

Office of Management and Budget (OMB)

Proposal Package

Internal Revenue Service (IRS)

Centralized Liens Processing Customer Satisfaction Survey

Small Business/Self-Employed Operating Division

**Internal Revenue Service
Small Business/Self-Employed Research
Ft. Lauderdale/Greensboro
Project # FTL0067
November 2008**

Table of Contents

Introduction.....	1
Background.....	1
Objective.....	1
Methodology.....	2
Overview.....	2
Sample Design.....	2
Data To Be Collected.....	4
How Data Will Be Collected and Used.....	4
Data Collection Dates.....	4
Who is Conducting Research?.....	4
Cost of Study.....	4
Stipend.....	4
Recruitment Efforts.....	4
Locations.....	4
Expected Response Rate.....	4
Methods to Maximize Response Rate.....	4
Test Structure/Design.....	5
Efforts to Not Duplicate Research.....	5
Privacy, Security, Disclosure, Anonymity.....	5
PRA Statement & OMB Control Number on Collection Instruments.....	6
Burden Hours.....	6
Appendix A: Survey Questions.....	A-1
Appendix B: Survey Pre-notifications.....	B-1
Appendix C: Survey Cover Letter.....	C-1
Appendix D: Thank You/Reminder Letter.....	D-1

List of Tables

Table 1: Minimum Sample Size given 5 Percent Precision and 95 Percent Confidence.....	3
Table 2: Sample Size given 5 Percent Precision and 95 Percent Confidence.....	3

Introduction

Background

The Internal Revenue Service (IRS) Small Business/Self-Employed (SB/SE) Campus Compliance Services (CCS) provides top quality post-filing services to taxpayers by effectively managing programs such as the remote collection program, remote examination program, the Insolvency program, Centralized Case Processing and Centralized Liens and by ensuring timely, accurate case actions on collection and examination cases.¹

In Fiscal Year (FY) 2002, the Compliance Support Design Team was formed to redesign lien processing. Their primary objectives were to improve business results, customer satisfaction and employee satisfaction. The result was the implementation of Centralized Lien Processing (CLP) Operations, located at the Cincinnati Campus. Implementation began by some transfer of work and managerial hiring in late 2004 with stand up in 2005. Implementation was completed by FY 2006, when the operation went under the direction of CCS.

The motive for centralization stemmed from the “need to standardize procedures to ensure the timely filing and release of liens.”² The primary stakeholders for CLP are taxpayers, tax practitioners, taxpayers’ representatives, county courthouses, field Revenue Officers, and Bankruptcy Specialist.

The duties of CLP operations include processing and providing information for the following: payoff requests, request for liens, and request for lien releases. The majority of their work requires Centralized Liens Processing to provide direct services to taxpayers and courthouses.

The restructuring of operations shifted many of their resources. CLP faced the problem of determining how this event and shift may have impacted service to their customers. CLP requested SB/SE Research assistance in determining the satisfaction level of their customers.

The market segment of interest to the customer consists of taxpayers, taxpayers’ representatives, and other functions who are currently using CLP services.

Objective

The objective of this project is to determine the level of customer satisfaction with the services provided by the Centralized Liens operation.

Methodology

Overview

To accomplish the research objective, we will conduct a self-administered survey (using U.S. Postal mail) with taxpayers, power of attorneys (POA), and other third-party requestors who

¹ The material in this section concerning the CCP operation was provided by the operational contacts.

² From <http://sbse.web.irs.gov/Collection/About/News/053106.htm>

have used CLP services during a six month period. The survey will collect customer satisfaction information concerning major aspects of the CLP program, including the services, interaction with CLP employees and the customers' overall satisfaction with CLP.

The six-month period will be the most recent six months prior to proposed survey administration in January 2009. The CLP organization will provide us with the information, using the Integrated Collection System (ICS), needed about potential survey participants.

The first step in developing the survey was identification of information required. We conducted a series of interviews with customer contacts within CLP to determine that the customer requires customer opinion on the following:

- ▶ Services Provided by CLP (specifically, providing payoff letters and releasing liens)
- ▶ Interactions with CLP Employees
- ▶ Overall Satisfaction with CLP services

The questions to be included on the survey are provided in Appendix A. We will conduct a pretest of the survey with CLP employees and customers. We will use the results of this pretest to make possible refinements to the survey.

Sample Design

The population for this survey consists of all taxpayers, power of attorneys, and other third-party requestors (e.g., mortgage companies, title companies, banks) identified in ICS as customers who used CLP services approximately six months prior to the survey mail-out date. As an additional check, we will ask, as the first question in the survey, whether or not the respondent has used the CLP services in the past six months.

We stipulated a confidence level of 95 percent with 5 percent precision (the sampling error) for our estimates.

After we extract the population data from ICS, we will convert the data into an SPSS® statistical software data file, separating the data into the strata stipulated by the customer. Those strata are:

- ▶ Taxpayers requesting payoff letters
- ▶ Third-parties requesting payoff letters
- ▶ Frequent requestors of payoff letters (as defined by CLP)
- ▶ Taxpayers requesting the lien release (i.e., requesting a title)
- ▶ POAs requesting titles
- ▶ Others requesting titles

We will apply a random seed for each stratum to ensure that our sample is randomly chosen. There is one exception: we will not conduct random selection for frequent requestors. The stratum is too small (there are only 64 frequent requestors). For this stratum, we will survey the population. Table 1 shows the sample sizes required by strata:

Table 1: Minimum Sample Size given 5 Percent Precision and 95 Percent Confidence		
	Frequency	95% ±5% Sample
Payoff Letters		
Taxpayer	4,297	353
Third Party	2,958	340
Frequent Requestors	64	64
Title Request		
Taxpayer	391	194
POA	127	95
Other	636	239
Total	8,473	1,285
Data obtained from CLP from Campus Filing & Payment Compliance.		

We are assuming a response rate of 50 percent, so the number of those sampled in each stratum will be 385. For frequent requestors of payoff letters and POAs requesting titles, we will survey the population, if the population is smaller than 385. Table 2 shows the number of invitations to be sent:

Table 2: Sample Size given 5 Percent Precision and 95 Percent Confidence		
	Frequency	95% ±5% Sample
Payoff Letters		
Taxpayer	4,297	385
Third Party	2,958	385
Frequent Requestors	64	64
Title Request		
Taxpayer	391	385
POA	127	127
Other	636	385
Total	8,473	1,731
Data obtained from CLP from Campus Filing & Payment Compliance.		

Data To Be Collected

We will collect opinion and demographic data. The data will consist of answers to the questions provided in Appendix A.

How Data Will Be Collected and Used

The data will be collected using the self-administered mail survey. As participants submit their completed surveys, staff in the SB/SE Research Office (Ft. Lauderdale/Greensboro) will scan the surveys using Cardiff Teleform software. At the conclusion of the survey response period, the survey data will be converted into an SPSS® data file. We will use the data to make inferences about CLP's service and on specific problems the customers have with customer service among the various strata.

Data Collection Dates

The survey will be administered beginning in January 2009 and ending in February 2009.

Who is Conducting Research?

The Small Business/Self Employed Research Office (Ft. Lauderdale/Greensboro)

Cost of Study

The total cost of this study including staff costs and supplies is estimated to be approximately \$95,000.

Stipend

No monetary incentive will be provided to survey participants

Recruitment Efforts

Participation in this survey is totally voluntary. However, to encourage taxpayer participation and minimize non-response, a four-step mailing sequence will be used. The "Methods to Maximize Response Rate" section below describes the mailing sequence to be used.

Locations

The potential survey participants are located throughout the U.S.

Expected Response Rate

The expected response rate is 50%. If the response rate is below 80%, we will conduct a non-response analysis.

Methods to Maximize Response Rate

To encourage taxpayer participation and minimize non-response, the following four-step mailing sequence will be used:

Mailing Contact 1: A pre-survey notification letter will be sent to the taxpayers to be surveyed encouraging them to participate. This pre-survey notification will be sent seven days prior to the mailing of the actual survey. The notification is included in Appendix B (Survey Pre-notification).

Mailing Contact 2: A cover letter explaining the purpose of the survey and an enclosed pre-paid envelope for returning completed surveys will be mailed with the actual survey questionnaires. The cover letter is included in Appendix C (Survey Cover Letter).

Mailing Contact 3: Additionally, seven days after the survey mailings, a Thank You/Reminder letter will be mailed, thanking those who have responded and asking non-respondents to complete and return the survey. Appendix D provides a copy of the text to be included in the Thank You/Reminder letter.

Mailing Contact 4: A second survey with cover letter and pre-paid return envelope will be sent to the non-respondents approximately six weeks after the initial survey is mailed.

We will not provide monetary incentive to survey participants.

The surveys will be mailed in early January, 2009. Experience with other surveys indicates that the receipt of significant numbers of surveys should stop approximately 4 weeks after they are mailed. The responses will be mailed directly to SB/SE Research in Fort Lauderdale. When the survey duration period expires we will combine all of the results data for analysis. Research will be able to scan the surveys using Verity's Teleform survey software, capturing the results in an SPSS data file.

Test Structure/Design

This survey research will not require specific tests.

Efforts to Not Duplicate Research

As standard practice in our research, we reviewed previous studies, both internal and external to the IRS, concerning customer or taxpayer satisfaction and the CLP organization. Primary sources on customer satisfaction surveys in general included SB/SE Research, Pacific Consulting Group, Treasury Inspector General for Tax Administration (TIGTA), other IRS Research organizations, and our research customer organization (CLP). We did not find surveys targeting our potential audience specifically.

Participants Criteria

The market segment of interest for this project consists of any potential taxpayer or taxpayers' representatives who use Centralized Liens services. Criteria for the potential survey participants include use of the services within the six month period prior to survey administration. The strata shown in Table 1 provide further description.

Security, Disclosure, Anonymity

SB/SE Research will ensure the privacy of those who participate in the survey. No taxpayer identifying information will be obtained from the participants. Research will apply fair information and record-keeping practices to ensure protection of privacy of all participants. The criteria for disclosure, as specified in the Privacy Act, the Freedom of Information Act, and Section 6103 of the Internal Revenue Code, provide for the protection of taxpayer information as well as its release to authorized recipients. SB/SE Research will ensure adherence to these standards, where applicable.

SB/SE Research will also ensure that security requirements are followed regarding the information obtained in the survey, according to the Internal Revenue Manual (IRM) 1.7 (Research and Analysis for Tax Administration) and applicable federal guidelines, including the

Federal Information Security Management Act of 2002 (FISMA). All information in the Code of Federal Regulations (CITE: 5CFR1320.8) will be adhered to.

The information will be stored on the SB/SE Research computer system located in a secured area. The information will be maintained in a restricted access folder, so that only those researchers participating in the project will have access to the information (either on paper or electronically).

The information Research obtains from the survey will be used only for this research project. Once the project is complete, the information (paper and electronic) obtained for this project will be archived for one year and then destroyed.

PRA Statement & OMB Control Number on Collection Instruments

The Paperwork Reduction Act Statement and the OMB Control Number will be included on all public information requests along with the address where comments can be sent regarding the study.

Burden Hours

The estimate of taxpayer burden for this research is based on the approach described previously in this document. The sample size to be surveyed is 1,731. The survey is expected to yield a 50% response rate. The estimated time to complete the survey is 10 minutes (0.17 hours). Based on the sample size and estimated 50% response rate, the following is the burden estimate:

Estimated number of respondents	866
Estimated time to complete one survey	10 minutes
Estimated respondent burden.....	144 hours