

# Office of Management and Budget Clearance Package

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Customer Satisfaction Surveys:

Exempt Organization Compliance Area

Compliance Check Customers

Internal Revenue Service  
Tax Exempt and Government Entities Division

May 2007

## Background

The Exempt Organizations Compliance Area (EOCA) was created during FY2004 to supplement Exempt Organizations' traditional examination program. The EOCA's mission is to significantly increase IRS presence in the Exempt Organization community by touching more entities through educational mailings, Compliance Checks, and limited scope correspondence examinations. Now that we have been in existence for two full fiscal years and have established baseline measures in the Business Results category of Balanced Measures, it is appropriate to begin measuring Customer Satisfaction. The focus of this document is to explain how we will measure Customer Satisfaction in the Compliance Check.

Compliance Checks are taxpayer contacts made to determine if an organization is adhering to recordkeeping and information reporting requirements, or whether an organization's activities are consistent with their stated tax exempt purposes. The taxpayers EOCA contacts are typically part of an approved project process that comes through their Strategic Planning Workgroup, or are an off shoot of an approved Market Segment Examination Program. EOCA Compliance Checks are limited to one issue. However, it is determined if the taxpayer is compliant in filing all required returns while they are being contacted. Taxpayers are sent Publication 4386 explaining the difference between a Compliance Check and an examination (audit).

Taxpayer's responses to EOCA Compliance Checks could result in the following actions (not all inclusive):

- A change in some aspect of the Entity section on Master File. For example, our records indicated that they were a charitable organization under IRC 501(c) (3), but they actually qualify under 501(c) (4).
- The taxpayer must submit an amended or delinquent return.
- A determination, based on the taxpayer's response, that an examination is proper
- The taxpayer's response indicates he/she is in compliance and no further action is required.
- A future follow up action is appropriate.

The Customer Satisfaction Survey (CSS) we have designed will give us some assurance that 1) that our communication with them is clear 2) that we are impacting future compliance and 3) that we are doing all of the above with little additional taxpayer burden.

## **Research Methodology**

The EOCA consulted with TE/GE's Research and Analysis team and determined that based on a 95% confidence level it would be appropriate to send the survey to 20% of our FY2007 projected goal of 5,700 closed compliance checks. The sample size may increase or decrease once historical data is gathered. The taxpayer will be given the option of returning the survey via mail, fax or by e-mail. There will be no taxpayer identification on the survey but it will be coded to identify the particular project with which it is associated. The taxpayer will not be contacted a second time if we fail to receive a response.

## **Evaluation**

The responses will be entered into a database for analysis. The EOCA will have one employee whose only duties will be to administer the CSS and another internal Quality Review System.

The results of the analysis will be provided to the Director, Exempt Organizations, on a project basis every quarter.

Reports will include:

- Survey counts and overall response rates.
- The overall level of customer satisfaction with services provided by EOCA
- The averages and frequencies for all ratings questions.
- Which areas of service, in priority order, TE/GE should focus their resources to improve overall satisfaction.
- Analysis of the relationship between survey responses.

Data will be collected between June 2007 – October 2008.

## **Tallies and Other Information**

The following information is needed to satisfy OMB clearance requirements. It must be provided within 60 days after survey data collection operations are concluded:

1. FINDINGS: Provide a brief summary of significant (important) findings that were evidenced in the results.
2. ACTIONS TAKEN OR LESSONS LEARNED: Provide a brief summary of any actions taken or lessons learned as a result of the findings.
3. TAXPAYER PARTICIPATION:
  - a. SURVEYS:
    - i. Number of requests for taxpayer participation
    - ii. Number of questionnaires returned or interviews completed
4. DATE THE DATA COLLECTION BEGAN
5. DATE THE DATA COLLECTION ENDED

6. COST: Include printing, postage, travel, overtime payments, payments to vendors, and any other costs incurred as a direct result of the survey (do not include regular salaries of IRS employees).

### **Estimated Cost**

There will be no cost to the government to administer this survey. EOCA staff will be responsible for mailing the survey, recording results, and prepare the quarterly reports.

### **Estimated Burden Hours**

During FY 2006 we closed 2536 compliance checks. We project closing 5700 compliance checks in FY 2007. Sending the survey to 20% of the projected compliance checks in FY2007, with a response rate of 85% (determined by the average response rate to EOCA's compliance checks) and an estimated completion time of 3 minutes per survey, we estimate total taxpayer burden at:

$(5700 \text{ (full population)} \times 20\% \text{ (sample size)} \times 85\% \text{ (response rate)} \times 3 \text{ minutes} = 2907 \text{ minutes} = 48 \text{ hours})$

The security of the data used in this project and the privacy of taxpayers will be carefully safeguarded at all times. Security requirements are based on the Computer Security Act of 1987 and Office of Management and Budget Circular A-130, Appendices A & B. Physical security measures include a locked, secure office. Notes are stored in locked cabinets or shredded. Data security at the C-2 level is accomplished via the Windows NT operating system. Systems are password protected, users profiled for authorized use, and individual audit trails generated and reviewed periodically.

The IRS will apply and meet fair information and record-keeping practices to ensure privacy protection of all taxpayers. This includes criteria for disclosure—laid out in the Privacy Act of 1974, the Freedom of Information Act, and Section 6103 of the Internal Revenue Code—all of which provide for the protection of taxpayer information as well as its release to authorized recipients.

The survey will not contain tax return or taxpayer information. Survey participants will not be identified in any of the documents or files used for this project. We will limit and control the amount of information we collect to those items that are necessary to accomplish the research questions. We will carefully safeguard the security of data utilized as well as the privacy of the survey respondents. We will apply the fair information and record-keeping practices to ensure protection of all survey respondents. The criterion for disclosure laid out in the Privacy Act, the Freedom of Information Act, and section 6103 of the Internal Revenue Code provides for the protection of information as well as its releases to authorized recipients.

**Statistical Contact**

For questions regarding the study or questionnaire design or the statistical methodology, contact:

Vicki L. Hansen  
[Vicki.L.Hansen@irs.gov](mailto:Vicki.L.Hansen@irs.gov)  
Internal Revenue Service  
Mail Stop 1112  
P. O. Box 12307  
Ogden, UT 84412  
(801) 620-2131

**Attachments**

Exempt Organization Compliance Unit Compliance Check Customer Satisfaction Survey



TAX EXEMPT AND  
GOVERNMENT  
ENTITIES

## IRS Customer Satisfaction Exempt Organization Compliance Unit Compliance Check Contact

The IRS is trying to improve its service to the public. You can help this important mission by answering the questions below. This voluntary survey takes about three minutes to complete. Your responses will be confidential and only reported in the aggregate. Simply fill in the appropriate numbered square on the scale next to the response that best applies to you.

The questions that follow ask your opinion regarding your most recent IRS exempt organizations compliance contact. For each question, *regardless of whether you agree or disagree with the final outcome*, please indicate your opinion by marking a number from 1 to 7, where 1 means "Very Dissatisfied" and 7 means "Very Satisfied."

How would you rate your satisfaction with the following?	Very Dissatisfied	Very Satisfied	Not Applicable
	1 2 3 4 5 6 7		
1. The ease of understanding the content of the letter	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
2. The topic addressed in the letter applied to your organization	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
3. The ease of finding an IRS contact telephone number	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
4. The person with whom you spoke was knowledgeable about of the topic of the letter	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
5. The time given to you to respond to IRS's additional request(s)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
6. The amount of time you had to spend responding to the IRS's additional request(s)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
7. The timeliness of the IRS's response to any questions you had	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
8. The information you were asked to provide was reasonable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
9. The consideration given to the information you provided	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
10. The ease of using the toll-free number and/or the TEGE Exempt Organization e-mail address	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
11. Overall, how satisfied are you with the way your case was handled by the IRS?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
12. Overall, how satisfied are you with the length of time it took to complete the compliance check of your organization?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
13. Overall, how satisfied are you with how well the IRS communicated with you throughout the compliance check process?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
14. Overall, how satisfied are you with the IRS employee assigned to your case?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		<input type="checkbox"/>
15. Will you modify the way you previously prepared your information return (Form 990 series) based on the information contained in the letter?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
16. Please indicate your position with the organization. <input type="checkbox"/> Officer of the Organization <input type="checkbox"/> Authorized Representative <input type="checkbox"/> Neither of the above			
<b>Additional Information</b>			
14. How many paid employees work for your organization? <input type="checkbox"/> None <input type="checkbox"/> 1-9 <input type="checkbox"/> 10-99 <input type="checkbox"/> 100-499 <input type="checkbox"/> 500-999 <input type="checkbox"/> 1,000 or more		16. What are the estimated total assets of the organization? <input type="checkbox"/> Less than \$1,000,000 <input type="checkbox"/> \$1,000,000 - \$4,999,999 <input type="checkbox"/> \$5,000,000 - \$9,999,999 <input type="checkbox"/> \$10,000,000 or more	
15. Did you visit the IRS website for assistance? <input type="checkbox"/> Yes <input type="checkbox"/> No		If you have any suggestions for how the IRS can improve its service, or any comments, please provide them on a separate sheet.	

Please mail your response to: **DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
PO Box 12307  
M/S 1112  
Ogden, UT 84412**

If you wish to send the information by fax, our fax number is 801-620-2132. If you choose to email your response, please be aware that your email address and any identifying information contained in the email will be revealed to the IRS. Our email address is [TEGE.eo.compliance@irs.gov](mailto:TEGE.eo.compliance@irs.gov) .

*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 1545-1432, 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*

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