Barbara Reider
University of Montana
Consideration for the 2011 George Krull/AICPA Teaching Innovation Award

“A Tax Adventure? University of Montana Students Participate in Alaska VITA”

1. Educator Bio
Barbara Reider is a Professor of Accounting at the University of Montana where she is a holder of the John and Kathy Connors Faculty Fellowship. Her primary teaching areas are governmental/not-for-profit accounting and cost accounting.

2. Abstract
Students in the “Lower 48” have an opportunity to participate in a program each spring, Alaska Volunteer Income Tax Assistance (VITA). While they may prefer traveling to warm locations in March, perhaps you could suggest that students make a difference in remote, rugged, frozen villages. Students from the University of Montana have helped hundreds of taxpayers and flown thousands of miles while participating in this program.

3. Learning Objectives
(Students must complete at least one undergraduate course in individual tax return planning and preparation, and participate in the on-campus VITA program before enrolling in the Alaska VITA course. Because of its popularity and limited access, students must apply for the course. A faculty committee bases its decision on a student’s proven academic ability and responses to essay questions focused on their desire to participate. The Alaska VITA program covers all expenses, so group size varies from two to five participants each year based on funding. For example, UM did not participate in 2010 because of inadequate funding. However, two students did participate in 2011.)

a. Students apply their VITA training to the under-served rural Alaskan population. The issues faced by taxpayers can be unusual. Both the Internal Revenue Service Commissioner and the late Senator Ted Stevens have recognized the Alaska VITA program for its outstanding service to state residents.

b. Students meet with Alaska Natives in their own communities. They can see first-hand the difficulties of everyday life in remote villages.
c. Students communicate with taxpayers for whom English may not be their first language. They must clearly explain the tax filing process.

d. Students see the state of Alaska. Some students have never before flown in a jet; transportation by small aircraft where cargo and US mail are carried in the cabin can be an added adventure. Many Montana students eventually move to Alaska for career opportunities. This program allows interested potential residents the chance to see the state. Travel within Alaska is expensive, averaging about $5,000 per student for the week. This program, funded by the Alaska Business Development Center (ABDC), pays for all participant travel costs.

e. Students learn some of the tax-related issues faced by commercial fishermen. The ABDC works closely with the IRS in developing curriculum that students must complete prior to traveling to the villages.

f. Students engage in self-reflection through journal-keeping. Among the questions students ask themselves: What are they learning? Who are they meeting? What challenges have they faced? What benefits have they provided taxpayers? How can they be better communicators? What personal goals have they achieved? Is this activity something they would like to continue in their career? Would they recommend the program to other students? What changes to the program would they make? How can the program be more effective?

g. Students present a professional oral summary of their trip to Beta Alpha Psi members, students in junior-level classes, and the Dean’s Advisory Council/School of Business Administration Advisory Board members upon their return. Students have the opportunity to share their experiences, market the program to future participants, and meet members of the business community. Audience members have positively interacted with the VITA students, and they never lack for follow-up inquiries during the question-and-answer sessions.

h. There are a few unethical tax preparers in Alaska who appear to take advantage of taxpayers in rural villages. They prepare incorrect returns and charge very high fees for their work. In addition, they do not take responsibility for signing the returns as the “paid preparer.” In many cases, taxpayers pay much higher federal income tax than is truly owed. Students have the opportunity to file corrected amended returns on behalf of these taxpayers.
4. Detailed Description of the Case/Activity
Application for the 2011 course is attached (please see Appendix A—three pages).
Travel schedule for 2011 is included (please see Appendix B—one page).
The syllabus for 2009 is included (please see Appendix C—two pages).
Pictures of the activity are included (please see Appendix D—five pages).

5. AICPA Core Competencies Addressed
Students who participate in the Alaska VITA program have an opportunity to grow in all three AICPA areas of core competency.

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<tr>
<th>Functional Category</th>
<th>Application to Alaska VITA</th>
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<tr>
<td>Leverage technology</td>
<td>While in the field, students must research IRS literature when applying tax standards to individual situations. Taxpayers often claim regional Native Corporation dividends, village Native Corporation dividends, the Alaska Permanent Fund Dividend, and commercial fishing revenue.</td>
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<td>Measurement</td>
<td>Students must develop and use reasonable guidelines for drawing conclusions when reporting ambiguous taxpayer information.</td>
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<td>Taxpayers have often not filed tax returns for several years, if ever. Students have the opportunity to use reasonable guidelines in preparing past returns with limited information.</td>
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<td>Reporting</td>
<td>Students often communicate with the IRS on behalf of taxpayers. They must be able to identify the issues of both parties and communicate them clearly.</td>
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<td>English is not the primary language spoken at home for some villagers. Communication of technical terms can be difficult. Students must be culturally</td>
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sensitive when asking personal questions about income and living arrangements.

Many tax returns must be filed on behalf of children. Determining who has the filing responsibility for dependents can be challenging. Again, sensitivity to taxpayers’ personal situations is important.

Taxpayers often develop a trust with VITA students that allows them to act on their behalf with the IRS. This is often a fearful situation.

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<th>Research</th>
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<td>It is common for taxpayers to bring their “prepared” returns to the Alaska VITA students for them to review. The returns have sometimes been prepared by questionable professionals who do not prepare them correctly and charge a relatively high fee for the service. In many cases, students can research the facts and file amended returns for taxpayers. Rather than owing money to the IRS, they frequently receive refunds. Unfortunately, the tax preparation fee has already been paid.</td>
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<th>Broad Business Perspective Category</th>
<th>Application to Alaska VITA</th>
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<td>International/Global Perspective</td>
<td>Students travel to the North Slope of Alaska. They stand on the frozen edge of the Arctic Ocean at the northern-most point in the United States. They have traveled thousands of miles to arrive at their destination. Most villagers are of Native Alaskan heritage who strongly value their traditional culture.</td>
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<tr>
<td>Strategic/Critical Thinking</td>
<td>Students learn to be better tax return preparers by filing more returns. They learn from clients in one village as they</td>
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then travel to the next site. For example, some taxpayers overlook the fact that they receive the Alaska Permanent Fund Dividend since it is annual income that requires very little communication with the state. Students develop checklists of common questions to ask each client.

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<th>Personal Category</th>
<th>Application to Alaska VITA</th>
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<td>Communication</td>
<td>Students must be able to communicate with Alaskan taxpayers.</td>
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<td>In addition, they make formal oral presentations upon their return to Montana. They have been asked to speak at Beta Alpha Psi functions, in classrooms to potential participants in the program, and to the Dean’s Advisory Board members at their semi-annual visit to campus.</td>
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<tr>
<td>Professional Demeanor</td>
<td>While in the field, students represent their universities and the accounting profession. They must treat all taxpayer information with confidentiality.</td>
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<td>Students must develop a rapport with taxpayers in order to develop a working level of trust.</td>
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<td>Since Murphy’s Law knows no bounds, almost everything that can go wrong WILL go wrong when traveling above the Arctic Circle with computers and personal gear. Students must maintain a professional sense of humor and develop backup plans for dealing with less-than-ideal situations.</td>
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6. Title and Classification
ACTG 432 Alaska Volunteer Income Tax Assistance—senior-level course
ACTG 632 Alaska Volunteer Income Tax Assistance—graduate-level course
Appendix A—Application to the Program (three pages)

ACTG 432 Alaska VITA
Department of Accounting and Finance
Spring 2011

Are you ready for an adventure while earning academic credit? Join the third UM tax-preparation trip to Alaska! In partnership with the Alaska Business Development Center, two UM students will assist taxpayers through the Volunteer Income Tax Assistance (VITA) program.

Approximate dates: March 4 (Friday) to March 13 (Sunday)—dates may vary depending on weather
Course: ACTG 432 (special section)
Credit: 1 credit
Tuition: Regular tuition applies
Prerequisites: ACTG 401 (Income Tax) and ACTG 432 (on-campus VITA)

| Selection: | Students must apply for the course; a faculty committee will make the final selection of two students. Evaluation criteria include proven academic ability and your essay answers. |

- This is an established program—it started in 1996 with five selected villages. Since taxpayers can’t come to you for help, you will go to them. 😊
- You will fly to Anchorage and spend a day attending orientation on Alaska and unique taxpayer issues such as the PFD and commercial fishing. You will then fly to rural Alaskan villages to continue the adventure. Students from other universities participate.
- **Dates are approximations – weather may prevent you from returning on time!!!**
- Please note that this trip is NOT during spring break. You will need to make arrangements with all professors and employers regarding your participation.
- Note that you need to finish regular ACTG 432 early in the semester—you need to be finished with the on-campus ACTG 432 before you participate in Alaska ACTG 432.
- Travel to the outlying villages will be by small plane, typically with six to eight seats. The pilot needs to know your weight before each flight.
- You will sign UM travel documents before your departure.
- Specific villages? To be determined.
- Wet, damp, dry.
- Accommodations may range from nice to rustic. You will be responsible for providing your own food which can be purchased in Anchorage (a per diem is provided). You will need to bring a sleeping bag. Clothing needs to be casual, with warm clothing for cold weather and light clothing for indoors. Fashion doesn’t matter—keeping warm DOES matter!
- Conditions will be cold. The average high is -7 degrees at the end of March, while the average low is -20 degrees. **The wind blows almost constantly, so the windchill is significantly colder.**
- ABDC will pay for most travel expenses. This is a great opportunity to see the world without paying travel costs. (Missoula to Anchorage to Barrow -- $1900)
- This will be an unforgettable experience. Guaranteed!
- In addition to the travel, there are assignments. Among them are the following (set by ABDC):
  - Online IRS VITA/TCE certification test in three areas – Basic, Intermediate and Advanced
  - Reading ABDC-prepared training guide, Volunteer Handbook and Pub 4299
  - Completion of ABDC prepared case studies, quizzes and competency review
  - Attending webinar
2007 and 2008 trips to Alaska

www.asrc.com
Preserving Inupiat Culture and Traditions
“The Arctic Slope Regional Corporation (ASRC) is committed to preserving the Inupiat culture and traditions which strengthen both our shareholders and ASRC. By adhering to the traditional values of protecting the land, the environment and the culture of the Inupiat, ASRC has successfully adapted and prospered in an ever-changing economic climate.”

Representing Arctic Slope Communities
“ASRC represents eight villages on the north slope of Alaska: Point Hope, Point Lay, Wainwright, Atqasuk, Barrow, Nuiqsut, Kaktovik and Anaktuvuk Pass. ASRC land is abundant with natural resources. This natural-resource based corporation employs 6,000 people, has a growing shareholder population of 9,000, and has title to approximately five million acres of land. A founding principle of ASRC is respect for the Inupiat heritage. “

Barbara Reider
GBB 311
Office hours MW from 3:30 to 5 p.m. and from 7:30 to 9 p.m.
243.5145
Spring 2011 Alaska VITA Application  
Deadline: Friday, December 3, 2010

You must include transcripts showing all academic credit and grades earned. Please submit your application materials to Barbara Reider, GBB 311, by 5 p.m.

Name  
________________________________________________________________________  
Phone ___________________________________ E-mail ____________________________________  
Mailing Address  
________________________________________________________________________

What courses and how many credits are you taking during Spring Semester 2011 other than this course?

Please include typed short-answer essay responses to each question:

1) Why are you interested in participating in this program?
2) Why are you qualified to participate in this program?
3) Assume you are “on standby” in a remote, Alaskan airport for several hours. You can only have one source of entertainment with you. What would you bring? How would you entertain your group? (Be creative!)
4) Discuss any community/university volunteer activities in which you have participated. What did you learn from these experiences?
5) Why should YOU be chosen?

_______________________________________________________________________________

Application form?  
Transcript?  
Essay responses?
Appendix B—travel schedule (one page)

Please insert separate attachment
Appendix C—2009 syllabus (two pages)

Alaska Volunteer Income Tax Assistance
Spring Semester 2009
ACCT 696 Section 4

Instructor: Barbara Reider, PhD
Phone: 406.214.7573 (cell)
E-mail: barbara.reider@business.umt.edu

Course requirements:
1. Completion of ACCT 431 or equivalent
2. Completion of IRS VITA training (basic, intermediate, advanced)
3. Enrollment in VITA at UM during Spring Semester 2009

Grading: One credit, traditional letter grading (A through F). Plus/minus grading used.

1. Participation in VITA program on the Alaskan North Slope during spring break. This includes, but is not limited to your:
   - attitude
   - quality of work
   - serving as a UM representative
   - following VITA rules and guidelines

2. Journal during the semester. This includes, but is not limited to:
   - your questions as you begin
   - what you enjoy about VITA (both on campus and Alaska)
   - what you find frustrating about VITA (both on campus and Alaska)
   - how you are serving taxpayers in Montana and Alaska
   - how the team is working together
   - what are feeling and thinking
   - what you wish you had known before traveling
   - what is going well
   - how can we improve the program

Please send me your journal entries in Word every Monday starting January 26, 2009. At the end of the semester, please print out your entire journal in paper form and drop it off at the School of Business Administration reception area (GBB 352).

3. Preparation of a 10-minute PowerPoint presentation(s) on your experiences with the program. You may be asked to present your experiences to Beta Alpha Psi, other business school students, faculty, and/or the dean’s advisory group. The presentation must be in “final” form by Friday, April 17, and sent electronically to me before you are permitted to present it publically!
   - The team
   - Preparation (tax classes, VITA training)
   - On-campus VITA
   - The actual trip to Alaska
   - The results (What did you learn? What went well? How can we improve the program?)
Miscellaneous:

1. We will do everything we can to make this a wonderful experience for you.

2. For health and safety reasons, I need to know about any medical conditions you have or medications you take that could require attention while traveling. This is not meant to invade your privacy in any way.

3. Our contact in Anchorage is Tammy Werbelow from the Alaska Business Development Center. Her office number is 907.562.0335, Monday through Friday. Alaska time is two hours earlier than mountain time. (When it is 10 a.m. here, it is 8 a.m. in Alaska.)

4. Assume the worst about your journals—that someone outside our group will read them. For this reason, taxpayer confidentiality is extremely important.

5. Many Alaskan villages are “dry,” meaning you cannot bring ANY alcohol with you. Assume that once you leave Anchorage, all villages are dry. If you bring alcohol to these villages, even for personal consumption, you risk arrest. This is taken very seriously. You will be responsible for finding your own way home (once you get out of jail) and you will fail the class.

6. Prepare for the worst weather. Fashion is NOT important. Warmth and protection from the wind should guide you in selecting clothes to take. Pack LIGHT.

7. You will probably be traveling in teams of two students with one representative from the ABDC.

8. Do not expect lots of time to study. Do not expect to be busy all the time.

9. Some taxpayers may not speak English. Be prepared to ask questions through an interpreter. This can be difficult since many tax terms do not have equivalent phrases in other languages.

10. Do not bring large, hard-sided suitcases. Small- to medium-sized duffel bags work best. The little planes you take will carry cargo and US mail; pilots need your help when arranging weight for the flights. Do not carry heavy, bulky, fragile, expensive items. Bags get tossed around (literally). Small planes are not heated, nor are there refreshments, magazines, or restrooms. The pilots will ask for your weight as they load the planes. This is not a time for vanity—you want the planes to have enough fuel!


12. Specific villages, specific dates—to be determined.
Appendix D—pictures from Alaska VITA trips (five pages)

1. The adventure begins on the Alaskan North Slope.

2. Village transportation in the winter—there are no roads.

3. The small planes are built for safety, not necessarily passenger comfort!
4. “Airport” takes on a new meaning. The air temperature is approximately -10 degrees.

5. The main street of a typical rural Alaskan village. Nothing is buried underground because of the permafrost.

6. Beautiful clothing protects village residents against frigid temperatures.
7. University of Montana students set up their computers in a village school.

8. The workspace in this community is in the mayor’s office.

9. Accommodations for University of Montana students in a home ec classroom. ABDC volunteer, Foxy, travels with the group to secure transportation and lodging.
10. Between villages, a University of Montana student displays the group’s “luggage” containing sleeping bags, VITA computers, and food. Villages do not have grocery stores.

11. Although no VITA group members have seen a polar bear, these fresh tracks extend over the frozen Arctic Ocean.

12. Sunset in Barrow. By March, daylight is back up to 12 hours.
13. Two University of Montana students enjoy the display of whale ribs in Barrow.

14. At the end of their trip, four University of Montana students enjoy sightseeing near Anchorage.