

1545-1432

Note to: Glenn P. Kirkland  
IRS Reports Clearance Office  
Tax Forms and Publication SE:W:CAR:MP:T:T:SP

From: Kevin Cecco  
Chief, Statistical Support Section  
Statistics of Income RAS:S:S:S

Subject: OMB Approval Request for TAS Survey Study, 06-15

Attached is the documentation needed by the Office of Management and Budget for TAS Study-06-015.  
The total estimated burden for this study is 2133 hours.

If you have any questions regarding this project, please direct them to me at (202) 874-0464.

Attachments:  
Cover Memorandum to OMB  
OMB Form 83-C  
Clearance Request  
Attachments

Questionnaire

NOTE TO THE REVIEWER OF: OMB Clearance # 1545-1432

From: Kevin Cecco  
Chief, Statistical Support Section  
Statistics of Income RAS:S:S:S

Subject: OMB Approval Request for TAS Study, 06-015

Please accept the enclosed materials for approval under the OMB Clearance package 1545-1432, "Customer Satisfaction". In accordance with our agreement with OMB, I am submitting a brief description of the study and the materials to be used in the study at least two weeks in advance of the start of the study.

The total estimated burden for this study is 2133 hours.

If there are any questions regarding this project, please direct them to me at (202) 874-0464.

# ***Taxpayer Advocate Service – Customer Satisfaction Survey OMB Clearance Package***

## **I. Introduction**

### **Background/Overview**

#### **Requirement to perform customer satisfaction surveys.**

**Executive Order 12862** requires all government agencies to survey their customers, and incorporate customer preferences in their process improvement efforts.<sup>1</sup>

**Internal Revenue Bulletin 2005-45 (November 7, 2005)**<sup>2</sup> prescribes that : “The customer satisfaction goals and accomplishments of operating units within the IRS will be determined on the basis of information gathered through various methods. For example, questionnaires, surveys and other types of information gathering mechanisms may be employed to gather data regarding customer satisfaction. Information to measure customer satisfaction for a particular work unit will be gathered from a statistically valid sample of the customers served by that operating unit and will be used to measure, among other things, whether those customers believe that they received courteous, timely, and professional treatment by the IRS personnel with whom they dealt. Customers will be permitted to provide information requested for these purposes under conditions that guarantee them anonymity. For purposes of this section, customers may include individual taxpayers, organizational units, or employees within the IRS and external groups affected by the services performed by the IRS operating unit.”

This Bulletin reflects the objectives of **Treasury Decision 801.4 (September 7, 1999)**, which established a balanced performance measurement system, to include the requirement to measure customer satisfaction. Additionally, **26 CFR Part 801 and section 1201 of the Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105-206, 112 Stat. 685, 713 (1998)**, requires the IRS to establish a performance management system for those employees covered by 5 U.S.C. 4302 that, among other things, establishes “goals or objectives for individual, group, or organizational performance (or any combination thereof), consistent with the IRS’ performance planning procedures, including those established under the Government Performance and Results Act of 1993, division E of the Clinger-Cohen Act of 1966 . . . , Revenue Procedure 64-22 . . . , and taxpayer service surveys.”

**Treasury Strategic Objective F4A**, “Collect Federal Revenue When Due, Through a Fair and Uniform Application of the Law,” references as a measure of its success: “fairness of the tax system administration as measured by scores on the IRS’s customer satisfaction survey.”<sup>3</sup>

<sup>1</sup> Reference: <http://govinfo.library.unt.edu/npr/library/direct/orders/2222.html>

<sup>2</sup> Reference: [http://www.irs.gov/irb/2005-45\\_IRB/ar12.html](http://www.irs.gov/irb/2005-45_IRB/ar12.html)

<sup>3</sup> Reference: <http://www.treas.gov/offices/management/budget/planningdocs/treasury-strategic-plan.pdf>

## **History of customer satisfaction surveys within the Taxpayer Advocate Service:**

The Taxpayer Advocate Service organization (TAS) of the Internal Revenue Service (IRS) has been conducting customer satisfaction surveys since calendar year 2001. These surveys gauge the quality and timeliness of services that are delivered to taxpayers and their representatives who have recently sought TAS assistance. These surveys are a component of TAS' organizational performance measurement system, or "balanced performance measures," which also include employee engagement and business measures.

### **Objectives of data collection**

It is through this process that the Taxpayer Advocate Service is able to establish and maintain an awareness of customer expectations, to identify gaps between customer expectations and organizational performance, and to better calibrate its services to meet customer expectations. Data collected will help TAS to identify the underlying causes of customer dissatisfaction in different types of case work and in specific organizational locations, and provide the basis for implementing appropriate organizational changes. TAS provides remedial services to approximately 200,000 taxpayers a year; obtaining customer feedback about the timeliness and quality of TAS' services from a sample of this group will enable TAS to improve its operations for the whole population.

## **II. Methodology**

### **Sample design**

The sample will be randomly selected by an independent vendor from weekly case data extracts provided by the Government Task Manager.<sup>4</sup> The vendor, in collaboration with TAS, will design the sample to ensure that each TAS office is provided with a statistically valid report of its customer base on an annual basis.<sup>5</sup>

The vendor will administer the survey, analyze the data, provide sanitized copies of the data each quarter, and produce reports on the results at both the office and global level. The vendor will stratify the sample to produce survey estimates with at least a 95% confidence interval with a precision level of <1% at the national level and 6% at the local office/campus office level. A sampling plan covering each office for fiscal year 2007 is attached.

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<sup>4</sup> Case data is derived from the Taxpayer Advocate Management Information System, (TAMIS)

## **Methods to maximize response rate:**

TAS will provide the vendor with multiple phone numbers for customers when available and will indicate the best times to call as indicated from customer records. Calls will be made to cell phones when consent has been provided. The vendor will attempt to contact customers multiple times to maximize response rates. The vendor will conduct project-focused training for interviewers and will send pre-notification letters to prospective interviewees. Additionally, for each customer selected for the sample, up to nine callback attempts will be made and vendor will use refusal conversion protocols.

## **Expected response rate:**

Given recent experience with recent telephone surveys, TAS should achieve response rates of approximately 60% using AAPOR standards.

## **Efforts to not duplicate research:**

No other studies are being conducted within IRS to acquire the information needed from this customer base. The vendor will share datasets from other IRS contractors and will ensure that taxpayers who have been the subject of other concurrent IRS surveys during the past year are not contacted in connection with the TAS survey. Taxpayers contacted in connection with the TAS survey in the past twelve months will not be subject to survey during the current cycle.

## **Data collection dates**

Data will be collected throughout fiscal year 2007 using records of closed TAS cases for the period from October 1, 2006 through September 30, 2007. The applicable task order has been awarded to an independent research organization under an IRS Blanket Purchase Agreement.

## **Data to be collected**

The survey will collect data on satisfaction with the agent, process, and general customer experience (along with limited demographics). The survey consists of approximately 20 questions, including 2 open-ended questions.

## **How data will be analyzed**

Data sets are distributed on a quarterly basis to trained analysts in the field who produce 'drill-down' analysis for each TAS office to facilitate understanding of customer dissatisfaction issues pertaining to TAS' work categories and customer segments.

## How data will be used

The customer satisfaction data and associated reports provided by the vendor will be used by TAS to identify opportunities for service improvement at both local and global levels and to take actions that are responsive to customer expectations. Each of TAS' offices is given an annual performance goal for improving their customer satisfaction score and against which they are evaluated.

## Who is conducting research?

- **ORC Macro**

**Headquarters:**

11785 Beltsville Drive  
Calverton, MD 20705

**Facilities:**

ORC Macro plans to conduct all data collection activities for the Customer Satisfaction Survey from its telephone call center in Burlington, Vermont.

**Stipend:**

TAS' task order with ORC Macro covering activities during fiscal year 2007 is in the amount of \$528,000. Participants in the survey will not receive a stipend.

**Recruitment efforts:** Participants will be recruited using the aforementioned protocols using a CATI system with a prenotification letter.

**Test structure/design:** The survey procedures include interviewer training, in which experienced interviewers and supervisors will provide preliminary feedback on the instrument after practice sessions. Next, the survey will begin with a highly monitored pre-test of at least 20 real participants to determine and finalize changes to the CATI script or survey content. If the changes are not substantial, the survey contractor will keep these interviews as complete.

## III. Participants Criteria

With the following exceptions, this survey will apply to all taxpayers or their powers of attorney whose cases were completed by TAS during fiscal year 2007.

Due to operational and Privacy Act considerations, the following classes of customer cases are presently excluded from this survey:

- 1) Criminal Investigations. To avoid the possibility of inadvertently revealing to the taxpayer that they might be the subject of an investigation, e.g., involving a fraudulent claim for a tax refund, Criminal Investigation cases are not a part of this survey.
- 2) Congressional case referrals. TAS has recently conducted a survey of Congressional offices to gauge their opinions about the quality and timeliness of TAS services.

- 3) Innocent Spouse cases. These cases may involve an individual who has filed a joint return with an abusive spouse. Many of these cases require a high level of discretion to avoid revealing taxpayer-confidential information. TAS is presently reviewing its procedures involving this type of work with the objective of possibly including it in the survey in the future.
- 4) Immediate Interventions. TAS may dedicate case advocate resources to working issues that impact a large group of taxpayers, some of whom may never actually have contact with a TAS employee. The TAMIS database records impacting these taxpayers are not provided to the vendor and they are not included in the customer satisfaction study, which seeks to measure only the impact of services provided to taxpayers who have had interactions with TAS.
- 5) Anyone surveyed by TAS during the past 12 months.
- 6) Taxpayer representatives who have withdrawn their representation on the case subject to the sample.

#### **IV. Privacy, Security, Disclosure, Confidentiality**

The survey vendor will explicitly promise all participants that their identities will be held confidential by the survey contractor and that their response will be provided to the IRS without any personally identifying information. In addition, the survey vendor will not provide the IRS with results for cells with fewer than ten respondents. The vendor will submit a disclosure agreement covering all vendor employees prior to commencing the survey. Data provided to the vendor by TAS are used for the purpose of selecting a sample and conducting the survey. Specific identifying characteristics of taxpayers or their powers of attorney are used only for the purpose of establishing contact for the survey and for ensuring vendor accountability in the event that a taxpayer initiates an inquiry about the conduct of the survey. The vendor is responsible for limiting access to the data based on a need to know basis. Vendor employees who conduct interviews have access only to enough information needed to initiate contact with prospective subjects of the survey (e.g., name and phone number). Survey respondents are called by a computer's queuing system. Access to all case-related data are maintained by the vendor on a secure computer system to which access is restricted to the vendor's project manager and/or the vendor's employees (statistician/programmer) who are responsible for selecting the targeted survey population and establishing the queuing system.

All data containing specific identifying characteristics of either the taxpayer or his/her Power of Attorney (POA) responding on behalf of the taxpayer (e.g., name, address, phone number, case number, etc.) are removed by the vendor after the survey is completed and the data are returned to IRS. The vendor is responsible for sanitizing the data provided to IRS, viz., removing all taxpayer-specific identifying characteristics and for ensuring the subsequent validity, accuracy and completeness of the data set that is returned to IRS. The data available to IRS therefore is restricted to: (a) responses to the survey questions; and (b) case characteristics.

## **V. Burden Hours**

The survey instrument has been timed by the vendor at eight minutes. Assuming a sample size of 15,022 during fiscal year 2007, it is estimated that this survey will involve approximately 1,252 hours of taxpayer burden.

## **VI. Questionnaire – Attachment A.**

### **VI. Cover letter/correspondence.**

Individuals/businesses selected for the sample will be sent a 'prenotification letter' by the vendor which alerts them to their selection for an interview, provides the underlying reason for the survey, and affords them the opportunity to 'opt out' of the survey if they do not wish to participate. Individuals selected for the sample will be contacted by telephone within approximately one week of having received the prenotification letter. The prenotification letter is provided in **Attachment B**.

**Telephone screeners:** Included in attached questionnaire.

**Scenarios:** Not applicable.

### **VII. Paperwork Reduction Act (PRA) Statement:**

The Paperwork Reduction Act requires that the IRS display an OMB control number on all public information requests. The OMB Control Number for this study is 1545-1342. Also, if you have any comments regarding the time estimates associated with this study or suggestions on making this process simpler, please write to the:

*Internal Revenue Service*

*Tax Products Coordinating Committee*

*SE:W:CAR:MP:T:T:SP*

*1111 Constitution Ave. NW, Washington, DC 20224*