and amount of response time in which the client received a response back. The creation of the tax help phone and email line helped to streamline the large amount of time traditionally spent by the organization on the tax program, aiming to also limit the amount of phone calls to the United Way main line. Incorporating the site managers into the response process also increased the level of professionalism of the program by providing enhanced customer service with the most complex tax programs that could typically take up more of the program manager's limited time during the season. In total, the tax help line received over 251 phone calls, and 59 emails in this first year of implementation.

Other Piloted Changes in 2018 – In an effort to direct services to solely the target population (young children and their families with low income), the program also piloted "Super Saturdays" – appointment-based, in-person tax preparation at different locations each Saturday throughout Snohomish County. The locations targeted families with low income: Early Childhood Education & Assistance Program locations (ECEAPs), elementary schools, family support centers, and even special groups such as Domestic Violence Services. The Super Saturdays model provided many lessons learned, and unfortunately received less than the anticipated appointment sign-ups, forcing this change to be scraped mid-season.

Fortunately, the Super Saturdays model recruited a very committed group of volunteers, that were then transferred to the busy Marysville Goodwill location for Saturdays through the end of the season. These volunteers piloted a “hybrid” model of tax preparation – conducting both in-person preparation and also offering the drop-off option for clients. Lessons learned from this group of volunteers will carry forward to next season as the program looks to further develop a hybrid model to better serve families with young children.

Site Locations and Logistics

Historically, UWSC has concentrated free tax preparation services in or near Snohomish County’s population centers; Everett, Lynnwood, Marysville and Monroe. In 2018, the program expanded to provide access in nearly every community in the county.

	Service Areas	Current Location	Previous Location	2018 Hours of Operation	Years of Operation
1	**South Everett, Casino Road**	Hand in Hand	Hand in Hand	**Tu/Th/Sat** 9am-12:30pm	**10**
2	**South Everett**	S. Everett Goodwill	S. Everett Goodwill	**Mon/Tu** 5:30-8:30pm **Wed** 4:30-7:30	**7**
3	**Lynnwood, Edmonds, Mountlake Terrace**	Edmonds Community College	Edmonds Community College	**Mon** 5:30-8:30 **Fri** 2:30-5:30pm	**11**
4	**Marysville, Tulalip**	Marysville Goodwill	Marysville Goodwill	**T/Th.** 5:30-8:30 **Sat.** 10am-1pm	**8**
5	**Monroe**	Take the Next Step	WorkSource Monroe	**Wed** 2-5pm	**NEW**
6	**North, Central Everett**	Familias Unidas	UWSC Office	**Tu** 3-6pm	**NEW**
7	**Arlington**	Arlington Community Resource Center	N/A	**Th** 3-6pm	**NEW**
8	**Darrington**	North Counties Family Services	N/A	**Mon** 5:30-8:30pm	**NEW**
9	**Stanwood**	Stanwood Library	N/A	**Fri** 2-5pm	**NEW**
10	**Lake Stevens**	Lake Stevens Family Support Center	N/A	**Wed** 9am-12pm	**NEW**
11	**Granite Falls**	Granite Falls Family Support Center	N/A	**Mon** 2-5pm	**NEW**

12	**Sultan/Gold Bar**	VOA Sky Valley Integrated Service Center	N/A	**Th** 2:30-5:30pm	**NEW**

Site locations were determined by using a combination of local school reduced/free lunch statistics, United Way of Snohomish County's City Briefs, and Making Ends Meet Report which provided indicators of how many families in a location could qualify for our services or benefit most from tax credits.

Average Refund and Tax Credit Amounts

The vast majority of our clients (80%) receive a refund of taxes paid, frequently supplemented by tax credits such as the Child Tax Credit and the Earned Income Tax Credit. For these households, the refund typically represents between 6% and 10% of their adjusted gross income and is likely the largest lump sum of cash they receive all year. The average refund received for the program in total was $1,709.33. An estimated 26% of all filers claimed the Earned Income Credit, and 14% claimed Child Tax Credits.

Of the total households served, 24% had dependents. For those households, the average refund jumped to $4,393.08. In addition, an estimated 45% of households with dependents claimed the Earned Income Credit, and 42% claimed Child Tax Credits. With an average adjusted gross income (AGI) of just under $35,000, the average refund represents a larger portion of their total yearly income – jumping to 12%. For a low-income family of 4 (the program's average size of households with dependents), receiving a large tax refund can substantially change the opportunities available to both children and the adults in that family. Parents can spend more on their children's wellbeing, like purchasing needed diapers, new clothes, and afford the copay for a doctor's visit. Adults in the household can get ahead on lingering bills, afford a down payment on a car, or even afford to finally take some classes at the local community college. Tax credits are designed to help support low income households, and coupled with savings on preparation fees, can help families build the bridge to get out of poverty and onto a path of stability.

Self-Preparation: MyFreeTaxes.com

In 2011, United Way, in partnership with several other organizations, helped launch an online free-file service at www.myfreetaxes.com. In 2018, 283 households used this service in Snohomish County*, an increase of 12% from 2017. The average refund for those e-filers was $1,303.76.

**Self-Preparation data was not calculated or included into the overall summary of results brought back to Snohomish County by United Way of Snohomish County's Free Tax Preparation Program.*

Staff and Volunteer Roles

In total, nine different positions are a part of our program and they vary in scope from direct client interaction to administrative oversight and grant writing. The entire program is a cohesive effort made possible only by the direct collaboration of the following positions.

Staff Positions

<u>Manager of Impact Integration</u> **–** The Manager of Impact Integration provides day-to-day oversight of tax sites and tax site staff, including direct on-site technical, software and tax law support as well as

remote assistance via TaxSlayer online, remote-access logins, email, and telephone communications. This position also designs and coordinates training to all staff and volunteers on tax law, site processes, and limitations of service. In the event of an emergency, the Manager of Impact Integration also serves as Site Manager at a site. In season, this position provides all support necessary to staff, volunteers and partners to ensure quality and site function, and ensure compliance with all IRS regulations. After the season, the Manager of Impact Integration conducts recognition, evaluation and planning activities.

IT Coordinator – the Free Tax Preparation Program relies in large part on the use of technology. The IT Coordinator provides technical assistance and support for technology and software used at the drop-off locations and preparation sites. The IT Coordinator is responsible for maintaining inventory of all equipment consisting of laptops, printers, copiers, and more. In addition to equipment maintenance, the IT Coordinator also manages internet connections at each location, to prevent stalls in preparation and service. Engagement of the IT department is integral to continuously improving the client experience and program efficiency.

Impact Administrative Assistant – This position assisted the program manager in various day-to-day tasks of the tax program including but not limited to; maintenance and organization of site supplies, phone calls and email responses to general inquiries of the program, and other general administrative support of the program.

Volunteer Coordinator – This position assists the program manager in volunteer recognition throughout the season, including support during volunteer tax trainings.

Drop-Off Site Coordinator **–** Each of the drop-off locations were staffed with one Shift Lead who was responsible for shift management at their site. Shift Leads enforce compliance with IRS standards for tax return drop-off and pick-up. Together with tax volunteers, Shift Leads provide quality customer service to clients receiving services, while researching tax law questions and enforcing IRS restrictions on our VITA scope of service.

Site Manager **–** Each of our preparation sites was staffed with one Site Manager responsible for all volunteers, returns, and shift management at their site. Site Managers are trained in electronic filing procedures and comply with IRS standards for tax return submission and rejection follow up. Together with volunteer tax preparers, Site Managers oversee quality tax preparation in accordance with VITA standards.

Volunteer Positions

Tax Preparer Volunteer **–** Historically, this volunteer role has been the heart of the campaign. The majority of volunteers sign up for this position and they are the ones who prepare tax returns for eligible clients. These volunteers are trained to IRS VITA specifications with classes covering topics through the "Advanced" level, including other specialty certification levels. Tax Preparers prepared tax returns and quality reviewed the work of other volunteer tax preparers at one of two designated Tax Preparation sites: the United Way of Snohomish County office and the Edmonds Community College campus. With the drop-off model of tax preparation, the 12 drop-off sites throughout Snohomish County filtered tax returns to be prepared off-site at these locations, and then dispersed back to the drop-off sites to be picked-up by the clients a week later.

Tax Counselor Volunteer **–** The Tax Counselor volunteer role was newly designed for the adaptation of the drop-off model. Tax Counselors were located at each of the drop-off locations and were trained to IRS VITA specifications with classes covering topics through the "Basic" level. Tax Counselors were responsible for greeting clients when they come to a tax site, collecting all necessary information to prepare the tax return off-site, and providing information and clarification on all Free Tax Preparation program information.

Volunteer Recruitment and Training Model

Volunteer recruitment typically begins in October. Volunteers are asked to commit to at least one shift per week for the duration of the program (January through April), attend training sessions, and pass required IRS VITA tests. The program benefits from many returning volunteers each year, and also works with community groups and partners to identify pools of new volunteers. This year, United Way recruited over 80 volunteers.

UWSC offers training throughout December and early January. New and returning volunteers must past IRS certification exams including Standards of Conduct (ethics) and tax law. These trainings utilize IRS-generated training products in addition to UWSC-created materials and allow volunteers to use the tax preparation software (TaxSlayer) to simulate actual tax preparation. Training sessions were redesigned to target new tax volunteers and returning tax volunteers, a shift from previous year's training. Though there are many points of improvement for future trainings, the majority of tax volunteers reported that they liked the training redesign, giving more emphasis and training to new volunteers, and less of a training commitment for experienced and returning volunteers.

MARKETING STRATEGIES

Several different marketing strategies were used to advertise United Way's Free Tax Preparation Program. Fliers, social media posts, community word-of-mouth and an end-of-season survey were the main marketing strategies used, as in previous years.

Fliers were developed and distributed to partner agencies to recruit clients and assist in referral-making to our tax sites. These fliers included information such as hours of operations, required documents, and the benefits and scope of our free service. They were printed in both Spanish and English. Fliers were distributed through partners including school districts (to target families enrolled in free or reduced-price school meals), and other entities that serve families with low-income.

A flier was also mailed to previous clients inviting them to return for service, that included information on the change in model, and identifying where they could go to find a location nearest them.

Traditional flyers and media pushes were distributed around Snohomish County, however, 61% of clients reported hearing about our program through word of mouth, including social media and case manager referrals. Further strategy around reaching low-income households, especially households with young children, is needed for next year.

CLIENT/ VOLUNTEER / SITE MANAGER FEEDBACK

Client Feedback

An end-of-season survey was conducted, with information and feedback that will be used to guide the program design next tax season. Clients were emailed a link to an online survey if they provided an email address, and were asked questions such as if they were a new or returning customer, type of free tax preparation they preferred (drop-off or in-person), if they spent their refund on basic needs, and what type of other services they'd be interested in, if any.

Client feedback was insightful, providing additional details into our client's economic situation, especially around tax time. As in previous years, the majority (68%) of our clients that were served reported that they spent the majority of their refund (if they received one) on basic needs like rent, transportation, urgent bills, and child care. 77% of clients reported they would be interested in receiving additional services while their taxes were being prepared; with access to public benefits like WIC, SNAP and basic food at the top of the list (50%), followed by financial coaching/budgeting help (29%), one-on-one assistance (17%), and credit counseling (12%).

Feedback was also gathered around which free tax preparation model our clients preferred. Interestingly, 55% of clients surveyed reported that they preferred the drop-off model (an initial visit to drop-off paperwork, plus a return visit to sign completed tax return for an overall wait time of 30 minutes), over in-person tax preparation (a 2-3 hour wait for on-site preparation, leaving with a completed tax return). For households surveyed with dependents, all clients reported that they preferred the drop-off model, for an overall shorter wait time. Similar to the survey group in total, 60% of households with dependents surveyed reported spending the majority of their refund on basic needs. One client provided feedback that their refund went to "a month's rent, food for a few weeks, and getting my car fixed," which was very comparable to much of the other feedback received.

Volunteer Feedback

Volunteers are at the heart of the Free Tax Preparation program. In 2018, 81 tax volunteers contributed an approximated $93,960 dollars in volunteer time over the course of the tax season. Volunteers signed up for a weekly 3-hour shift as either a Tax Preparer at one of the preparation sites, or as a Tax Counselor, at one of our twelve drop-off locations. The majority of volunteers served an average of 40 hours throughout the season, which does not include the 8-10 hours (or more) of tax training before the season began. This is an incredible group of individuals that contribute a large amount of their personal time back to the community.

39% of volunteers were new in 2018, with the vast majority (68%) reporting that they heard about this opportunity through word of mouth. Volunteers were asked to give feedback on many parts of the program, but most specifically on tax trainings and experience with the drop-off model.

Quality tax preparation is a core value of the program, which include continued efforts to improve tax trainings for both new and returning volunteers in the future. Only 73% of volunteers reported that they felt prepared to take and pass the IRS certification exam, with only 83% reporting that they felt comfortable in their volunteer role at the start of the season. Tax Preparers were required to pass the advanced IRS exam, while Tax Counselors were required to pass the basic exam. With the transition to the drop-off model, additional training and preparation was needed, especially for Tax Counselors, who were client-facing, and responsible for gathering information up front, and relaying it to the Tax Preparers. The beginning of the season proved challenging for many volunteers, as many tweaks and changes were needed to increase efficiency and effectiveness of the new model. The majority of volunteers (75%) reported that it would be very likely they would volunteer again next season if the drop-off model continued. Additionally, 100% of volunteers reported feeling very welcome by UWSC staff, site managers and site leads, noting the supportive and appreciative atmosphere the program strives to create for its volunteers.

Capturing volunteer insight into the drop-off model was also important to capture. Because these volunteers served a substantial amount of time working with this new model, gathering their feedback was crucial for future program design. Because improving access for young children and their families with low-income is the priority for United Way's strategic direction, volunteers were asked about their experience with serving this demographic in the 2018 tax season. 77% of volunteers believed that, by the end of the tax season, the drop-off model worked well for households with young children.

However, volunteers commented on many common barriers when asked about the challenges these clients faced:

- At the beginning of the season, wait times were much longer than anticipated – many families had to wait over 1 hour at both the drop-off and pick-up stages.
- A second trip was difficult for many. Families were forced to take additional time off work, pay for more child care, including coordinating transportation again to the tax site.
- If a tax return was prepared incorrectly, or did not have all information gathered at drop-off, more time was spent correcting the tax return at pick-up.
- Trust in the new model – having documents copied and transported to a different location was troublesome for many returning clients that were accustomed to the previous model.

This feedback will be used to shape the program design for next tax season. In an effort to strengthen the continuity of the program overall, a volunteer group will be developed in an effort to oversee the tax training content, for increased training efforts. Having a stronger volunteer knowledge base will not only help the overall quality of the program, but will help ease the learning curve many volunteers experience in the beginning weeks of the tax season. Deploying a network of tax volunteers in the off-season will also help work-through the development of a hybrid model of tax preparation.

Site Manager Feedback
We also asked our site managers and shift leads to give us feedback on what they experienced throughout the season and to give us general comments about how we could improve our service for the 2019 season. Information was captured via in-person meetings after the tax season concluded.

"Wins" with the Drop-Off Model:

- Increased personal time for tax preparers to work on tax returns, without pressure of clients present. This was particularly helpful for new volunteers, and for complex and unique returns requiring enhanced site manager support.
- Increased relationship building between volunteers. Often times, music and conversation would be heard, providing a comfortable and enjoyable volunteer experience.
- Time for continued education on tax topics for building knowledge throughout the season.
- When the drop-off model worked well, it made the client experience fast and easy – able to serve more clients with less volunteers staffed at tax sites.

Recommendations for 2019:

- More extensive volunteer training, particularly for Tax Counselors or intake volunteers – those volunteers in front of taxpayers. Tax trainings also need to include more role-playing scenarios.

- Tax Preparation timing and shifts should be more balanced with number of drop-off sites. Mid-season, an additional tax preparation shift was added to keep up with the demand of preparation in order to stay within the 1-week timeframe given to clients.
- Redesign of the intake/checklist form. Including pertinent questions for clients to ask at intake, a standardized intake process and flow were recommendations to improve the intake process.
- Staffing drop-off sites with mix of experienced and new volunteers. Emphasis on more experienced volunteers running intake/screening process as they are typically more aware of forms needed for tax preparation and have more knowledge of efficient flow.

DROP-OFF MODEL: FINAL NOTES

Drop-Off Model Opportunities & "Wins"

Though there were plenty of challenges in implementing a new program model after 11 years, there were a few "wins" with piloting of the drop-off model. By the end of the tax season:

- Most tax sites saw a reduction in overall wait times by almost 80%.
- Average cost per tax return was reduced, from upwards of $90/ return, to approximately $45 return, a decrease of 50%.

Drop-Off Model Challenges & Recommendations for Improvement

- Improvements to Tax Volunteer Trainings – additional emphasis on strong training before the season begins was a key piece of feedback from both volunteers and site managers. Collecting the correct information up front and asking important questions of the taxpayer provided a much more streamlined tax preparation off-site. If the correct information was not captured at drop-off, more time would unfortunately have to be spent on preparation and eventually at the pick-up stage with the taxpayer, increasing the wait time to receive a prepared return.

  More role-playing scenarios, and less PowerPoint teaching were large pieces of feedback from volunteers. Though tax volunteers go through 10 hours of training prior to tax season (including additional time needed to pass the required IRS test), more training time for new volunteers to fully understand tax fundamentals was recommended. The development of a volunteer-led network that guides tax training improvement is a strong recommendation for strengthening the continuity of the volunteer knowledge base.

- Need for Intake/Screener volunteer position – a positive realization that the drop-off model brought to light was the need for a strong volunteer or staff person at the Intake/Screener role. This particular role is the first face taxpayers see when they enter a tax site, and involves explaining the process, eligibility guidelines, and expectations of the program. Because of such a major shift in the program model, presenting the process was critical up front with the taxpayer, and prevented lags and challenges later in the process.

  During post-season volunteer debriefs, volunteers relayed that having a position dedicated to site traffic flow and managing the taxpayer experience is needed – especially as the program looks to prioritize low-income families with young children more in the future.

- Clearer Client Messaging – setting expectations up front with clear and consistent messaging was a large piece of feedback by volunteers, site managers and clients. Having multiple avenues for messaging, including repeated messages, would have not only presented clearer expectations of the new model, but also would have alleviated frustrations experienced by many clients up front. Change of the model was difficult for many people, and being clearer with the process and what items needed may have helped ease the transition for many returning clients.

- Clearer Program Objectives - After 12 years of service in Snohomish County, the Free Tax Preparation program has had competing objectives as to its ultimate outcome. Tying outcomes to grant funds have been typical, and ranged from gathering data on EITC households, to total refunds brought back to the community, to total EITC households in the community, to how many households were referred to other supports. The perception of the program's responsibilities has also changed within the community it serves, including the large volunteer base. Perceptions of additional services like educating the taxpayer on preparing their own taxes, or providing referrals to other free services, have arose as the program has grown.

  As the program seeks to integrate with other partners to expand its reach, having clear and established objectives is important. Narrowing to one or two outcomes, rather than multiple, can allow the program to refocus more energy on ensuring families with young children are served as efficiently as possible, while provided with quality tax preparation. Research shows that free tax preparation increases access to economic supports for families with low income by increasing their supplemental income. Eliminating high costs from filing fees provides an extra boost to families living paycheck to paycheck, putting more money back into pockets of hard-working households, which is the ultimate outcome of the program.

- More emphasis on easier trip with children in tow – though one of the main intentions of the drop-off model was to reduce wait times, there would inevitably be longer wait times than desired, and young children would be challenged to wait patiently alongside their parents or adults they were with. While focusing on a narrow population of low-income households with young children, emphasis on kid-friendly toys and activities while at the tax site is imperative.

  Efforts made to create a more family-friendly environment is necessary to attract more families to this service, and to help spread the word to other families. Small implementations like coloring books, building blocks, and other toys are a start, while strategizing with locations that already have kid-friendly environments are larger implementations.

- Utilizing technology for busy families – It's no question that technology is moving at a rapid pace, and more and more families rely on their smartphones and internet each day. Bringing free tax preparation to an online platform can provide an additional option for busy family schedules. Up 12% from 2017, United Way's partnership with HR Block to provide www.myfreetaxes.com is a user-friendly software, similar to at-home tax preparation software like TurboTax. Investment in greater awareness in an online campaign through My Free Taxes is a suggestion, especially with the high rate of taxpayers served that are students through this program.

- Facilitated Self-Assistance Labs (FSA's) – though rural expansion was a "win" with the drop-off model, there are other virtual options for tax preparation becoming available by the IRS themselves. Facilitated Self-Assistance Labs (FSA's) are a fairly new product provided by the IRS to connect with taxpayers virtually. Taxpayers are connected with an IRS agency virtually, and are able to ask questions, and provide tax preparation assistance virtually. Partnering with the IRS can help leverage rural partnerships even more, along with implementation at various community colleges, where many fixed income students could benefit from free tax preparation.

Having additional avenues for single taxpayers to receive tax assistance will help alleviate the demand at the in-person tax sites, while the program looks to prioritize low-income families with young children.

LOOKING AHEAD

As United Way of Snohomish County looks to increase the impact of its resources towards young children and their families with low income, the Free Tax Preparation Program will continue to seek out ways of improving access for this population.

Though the drop-off model provided a new and useful way of tax preparation for some families, the model in exclusivity did not work for other families. The model worked more efficiently and effectively at some tax sites, but not in others – leading to the realization that there is not one specific model that works to serve these families. Utilizing both methods, as a “hybrid” model, is the next step in the program’s evolution.

In preparation for the 2019 tax season, the program will look to gain insight from the target population themselves, by conducting focus groups, in-person meetings, and phone calls with clients to further discover what barriers they face in accessing tax preparation. Saving hundreds of dollars on tax preparation keeps more money in families’ pockets, providing more leverage towards a financially stable future. Financial stability leads to greater potential and opportunities for their young children in the future.