

**Supporting Statement Part B for the
Ongoing Intermittent Survey of Households
(FR 3016; OMB No. 7100-0150)**

Summary

For all information collections that involve surveys or require a statistical methodology, the Board of Governors of the Federal Reserve System (Board) is required to provide a complete justification and explanation of the use of such a methodology. For collections that employ surveys without such a methodology, the Board should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results.

Background

The Ongoing Intermittent Survey of Households was initiated in 1981. Over the past 38 years, the survey data have helped the Board understand consumer credit markets and consumer behavior. The Board has used the data to meet the current analysis needs of the Board to respond to mandates from the Congress, to prepare academic research papers, and to provide information to the public.

The Board has a contract with the University of Michigan's Survey Research Center (SRC) to include survey questions on behalf of the Board in an addendum to the SRC's regular monthly Survey of Consumer Attitudes and Expectations. The Board drafts and edits the addendum questions in consultation with the SRC, whose program involves careful questionnaire development. The SRC's survey guidelines produce questionnaires that are clear and reliable, and also mitigate any duplication between the Board's addendum questions and the SRC's regular questions. The SRC conducts the survey by telephone with a sample of 500 households and asks additional questions of special interest to the Board.

Universe and Respondent Selection

The monthly Survey of Consumers is an ongoing nationally representative survey based on approximately 500 telephone interviews with adult men and women living in households in the coterminous United States (48 States plus the District of Columbia). The sample is designed to maximize the study of change by incorporating a rotating panel sample design in an ongoing monthly survey program. For each monthly sample, an independent cross-section sample of households is drawn. The respondents chosen in this drawing are then reinterviewed six months later. A rotating panel design results, and the total sample for any one survey is normally made up of 60% new respondents, and 40% being interviewed for the second time.

The method used to select monthly nationally representative samples of persons is generally referred to as random digit dialing (RDD) of cellular telephone numbers. However, any single monthly sample consists of two parts, an RDD sample of cell telephone subscribers selected in that month and a sample of RDD sample cell telephone subscribers who completed

interviews six months previously. The latter is referred to as the re-contact sample, and the former the RDD sample.

Procedures for Collecting Information

The Board provides the initial draft of the questionnaire items to be included in the monthly surveys. After review and discussions, SRC develops a pretest questionnaire. The refinement of questionnaire items is then guided by rigorous and careful pretesting. A draft questionnaire is then constructed, and testing is conducted under essentially “final state” conditions--that is, pretest respondents fit all the eligibility criteria of the study, and experienced interviewers and supervisory personnel are employed. Two pretests are conducted on all new questionnaire items before each monthly survey. Most questionnaire inserts can be developed and pre-tested within one month; complex questionnaire designs may need two months or more, especially if pretest results indicate significant problems.

The SRC designs and builds codes for converting the interview response data to machine-usable form, and for error checking. In the actual coding process, as the respondent's answers to each question are categorized, the coder also takes into account all marginal comments or general notes about the interviewing situation which the interviewer may have written, and answers given to other questions which may aid in interpreting responses that by themselves are too vague to be coded with precision.

Methods to Maximize Response

Although strenuous efforts are made to interview the hard-to-contact, the SRC maintains that the efforts made to win over the reluctant are low-pressured and reasonable. This is consistent with the voluntary nature of the telephone interview, which respondents are informed of when their consent is obtained. Past experience indicates that there may be negative outcomes to excessive pressures on truly reluctant individuals. The SRC has found that data obtained from suspicious and reluctant respondents may be so inaccurate that the reporting error they introduce outweighs nonresponse bias. All respondents are mailed a brief report on the results of the study. For the RDD sample, the byproduct of this is to track those respondents that may have moved, as well as to motivate all respondents to participate in the reinterview.

If possible, persuasion letters are sent to all but the most vehement refusals. Address information is usually available for the reinterview cases, but not for the RDD sample unless the respondent volunteers this information when initially contacted. If it seems appropriate, a different interviewer will be assigned to make the callback. SRC's experience is that between 25 and 35 percent of refusals are converted to interviews following these procedures. Interviewers who have high refusal rates are identified and supervisors work with them to improve their techniques. If refusals appear to be due to interviewer qualities which are not correctable through retraining, the work is reassigned.

Testing of Procedures

Several special procedures are used to guard against the potential falsification of interviews and the introduction of interviewer bias into the data. SRC conducts a telephone validation check on a small subset of all completed interviews. In addition, a statistical evaluation of the detailed administrative reports provides a second effective means of detecting deviation from specified procedures. It is often easier for an interviewer to make up responses to certain questions than it is to make up a normal distribution on process measures such as calls required to obtain an interview, number of refusals, interview length, edit length, and so forth. SRC requires detailed reporting of these process measures and employs computerized analysis of these data to identify outliers whose work is then thoroughly verified.