

2012 SAVINGS BOND REPORT

KEEP BONDS EASY.

**PRESERVING UNIVERSAL ACCESS
THROUGH ADVOCACY, AWARENESS
AND ACTION**



SAVING IS HARD. BONDS MAKE IT EASY.

ACKNOWLEDGEMENTS

The Doorways to Dreams Fund (D2D) would like to thank the U.S. Department of the Treasury, the Bureau of Public Debt, the Internal Revenue Service, the Annie E. Casey Foundation, the Intuit Financial Freedom Foundation, H&R Block, the Rockefeller Foundation and the Ford Foundation for their support of this work over the past six years. The Department of the Treasury, with the IRS and the Bureau of Public Debt, has been a partner from the beginning, granting D2D a waiver of Treasury electronic funds transfer rules in order to allow successive tax-time pilot tests to occur and to measure impact of the pilot and the national policy. Additionally, D2D would like to acknowledge Guru Media Solutions for their professional expertise and contributions to the campaign's development and implementation.

Tremendous gratitude is due to the many partner organizations that brought the Bonds Make it Easy campaign to life and to members of the Savings Bond Working Group (www.d2dfund.org/SBWG) who continue to advocate for U.S. Savings Bonds as a valuable savings instrument for all people, regardless of income or wealth.

ABOUT THE DOORWAYS TO DREAMS FUND (D2D)

The Doorways to Dreams Fund (D2D) strengthens the financial opportunity and security of low and moderate income consumers by innovating, incubating, and stimulating new financial products and policies. D2D envisions a world where the financial system promotes lasting social and economic prosperity for every family. D2D works with the financial services industry, national non-profit groups, grassroots community agencies, and public policy organizations to work toward that vision. www.d2dfund.org

ABOUT THE KEEP BONDS EASY ADVOCACY CAMPAIGN

Despite early signs of success and popularity, the future of the hard-won tax-time savings bond policy is at stake. Much to the dismay of filers and advocates alike, the U.S. Department of the Treasury has not guaranteed the life of the policy beyond the 2013 tax season.

In response, D2D and the Savings Bond Working Group have launched the **Keep Bonds Easy** advocacy campaign to encourage the U.S. Department of the Treasury to preserve access to tax-time savings bonds beyond 2013, so that all Americans continue to enjoy equal and unfettered access to this easy, convenient, and safe savings opportunity. Grassroots organizations, tax preparers, and filers can get involved by calling and writing letters to members of Congress, creating video testimonials, spreading the word through traditional and social media, and buying a savings bond at tax time. Together, we can Keep Bonds Easy!

keepbondseasy.nationbuilder.org

The cover art is inspired, in part, by a mural created by Foundations Communities, Austin, Texas.

This paper was prepared by the Doorways to Dreams Fund. Questions, comments and suggestions are welcome at info@d2dfund.org

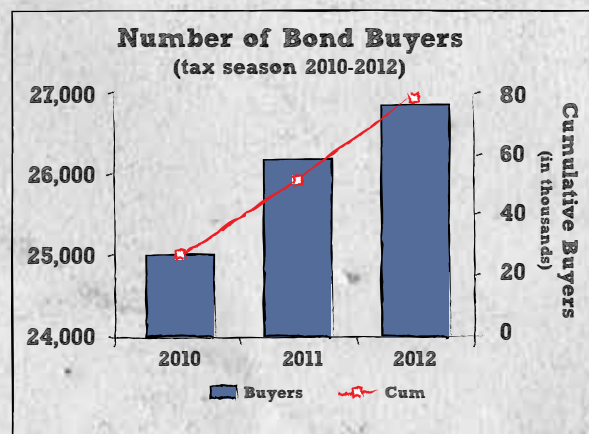
Design and layout by Daniel Luzier at dadalu.net



EXECUTIVE SUMMARY

In its third year of existence, the Tax-Time Savings Bond (TTSB) policy continues to encourage and enable savings for thousands of Americans. Tax filers across the country had an opportunity to increase their savings by purchasing bonds for their households and gifting them to loved ones.

In the 2012 tax season, the TTSB policy enabled 35,007 people to save \$20.3 million in savings bonds, an average savings of \$579 and nearly twice the total amount that was saved at tax time in 2011.¹ More than 25% of buyers from 2011 bought savings bonds again in 2012, indicating that not only is the policy helping consumers save, but its continued availability at tax time is helping consumers build a savings habit. This repeat behavior, observed in 2011 and again in 2012 at rates of over 25%, shows that the policy is helping to link the tax moment to acts of saving in the minds of 78,000 American tax filers.



With the popularity and power of gifting savings bonds at tax-time, the policy has enabled savings for more than the 78,000 tax filers that ordered bonds. Because many saved for others, more than 102K individuals were impacted by the policy over the last three tax seasons.² As a result of this policy, the tax moment, in which tax filers learn of their refund during the filing process, has become a saving moment for many, helping build a culture of savings at tax time and introducing the importance of saving at a young age for the children and grandchildren gifted with tax-time bonds. This policy has the potential to reinstitute a culture of thrift in an America at a time when Americans need it most, restoring a value once so ingrained in our culture.

¹ Based on 6/29/12 data from the Bureau of Public Debt

² Based on the number of buyers and registrants from tax season 2010-2012, and taking into account the repeat buyer rates in tax season 2011 and 2012

Despite this success, changes to the U.S. Savings Bond program threaten its availability beyond tax season 2013. We are at a critical juncture - the need to preserve the policy is great, but the context is difficult. Priorities of key decision makers at the U.S. Department of the Treasury are focused elsewhere. At a time when the Great Recession has ravaged personal savings, rendered many jobless, and seen incomes of American workers decline, access to safe, easy, and convenient savings opportunities with low barriers to entry as a shore against disaster should be a priority. The Tax-Time Savings Bond policy provides such an opportunity to nearly all Americans - anyone who receives at least \$50 in tax refunds.

Series I savings bonds,³ because of their competitive interest rates and protection from inflation, are a low-risk, safe, savings vehicle in any financial portfolio. They can be used to shore up a portion of a family's emergency reserves or provide a leg up to children and grandchildren - getting a start on paying for college tuition and inculcating in them a saving habit. No other savings opportunity is as universally accessible, giftable, and available at the most opportune time of the year. If we fail to keep this successful savings policy alive, it is unclear if and when we will see it again.

We invite you to join our efforts to support the TTSB policy through advocacy, awareness, and action. In this last tax season and for 2013, the Savings Bond Working Group (SBWG) has and will continue to advocate to legislators and the government, raise awareness amongst filers and consumers online, and inspire action at tax sites.

This report provides a compilation of case studies from our partners, who have engaged in the Bonds Make It Easy campaign and stands as a call to action that provides opportunities for you to get involved in these ongoing efforts. These examples and the lessons learned can help to serve as guidelines to enable you, your organization, and community to advocate, build awareness, and spur action for innovative savings products suitable for American workers and low-to-moderate income (LMI) households.

³ The type of U.S. Savings Bond offered at tax time

INTRODUCTION

The introduction of the Tax-Time Savings Bond policy in 2009 was a triumph for the millions of low-to-moderate income households across America that are struggling to start or grow their savings. The policy makes it possible for all taxpayers to save a portion of their tax refund into Series I U.S. Savings Bonds, simply by using Form 8888 during the tax preparation process. Requiring as little as \$50 to purchase, Series I savings bonds are a safe, competitive, and trusted savings vehicle and tax time is a moment at which many LMI households see large lump sums of money (average refund size of \$2200⁴). Bonds are also giftable, a tangible reminder and motivation to begin saving for loved ones.

The success of the TTSB campaign hinges on Advocacy, Awareness, and Action; the campaign's diverse set of partners offers important contributions to all three areas, helping to champion the preservation of the tax-time policy, build consumer awareness of the opportunity, and facilitate consumers' acts of tax-time saving. Tax season 2012 found community organizations just as likely to be advocating as to be presenting their community with an online widget that linked to a free tax filing website with a savings bonds promotion. Similarly, tax preparer organizations found themselves simultaneously educating tax payers about the opportunity and running their own promotions or deploying creative ways to engage volunteers and taxpayers in the campaign.

A WAY FOR EVERY AMERICAN TO SAVE

Tax-Time savings bonds make saving easy:

- **A low barrier to entry:** Anyone can start saving with as little as \$50
- **A competitive product:** Tax-time bonds offer competitive rates, compared to traditional savings account and certificate of deposits¹
- **Safe:** Every bond is backed and secured by the U.S. Department of the Treasury
- **Trusted:** Bonds have been funding Americans' dreams for almost a century
- **Convenient:** Bonds are offered at an opportune time when households are already thinking about their finances, often sitting alongside trusted tax preparers
- **Easy:** Tax filers simply use Form 8888 when filing for a return and mark how much of the return they'd like to save in bonds
- **Giftable:** Savings bonds are the only savings product you can purchase in someone else's name, motivating savers to gift "dreams" to their loved ones
- **Tangible:** In 2012, purchasing bonds at tax time was the only way to receive paper bonds, valued because of their giftable and nostalgic nature

⁴ Estimate based on 2011 data- 27 million filers received \$59.7 billion in Earned Income Tax Credits. Source: National Earned Income Tax Credit Outreach campaign (www.eitcoutreach.org/)

¹ In tax season 2012, tax-time savings bonds (Series I) offered a rate of 3.06%. At the same time, saving accounts and 1 year certificate of deposits offered an average interest rate of 0.51% and 0.80%, respectively (www.bankrate.com)

ADVOCACY

To support the TTSB policy, the Savings Bond Working Group developed the Bonds Make It Easy,⁵ campaign. The Campaign is a national effort to raise awareness of this young yet important savings opportunity for millions of Americans.⁶ **BondsMakeItEasy.org**, the campaign's website, offered free online and offline educational and marketing resources for tax preparers, community organizations, and legislators. The online campaign used social media to connect with taxpayers and communities, raising awareness of the policy and reminding everyone how important it is to start saving today for a bright future ahead.

Our most important lesson this year is that everyone can play a significant role in the campaign to help to drive advocacy, awareness, and action. This report details best practices in these three areas from various collaborators – local and national government agencies, national non-profits, community organizations, Volunteer Income Tax Assistance (VITA) sites, online free tax filing and youth-based organizations. Each section features case studies highlighting what worked, what didn't, and what could. We hope these lessons will serve as guidelines to help you, your organization, and your community find ways to build awareness for, innovation of, and access to a convenient, safe, and extremely suitable product for low- and moderate-income households, leading to a nation-wide increase in savings.

Our most important lesson this year is that everyone can play a significant role in the campaign to help drive advocacy, awareness, and action.

Advocacy continues to play a crucial role in the tax-time savings bond campaign. Advocacy efforts helped to bring the TTSB to life as supporters communicated the importance of and demand for universal access to savings at tax time and the need for easy access to savings bonds in the tax filing process. Today, advocacy plays a more critical role in the campaign than ever, with the future of the policy under threat.

Despite the growing success of the TTSB policy, recent changes to the savings bond program threaten its sustained existence. The tax-time policy leverages the paper savings bond infrastructure to issue savings bonds at tax time. The end of the paper savings bond program in January 2012, coupled with a statement from Treasury that the tax-time policy was not guaranteed for 2014, highlight the vulnerability of a much needed savings policy and the need for advocacy to help preserve it. While modernization of the savings bond program is important, we need to ensure that modernization does not limit universal access to a government issued savings product⁷. Knowing that savings bonds play a critical role as a stepping stone for millions of consumers into savings, the campaign's current advocacy efforts highlight the importance of ensuring universal access to savings bonds year-round and at tax time, supporting innovation in the bond program to maintain its universal accessibility and reminding policymakers that the bond program is an asset to the nation.

The following cases highlight the advocacy efforts of the SBWG during tax season 2012 in response to the Treasury announcement that the paper savings bond program was being eliminated without any promise of a viable alternative that allowed for universal access.

⁵ The slogan for the campaign is "Saving is Hard. Bonds Make It Easy" See www.bondsmakeiteasy.org.

⁶ The Savings Bond Working Group (SBWG) is a coalition of national and grassroots non-profit organizations, commercial tax preparers, tax software firms, and public officials who share a goal to encourage saving by all Americans, especially low- and moderate-income families, using U. S. Savings Bonds purchase at tax time.

⁷ With a transition away from paper and no alternative in place that ensures universal access, availability would be limited online through TreasuryDirect (TD). Currently, less than 1% of the 55 million people who own savings bonds have a TD account.

CASE I: SBWG Advocates for Innovation in the Savings Bond Program

The Savings Bond Working Group helped to bring the TTSB policy to life and continues its commitment to ensure access to savings bonds at tax time and throughout the year. As such, when the end of the paper savings bond program was announced in July 2011, the SBWG leaped into action, working hard to ensure that the voices of financially vulnerable consumers were considered during the phase-out. Moreover, they advocated for the U.S. Department of the Treasury and the Bureau of Public Debt (BPD) to make real investments in the retail savings bond program to ensure continued access to consumers— including considering improvements to TreasuryDirect (TD)⁸ and developing an electronic-based, retail option like a savings bond gift card. As part of this advocacy effort, the SBWG worked with members of Congress to submit letters to the Secretary of the U.S. Department of the Treasury outlining their concerns and ideas. Additionally, two SBWG members co-wrote an op-ed, “Save the Savings Bond,” published in the *New York Times*.⁹

CASE II: SBWG Recommends Redesign of TreasuryDirect to Improve Accessibility

With the end of the paper savings bond program, TreasuryDirect (TD) is the only way to purchase savings bonds in electronic form year-round (the tax-time policy is still paper-based). However, TD remains difficult to use and the online bond purchase process is cumbersome. To highlight the concerns with TreasuryDirect and to suggest opportunities to simplify its account opening and bond purchasing processes, the Savings Bond Working Group created a video following bond purchasers from Maryland, West Virginia, and Oklahoma as they navigated the online system to purchase bonds.

The video illustrated the key pain points of the current system through the words of bond purchasers themselves. Especially illuminating was the case of the home-based day care provider in rural West Virginia who, after spending almost two hours navigating the system to create an account, had to start over due to an error.

TreasuryDirect Design Principles

DESIGN PRINCIPLES	GOALS	RECOMMENDATIONS	RESULTS
Enable & Empower users, meeting them where they are	<ul style="list-style-type: none"> Redesign user interface for multiple target audiences and multiple internet access methods 	<ul style="list-style-type: none"> Incorporate user testing and multiple user profiles in redesign methodology 	<ul style="list-style-type: none"> N/A
Easy to Use & Intuitive for all users, including ones with low levels of education and/or digital literacy	<ul style="list-style-type: none"> Dedicated, user-tested interface for savings bonds purchasers Simple language for instructions Balance security against ease of use 	<ul style="list-style-type: none"> Create TreasuryDirect Lite, a separate interface for individuals Create Instructions understandable by laypeople: e.g., “Buy bond here” 3 (vs. 10) questions for password creation; simplify access card design 	<ul style="list-style-type: none"> Treasury launched the Ready Save Grow campaign in March 2012 as an information delivery web interface, but the underlying application interface for individual users is still complex
Streamline & Accelerate the bond purchase process	<ul style="list-style-type: none"> Combine account opening & bond purchase Guide users through complex tasks Set performance objectives for key tasks; use benchmarks familiar to users 	<ul style="list-style-type: none"> Minimize lag time between account opening and bond purchase Add wizard to guide users through process Goal of 15 minutes or less for end-to-end bond purchase process 	<ul style="list-style-type: none"> Treasury eliminated the access card in November 2011 which reduced wait time significantly but the process is still complex, with multiple steps, little online help and a confusing interface
Enhanced error handling and enable straightforward error recovery	<ul style="list-style-type: none"> Use familiar formatting and navigation schemes Guide users through error recovery 	<ul style="list-style-type: none"> Use asterisk or other familiar cues to indicate mandatory fields for form completion Context-sensitive help in simple language 	<ul style="list-style-type: none"> Treasury has added asterisks to indicate mandatory fields and now allows for entry of cell-phones as mandatory phones

⁸ www.treasurydirect.gov

⁹ “Save the Savings Bond,” by Fred Goldberg and Peter Tufano, was published in the *New York Times* on August 18, 2011.

SBWG members showed the 90 second video to Treasury and Bureau of Public Debt officials and suggested some simple alterations to the design (see below table) for Treasury and BPD to consider when rolling out the next generation of TD.

ADVOCACY LESSONS LEARNED

1. WHAT WORKED?

- The SBWG has been very successful in its advocacy work, engaging a diverse set of legislators in the process. While the op-ed and the letters from Congress did not stop the end of the paper bond program, they did demonstrate to Treasury the level of interest and support from legislators and their constituents. This interest will continue to be important to protect both the TTSB policy and the savings bond program.
- Decision-makers need to hear from the consumers themselves. The video project and the op-ed both featured real savings bond holders who wanted to continue to save through savings bonds at tax time and throughout the year. Their voices were powerful and added credibility to the Saving Bond Working Group message.
- Bipartisan framing enables broad support. We have seen through our work with legislators that the universality of the savings bond program has bipartisan appeal and support. Many legislators who heard about the threat to the program, from the SBWG or their constituents, became engaged in the issue and support a need for continued accessibility to savings bonds.

2. WHAT DIDN'T?

- Policies won't sustain themselves. There is a clear case for continuing to influence BPD and Treasury to preserve access to the policy as well as pilot new innovations to show BPD and Treasury that there is a strong need and demand for continued access.

3. WHAT COULD? GET INVOLVED!

There are many ways to get involved in the current advocacy efforts to ensure continued access to savings bonds year-round and at tax time:

- Join the Savings Bond Working Group's Keep Bonds Easy! Campaign, our advocacy campaign aimed at preserving the TTSB policy beyond the 2013 tax season.

- Write to your local elected official about the need to keep bonds accessible to all. Write an op-ed or reach out to a local media official to write about the issue.

For more information on how to join the SBWG or access to toolkits and templates to participate in the Keep Bonds Easy! advocacy efforts, visit bonds-makeiteasy.org.

AWARENESS

Though preservation of the tax-time policy and improvements to the TreasuryDirect system were the primary goals of Bonds Make It Easy advocacy, an interim goal of the campaign was increasing awareness of the policy itself so tax filers knew about this important and timely opportunity to save for themselves and gift savings to their loved ones.

The TTSB policy is still relatively new – 2012 was only the third year that taxpayers could split a portion of their refund into savings bonds. As a young policy, the task of building awareness falls on cross-sector partnerships that include government agencies, non-profits, and the private sector. The following cases highlight efforts to build awareness by partnering with three types of organizations: government agencies, a federal program geared toward low income families, and a national non-profit.

CASE I: Federal Agencies Promote Tax-Time Savings Bonds

Increasing awareness requires creative and diverse approaches to reaching potential savers. A key part of the Bonds Make It Easy strategy in 2012 was to leverage the national reach of federal government agencies to educate potential savers about the availability of the tax-time savings bonds option. Federal agencies have several features that make them strong partners: shared mission, access to direct service providers, direct access to consumers, and branding and credibility.

The Internal Revenue Service (IRS), the U.S. Department of Health and Human Services Office of Community Service (HHS), the Financial Literacy and Education Commission (FLEC), the U.S. Department of Labor, and the U.S. Department of Agriculture (USDA) each joined the effort to promote tax-time savings. For example, HHS hosted a series of web-based trainings and included a tax-time savings message in a National EITC Awareness event they co-hosted. USDA offered a tax-time training workshop for their cooperative extension representatives from around the country.¹⁰

The IRS continued to play a critical role in raising awareness of the tax-time savings bond option by producing materials for the commercial tax preparation industry, issuing communication blasts, including TTSB in talking points for tax-time events, and promoting it through VITA sites that serve primarily low-income taxpayers. While it is encouraging to see the IRS's continued involvement, the efforts of additional federal partnerships showed that even agencies less directly engaged with tax time have important and powerful roles to play in the promotion of the tax-time savings bond policy.

CASE II: Head Start Pilot Shows Promise for Direct Outreach to Consumers

There is a natural fit between organizations that are focused on children and the Bonds Make It Easy campaign, as saving for children and grandchildren is a powerful motivator for buyers. Assuch, Doorways to DreamFund (D2D) approached the national Head Start program, which provides comprehensive educational and social services to more than 900,000 children of low-income households and their families, to help build awareness of the savings bond opportunity.

In partnership with Head Start New England regional offices, D2D sent all parents an email and electronic postcard describing the tax-time policy and encouraging them to ask their tax preparers about saving in bonds. To test the opportunity to raise awareness in the Head Start community, D2D also ran a focused pilot program in four centers in the region. Paper postcards, printed in English and Spanish, were mailed to the centers and distributed to parents along with letters encouraging them to bring the cards to their tax preparers to facilitate discussion and purchase at the tax site. The goal of the local pilot was to test whether or not: 1) Centers would distribute the materials to their clients, 2) Parents would take the card with them to their tax preparers, 3) Parents would ask their tax preparers about savings bonds, and 4) The call to action would in fact result in bond purchases.

A mid-February launch of the test missed the early part of the season when most Head Start parents file their taxes. D2D was, however, able to use a survey to evaluate the results at TEAM Early Education center in Connecticut, where postcards and letters were distributed to approximately 200 families. Of the 25 survey respondents, 24 acknowledged receipt of the postcard, six took the postcards to their tax preparers, and three purchased savings bonds.

Did you know that you can gift a U.S. Savings Bond to your children, grandchildren and loved ones with part of your tax refund?

Save Money at Tax Time!

- All you need is the gift recipient's name
- Gift as little as \$50 or as much as \$5,000
- Earn interest – currently 3.1%
- A savings bond is an investment guaranteed by the U.S. Treasury Department
- Just ask your tax preparer to help you buy a savings bond with your tax refund with Form 8888

To learn more, **Text 4KIDS to 41411**

To find a free tax site near you and to learn more about savings bonds, text **4KIDS to 41411**

2. Gift a savings bond for as little as \$50. Remember to ask your tax preparer and use Form 8888.

Take this card with you as a reminder of how to save when you are ready to get your taxes done.

www.bondsmakeiteasy.org

¹⁰ Cooperative Extension programs offer financial education workshops, direct financial counseling, and often participate in America Saves campaigns.

Though sample size was limited, this evidence suggests a potentially strong link between disseminating a call to action, facilitating the ask to tax preparers, and spurring the purchase of bonds. Employing more strategic timing may have rendered these results more significant and impactful.

CASE III: Boys and Girls Club Partnership Demonstrates Value of Engaging Youth and Parents

In addition to partnering with Head Start, D2D saw a mission fit with the Boys and Girls Club of America (BGCA), and reached out to the local Boys and Girls Club in Boston to engage them in the campaign.¹¹ D2D and the Boys and Girls Club of Boston began its efforts with the Yawkey Club of Roxbury, which reaches more than 500 parents, many from low-to-moderate income households. To ensure the efforts were successful and scalable for the Boys and Girls Club, D2D and BGCA jointly devised a strategy to test awareness efforts that both engaged parents and youth and integrated well with the ongoing activities of the club.

A) Outreach to parents. The Yawkey Club communicates frequently with parents via email messages and a one-call system (which leaves a voice message for parents via telephone). D2D designed a four-month communication strategy during tax season to build awareness and education around the option to buy savings bonds using these established channels. D2D also created promotional postcards and strategically placed them at the club's front desk.

B) Engagement of youth. The Keystone club is a leadership development program for youth ages 14 to 18. Youth are offered a unique opportunity to build knowledge and skills through teachings and engagement in community service work. D2D designed a curriculum to educate the youth about savings bonds, and in turn, the youth brainstormed, voted on, and created an awareness building tool - a training video to educate their community about tax-time savings bonds.

¹¹ The Boys and Girls Club of Boston has a mission "to help young people, especially those who need us most, build strong character and realize their full potential as responsible citizens and leaders". www.bgcb.org

With the Yawkey club's support and engagement, the efforts were successful in building awareness with the parents and in engaging the youth. Of the 35 parents surveyed, 71% remembered seeing communications about the savings bond opportunity, 69% were aware that they could purchase savings bonds at tax time, and of the parents with a refund, 10% reported purchasing savings bonds for their children or grandchildren. These results are very promising and show the potential for building awareness and driving take-up through non-profits and potentially corporations that focus on children and their futures.

AWARENESS LESSONS LEARNED

1. WHAT WORKED?

- Federal agencies are natural partners for building awareness of savings bonds, given that bonds are a government-issued financial product. Agencies also have the potential to strengthen awareness of the tax-time savings bond policy given their wide reach both directly to consumers and to organizations that work with consumers.
- Partnering with organizations that reach youth and their parents is a powerful entry into a potential population of bonds buyers, as it helps focus on the emotion that motivates consumers to save with saving bonds.

2. WHAT DIDN'T?

- Timing matters. The pilot program with Head Start launched in February, far too late to reach most LMI tax filers. This lesson stemmed from the D2D pilot, but has wider implications for the critical planning of future consumer and partner outreach campaigns.



3. WHAT COULD? GET INVOLVED!

- Think creatively about outreach to new agencies and departments. While we've made strides in engaging a diverse set of agencies, there remain additional untapped potentials for partnership. Agencies like the U.S. Department of Defense and the U.S. Social Security Administration could potentially promote bonds in their existing work and to their constituents.
- Leverage the Consumer Finance Protection Bureau (CFPB)'s mandate to promote wealth-creating opportunities. The CFPB is mandated to promote wealth-creating opportunities at tax time. Their role as co-chair of the Financial Literacy and Education Commission could present an opportunity for CFPB to take a leadership role in promoting tax-time savings.

Can Social Media inspire social change? Translating Awareness into Action

Some of the most exciting 2012 Bonds Make It Easy (BMIE) campaign activities occurred online. By deploying multiple strategies to build awareness and drive action online, from tweeting to interacting with users on Facebook to offering sweepstakes and contests, BMIE grew its online community, garnering a record 96 million impressions.¹²

1. In addition to growing a steady set of followers on Twitter and Facebook, the 2012 campaign made significant strides in engaging BMIE's online community on issues related to tax-time saving and savings bonds. Both Facebook and Twitter metrics reflected this increased engagement.¹³ The campaign also reached out with some success to online bloggers. Most online attention came from sites boasting strong followings of single mothers, a key strategic BMIE audience. Facebook Ads proved to be especially helpful in attracting consumers to the campaign.

2. Bonds Make It Easy partnered with Christian Personal Finance (CPF) to drive online awareness toward tangible financial actions. Running for just one week, the CPF Giveaway rewarded participants for engaging with BMIE online (for example by following @BondsMakeItEasy on Twitter) with chances to win cash prizes. The Giveaway generated more than 9,000 entries. CPF featured an article about tax-time bonds and the Bonds Make It Easy campaign, encouraging readers to save in savings bonds and connect with the campaign online.

¹² Impressions are the number of views (not just individuals views, but potentially multiple views from a single person) from people who saw a Facebook post, an ad or a tweet during the course of the campaign

¹³ Twitter mentions and retweets; Facebook Likes and "Talking about you"



3. The BMIE campaign aimed to link awareness to action online using a social media tool called a Call2Action¹⁴ or spark widget, intended to spark a viewer's interest in tax-time bonds and inspire her to share the spark, spreading the passion to learn and act, to either make a "pledge to gift a bond" or click a link to file online with **My-FreeTaxes.com**.¹⁵ The widget is a microsite that can be placed anywhere online - on partners' homepages, in newsletters, on Facebook, and even as sponsored ads. To make the widget and its call to action even more compelling, the campaign sponsored a tax-time sweepstakes offering a chance to win a \$300 card giveaway to anyone who filed directly through the widget. Although the promise of converting awareness into action was compelling, it had limited success. The Call2Action widget received 38,453 views, from 14 online locations.

Each of the social media efforts succeeded in raising awareness but faced limited success in driving take-up of savings bonds at tax time. The Spark widget failed to inspire on-the-spot tax filing, perhaps due to the fact that people must be prepared to file taxes at the moment of seeing the message in order to translate awareness into action.

Still, social media is an effective way to spread awareness of the opportunity and a great tool for advocacy. The newly formed Keep Bond Easy! Campaign will attempt to translate online awareness into action again this season, this time by deploying an online petition to preserve the TTSB policy and modernize year-round distribution. Our hope is that through a petition we will more successfully harness online enthusiasm into concrete demonstrable actions taken. Join our efforts today at **bondsmakeiteasy.org**.

Tweets

Center for Working Families @CWFPhilly
Share Some. Spend Some. Save Some. Ask your Tax Preparer about Form 8888 at Tax Time: 1.usa.gov/sSCahb #save.

MoneyTalk1 @moneytalk1
Extension webinar presentation by @bondsmakeiteasy: consider using your #income_tax refund to buy savings bonds as a gift for children

BondsMakeItEasy @BondsMakeItEasy
Thanks for the shout out @AmericaSaves Want info on saving at Tax Time? Text DREAMS to 41411 via @bondsmakeiteasy



¹⁴ SPARK is an online widget, essentially a "microsite" developed and distributed by **Call2Action.com**. SPARK is designed to inspire action – link the experience of watching a motivational or inspiring video to taking a predefined action, all of which is encapsulated in the microsite

¹⁵ **MyFreeTaxes.com** is a free filing service of One Economy

ACTION

While advocacy and awareness-raising feature prominently in the Bonds Make it Easy Campaign, the ultimate goal of these efforts is to inspire action, increasing the number of LMI tax filers who purchase bonds at tax time. To that end, several Savings Bond Working Group members ran incentive programs and promotions to spur action during tax preparation, making the act of saving through bonds fun and meaningful to tax filers. Others integrated the tax-time message into the tax preparation process, making the ask easy and engaging staff to drive take-up. Examples of these action-focused efforts are highlighted in the cases below.

CASE I: Promotions: Prizes, Incentives, and Excitement Drive Purchases of Bonds

D2D worked with partners in the community tax preparation industry to test various methods to drive tax filers to action. One of the most promising models in the last tax season was a savings bond promotion which offered the tax filer a chance to win a set of prizes in exchange for saving in bonds. The more a tax filer saved, the more chances to win they received. Making saving fun, by incorporating game-like opportunities to win, is a powerful motivator both for the saver to purchase bonds and for the tax preparer who is trying to promote saving. The success of Impact Alabama's SaveNow, WinLater¹⁶ promotion in tax season 2011 helped inspire additional partners this tax season to offer savings promotions that were successful in increasing the number of tax filers saving, the dollar amount saved, and the number of tax preparation sites actively promoting savings.

¹⁶ A promotion program where tax filers could earn a chance to win a \$20,000 grand prize and two \$1,000 prizes (awarded in February and March) for every \$50 invested in savings bonds during tax season.

Maryland CASH Campaign and Baltimore CASH Campaign

The 2012 Maryland CASH Savings Bond promotion comprised two parts: the Scratch-off Ticket Incentive and the Cash Prize Incentive.¹⁷ Taxpayers who saved \$50 or more of their refund in a U.S. Savings Bond received a Maryland CASH customized scratch-off ticket for a chance to win five or ten dollars cash instantly as well as one entry per every \$50 saved for a chance to win one of two \$500 cash prizes.¹⁸



Maryland CASH Scratch-Off Ticket

To engage the sites, the promotion also offered incentives for the tax site partners; sites with the highest rates of bonds sold were awarded a \$2,000 grant and a pizza party for staff and volunteers.

In addition to offering prizes and encouraging staff engagement, Baltimore CASH tested different on-site methods and promotional experiences at the sites for all involved. They livened

up the process by ringing bells whenever bonds were sold, having visible bond sales goals and showing progress towards those goals, and posting personalized wall post where bond buyers listed their reasons for saving. These activities ensured that everyone at the tax site experienced the bond promotion in a lively, engaging way.

¹⁷ Eight organizations participated in the Savings Bond Campaign 2012 (Shore Up! Inc., Harford Community Action Agency, Montgomery County Community Action Agency, Human Services Programs of Carroll County, Inc., Housing Authority of the City of Frederick, Howard County VITA, Prince George's Community College and the Baltimore CASH Campaign). Many of the locations were new to promoting bonds and this campaign helped engage reluctant staff and volunteers.

¹⁸ Maryland CASH created and printed their own scratch-off tickets for the promotion (see picture). The scratch-offs were not associated with the Maryland lottery or any other official lottery, but rather were a sweepstakes sponsored by Maryland CASH.

As a result of the promotion, Baltimore CASH increased the dollars saved in bonds from the prior tax season by 561%. In fact, 72% of Maryland and Baltimore CASH bond buyers had not purchased a bond in the previous year. Their experience highlighted the ways in which promotions can be very successful investments for tax preparation sites, cities, states – for every \$1 spent in their promotion, just under \$22 was saved in a bond. In total, an investment of just \$2,000 in promotion prize money yielded \$43,650 in committed savings for 298 people.

Opportunity Texas

Opportunity Texas offered a \$25 grocery or discount store gift card to tax filers who saved at least \$50 in U.S. Savings Bonds at tax time. In 2012, three times more tax filers saved than last year and doubled the amount saved, with 942 taxpayers saving more than \$143,000¹⁹. Eighty percent of participants in the program were new tax-time savers.

According to Laura Rosen, Opportunity Texas Project Coordinator, “having an asset building coalition with a statewide footprint to fund and coordinate projects has been very effective at growing tax-time savings at Texas VITA sites.” While incentives worked extremely well to stimulate tax-time savings, other physical prompts, such as the United Way piggy bank that encouraged people to ask about saving, have a vital role to play in promoting the opportunity. Another successful technique to encourage saving is to emphasize the benefits of saving to the client and his or her family. As one of the Opportunity Texas partners puts it, using the WIFM (What’s in it for Me?) approach when discussing savings with clients works best.

The City of Austin provided a \$10,000 challenge grant to use towards operational support to Foundation Communities, a key Opportunity Texas partner. Seventy-seven percent of all filers who purchased bonds filed their taxes at Foundation Communities’s network of VITA sites, doubling savings from last year.



Physical prompts, like this United Way piggy bank, encouraged tax filers to ask about savings opportunities.

According to Foundation Communities, ultimately, it came down to a volunteer’s discretion if and how to promote the savings bonds. Volunteers were encouraged to talk to clients about the savings bond promotion, and given a list of ‘conversation starters’ to help them open the dialogue with the client.²⁰

CASE II: VITA Sites Successfully Drive Take-Up of Savings Bonds

Green River Asset Building Coalition (Green River, WY)

The Green River Asset Building Coalition (GRABC) debuted marketing the TTSB policy this past season, and amassed a five percent take-up rate, significant for any first attempt.²¹ A key insight, per Tina Lynch, who oversaw the program for the coalition, was “the unwavering and continuous message from the moment taxpayers are greeted and taken through the intake and interview sheet, through the tax return preparation, and solidified with the quality review...We learned never to underestimate the taxpayer and to give each and every taxpayer the opportunity...It was a great year, and we really look forward to what data we can collect next year regarding second-year investments and again encouraging all taxpayers to save for their future.”

²⁰ Available on Foundation Communities’ savings bond info page: www.foundcom.org/get-involved/savings-bonds/

²¹ GRABC offered a promotion, giving away 10 \$100 bonds and 1 \$500 bond but claimed that the promotion had little, if anything to do with their success. Many taxpayers had made the decision to purchase bonds before they heard about the promotion, perhaps after a conversation with a volunteer

¹⁹ This number includes the value of the incentives

Tina also credits her volunteers with this success. It was, in almost all cases, the first time tax filers had heard about bonds; without several reassuring comments from GRABC's volunteers, many would have never taken the first step. The volunteers even bought bonds for themselves, their children, or grandchildren and used their personal experience as examples to tax filers, explaining why they personally chose to invest in the Series I Bonds.

Campaign for Working Families (Philadelphia, PA)

With an eight percent take-up rate, the Campaign for Working Families recorded its best year yet with \$89,000 saved in tax-time saving bonds. According to John Lyons, an AmeriCorps VISTA with the program, behavioral cues such as framing of the offer and the use of social norms cues in documenting purchases were instrumental in engaging tax filers.²² Framing the offer as "would you like to invest in a bond" rather than "would you buy a bond" allowed the tax filer to view a bond purchase as a decision about his or her future and general financial well-being. Visibly documenting purchases ("I bought \$50 in bonds for my son for his college education) provides recognition for purchasers, but also gets other tax filers comfortable with and aware of the opportunity.



The Campaign for Working Families displaying visual documentation of bond purchases

The campaign also motivated volunteers by publicly recognizing those volunteers who were successful in selling bonds. Tickets to movie theaters were raffled off to volunteers at all participating sites; all sites held drawings on the same day, to keep the excitement level up, and winners were announced in a weekly e-mail blast.

Finally, per Executive Director Khadija Jones, "the savings bond program [was] embedded in every aspect of our operations." A cornerstone of the Campaign's success was an overarching vision set by the organization's leadership to make the experience of purchasing bonds smooth and seamless for the tax filer and to streamline operations. In the implementation of this vision, tax filers become advocates and ambassadors for the program.

ACTION LESSONS LEARNED

1. WHAT WORKED?

- Promotions and incentives clearly work! The Maryland and Baltimore CASH campaigns as well as the Opportunity Texas experience demonstrated that promotions and incentives have the potential to significantly increase the total dollar-value of bonds purchased at tax sites. Importantly, these cases also demonstrated that money invested in prizes was money well spent. However, it's not just about the prizes. Infusing the promotion experience into the greater site experience and motivating staff and volunteers generates buzz and excitement surrounding winnings and encourages more tax filers to save.
- Embedding the savings bond purchase offer into every aspect of site operations from the intake process to quality review and the repeated delivery of the bond offer message is effective. From past work, we know that tax filers need to hear the bond offer multiple times. Integrating the offer into site operations not only enables this, but streamlines operations so that offering savings bonds is not seen as "yet another thing to do," but part of the routine of tax preparation.

²² Refers to the concept of social norms marketing -the science of persuading people to go along with the crowd. In this context, when taxpayers view documented purchases by other savings bond savers (for example, by posting on a wall, they are likely to want to purchase bonds themselves.

Framing the offer as “would you like to invest in a bond” rather than “would you buy a bond” allowed the tax filer to view a bond purchase as a decision about his or her future

- Engaging, motivating, and training volunteers works. Volunteers are often focused on tax preparation and may not be aware of the benefits of saving or savings bonds to their clients. In addition to fundamental training and tips on how to offer bonds, recognition and motivating volunteers is central to a successful campaign.
- City and State governments have a role to play in promoting savings and savings bonds. As shown by the investment of the City of Austin in the Opportunity Texas program and the return on investments seen in the promotions work, investing in savings can have potentially high returns.
- Framing the savings bond offer in terms that highlight the benefit of savings bonds to clients works.

2. WHAT DIDN'T?

- Attempting to enable action (purchasing a savings bond on Form 8888) online with the Call2Action widget and consumers to **myfreetaxes.com** succeeded in raising awareness but could not reliably ignite action. This is because the offer to purchase the bond must be presented at the time the tax filer is ready to file taxes and split his or her refund to purchase a bond, which is difficult to do online. A tax filer may see the offer and visit the free tax site (in this case myfreetaxes.com), but might not be ready to file taxes.

3. WHAT COULD? GET INVOLVED!

- Connect with us online and find ways to use social media to build awareness of the savings bond opportunity with your community.
- Consider incorporating a promotion into YOUR tax-time work.
- Find ways to build awareness during the tax filing process to drive take-up.

CONCLUSION

This upcoming year is a defining moment for the tax-time savings bond policy and we encourage all of you to get involved in advocating for its preservation, building awareness of the opportunity, or driving action at tax time. Collectively, these efforts will continue to demonstrate the importance of this tax-time savings policy while expanding its reach to new consumers, touching more individuals through the gift of savings, and increasing national support for its preservation.

Every person and every organization can play a role in helping to preserve the only universally accessible savings product for Americans at tax time. It can be as easy as:

Advocacy

- Joining the Savings Bond Working Group's Keep Bonds Easy! Campaign.
- Writing to your local elected official.
- Writing an op-ed or reaching out to a local media official.

Awareness

- Reaching out to government agencies and departments.
- Telling your story to the Consumer Finance Protection Bureau (CFPB) (www.cfpb.gov).

ACTION

- Connecting with us online.
- Using social media channels to share the savings opportunity with your network.
- Incorporating a promotion into YOUR tax-time work.
- Integrating awareness into the tax filing process.

If you receive a refund this upcoming tax season, consider buying a bond or gifting a bond to a loved one (remember, it's the only time of the year you can gift a paper savings bond!). For more information on how to GET INVOLVED, visit **www.bondsmakeiteasy.org**.



114 Western Ave.
Alliston, MA 02134
617.541.9066
www.d2dfund.org

Copyright 2012, D2D Fund, Inc.