

U.S. DEPARTMENT OF COMMERCE
Office of Inspector General



**PUBLIC
RELEASE**

BUREAU OF THE CENSUS

*Method for Archiving 2000 Decennial
Data and Procedures for Disposing of
Questionnaires Should Be Finalized*

Inspection Report No. OSE-10758 / September 1999

Office of Systems Evaluation





UNITED STATES DEPARTMENT OF COMMERCE
The Inspector General
Washington, D.C. 20230

September 29, 1999

MEMORANDUM FOR: Kenneth Prewitt
Director, Bureau of the Census

FROM: Johnnie E. Frazier

SUBJECT: *Method for Archiving 2000 Decennial Data and Procedures for
Disposing of Questionnaires Should Be Finalized*
Final Inspection Report No. OSE-10758

The Bureau of the Census has the responsibility for conducting the 2000 Decennial Census. Beginning in the spring of 2000, data from approximately 120 million households will be collected and processed to produce state-level population counts to be delivered to the President. The counts will be used to determine the allocation among states of seats in the House of Representatives. Under Title 13 of the United States Code, the bureau holds the responsibility for ensuring that the data is secured and not improperly disclosed.

The completed decennial questionnaires from each household will be sent to data capture centers for processing. In order to capture the data in a timely and efficient manner, the bureau awarded a contract on March 21, 1997, for the development of a state-of-the-art system, Data Capture System 2000 (DCS 2000). The system, once developed and deployed, will be operated in three data capture centers and the National Processing Center in Jeffersonville, Indiana. A second contract awarded on January 26, 1998, the Data Capture Services Contract (DCSC), provides for the facilities, personnel, management, and equipment and supplies to perform data capture operations using DCS 2000 at the three data capture centers located in Baltimore, MD; Phoenix, AZ; and Pomona, CA. (The National Processing Center is operated by Census Bureau employees.)

The Office of Inspector General was asked by the Minority Staff of the House Government Reform and Oversight Committee to address concerns related to the ownership and disposal of the decennial questionnaires as set forth in the two contracts. These concerns pertained to the ownership of the completed questionnaires, adequacy of disposal provisions, and adequacy of inspection provisions. Respondents' privacy was the primary concern. Because archiving the decennial data is pertinent to these concerns, we extended our review to evaluate certain aspects of the bureau's archiving plans.

In brief, we found that ownership of the completed questionnaires appropriately remains with the bureau and that the government inspection provisions for disposal of the questionnaires are adequate. We also found, however, that the bureau has not yet finalized its plans and procedures for questionnaire retention and disposal and cannot do so until a method has been identified for archiving the data that is acceptable to the National Archives and Records Administration (NARA). An agreement on archiving is needed before NARA will authorize destruction of the questionnaires and provide a destruction schedule.

The bureau needs to resolve the archiving issue as soon as possible and incorporate the plan concerning retention and disposal of completed questionnaires into the DCSC contract. It also needs to formalize its plan for retention, use, and disposal of the dress rehearsal questionnaires and incorporate it into the DCS 2000 contract.

The Census Bureau has agreed to implement our recommendations. In response to those recommendations, a proposal for archiving of Census 2000 questionnaire data was completed and forwarded to NARA on August 19, 1999. We did not comment on the content of the proposal, since such an analysis falls outside the scope of our review. See Appendix A for the complete response. We want to thank the Census Bureau staff for their assistance during this review.

PURPOSE AND SCOPE

The fieldwork for the first part of our review was conducted from May 27 through August 24, 1998. We reviewed documentation pertaining to the acquisition of DCS 2000 and the services for the operation of the data capture centers. We also identified related questions and expanded the scope of our review to include an assessment of the contracts' provisions for retaining and safeguarding decennial questionnaires before and during the data capture process and for retaining and disposing of the forms used during the dress rehearsal. Our assessment of these issues raised questions about the bureau's archiving plans. Consequently, we conducted additional fieldwork pertaining to the archiving of questionnaire data. This fieldwork continued through June 1999 because of the bureau's delays in formulating its archiving plans.

We discussed our initial findings with Census Bureau officials at an exit conference held September 24, 1998 and have subsequently conferred with bureau officials concerning the status of our review.

Our work was performed in accordance with the Inspector General Act of 1978, as amended, and the *Quality Standards for Inspections*, March 1993, issued by the President's Council on Integrity and Efficiency.

OBSERVATIONS AND CONCLUSIONS

I. Ownership of Questionnaire Forms Resides with the Census Bureau

One of our first tasks was to determine, once the data was captured off the completed census questionnaires, whether ownership of the forms reverted to the contractor. The major questions were whether information on the forms would remain confidential and whether the contractor would be allowed to keep the questionnaire forms, potentially for marketing or other purposes. Based on our review of the two contracts, we determined that ownership of the forms resides with the Census Bureau at all times during and after data capture operations.

Responsibility for the operations of the three data capture centers resides with DCSC contractor, who is responsible for capturing the data, ensuring its receipt by the appropriate Census Bureau headquarters personnel, and disposing of the forms as required by the bureau. As such, the contractor is acting as the bureau's agent in disposing of the forms, but will not have ownership of the forms at any time. Ownership remains with the bureau.

II. Government Inspection Provisions for Questionnaire Disposal Are Adequate

We also examined whether the contract contained adequate inspection provisions to ensure proper forms disposal. Our review of the DCSC contract led us to conclude that it contained the required inspection clauses.

The contract sets forth general inspection provisions, which state that the contracting officer (or a duly authorized representative) will perform inspections of furniture, equipment, and *services*. This last category provides for inspection of the contractor's questionnaire disposal activities. The contract also includes Federal Acquisition Regulation clause 52.246-5 "Inspection of Services - Cost Reimbursement," which states that the government has the right to inspect and test all services called for by the contract. And finally, the contract requires the contractor to follow procedures outlined in the Census Administrative Memorandum, General, Part 16, which states that the destruction of Title 13 census data must be witnessed by a Census Bureau employee.

III. Plans and Procedures for Questionnaire Retention and Disposal Are Still Evolving

We broadened the scope of our review to ascertain what was provided for in the contracts concerning retention and safeguarding of the questionnaires before disposal.

A. *Method for Archiving Data Needs to Be Resolved and Procedures for Retaining and Safeguarding Forms Need to Be in the DCSC Contract*

We examined the contracts to ascertain what precautions were to be in place to ensure the security of the completed questionnaires once they reach the data capture centers for processing. Security (for both contractors) is to be in accordance with Title 13 and the bureau's *Handbook for Information Technology Security*, Chapter 6.3 "Processing Census Bureau Data by Another Government Agency or Contractor." The data capture centers will have controlled access, and according to bureau officials, there will be a large staging/storage area where the questionnaires will be kept when they are not being processed. Provisions for the storage area are in the contract and the DCS 2000 Operations and Facilities Plan. Because the area is included in the data capture center, which has controlled access, questionnaires will not be kept locked up.

According to Census Bureau officials, the plan is to retain the questionnaires at the data capture centers only until there is confirmation of successful data capture, generally expected to be no more than 15 days. Plans and procedures for safeguarding the questionnaires from completion of data capture operations until disposal are still under development. The confirmation that data capture has been successful will include verification that the DCS 2000 has provided back-up copies of the images and the appropriate questionnaire data in a computer-readable format. Upon confirmation of successful data capture and data transmission to bureau headquarters, the DCSC contractor is required to dispose of questionnaires in a manner consistent with Title 13.

Implementation of this plan depends on authorization from NARA for destruction of the paper questionnaires. Bureau officials told us that it is highly unlikely that NARA will object to the destruction of the paper questionnaires since this procedure was authorized during the 1990 census. If, as in 1990, the bureau decides to archive the questionnaires on microfilm, the present schedule that authorizes destruction of the paper questionnaires could be used. If another archival medium is used, a new authorization schedule will be required.

According to bureau officials, the bureau must propose an archiving method to NARA and obtain NARA's written agreement on the proposal before an authorization schedule can be finalized. To do this, the bureau must decide the medium on which the questionnaire data will be stored (e.g., microfilm, tape, disk) and, if stored digitally, determine whether ASCII data or images will be stored. Although the bureau is considering options other than microfilm, it is only beginning to analyze their relative benefits and costs. Moreover, the bureau's discussions with NARA have been minimal, so there is no clear indication as to what options NARA will consider acceptable.

Since NARA's authorization must be received before the questionnaires can be destroyed, the Census Bureau must take steps to reach an agreement with NARA on an acceptable archiving method. If agreement is not reached, the paper questionnaires will have to be stored until authorization is received. A lengthy delay in destroying the questionnaires could result in the bureau's incurring additional storage costs.

Census Bureau officials have acknowledged that they have been slow to address archiving. They indicated that they will be working in June 1999 to identify the most suitable archiving method and will begin talking to NARA officials in July, with the goal of resolving the issue by the end of the summer. We believe that the bureau needs to determine an archiving solution and reach agreement with NARA as soon as possible so that authorization for destruction of the questionnaires can be obtained and additional storage costs avoided. Once this is done and retention plans and procedures are finalized, any changes or additions to the responsibilities of the DCSC contractor should be immediately incorporated into the DCSC contract.

B. *Questionnaire Disposal Contract Provisions Are Adequate*

The DCSC contract states that the contractor shall retain census forms in storage until all data capture operations are completed, and then dispose of the forms. The contract further states that destruction of the completed census questionnaires must be in accordance with Census Bureau requirements for the controlled destruction of Title 13 data. Census Administration Memorandum, General, Part 16 sets forth the procedures for destruction of material containing sensitive data, including Title 13 "Census-Confidential Data." According to these procedures, methods for destruction include shredding, chemical decomposition, pulverizing, or burning in an Environmental Protection Agency-approved facility. Specifications for each method are also included. According to a bureau official, the current plan is to shred on-site at the data capture center. As noted previously in this report, a bureau employee must be present during the destruction.

Based on this information, we have determined that the contract's provisions for disposing of the questionnaires are adequate to comply with established Census Bureau procedures. We did not, however, assess the adequacy of the internal bureau procedures for questionnaire disposal.

C. *Plans for Retention and Disposal of the Dress Rehearsal Forms Need to Be Formalized*

In March 1998, a dress rehearsal was conducted to test methods that would be employed for the 2000 decennial. Data capture operations were tested at the National Processing Center, using questionnaires that had been sent out and completed, as in a census taking. As noted previously, the National Processing Center is operated by the Census Bureau, and is not covered under the DCSC contract. We reviewed the contract for DCS 2000 to determine if any procedures existed

for the retention and disposal of questionnaires used during the dress rehearsal. The contract was silent on this issue, and at the time of our review, no written plan existed. Bureau officials stated that they intended to retain the completed forms in Jeffersonville for use by the DCS 2000 contractor for testing purposes. Disposal would be in accordance with bureau procedures at the completion of testing. To ensure the confidentiality and security of the forms used during data capture operations for the dress rehearsal, this plan should be formalized in writing. Responsibilities of the contractor for dress rehearsal forms should be incorporated in the DCS 2000 contract.

RECOMMENDATIONS

We recommend that the Associate Director for the Decennial Census take the following actions:

1. Within the next 30 days, develop an archiving proposal for 2000 decennial data and begin discussions with NARA.
2. Within 30 days of reaching agreement with NARA on a questionnaire destruction schedule, incorporate the plans and procedures concerning the retention period and disposal of completed census questionnaires, as they pertain to the contractor's responsibilities, into the DCSC contract.
3. Immediately formalize the plan and procedures for the retention, use, and disposal of questionnaires collected during the dress rehearsal, and incorporate the responsibilities of the contractor into the DCS 2000 contract.

The Bureau of the Census has agreed to implement our recommendations as indicated in their response which is attached as Appendix A.

SEP 10 1999



APPENDIX A

UNITED STATES DEPARTMENT OF COMMERCE
Bureau of the Census
Washington, DC 20233-0001
OFFICE OF THE DIRECTOR

MEMORANDUM FOR Judith J. Gordon
Assistant Inspector General for Systems Evaluation

Through: Robert J. Shapiro *RJS*
Under Secretary for Economic Affairs

From: Kenneth Prewitt *Kenneth Prewitt*
Director

Subject: *Method for Archiving 2000 Decennial Data and Procedures for
Disposing of Questionnaires Should be Finalized*
(Draft Inspection Report No. OSE-10758)

This is in response to your memorandum regarding the subject draft inspection report. In response to the specific recommendations contained in the report, the U.S. Census Bureau submits the following.

We [the Office of Inspector General] recommend that the Associate Director for the Decennial Census take the following actions:

- (1) *Within the next 30 days, develop an archiving proposal for 2000 decennial data and begin discussions with NARA.*

The Census Bureau Concurs: The Census has transmitted to the National Archives and Records Administration (NARA) its proposal for archiving the Census 2000 questionnaire data. Meetings are currently being scheduled to discuss this proposal with NARA. Subsequent to those meetings, the Census Bureau will move forward with the process to obtain formal approval of this proposal.

- (2) *Within 30 days of reaching agreement with NARA on a questionnaire destruction schedule, incorporate the plans and procedures concerning the retention period and disposal of completed census questionnaires, as they pertain to the contractor's responsibilities, into the DCSC contract.*

The Census Bureau Concurs: The Census Bureau's proposal for archiving the Census 2000 questionnaire data is consistent with the current requirements for retention and disposal of the census questionnaires contained in the Data Capture Services Contract (DCSC). The anticipated approval of the Census Bureau's plan for archiving the questionnaire data will enable the data capture centers (DCCs) to destroy the questionnaires after confirmation of successful data capture and data transmission to headquarters, as planned. In most cases, this will mean that the DCCs will retain the

paper questionnaires for no more than 15 working days. Confirmation of successful data capture includes verification that the Data Capture System (DCS) 2000 has provided backup copies of the images and the appropriate questionnaire data in a computer-readable format. After confirmation of data capture and data transmission has occurred, the questionnaires will be disposed of according to the requirements stipulated in the DCSC, which are consistent with the confidentiality provisions of Title 13, United States Code, and are based on the specific guidelines contained in the Census Administrative Manual, Chapter K3, Section 8.01.

- (3) *Immediately formalize the plan and procedures for the retention, use, and disposal of questionnaires collected during the dress rehearsal, and incorporate the responsibilities of the contractor into the DCS 2000 contract.*

The Census Bureau Concur: Questionnaires from the dress rehearsal are currently maintained at the Census Bureau's Jeffersonville, Indiana, facility. The data from these forms are being transcribed onto Census 2000 questionnaires to be used for testing the DCS 2000 in the DCCs. The dress rehearsal questionnaires will be disposed of by Census Bureau employees in accordance with the guidelines contained in the Census Administrative Manual, Chapter K3, Section 8.01, and National Archives' approval. Questionnaires containing the transcribed dress rehearsal data that are sent to the other DCCs for testing will be disposed of after the testing has been completed. The disposal of these questionnaires is covered by the existing provisions of the DCSC pertaining to the retention and disposal of Title 13-protected information and will be carried out in accordance with the guidelines contained in the Census Administrative Manual, Chapter K3, Section 8.01.

cc: US/EA