Innovations in VITA Program Design: Strategies from the Common Cents Lab

December 18, 2017
12-1:30 pm PT/ 3-4:30 pm ET
Welcome

Carmen Shorter
Senior Manager for Learning, Field Engagement
Prosperity Now
This webinar is being recorded and will be available online within one week.

All webinar attendees are muted to ensure sound quality.

Ask a question any time by typing the question into the text box of the GoToWebinar Control Panel.

If you experience any technical issues, email gotomeeting@prosperitynow.org.
Keys to Success on Today’s Webinar

• Join from a quiet space

• Grab a coffee or snack and settle in

• Engage! Send us your questions and comments as you listen

• Reflect on applications for your program as you learn from today’s speakers
Prosperity Now’s mission is to ensure everyone in our country has a clear path to financial stability, wealth and prosperity.
To **connect, strengthen** and **inspire** community tax programs so that they can ...

✓ More effectively & efficiently **deliver critical tax assistance**

✓ Couple that assistance with other **financial capability services**

✓ **Advocate for fairer tax policy**
What’s in store for today?

✓ Welcome from the Taxpayer Opportunity Network
✓ Overview of the Common Cents Lab
✓ Innovations in Extending the Reach of VITA Programs
✓ Tax Site Decision Sheets
✓ Valet VITA Flyer Intervention
✓ Q & A
✓ Close
Today’s Speakers

Rebecca Thompson  
*Project Director*  
Taxpayer Opportunity Network  
Prosperity Now

Wendy De La Rosa  
*Co-Founder & Principle*  
Common Cents Lab

Stephanie Tepper  
*Research Associate*  
Common Cents Lab
Today’s Speakers

Ken Briggs
Senior Director of Community Development
United Way of Tucson and Southern Arizona

Rae Pilarski
Director of Financial Stability Programs & Services
United Way of Tucson and Southern Arizona
Welcome from Taxpayer Opportunity Network

Rebecca Thompson
Project Director, Taxpayer Opportunity Network
Prosperity Now
Increasing Attendance at VITA Sites

Wendy De La Rosa
Co-Founder & Principle
Common Cents Lab
Increasing Attendance at VITA Sites

A partnership with Robin Hood Foundation and Urban Upbound
We aim to measurably impact the financial well-being of low- to moderate-income households in the United States.

Who are we?
How do we do it?

**Partnerships**
Create interventions with partners

**Products**
Create consumer-facing products from the ground up

**Research**
Disseminate research broadly to industry and thought leaders
On the financial side, we work with **fintech** companies, **non-profits**, **credit unions**, and other direct financial service providers.

Who do we work with?
Urban Upbound
Lottery Incentives

Goal: Increase Attendance
Urban Upbound
@Long Island City, New York

Serve 8,000 tax filers annually
→ 4,500 in Queens
We focused on increasing referrals to the tax site through a lottery
Lottery Scratch Card Experiment (3 Conditions)

**CONTROL**
Referral card only

**PROMISED**
Referral card + Scratch Ticket
Referred collects tickets at site

**PHYSICAL**
Referral card + Scratch Ticket
Referrer receives ticket to redistribute
Referral Cards

front

I’m getting my taxes done for FREE!

To get your taxes done for free this year, come to...

Urban Upbound LIC VITA Site
12-15 40th Ave, Long Island City
For an appointment call 718-784-0877 and press *

Give Urban Upbound my referral code and they’ll make sure you claim all the tax credits you qualify for AND I HAVE A SCRATCH CARD FOR YOU THAT HAS A CHANCE TO PAY OUT UP TO $1,500 IF YOU DO YOUR TAXES HERE. IF YOU WIN, WE SPLIT THE WINNINGS!

Referral Code: __________________________ #:

Name: __________________________ Phone: __________________________

back

Thanks for coming into the free tax site today! We anticipate that about 100,000 New Yorkers will get their taxes done at a free tax site this year. This service helps people get the refund they earned and claim all the tax credits they deserve without having to pay hefty fees.

Do you have any friends or co-workers who you think would enjoy this service? We’ve created a referral system to help spread the word.

How to use your referral card:

1. Fill in your referral card
2. Take a picture of the card
3. Share it with up to 10 friends and family members
4. Tell the preparer how many you sent

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Scratch Cards

Get 3 of a kind and win up to $1,500!
Obtenga 3 iguales y gane hasta $1,500!

= $1500
= $500
= $50
= $25

THIS TICKET MUST BE SCRATCHED WITH A TAX PREPARER
AT URBAN UPBOUND-LIC 13-15 40TH AVE., LONG ISLAND CITY, NY. ANY TICKETS SUSPECTED OF BEING TAMPERED
WITH OR PRE-SCRATCHED ARE VOIDED AND WILL NOT BE PAID OUT UNDER ANY CIRCUMSTANCES.

ESTE TICKET DEBE SER RASPADO CON UN PREPARADOR DE IMPUESTOS. Qualquier ticket que tenga señales
de haber sido alterado o pre-raspado será cancelado y no podrá ser canjeado por premios bajo ninguna circunstancia.
Overall, 17% of filers made a referral, texting 4.2 people on average, resulting in >1,800 referrals.
But which condition had the highest referral rate?
Scratch tickets increased referrals by 60%

p<0.01

COMMON CENTS LAB
Which condition was most effective in getting people to come in?
Tangible tickets increased follow through of referral, making referred 5x more likely to come to VITA
Let’s talk logistics

- process
- costs
- potential hurdles
Process
### Steps For Referrers

<table>
<thead>
<tr>
<th>Steps</th>
<th>Condition 2 (Ticket with Preparer)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gets a referral card from greeter (as part of intake forms)</td>
</tr>
<tr>
<td>2</td>
<td>Fill out referral card with preparer (ID #, Signature, phone)</td>
</tr>
<tr>
<td>3</td>
<td>Send picture of card via SMS to referred</td>
</tr>
<tr>
<td>4</td>
<td>Writes down on card # of referrals (OPTIONAL)</td>
</tr>
<tr>
<td>5</td>
<td>Give the referral card back to preparer who deposits the card in referral card box</td>
</tr>
<tr>
<td>6</td>
<td>Get scratch ticket from preparer to give to referred (Write ID # of referrer on the back and name of referred on front)</td>
</tr>
<tr>
<td>7</td>
<td>Give scratch ticket to referred</td>
</tr>
<tr>
<td>8</td>
<td>Get notified of winnings via SMS and get check mailed</td>
</tr>
</tbody>
</table>
Fills dead time
- Gives filer something to do as the preparer is filing their taxes and inputting information into the system

Limited burden on preparer:
- Give ID
- Collect referral card
- Give scratch ticket

Limited burden on greeter:
- Mention referrals as part of intake forms
Tracking - things to record:

1. The person’s Referral Number
   - Preferably E-File Number, to link back to EITC Filing,
     Tracked on referral card

1. Referred number (Referral number of person who referred them)
   - Tracked on scratch ticket

OPTIONAL

1. Number of people they referred
   - Tracked on referral card
Costs
Monetary Investment

- Printing of referral cards and scratch cards ($0.10 per referral card, $0.40 per lottery card)
  - Assume 20% of filers will refer 4 people on average
- Lottery prizes (mix of small and big rewards)

Personnel Investment

- Training for greeters and preparers (30 min training)
- Stuffing intake packets with referral cards
Potential Hurdles
Funding
● Backed by Robin Hood Foundation

Personnel
● Assumption that everyone will refer
● Remembering to ask for referrals (greeter)
● Remembering to collect referral cards (preparer)
Want to know more about our work? Check out our 2017 Annual Report to see the work we’ve done with our partners this year.

We are also excited to look forward to exploring more tax-time research in 2018.

- With United Way of Tucson and Southern Arizona, we will continue to test ways to increase use of drop-off services like Valet-VITA.

- Also with United Way, we will test ways to move filers away from using paid tax preparers towards using VITA program.

- With EARN, we will further text ways to expand savings at tax-time.

If you are interested in partnering with CCL, please reach out and we can talk through the possibility of a partnership.
Increasing Uptake of Drop-Off Services

Stephanie Tepper
Research Associate
Common Cents Lab
Our challenge:

How can we increase uptake of drop-off filing services?

Why do we care?

- These services save time for filers on-site
- These services help sites serve more people
INTERVENTION

- We designed three variations of flyers to include in the intake paperwork given to VITA participants
- The flyers aimed to convince filers to switch to the Valet VITA service
INTERVENTION

Why would a decision aid encourage filers choose drop-off services?

- Social cue: People identify with attributes described
INTERRUPTION

Why would a decision aid encourage filers choose drop-off services?

- Social cue: People identify with attributes described
- Opportunity cost: Time-saving aspect is highlighted
Why would a decision aid encourage filers choose drop-off services?

- Social cue: People identify with attributes described
- Opportunity cost: Time-saving aspect is highlighted
- Active choice: Filers have to decide between options
RESULTS

- We tested each by randomizing the stacks of slips to be handed out with intake forms
- The decision aid increased use of Valet VITA by nearly 12%
Welcome to VITA!
We offer two paths to help you get your taxes done for free.

Choose Drop-Off VITA if...
- You have a lot of things on your to-do list today
- You have to get back to work
- The waiting list at the site is long

Choose Traditional VITA if...
- You have electronic documents
- You have to itemize multiple deductions
- There isn’t a waiting list at the site
Valet VITA Flyers

Ken Briggs
Senior Director of Community Development
United Way of Tucson and Southern Arizona

Rae Pilarski
Director of Financial Stability Programs & Services
United Way of Tucson and Southern Arizona
Implementing the Valet VITA Flyer Intervention

Ken Briggs
Rae Pilarski

United Way of Tucson and Southern Arizona
UnitedWayTucson.org
What the process was like to run the test?

- Organize the materials
- Train staff
- Oversee and monitor
- Troubleshoot problems as they arose
What costs did we incur as a part of the test?

- Staff time
- Material costs
How was the test incorporated into site operations?

- Randomization occurred before materials were delivered to sites.
- Flyers were distributed with intake sheets, after taxpayers signed in.
- Preparers and reviewers tracked which message taxpayers had received through a custom question added in TaxSlayer.
- Flyers were collected from taxpayers during quality review.
What problems arose?

• **Well-intentioned volunteers**
  
  One volunteer thought the randomized order was out-of-order, and created three separate stacks.

• **Resistance to change**
  
  The intervention added one extra step. Volunteers and sites are already stretched thin, and some resisted having to do something “extra.”

• **The quick rollout**
  
  Designing and implementing the intervention during the tax season left less time go over details and train volunteers.
What problems arose?

• Well-intentioned volunteers
  One volunteer thought the randomized order was out-of-order, and created three separate stacks.

• Resistance to change
  The intervention added one extra step. Volunteers and sites are already stretched thin, and some resisted having to do something “extra.”

• The quick rollout
  Designing and implementing the intervention during the tax season left less time go over details and train volunteers.

How did we address them?

We increased communication with volunteers and gave more direct monitoring.

We framed the intervention just as “business as usual” to avoid communicating the intervention as something “extra.”

We did our best to clearly communicate roles and responsibilities to volunteers. We tried to design an intervention that was as hands off as possible.
Lessons learned for future tests

• Talk about interventions just as business as usual - don’t make it seem like there are new responsibilities.

• Incorporate instructions into the pre-season volunteer trainings.

• Add checks into the system to make sure volunteers are doing the right things.
What questions do you have?

Share them in the Questions box!
Stay Connected!

Ken Briggs  
United Way of Tucson and Southern Arizona  
kbriggs@unitedwaytucson.org

Rae Pilarski  
United Way of Tucson and Southern Arizona  
rpilarski@unitedwaytucson.org

Stephanie Tepper  
Common Cents Lab  
Stephanie.tepper@duke.edu

Wendy De La Rosa  
Common Cents Lab  
wendy@commoncentslab.org

Sign up for the Center for Advanced Hindsight Newsletter!  
http://bit.ly/2CzFsH4
ICYMI: TON FinCap Toolkit Released!
We are also excited to look forward to exploring more tax-time research in 2018.

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Interested to know more about the work we do at CCL? Check out our 2017 Annual Report to see all of the work we’ve done with our partners this year.

We are also looking at new partnerships in 2018!

If you are interested in partnering with CCL, please reach out and we can talk through the possibility of a partnership.
Want to dig deeper?

Sign up for listservs and working groups, volunteer to facilitate peer discussions, serve in a leadership role and more!

- Taxpayer Opportunity Network
- Adult Matched Savings Network
- Financial Coaching Network
- Innovations in Manufactured Housing (I’M HOME) Network
- Affordable Housing Network
- Racial Wealth Equity Network
- Campaign for Every Kids Future – Children’s Savings Accounts

Visit any of the networks above at https://prosperitynow.org/get-involved to get started.
Take action with Prosperity Now Campaigns!

Sign up to stay informed about the latest developments and opportunities to take action by joining one of our four federal policy campaigns.

**HOMEOWNERSHIP**

Homeownership is key to building wealth. Together, we will advocate for products and policies that provide more affordable homes to more people.

**CONSUMER PROTECTIONS**

Consumer protections create fairer, more transparent financial markets. Together, we will ensure consumers keep the safeguards they deserve.

**SAFETY NET**

Safety net programs help protect vulnerable individuals and families from falling deep into poverty. Together, we will protect programs like SNAP, IDAs and more to help those in need when they need it most.

**TURN IT RIGHT-SIDE UP**

The vast majority of tax incentives go to those at the top, not to those who need it most. Together, we will turn our upside-down tax code right-side up.

Visit any of the Campaigns above at https://prosperitynow.org/get-involved to learn more and join.
Thank You!

Please remember to take our survey!