

July 10, 2006

SUPPORTING STATEMENT

Rural Development, Centralized Servicing Center - Customer Satisfaction Survey

A. JUSTIFICATION

1. Explain the circumstances that make the collection of information necessary.

CSC has been operating since 10/96. The CSC was established to achieve a high level of customer service and operating efficiency. The CSC has established a fully integrated call center and is able to provide borrowers with convenient access to their loan account information in both English and Spanish. In accordance with Government Performance and Results Act (GPRA), the survey will enable CSC to continue to measure the results and overall effectiveness of customer service provided as well as implement action plans and measure improvements.

The original Customer Satisfaction Survey was completed April 2004 and a follow up survey is scheduled for August 2006. The purpose of the first survey was to establish a baseline for future measurements of aspects of satisfaction. Subsequent surveys are necessary to gage the overall effectiveness of loan servicing, program efficiency and accessibility for Rural Development.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the Agency has made of the information received from the current collection.

To facilitate the CSC's mission and in an effort to continuously improve its services, a survey has been developed that can measure the quality of service borrowers receive when they contact the CSC. The outcome of the Customer Satisfaction Survey will provide the general satisfaction levels among Rural Development customers throughout the nation, highlight areas that need improvement, and provide comparisons for future surveys and mark improvement in customer service. The customer survey is being administered as part of CSC's on-going service quality improvement program. An independent third party contractor conducts the survey in accordance with the statement of work and mails customer satisfaction surveys to RHS customers/homeowners.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection.

An independent contractor will administer the survey for CSC which will be conducted through the U.S. Postal Service

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is no other similar information available to measure RHS CSC customer satisfaction; therefore, no duplication of information exists.

5. If the collection of information impacts small businesses or other small entities (item 5 of OMB Form 83-1), describe any methods used to minimize burden.

The collection will not impact small businesses or other small entities.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The Centralized Servicing Center is focusing on service quality and customer satisfaction. If we do not collect this information, we will not be able to set accurate performance goals, measure program effectiveness against those goals and improve program effectiveness. Without this survey we will not be able to comply with the GPRA of 1993.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- a. Requiring respondents to report information more than quarterly. Respondents will only need to report information on a one-time basis. A follow-up survey will be conducted in 18-24 months.
- b. Requiring written responses in less than 30 days. Based on previous experience with a prior contractor, in his professional opinion, if you give customers 30 days to respond to a survey, they are more likely to postpone their response and ultimately forget to answer the survey. A request of a 2-week response usually motivates the customer to respond more quickly and improves the overall response rate.
- c. Requiring more than an original and two copies. Only the original survey needs to be completed and returned to the contractor.
- d. Requiring respondents to retain records for more than 3 years. The survey doesn't require the respondents to retain information.
- e. Not designed to produce valid and reliable results. Probabilistic statistical sampling will be used with regard to the target population as described in Section B-1.
- f. Requiring use of statistical data classification, which has not been reviewed and approved by OMB. We are not using statistical classification, which has not been reviewed and approved.
- g. Requiring a pledge of confidentiality. The survey contains a statement regarding confidentiality notifying respondents that information from the survey will not be exchanged or sold with any third party.
- h. Requiring submission of proprietary trade secrets. We are not requiring submission of proprietary trade secrets.

8. If applicable, identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the agency in response to these comments. Describe efforts to consult with persons outside the Agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, reporting format (if any), and on data elements to be recorded, disclosed, or reported.

As required by the Paperwork Reduction Act of 1995, a Notice was published on July 26, 2006, [71 FR 42350]. No comments were received.

The following individuals were instrumental in providing feedback about the Customer Satisfaction Survey.

Bev Wilde	William Terrell	Janet Havelka
Nat. Assoc. of Support Personnel,	Nat. Assoc. of Credit Specialists	USDA, SSD, SFH
101 Industrial Park Rdwy	P O Box 593	1520 Market St.
Eldon, Mo 65026	Vinita, OK 74301	St. Louis, MO 63013
573-339-5667	918-256-7863	314-335-8655

9. Explain any decision to provide any payment or gift to respondents, other than reenumeration of contractors or grantees.

Customers will not receive a payment, gift or incentive to respond.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or Agency policy.

An independent contactor will be administering the survey for CSC. The contractor will tabulate the completed surveys and provide results to CSC in an aggregate form. The names of survey respondents will not be associated with their answers and comments.

11. Provide additional justification for any question of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private.

There are no questions of a sensitive nature on the survey.

12. Provide estimates of the hour burden of the collection of information.

The RHS Customer Satisfaction Survey, sent to an estimated 6,000 individuals, is estimated to take 10 minutes per response, for an estimated total of 1,000 annual hours, and an estimated total cost to the public of \$10,000. We are seeking a 3 year approval in order to send the survey out again in 18-24 months to determine if the level of satisfaction has improved, declined or remained stable.

13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information.

There are no capital and start-up costs or operation and maintenance costs.

14. Provide estimates of annualized cost to the Federal Government.

The estimated cost to the Federal Government for each survey is referenced below.

The cost is estimated to be \$12.00 per initial survey mailed= \$72,000. With printing costs, government expense of approximately \$4,000. The estimated total cost to the government is \$76,000 with the survey being repeated every 18-24 months.

Breakdown of costs:

- Admin- 10% (\$7,200)
- Analysis- 30% (\$21,600)
- Labor- 25% (\$18,000)
- Processing- 20% (\$14,400)
- Mailing Costs*- 15% (\$10,800)

*Mailing costs include postage (Wave I survey, Wave II postcards, Wave III survey- to all participants each wave), handling, database set up and administration, stuffing and return postage. The only cost not included is for GPO printing of all correspondence and supplying envelopes which is estimated to be about \$4000.00.

15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-I.

Due to a decrease in the number of respondents from 23,000 to 6,000, the burden hours have decreased from 3,680 to 960 hours.

16. For collection of information whose results will be published, outline plans for tabulation and publication.

The third party contractor will tabulate completed surveys and provide results to CSC in an aggregate form. Questions about customer satisfaction are rated on an 8-point scale. Other questions have Yes/No responses. Those questions will be scored based on the number of Yes/No responses. The collection of information will not be published.

The timetable follows:

1. Award contract	
2. Meeting CSC/contractor - provide sample of comparable data segments	5 workdays from award
3. First draft of survey to CSC	5 workdays from meeting
4. CSC return comments or approve with access to customer database	5 workdays from first draft
5. Final draft of survey	10 workdays from first draft
6. CSC - obtain approval on cover letter and postcard (English/Spanish)	10 workdays from first draft
7. Send final survey, postcard, and print specs to GPO*	5 workdays from receipt of final draft
8. Distribute survey	10 workdays from receiving print from USDA
9. Deadline for customer to respond (to allow mail time)	15 workdays from distribution
10. Final results delivered to CSC	15 workdays from deadline
Total Expected Timeframe	80 workdays total

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The agency will display the OMB expiration date on the survey associated with this information collection.

18. Explain each exception to the certification statement identified in item 19 on OMB 83-I.

There are no exceptions noted.

19. How is this information collection related to the Service Center Initiative (SCI)? Will the information collection be part of the one-stop shopping concept?

It is related because it seeks feedback on the quality of service provided to customers by the Service Center. Information sought will be part of the one-stop shopping concept.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHOD

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection method to be used. Data on the number of entities (e.g., establishments, State and local government units, households or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed same. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

The total number of customers is approximately 333,100. Approximately 70% of them will be eligible to receive the survey based on our criteria of being current with no servicing actions pending.

The objective is a 50 percent response rate. In order to achieve an expected 50 percent response rate (3000 responses), 6,000 surveys will be mailed to customers considered to be in a current payment status.

The third party contractor will mail the survey along with the numbered return envelope to the randomly selected group of homeowners.

Within 7 days of the mailing of the survey questionnaire, the contractor will send out a postcard to all sample households reminding them to complete the survey and return it.

Within 14 days after the post card mailing, the contractor will send another survey to all homeowners who did not respond to the initial mailing.

The contractor will receive a list of customers in the form of electronic media. The list will exclude customers that are in bankruptcy or other legal action status, customers that are 3 months past due, and customers that have obtained a USDA loan(s) within the last year.

The contractor will randomly select 6,000 customers that are current. We expect an aggressive 50 percent response rate, or approximately 3,000 total respondents. The Agency was advised, by the contractor previously used, that time frames, measurements and response rates outlined in the Agency's requirement are very comparable to those used by private sector companies. The Agency was advised that if too much response time is given, fewer responses will be submitted. A total of 3 weeks will be allowed for survey responses to be returned. Likewise, customers with USDA loans less than a year old are being excluded since their responses are expected to be overly positive and will inappropriately skew the results.

A Spanish version of the survey will be mailed to those customers who are identified on the CSC system as having a Spanish speaking preference.

2. Describe the procedures for the collection of information including:

- Statistical methodology for stratification and sample selection. Customers are randomly selected from a list based on the above criteria.
- Estimation procedure. Estimates will be proportionally/percentage estimates based on the number of respondents selecting a particular category of a question, to the total number answering that question.
- Degree of accuracy needed for the purpose described in the justification. The survey is designed so that all of the respondents' data will be useful. There is no degree of accuracy required. The data will be more beneficial if we receive at least a 15 percent response rate. With the large sample size estimates should be reliable for their intended use.
- Unusual problems requiring specialized sampling procedures. None.
- Any use of periodic (less frequent than annual) data collection cycles to reduce burden. Respondents will only need to report information on a one-time basis. An 18-24 month follow-up may or may not be sent to those same respondents.

3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended use. For collections based on sampling, a special justification must be provided for any collection that will not yield "reliable" data that can be generalized to the universe.

A follow-up postcard reminder will be sent to the surveyed customers if, after 10 days, the response rate is less than 10 percent. A second survey will be sent to all customers within 14 days of the initial mailing as a follow-up.

The survey is designed to capture the level of satisfaction RHS customers have with the CSC. The data captured will be compared to the benchmark survey to determine the change in overall customer satisfaction.

4. Describe any test of procedure or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test

or set of tests may be submitted for approval separately or in combination with the main collection of information.

CSC has used Philips & Associates, Inc. to develop and administer the customer satisfaction survey in the past. Philips & Associates, Inc. has experience developing and administering surveys for mortgage companies in the private sector and is working with CSC, RHS National Office, National Association of Credit Specialists (NACS), National Association of Support Personnel (NASP) as well as System Support Division, to review the survey format, specifics of methods used, schedule and criteria to be used in evaluating the completed surveys. As such, no testing is deemed necessary.

5. Provide the name and telephone number of individuals consulted on statistical aspects of the designing and the name of the Agency contractor(s), grantee(s) or other persons who will actually collect and/or analyze the information for the Agency.

CSC contact person is Terrie Barton, Customer Service Branch Chief, (314) 206-2108.

Data Collection will be provided by the third party contractor.

Initial Statistical Review was provided by Scott Rumberg (202) 720-5617 and Ginny McBride (202) 720-5778, National Agricultural Statistics Service, USDA.