Community/Public Service Worksheet

Service Category: Economic Development Programs

Title: SaveFirst

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Impact Alabama (Organization)
City of Tuscaloosa (Organization)
McDonald Hughes Community Center, PA (Organization)
Holten Heights Church of the Nazarene (Organization)
200+ other organizations around the state (Organization)

Program Description:
SaveFirst: A Tax Preparation and Savings Initiative
SaveFirst trains college, graduate, and law students to provide free tax preparation services and opportunities for savings and economic improvement to low-income, working families—especially targeting those eligible for an Earned Income Tax Credit refund. This initiative is made possible through a partnership with 200+ partners around the state, including non profits, school systems, and municipalities.

Objectives/Outcomes:
1. Free Tax Preparation: Tax preparation assistance is provided on a daily basis from mid-January to the fourth week of February in cities statewide (some sites remain open through April 15). Students preparing taxes receive at least six hours of tax training, complete an IRS certification test, and are supervised at tax preparation sites by individuals with a high level of expertise.

2. Poverty Course Development: The SaveFirst Initiative aims to establish this service opportunity within the curriculum of service-learning courses at participating campuses. SaveFirst has increasingly been incorporated into pre-existing accounting courses as well as newly tailored courses through which students examine issues related to poverty and interact directly with low-income working families at SaveFirst tax preparation sites. Students who participate in service learning develop a stronger sense of commitment to the community and responsibility for those living in poverty. Thus far, The University of Alabama, UAB, and Birmingham-Southern College have implemented such courses on poverty, and Impact Alabama team members are currently working with the other administrations to establish similar courses throughout the state in future years.

3. SaveNow WinLater: This nationally unique savings program encourages taxpayers to invest part of their refunds into savings bonds for a chance to win a cash prize. Since the start of the program in 2011, 1,087 Alabama families purchased 1,960 savings bonds and
invested $98,000 through SaveNow WinLater. The program operates in partnership with Harvard University’s Doorways 2 Dreams project and helps working families save a portion of what is often the largest lump-sum payment they receive all year – their income-tax refund.

4. EITC Outreach/VITA Coalition: SaveFirst partners with businesses and nonprofits across the state to provide information about the EITC to their employees and encourage them to make use of free tax preparation sites in their areas.

Assessment Measures: In order to measure the efficacy of the SaveFirst program, the following statistics are compiled: number of families for which we completed a tax return, amount of tax dollars received (refunds, Earned Income Tax Credits, Child Tax Credits, etc.), amount in commercial preparation fees we saved working families, number of volunteers. We also follow up with individuals served, volunteers, and community partners to determine the quality of services provided and how best to improve the program.

Results: In just its eighth year, SaveFirst has grown into the largest and most successful volunteer tax preparation program focused on EITC recipients in the state. At UA, 156 IRS-certified students participated in the 2014 SaveFirst tax preparation initiative. These students worked at ten free tax sites around the state to serve more than 4,7000 families—a 20% increase compared to the number of families served last year. The UA students helped these families claim $9 million in refunds and save $1.4 million in tax preparation fee. Statewide, more than 570 trained student volunteers from sixteen campuses prepared tax returns for more than 8,200 families—helping them claim $14.9 million in refunds and save $2.5 million in fees.

Conclusions: SaveFirst is a strong example of a community service effort that depends on service learning and its college student volunteer base to be successful. The difficulty of recruiting volunteers from the general population to provide tax preparation services has often precluded other volunteer preparation sites from remaining open longer than a few years. SaveFirst has proven, however, that this effort can be implemented in an extremely cost-effective way through networks of college and graduate students who receive academic credit for their service as well as develop stronger commitments to and responsibility for their communities.

Improvement Actions: During the 2014-15 year, Impact Alabama and the Center for Ethics & Social Responsibility commit to increasing our ability to serve taxpayers in rural locations via the IRS Virtual File program, a technology-based tax preparation initiative that connects trained volunteer tax preparers with tax filers located in areas where there is a lack of certified volunteers and accessing a traditional VITA site is not feasible. Overall, SaveFirst commits to increasing the number of families served by 10 percent.