

Attachment F: Supporting Statement
Request for Approval for the Customer Satisfaction Survey
(OMB Control Number: 1545-1432)
TITLE OF INFORMATION COLLECTION: 2011 LB&I Domestic IC/CIC Customer
Satisfaction Survey

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

As mandated by RRA 98, the LB&I implemented a Service-wide effort to establish a system of balanced organizational performance measures. The new LB&I Balanced Measurement System rates the LB&I, its managers and employees, on customer satisfaction, employee satisfaction, and business results. This balanced measurement system draws on direct customer feedback, including independent surveys of customers and an annual census survey of employees. The customer satisfaction portion of these performance standards necessitates the identification of LB&I's customers and mechanism(s) gauging the level of satisfaction with interactions and services of the Internal Revenue Service. Further, Executive Order 12862 requires all government agencies to survey their customers and incorporate customer preferences in their process improvement efforts.

2. Purpose and Use of the Information Collection

The IIC customer satisfaction surveys will be to gauge customer expectations and perceptions about LB&I services. Each customer surveyed will be given an opportunity to express their opinion about the services they have received.

The products of the survey will provide specific, actionable results that may be used to guide process improvements. It will facilitate more effective management of LB&I by providing insight from the customer's perspective about possible improvements; providing insight from the employee's perspective about possible improvements and; providing useful input for program evaluation and execution at the programmatic and field office level of service delivery. Survey Program Priorities are to make the survey results relevant to LB&I executives, make the results actionable for managers, increase public and internal awareness of the results and recommendations of the surveys and increase public and internal dialogue on customer satisfaction improvement.

If this information is not collected, vital feedback from customers and stakeholders on the Agency's services will be unavailable. The feedback received will not institute new policy, yet enable the Service to meet taxpayer needs

3. Consideration Given to Information Technology

Electronic collection of the data is not an option for the IIC survey as it is conducted via mail. The problem is that LB&I does not have the email addresses of its customers. We tested soliciting survey respondents via a letter with a web link to a survey but the response rate was very low and follow up telephone surveys had to be conducted.

4. Duplication of Information

This survey will provide valuable information that is not available in any internal IRS data source.

5. Reducing the Burden on Small Entities

LB&I IIC customer base are individuals and corporations who are non resident aliens with a tax filing requirement a substantial number with addresses outside the continental United States. The mail survey is the most cost efficient and least obtrusive method of survey.

6. Consequences of Not Conducting Collection

Without these types of feedback, LB&I will not have timely information to adjust its services to meet customer needs.

7. Special Circumstances

There are no special circumstances. The information collected will be voluntary and will not be used for statistical purposes.

8. Consultations with Persons Outside the Agency

NA

9. Payment or Gift

LB&I will not provide payment or other forms of remuneration to survey respondents.

10. Privacy

All survey responses will be released only as summaries. No individual answers will be reported and survey responses will have no effect on individual tax accounts. Customers are under no obligation to participate or complete the survey, it is completely voluntary. However, the participation solicitation will encourage their participation so that their answers will help the IRS provide better service to the business community. Our contract with PCG authorizes them to collect taxpayer specific information. Therefore responding to the survey is not an unauthorized disclosure of taxpayer information. Prior to taking the survey, each participant who would like to verify the authenticity of the survey request, may contact Keith Fowler, LM&I Program Analyst by phone (513-518-4905) or by email (keith.fowler@irs.gov).

11. Sensitive Nature

No questions will be asked that are of a personal or sensitive nature.

12. Burden of Information Collection

The estimated time to complete the survey is 10, but some variation in the length of time required to answer the survey is expected. Assuming a 27 percent response rate from a total survey population of 5,000, the total annual burden hours requested (407 hrs) are based on the number of completed surveys we expect to obtain over the requested period for this clearance (collection start date: October 3, 2011; collection end date: March 31, 2012).

Category of Respondent	No. of Respondents	Participation Time	Burden
Customers Responding to Survey	1,350	10 minutes	225 hours
Customers Not Responding to Survey	3,650	3 minutes	182.5 hours
Totals			407 hrs

13. Costs to Respondents

No costs are anticipated.

14. Costs to Federal Government

The estimated annual cost to the Federal government is \$40,108

15. Reason for Change

Not applicable.

16. Tabulation of Results, Schedule, Analysis Plans

LB&I audits approximately 30,000 IIC tax returns examined annually. Of that population 26 percent are audited by Revenue Agents (RAs), 24 percent by Tax Compliant Officers (TCOs) and 50 percent by Tax Examiners. LB&I has been tasked to survey these three distinct groups and create valid output to be used to determine the overall level of satisfaction of these groups. By surveying and analyzing this customer base, it will afford LB&I management the opportunity to make informed business decisions to improve upon customer satisfaction.

Although LB&I does not intend to publish its findings, LB&I may receive requests to release the information (e.g., congressional inquiry, Freedom of Information Act requests). LB&I will disseminate the findings when appropriate, strictly following IRS' "Guidelines for Ensuring the

Quality of Information Disseminated to the Public.", and will include specific discussion of the limitation of the qualitative results discussed above.

17. Display of OMB Approval Date

We are requesting no exemption.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

These activities comply with the requirements in 5 CFR 1320.9.

B. STATISTICAL METHODS

The primary purpose of these collections will be for internal management purposes; there are no plans to publish or otherwise release this information.

1. Universe and Respondent Selection

LB&I audits approximately 30,000 IIC tax returns annually. Of that population 26 percent are audited by Revenue Agents (RAs), 24 percent by Tax Compliant Officers (TCOs) and 50 percent by Tax Examiners (TE). Customers are selected for audit using various classifying techniques with audits usually of one year extended as necessary. Customers whose audits are closed are selected to be surveyed. Of the audited IIC customers, a census of RA audit customers are sent surveys while a random statistical sampling of 1,500 each of the TCO and TE audit customers are sent surveys.

2. Procedures for Collecting Information

The selected customers are mailed a pre note on IRS letterhead signed by the Director, Planning, Analysis, Inventory and Research (PAIR). The pre note provides information about the reason for the survey, the contractor who is conducting the survey on our behalf and an LB&I program analyst contact information if they want to confirm the validity of the survey. The selected customers are then mailed a survey solicitation letter with the survey questionnaire. Non responders are sent a post card follow up and if still non responsive, a follow up survey solicitation letter with the survey questionnaire.

3. Methods to Maximize Response

Contractor uses social exchange principles to maximize survey response rates. These include establishing trust that the survey is legitimate, establishing the anonymity of the respondent, preparing a list of frequently asked questions to help address respondent concerns, explaining the value and uses of the survey data, making multiple contacts, using a respond-by date to help motivate timely responses, making it convenient to participate, and reduce participation burden.

4. Testing of Procedures

Contractor's quality assurance process includes testing of all survey programming to ensure accuracy of content and to test programming logic and questionnaire length. IRS staff are invited to participate in the testing of questionnaires. In addition to testing the accuracy of the questionnaires, contractor administers customer pretests to a small subset of respondents to test comprehension of survey questions, questionnaire flow, and in the case of online surveys, visual appeal.

5. Contacts for Statistical Aspects and Data Collection

For questions regarding the study or discussion guide design, contact
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