

OMB SUPPORTING STATEMENT
STUDY TO MEASURE CUSTOMER SATISFACTION
ACCOUNTS MANAGEMENT ADJUSTMENTS – CY2010
JANUARY 1, 2010 - DECEMBER 31, 2010
TIRNO-05-Z-00014

Introduction

Background/Overview

The Internal Revenue Service (IRS) engages a balanced measurement system consisting of business results, customer satisfaction, and employee satisfaction. This initiative is part of the Service-wide system of balanced organizational performance measures mandated by the IRS Restructuring and Reform Act of 1998. This is also a result of Executive Order 12862, which requires all government agencies to survey their customers and incorporate customer preferences in their process improvement efforts.

Wage and Investment (W&I)- Customer Accounts Services (CAS)- Accounts Management is responsible for:

- Responding to taxpayers' technical and account inquiries,
- Resolving customer account issues,
- Providing account settlement (payment options), and
- Working related issues.

As an important customer interface for W&I, Accounts Management is requesting feedback from customers (i.e., taxpayers) to continuously improve its operations. The results facilitate more effective management of W&I Accounts Management by:

- Providing insight from the customer's perspective about possible improvements.
- Providing useful input for program evaluation and execution at the programmatic and field office level of service delivery.

Objectives of Data Collection

The objective of the survey is to gauge customer expectations and perceptions about the Accounts Management process. This Adjustments customer satisfaction survey project has two primary goals:

- Track customer satisfaction at the ten W&I Adjustment sites; and
- Identify operational improvements.

Methodology

Sample Design

The sample universe consists of taxpayers with closed cases controlled in IDRS. The contractor will select 3,000 taxpayers per quarter (stratifying by the ten W&I Accounts Management sites), resulting in a total of 1000 completed questionnaires each quarter (100 per site) and 4,000 completed questionnaires per year (400 per site).

The Adjustments Customer Satisfaction Survey has already been developed and is currently in use. Completion of the survey takes approximately five minutes. The questionnaire is based on the contractor's Net Impression methodology, which asks respondents to evaluate various aspects of their experience and to provide an overall summary evaluation. The questionnaire was developed based on inputs from focus groups with customers who had received correspondence from the IRS regarding their tax return or who had filed an amended return.

The survey includes several ratings questions evaluating service delivery during the Accounts Management process as well as several demographic items. In addition, ample space is provided for suggestions for improvement.

Data to be Collected

Accounts Management Adjustments taxpayer customer satisfaction respondent data is collected.

How Data Collected & Used

The contractor administers the survey by mail on a monthly basis. Standard procedures are used in order to obtain the highest response rate possible for the mail survey. These include at a minimum: 1) an advance letter about the survey; 2) the initial survey with a cover letter; 3) a postcard reminder; and, 4) a second letter and survey to non-respondents.

The contractor summarizes the quantitative ratings on a quarterly basis, and produces a national report showing customer satisfaction scores on all Accounts Management survey items and overall improvement priorities for the function. The contractor delivers one national report each quarter and 10 site reports a year. The reports contain individual site scores on each of the survey items and improvement priorities for the individual sites. The contractor includes any relevant database variables in the analysis and will weight the survey responses as necessary to reflect accurately the entire customer base.

Reports of survey findings are distributed to the IRS each quarter. Each report is delivered approximately five weeks after the survey cut-off date for the quarter. For the quarterly reports, the contractor uses basic and advanced statistical techniques including, but not limited to, analysis of variance and the prioritization of improvement priorities using contractor's established technique.

Survey scoring for this contract is based on the Customer Satisfaction Survey Score response average to the keystone question – “Regardless of whether you agree or disagree with the final outcome, how would you rate your overall satisfaction with the way your issue was handled?” Questions utilize a 5-point rating scale, with 1 being very dissatisfied and 5 being very satisfied. All survey responses generated are kept “private to the extent of the law”. The contractor ensures that taxpayers responding to the survey are guaranteed anonymity.

Dates of Collection Begin/End

Data collection runs the 2010 calendar year from January 1, 2010 through December 31, 2010.

Who is Conducting the Research/Where

The contractor is responsible for ensuring the sample is pulled and to conduct data analysis. A separate GPO contractor will be responsible for printing and administering the survey via mail, and then providing the dataset to the contractor.

Cost of Study

The estimated cost for this survey is \$133,133.

Expected Response Rate

The expected response rate is 33.3%. The expected response rate on this survey is lower than the OMB 50% target rate since the sample consists of taxpayers with compliance issues. They either owe money to the IRS or have unfiled tax returns. This group of taxpayers generally doesn't seek out the IRS. In addition, there are no incentives offered to encourage taxpayers to respond to the survey. Mail surveys also traditionally yield lower response rates than other methodologies such as telephone or in-person interviews. Telephone and in-person techniques offer the advantage of interviewer contact who can further encourage taxpayers to respond through refusal conversion techniques. The mail survey methodology employs best practices in maximizing response rates by sending out enough mailings as justified without creating extra burden for taxpayers.

With regard to the low response rate, the IRS will assume that all data collected from this survey is qualitative in nature, and that no critical decisions will be made by this office 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 the needs related to services provided by the IRS.

Methods to Maximize Response Rate

The questionnaire length is minimized to reduce respondent burden; thereby, tending to increase response rates. Respondents are assured anonymity of their responses. Also, weighting procedures can be applied to adjust aggregated data from those who do respond.

Test Structure and Design

The Adjustments questionnaire is an established and tested survey instrument. If changes are made to the questionnaire, they are expected to be minor.

Efforts to avoid Duplicate Research

This is the only Customer Satisfaction survey currently conducted by W&I Customer Account Services for closed Adjustments cases at their sites

Participants Criteria

Survey participants are manually pulled from Accounts Management Adjustments closed cases in a random sample by IRS employees at each of the 10 site locations.

Privacy, Disclosure and Security Issues

The IRS will ensure compliance with the Taxpayer Bill of Rights II. All participants will be treated fairly and appropriately.

The security of the data used in this project and the privacy of participants 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 A7B. Physical security measures include a locked, secure office. Audiotapes are stored in locked cabinets. Transcription of audiotapes are stored in locked cabinets or shredded. Data security at the appropriate levels has been accomplished. 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 participants. This includes criterion 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. Privacy will be safeguarded; participants will not be identified to IRS personnel. In addition, no participant names will be mentioned in the reports or data files. Participants will be advised that comments will be audio taped. Privacy is assured by virtue of agency policy.

Pursuant to the Federal Information Security Management Act (FISMA), Title III of the E-Government Act of 2002, P.L. 107-347, the contractor shall provide minimum security controls required to protect Federal information and information systems. The term ‘information security’ means protecting information and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide confidentiality, integrity and availability.

The contractor shall provide information security protections commensurate with the risk and magnitude of the harm resulting from the unauthorized access, use, disclosure, disruption, modification, or destruction of information collected or maintained by or on behalf of the agency; or information systems used or operated by an agency or by a contractor of an agency. This applies to individuals and organizations having contractual arrangements with the IRS, including employees, contractors, contractors, and outsourcing providers, which use or operate information technology systems containing IRS data. The contractor shall comply with Department of Treasury Directive TD P 85-01, Treasury Security Manual TDP 71-10, and Internal Revenue Manual 10.8.1 Information Technology Security Policy and Guidance. The contractor shall comply with IRS Internal Revenue Manuals (IRM) and Law Enforcement Manuals (LEM) when developing or administering IRS information and information systems. The contractor shall comply with the Taxpayer Browsing Protection Act of 1997 - Unauthorized Access (UNAX), the Act amends the Internal Revenue Code 6103 of 1986 to prevent the unauthorized inspection of taxpayer returns or tax return information. Contractors systems that collect, maintain, operate or use agency information or an information system on behalf of the agency (a General Support System (GSS), Major or Minor Application with a FIPS 199 security categorization) must ensure annual reviews, risk assessments, security plans, control testing, a Privacy Impact Assessment (PIA), contingency planning, and certification and accreditation, at a minimum meet NIST guidance, if required by the IRS.

The contractor shall be subject to at the option / discretion of the agency, to periodically test, (but no less than annually) and evaluate the effectiveness of information security controls and techniques. The assessment of information security controls may be performed by an agency independent auditor, security team or Inspector General, and shall include testing of management, operational, and technical controls of every information system that maintain, collect, operate or use federal information on behalf of the agency. The agency and contractor shall document and maintain a remedial action plan, also known as a Plan of Action and Milestones (POA&M) to address any deficiencies identified during the test and evaluation. The contractor must cost-effectively reduce information security risks to an acceptable level within the scope, terms and conditions of the contract. The contractor shall maintain procedures for detecting, reporting, and responding to security incidents, and mitigating risks associated with such incidents before substantial damage is done to federal information or information systems. The contractor shall immediately report all computer security incidents that involve IRS information systems to the IRS Computer Security Incident Response Center (CSIRC). Any theft or loss of IT equipment with federal information / data must be reported within one hour of the incident to CSIRC. Those incidents involving the loss or theft of sensitive but unclassified (SBU) data (i.e. taxpayer, PII) shall be reported to CSIRC, first-line manager, and Treasury Inspector General for Tax Administration (TIGTA). Based on the computer security incident type, CSIRC may further notify the Treasury Computer Security Incident Response Capability (TCSIRC) in accordance with TCSIRC procedures.

Burden Hours

The survey interview is designed to minimize burden on the taxpayer. The time that a respondent takes to complete the mail survey is carefully considered and only the most important areas are being surveyed. The average time of survey completion is expected to be 7 minutes. The questions are generally one sentence in structure and on an elementary concept level.

Based on a sample of potential respondents of 12,000 (10 sites, 300 per site each quarter) and a response rate of 33.3%, we expect 4,000 survey participants (400 per site), leaving 8,000 non-participants. The contact time to determine non-participants could take up to two minutes to read the pre-contact letter, with the resulting burden for non-participants being $8,000 \times 2 \text{ minute} = 16,000/60 \text{ minutes} = \underline{267 \text{ burden hours}}$.

For participants, the time to complete the survey is 7 minutes. This reflects the time to read the pre-notification letter (2 minutes) and time needed to complete the survey (5 minutes maximum). The time burden for participants is $4,000 \times 7 \text{ minutes}/60 \text{ minutes} = \underline{467 \text{ burden hours}}$.

The total burden hours for the survey would be $(267 + 467) \underline{734 \text{ burden hours}}$.

Attachments

- Accounts Management Adjustments Survey
- L1-Advance letter (pre-note) about the survey
- L2-Cover letter with the survey
- L3-Postcard reminder
- L4-Second letter and survey to non-respondents

IRS WAGE AND INVESTMENT CUSTOMER SATISFACTION SURVEY ACCOUNTS MANAGEMENT/ADJUSTMENTS

The IRS is trying to improve its service to the public. You can help in this important mission by answering the questions below. This voluntary survey should take less than 5 minutes to complete. Your responses will be kept completely anonymous to the IRS. If you have any questions about this survey, you may call the Survey Helpline at 1-866-960-7897.

1 The questions that follow ask your opinion regarding the recent correspondence or an amended return you have sent to the IRS regarding a tax matter. For each question, *regardless of whether you agree or disagree with the final outcome*, please indicate your answer by checking the box that best represents your opinion. If the question does not apply to your situation, check the box labeled “Don’t Know/Not Applicable.”

How satisfied are you with the ...	Very Dissatisfied	Somewhat Dissatisfied	Neither Satisfied Nor Dissatisfied	Somewhat Satisfied	Very Satisfied	Don't Know/Not Applicable
a. Ease of understanding the initial notice and what was requested of you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Appropriateness of the tone of IRS correspondence concerning your issue?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Completeness of instructions you received for resolving your issue?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Ease of providing information requested by the IRS?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Ease of understanding responses from the IRS?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Ease of getting more information about your issue?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. IRS keeping you informed about the status of your case?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(If “Very Dissatisfied” or “Somewhat Dissatisfied” rating): Why did you give this item a low rating?

h. Explanation regarding the resolution of your issue?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Length of time it took to resolve the issue?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(If “Very Dissatisfied” or “Somewhat Dissatisfied” rating): Why did you give this item a low rating?

j. Fairness of treatment by the IRS?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Regardless of whether you agree or disagree with the final outcome, how would you rate your overall satisfaction with the way your issue was handled?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Did you write or send an amended return to the IRS because the IRS sent you a notice or a letter?
 Yes
 No

4 Have you contacted the IRS about this same issue for any prior year’s tax return?
 Yes
 No (If you have NOT contacted the IRS about this issue before, please skip to question 6.)

3 What method(s) did you use to contact the IRS about this issue? (Please mark all that apply.)
 E-mail In person
 Mail Other
 Toll-free line

5 How would you rate the level of service received from this contact versus previous contacts?
 Better
 Worse
 The same

Please continue on back

6 For this recent interaction, how many days elapsed between the time you submitted your correspondence or amended return and the time you received a reply?

- Less than 15 days
- 15-29 days
- 30-44 days
- 45-60 days
- Over 60 days
- Did not receive a reply

7 What is a reasonable time frame to wait for the IRS to respond to your issue?

- Less than 15 days
- 15-29 days
- 30-44 days
- 45-60 days
- Over 60 days

8 Was your issue with the IRS completely resolved?

- Yes (Skip to question 9.)
- No (Skip to question 10.)
- Not sure (Skip to question 10.)

9 How many days did it take to resolve your issue from the time you contacted, or were contacted by, the IRS about this issue?

- Less than 15 days
- 15-29 days
- 30-44 days
- 45-60 days
- Over 60 days

10 Did you ...?

- Use a tax professional to assist you with resolving your issue
- Represent yourself
- Other

11 Please mark the topic that best describes your main issue.

- Status of refund
- Status of payment
- Penalty/Interest charges
- Earned income credit
- Exemptions/Dependents
- Name/Address changes
- Credits (child care, education, etc.)
- Other changes to original return
- Other

Occasionally, we conduct additional in-depth IRS-related research. Research participants may receive a small monetary incentive to participate depending on the research. If you are interested in participating in future research, please provide us with your telephone number and your e-mail address (if available). This information will not be shared with the IRS and will be used only for the purpose of survey research.

Telephone number: _____ E-mail address: _____

If you have been unable to resolve any specific problems with your tax matter through the normal IRS channels, or now face a significant hardship due to the application of the tax law, we encourage you to contact the Taxpayer Advocate Service at 1-877-777-4778.

12 Use this space for comments or suggestions for improvement.

Paperwork Reduction Act Notice. 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. 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.

Thank you for completing the survey.
Please return the questionnaire to P.O. Box 64530, St. Paul, MN 55164-9610 USA.

I need your help with an important initiative I am undertaking to improve our service to America's taxpayers. I want to get feedback from taxpayers like you who have had correspondence with the IRS regarding their tax return or who have filed an amended return.

In a few days, you will receive a questionnaire asking your opinions about resolving such issues with the IRS. Please direct it to the person who had the most contact with the IRS on this matter. The questionnaire should take less than 5 minutes to complete. Your answers will be combined with others to give us an evaluation of customer satisfaction with IRS service.

To keep all replies anonymous to the IRS, we have asked an independent research company to administer the survey. Pacific Consulting Group/Scantron employees will process the questionnaires and report only statistical totals to us.

I am committed to improving IRS service to every taxpayer. Please help me in this effort by completing and returning the questionnaire as soon as possible. If you do not receive a questionnaire, please contact the Survey Helpline at 1-866-960-7897.

Thank you in advance for your cooperation.

Sincerely,

A handwritten signature in black ink that reads "Jane Looney". The signature is written in a cursive, flowing style.

Jane Looney
Director, Accounts Management
Wage and Investment Division

Pacific Consulting Group/Scantron

IRS Customer Survey
P.O. Box 64530
St. Paul, MN 55164-9610 USA

A few days ago, you received a letter from Jane Looney, Director, Accounts Management, Wage and Investment Division, asking for your help with an important research project.

We are administering a nationwide survey among people who have had contact with the Internal Revenue Service (IRS). We want to know your opinions about the process of corresponding with the IRS regarding your tax return or filing an amended return. Your responses are critical to the accuracy of this research.

We are sending questionnaires to a random sample of taxpayers who have had such issues. All responses will be anonymous to the IRS, and your participation is voluntary. We will group your responses with others, so that no individual reply can be traced back to an individual.

The questionnaire is quite brief and should take less than 5 minutes to complete. Please use the postage-paid reply envelope to return your completed questionnaire. If you have any questions about this survey, please feel free to call the Survey Helpline at 1-866-960-7897.

The IRS is committed to improving its performance and service to the American public. A first step in this process is to gather reliable information from those who have had contact with IRS services and employees. Your honest opinions will help bring about these changes.

Thank you in advance for your cooperation.

Sincerely,

A handwritten signature in cursive script that reads "Peter Webb".

Dr. Peter Webb
Project Director

Do We Have Your Input Yet?

Recently, you received a questionnaire asking your opinions about the service you received from the IRS in a recent contact. If you have already completed and returned the questionnaire, please accept our sincere thanks. If not, please take a few minutes to complete it and return it today. We want to be sure we have your opinions and suggestions.

If you did not receive the questionnaire, or it got misplaced, please call us at 1-866-960-7897.

Dr. Peter Webb
Project Director

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Pacific Consulting Group/Scantron
IRS Customer Survey
P.O. Box 64530
St. Paul, MN 55164-9610 USA



000004

John Doe
3767 Maple Way
Palo Alto, CA 94306



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IRS CUSTOMER SURVEY
PO BOX 64530
ST PAUL MN 55164-9610



Pacific Consulting Group/Scantron

IRS Customer Survey
P.O. Box 64530
St. Paul, MN 55164-9610 USA

A few days ago, you received a letter from Jane Looney, Director, Accounts Management, Wage and Investment Division, asking for your help with an important research project. So far, we have not received your completed questionnaire. If you have not already done so, please take a few minutes to fill in your responses.

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Thank you in advance for your cooperation.

Sincerely,



Dr. Peter Webb
Project Director