

Office of Management and Budget Clearance Package

Customer Satisfaction Surveys:

Exempt Organization Compliance Area

Educational Letter Customers

Internal Revenue Service
Tax Exempt and Government Entities Division

September 2008

Background

The Exempt Organizations Compliance Area (EOCA) was created during FY2004 to supplement Exempt Organizations' traditional examination program. The EOCU'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 three full fiscal years and have established baseline measures in the Business Results category of Balanced Measures, it is appropriate to continue measuring Customer Satisfaction. The focus of this document is to explain how we will measure Customer Satisfaction in the Educational Letter arena.

Educational Letters are sent to taxpayers for a variety of reasons. We may send letters to explain changes in the law that may impact a particular segment of the EO population. Or, we may have identified an issue that is widely misinterpreted by the tax-exempt community, and clarification in a letter is more appropriate and timely than a form, law or procedural change.

There is no expectation that the taxpayer will respond to these letters. In fact, the letters explicitly state that no response is necessary.

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 minimal taxpayer burden.

Research Methodology

The Educational Letters have no expectation of taxpayer response. Therefore, since there is no historical data to base a response rate, EOCA consulted with TE/GE's Planning team and determined that the survey should be sent to 100% of our FY2009 projected goal of 1,000 educational contacts being that this is the first year data is being collected. The sample size may increase or decrease once historical data is gathered and the FY2010 work plan is released. The taxpayer will be given the option of mailing or faxing the survey back to us. 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 in to 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.

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).

Data will be collected between the periods October 2008 - September 2010.

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

The following chart shows the number of educational letters the EOCA has mailed out since beginning operations:

	FY 06	FY 07	FY 08	Planned FY 09
Total Contacts	13,484	1,711	0	1,000

The number of the educational contacts the EOCU makes varies from year to year. Sending the survey to 100% of the projected mailings in FY 2009 (Note: FY2010 population will not be determined until work plan is established), with a response rate of 15% (This percentage is an estimate based on the response rate to our compliance check surveys, since there is no historical data to determine a response rate on educational contacts), and an estimated completion time of 3 minutes per survey, we estimate total taxpayer burden at:

$(1,000 \text{ (full population)} \times 100\% \text{ (sample size)} \times 15\% \text{ (response rate)} \times 3 \text{ minutes} = 450 \text{ minutes} = 18.75 \text{ hours})$.

With regard to the low response rate, TE/GE will assume that all data collected from this survey is **qualitative in nature**, and that no critical decisions will be made solely from the analysis of data from this survey. The results from this survey are simply one piece of a larger set of information needed to assess needs related to services provided by TE/GE.

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

Internal Revenue Service

Mail Stop 1112

P. O. Box 12307

Ogden, UT 84412

(801) 620-2131

Michelle L. Pendzick

Michelle.penzick@irs.gov

Internal Revenue Service, SE:T:P

1111 Constitution Avenue, NW, PE – 6G4

Washington, DC 20224

(202) 283-9903