

Attachment C: Supporting Statement

(OMB Control Number: 1545-1349)

TITLE OF INFORMATION COLLECTION: 2011 LB&I International Individual Compliance (IIC) Customer Focus Groups

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 focus groups 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 focus groups 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 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 focus groups as it is conducted via telephone. Focus groups by their nature have to be conducted either in person or by phone to allow interaction of the group and the facilitator.

4. Duplication of Information

These focus groups 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 focus groups are 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

The survey contractor, Pacific Consulting Group will offer a \$50 honorarium amount to each focus group participant.

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 recruitment phase will take approximately 5 minutes per participant and 1 minute for those note interested in participating. From prior experience, we estimate contacting 540 individuals to recruit 27 taxpayers.

Each focus group will take place in the form of a one-hour conference call. Participants will dial a toll-free number at a designated date and time. The estimated burden for participants will be one hour x 18 taxpayers (expect 6 to show for each of three groups).

Category of Respondent	No. of Respondents	Participation Time	Burden
Recruitment for Focus Groups – Not Interested	513	1 minute	8.6 hours
Recruitment for Focus Groups – Participants	27	5 minutes	2.3 hours
Reminder Call to Participants	27	1 minute	.5 hours
Participation in Focus Group (estimated 3 no shows per group)	18	60 minutes	18 hours
Totals			29.4 hrs

13. Costs to Respondents

No costs are anticipated.

14. Costs to Federal Government

The estimated annual cost to the Federal government is \$12,000

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. Taxpayers will be recruited from those who completed a recent LB&I IIC Customer Satisfaction survey and indicated willingness and interest in participating in follow-up research.

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 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 (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.

Taxpayers will be recruited from those who completed a recent LB&I IIC Customer Satisfaction survey and indicated willingness and interest in participating in follow-up research. The methodology used will be a series of three one-hour telephone discussions. Each session will include approximately six taxpayers. We intend to recruit nine taxpayers per group to allow for no-shows, for a total of 27 recruits. Pacific Consulting Group will conduct the recruiting and moderate the discussions.

2. Procedures for Collecting Information

Taxpayers will be recruited from those who completed a recent LB&I IIC Customer Satisfaction survey and indicated willingness and interest in participating in follow-up research. The methodology used will be a series of three one-hour telephone discussions. Each session will include approximately six taxpayers. We intend to recruit nine taxpayers per group to allow for no-shows, for a total of 27 recruits. Pacific Consulting Group will conduct the recruiting and moderate the discussions.

3. Methods to Maximize Response

Taxpayers will be recruited from those who completed a recent LB&I IIC Customer Satisfaction survey and indicated willingness and interest in participating in follow-up research. From prior experience, we estimate contacting 540 individuals to recruit 27 taxpayers. Each focus group will take place in the form of a one-hour conference call. Participants will dial a toll-free number at a designated date and time. It is expected 6 to show for each of three groups.

4. Testing of Procedures

Contractor's quality assurance process includes testing of all recruitment and discussion guides to ensure accuracy of content and to test programming logic and length. IRS staff are invited to participate in the testing of the recruitment and discussion guides

5. Contacts for Statistical Aspects and Data Collection

For questions regarding the study or discussion guide design, contact
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