Testimony of

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U.S. DEPARTMENT OF COMMERCE

before the

Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security, Committee on Homeland Security and Governmental Affairs, United States Senate

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The 2010 Census: Update of Schedule, Cost, Risk Management, and Communications Activities

Mr. Chairman, Ranking Member McCain, and Members of the Subcommittee:

Thank you for inviting us to testify today on the Census Bureau's recent activities in preparation for this year's decennial count. In just over 4 weeks, millions of census forms will be mailed to households across the country, asking that they be filled out and returned on Census Day, April 1—just 37 days from now.

On February 16 we released our third *Quarterly Report to Congress*[1] on the status of the 2010 Decennial Census, covering October through December 2009. The *Quarterly Report* discusses our most recent findings in the areas of schedule, cost, and risk management. My testimony will highlight these areas, plus an overview of the Census Bureau's Integrated Communications Campaign, through which the bureau is attempting to increase the mail response rate. Higher mail response rates will decrease the need for costly follow-up of nonrespondents. According to the Census Bureau, every percentage point increase in the mailback rate saves about $85 million dollars of follow-up costs.

With a life-cycle cost estimate now projected to total $14.7 billion, the 2010 Census is a massive undertaking made up of many moving parts. The bureau must integrate 44

[1] *2010 Census: Quarterly Report to Congress*, Report OIG (Office of Inspector General)-19791-3, February 2010. OIG reports are available on our Web site: www.oig.doc.gov.

separate operations (with a total of some 9,400 program- and project-level activities). The start of the largest operation, nonresponse follow-up (NRFU), is less than 90 days away. Estimated to cost well over $2 billion, NRFU is the most costly operation of the decennial, requiring census takers to visit every household that does not return a census form and record answers to the form's questions.

Temporary bureau management staff must run 494 local offices and manage over 600,000 temporary workers, while recruiting substantially more. The success of NRFU hinges on how effectively Census controls the enormous NRFU workload and workforce and, as discussed later in this testimony, it must do so using a Paper-Based Operations Control System (PBOCS) with less functionality than planned and currently experiencing performance problems. PBOCS is essential for efficiently making assignments to enumerators, tracking enumeration forms, and reporting on the status of the operation.

While my testimony identifies serious issues currently faced by the Census Bureau, we are mindful of the unparalleled challenge of the decennial and the extraordinary efforts being made by the bureau's dedicated staff to achieve a successful outcome.

In brief, although much of the bureau's plan is on track, NRFU efficiency and accuracy are at some risk—because of PBOCS—and final decennial costs remain uncertain. As I will discuss, important issues remain—issues that the bureau agrees must be addressed, but it has not yet adequately done so. The bureau will need to act quickly to address these issues.

Our *Quarterly Report* discusses the following:

- The current status of PBOCS, whose reduced capabilities and performance will be key factors in Census field operations;
- The need to closely monitor nonresponse follow-up costs, given the overruns and inefficiencies found in the completed address canvassing operation;
- The need to contain the cost of field operations, which requires strong budget estimation capability;
- A reduced cost estimate for nonresponse follow-up, somewhat offset by an increase in the estimate for the vacant/delete check[2] operation;
- Remaining risk management activities; and
- The uncertainty of the final decennial cost, whose expenses will largely be dictated by the level of mail response, worker productivity, and the effectiveness of PBOCS.

[2] After nonresponse follow-up is completed, the vacant/delete check operation verifies the status of each housing unit classified by an enumerator as vacant or deleted.

THE CENSUS SCHEDULE DEPENDS ON THE CAPABILITIES AND PERFORMANCE OF PBOCS, WHICH IS UNDERGOING COMPRESSED DEVELOPMENT AND IS EXPERIENCING SERIOUS TECHNICAL PROBLEMS

PBOCS is essential to managing data collection and quality control for ten discrete enumeration operations, including the large, door-to-door nonresponse follow-up (NRFU). This system is needed, for example, to assign several enumerators to difficult-to-complete assignment areas, to confirm that questionnaires that were checked-out to the field have been checked-in back to the office, and ensure that workload completion rates are on track.

As shown in Table 1, PBOCS is being deployed in phases, prior to the start of each field operation it is to support. So far, it has been deployed for three of ten operations; another deployment for three more operations was scheduled for yesterday; and deployment for NRFU, the largest and most complex operation, is scheduled for 27 days from today. Yet system development and testing have fallen substantially behind schedule, resulting in less functionality being deployed and an increased likelihood of local Census Office staff encountering technical problems during operations. Further straining the project is that development staff already working to capacity must now contend with resolving any problems that surface during those operations for which PBOCS has already been deployed. And in recent weeks, Census has encountered major hardware and software issues affecting system performance that have prompted Census officials to call in executives and senior technical troubleshooters from the companies that provide PBOCS hardware and software components.

Table 1. PBOCS Deployment and Field Operations Schedule as of February 16, 2010

Deployment	Operation	Operation Start	Operation End
January 19	***Remote Alaska Enumeration***	***January 25***	***April 30***
	Group Quarters Advance Visit	***February 1***	***March 19***
	Update/Leave	***March 1***	***March 26***
February 22	***Remote Update/Enumerate***	***March 22***	***May 29***
	Update/Enumerate	***March 22***	***May 29***
	Enumeration of Transitory Locations	**March 19**	**April 12**
March 1	Group Quarters Enumeration	April 1	May 21
March 22	Nonresponse Follow-up (NRFU)	May 1	July 10
June 4	Vacant Delete Check	July 24	August 25
July 13	Field Verification	August 6	September 3

Source: U.S. Census Bureau 2010 data

PBOCS development started late in the decennial cycle, partially due to a change in plans from using handheld computers to the use of paper for collecting respondent data. An independent assessment of the system requested by Census found that developing PBOCS would take two to three times longer than the time available due to its size, and adding pressure to the bureau.

Information on the problems surrounding PBOCS is not new; we reported on these challenges last October and have recently briefed the Census Bureau Director on our efforts to monitor PBOCS. Our observations are consistent with those of the independent assessment team convened by the Director, as well as reporting by internal bureau staff. It is clear that the Director and bureau are engaged on this issue, and are taking swift corrective action.

In addition, our *Quarterly Report* contains recommendations on actions we feel are necessary to address these problems. Start dates for Census field operations are fixed. If PBOCS is not ready or if additional actions are not taken, field operations could be adversely affected, resulting in increased cost and reduced accuracy of the population count. In one example, due to performance issues, PBOCS limits concurrent users to 2,500 network-wide—or currently about five concurrent users per local Census office. Yet the operational need is estimated to be over three *times* that: as many as 8,000 network-wide (about 16 per local office).

As we testified before this Subcommittee last October, with population counts for apportionment due to the President by December 31, 2010, the decennial census is the epitome of a schedule-driven program—with all of its attendant risks and consequences. Issues have included rushed and incomplete requirements specifications; cut corners in program design, development, and testing; massive cost growth; and increased operational and quality risks.

As our new *Quarterly Report to Congress* details, the testing of PBOCS is being compressed to meet the schedule. However, the inevitable tradeoff is that errors may not be found until the system is used in Census operations and new errors may be introduced. Further, the testing is being conducted by headquarters staff, while the field staff, who will be the system's primary users, have not had the opportunity to test the system under realistic conditions before it is put into operation. As of February 11, PBOCS development was 15 days behind schedule, testing was 14 days behind, and there were 39 critical defects. This reflects some improvement in the development and test schedules, but an increase in critical defects, which were up from 26 in mid-December.

Given schedule delays and fixed deadlines, PBOCS users are being forced to accept more limited system functionality than was expected. For example, one limitation under consideration is that managers at local Census offices may not be able to use PBOCS to help bring in additional enumerators to work an assignment area during nonresponse follow-up; instead, paper records may be needed to track these split assignments. This limitation would be problematic when managing thousands of enumerators working on thousands of assignment areas in close to 500 local offices nationwide. Another example

of the reduction in PBOCS capability is that 50 of the planned 435 management reports are being eliminated. With system capabilities still uncertain, training materials have also been delayed. Further, now that PBOCS has been deployed and is in use for certain operations, it becomes more complicated to maintain consistency in the development, testing, and operational environments.

Recent Operational Load Tests Indicated Adequate Network Capacity but Revealed PBOCS and Other IT Performance Problems

Operational load tests last December of decennial Census networks suggested that capacity is adequate, yet revealed serious performance and functionality problems with other components of the IT infrastructure. In particular, significant problems were found with the PBOCS application servers as well as with the Decennial Applicant, Personnel, and Payroll System (DAPPS). This system, needed to support applicant tracking and processing, recruiting reports, and personnel and payroll processing for the massive temporary workforce, had four times more problems than PBOCS. While the Census Chief Information Officer has redirected the bureau's senior engineers and brought in vendor expertise in an attempt to resolve these problems, PBOCS and DAPPS operational performance issues have remained. Staff in local Census offices are experiencing slow response times and outages. According to the technical team, both PBOCS and DAPPS are underpowered; the team has recommended substantially increasing the number of computer servers for each application.

Overall, then, PBOCS and other essential IT elements are proceeding under very difficult conditions. Specifically:

- Time is short, deployment for nonresponse follow-up is 4 weeks away, and staff are working at capacity, yet PBOCS development continues to be behind schedule;
- Critical software errors are increasing, and system performance is not meeting operational needs; and
- With operations already underway, staff must resolve technical problems encountered in the field, while continuing with system development.

Accordingly, Census officials must address the following questions to minimize the impact of the difficulties being experienced with PBOCS:

- What PBOCS capabilities can Census deliver with high confidence?
- What PBOCS capabilities will have to be scaled back, and what will be the impact?
- What is the plan for developing a consistent set of workarounds so that all local Census offices handle capabilities eliminated from PBOCS in the same way?
- How will the bureau ensure that it can provide adequate technical support to the field to maintain operations when problems inevitably arise?

Because time is at a premium, Census must quickly realign PBOCS development and testing efforts, placing greater emphasis on minimizing the impact of the system's limitations during operation. We include the following recommendations to Census in our quarterly report:

- Foremost, senior executives with the authority to set priorities—such as reallocating resources to where they are most needed, resolving conflicting priorities, and making major changes to the decennial schedule or plan—must closely monitor PBOCS activities, and ensure that steps are taken expeditiously to reduce operational risk.
- To accomplish this, Census will have to streamline development and testing by further reducing planned PBOCS capabilities to the essentials required for the most important enumeration operations.
- The bureau must likewise focus on developing procedural workarounds—contingency plans—for capabilities that cannot be implemented.
- Census must enhance or augment its technical support staff and procedures to expeditiously resolve problems in the field.

We will continue monitoring PBOCS development and its use, along with contingencies put into place to compensate for any shortfalls.

CENSUS MUST CLOSELY MONITOR NONRESPONSE FOLLOW-UP COSTS GIVEN OVERRUNS AND INEFFICIENCIES FOUND IN THE COMPLETED ADDRESS CANVASSING OPERATION

Wide variances between budgeted and actual costs do not generate confidence in the Census Bureau's budgeting and cost containment process for large-scale field operations. Our analysis of address canvassing budget overruns revealed wide disparities in spending among local Census offices. Census Bureau headquarters formulated a total budget of $356 million for address canvassing in 2009. This amount was allocated among the 151 early local Census offices—based on the type of area, such as urban or rural, covered by each office. Following the operation, Census reported that address canvassing overspent its budget by $88 million (25 percent). The two major cost drivers of the operation were wages and reimbursement for miles driven by temporary employees (listers) to assignment areas. For production, one-third of the offices exceeded their wage budgets and one-half exceeded their mileage budgets. For the quality control operation, 82 percent of the offices exceeded both their wage and mileage budgets.

Our review of address canvassing wage and travel data revealed several inefficiencies that Census managers should be aware of in managing 2010 field operations. These included excessive miles driven by temporary employees and training costs. Using bureau data, we analyzed the number of miles reported driven per hour compared with the total number of hours worked by address canvassing employees. We found that 604 employees spent the majority of their time driving instead of conducting field work, and

of those, 23 employees spent 100 percent or more of their time driving. This analysis suggests that some employees may have over-reported the number of miles driven. While the number of employees with questionable reimbursements is very small compared with the overall universe of 140,000 employees involved in this operation, the potential exists for this problem to be compounded because upcoming fieldwork operations will involve significantly more temporary employees than did address canvassing. Census Bureau managers should monitor mileage reimbursements carefully during upcoming enumeration operations, and verify the validity of those reimbursement claims that appear excessive before they are paid.

Our analysis of Census data found that the bureau spent a great deal of money on training for the amount of work it received. For example, over 10,000 employees earned over $300 apiece for attending training, but did not perform work for the Census Bureau. An additional 5,000 employees received the same money and worked only a single day—or less. It may be that some employees, after being trained, decided that they did not want to do this kind of work; others may have been deemed unfit. Nevertheless, the costs were substantial—not only what was paid directly to employees, but the other training costs as well.

Census expenses and projections are a moving target, as might be expected of an operation whose many parts are already progressing on several fronts. Such inefficiencies as we found in the areas of wage, travel, and training costs are the kind for which Census should develop effective internal controls and ensure that managers scrupulously follow these controls in future operations.

COST CONTAINMENT IS ESSENTIAL FOR FIELD OPERATIONS, BUT REQUIRES STRONG BUDGET ESTIMATION CAPABILITY

The ability to produce valid budget estimates is essential for cost containment. The 25-percent cost overrun for address canvassing indicates that either the budget for this operation was unrealistically low or that cost containment for the operation was poorly managed. In contrast, Census spent only about 59 percent of its Group Quarters Validation[3] budget, somewhat more than $41 million out of a field budget of over $70 million. Inaccuracies of this magnitude in estimated budgets, combined with wide variances among early local Census offices in address canvassing costs, indicate significant weaknesses in the bureau's budget estimation capabilities.

The important lesson for the Census Bureau now is that with the nonresponse follow-up operation set to begin soon—with three times the number of employees and offices than were involved with address canvassing—the bureau's revised budget estimate needs to be as accurate as possible so that the operation's final cost does not exceed the amount budgeted, including contingency. With $7.4 billion in funding from FY 2009, FY 2010, and the American Recovery and Reinvestment Act to be expended for the decennial in

[3] The Group Quarters Validation operation is aimed at verifying information from each one of the potential group quarters nationwide.

FY 2010, poor estimating will not be an acceptable justification for any later request for supplemental funding.

Under the Census Bureau Director's leadership, Census is, in fact, reexamining its NRFU budget. It recently provided a new estimate totaling $2.33 billion. While this is $410 million less than the bureau's earlier estimate, it does not factor in the productivity reductions that may result from a PBOCS with significantly reduced capabilities and performance.

In addition, any reductions that may be achieved in NRFU are likely to be partially offset by an estimated increase of $137 million for the vacant/delete check operation. The vacant/delete check workload, originally estimated at 8 million cases, has now been revised to 14.5 million cases. This results in an estimated cost increase from $345 million to $482 million.

The bureau identified two components as areas of the greatest concern due to the high uncertainty and high impact on cost: workload (a function of the level of mail response) and staff productivity. To these we would add the unknown impact on operations of a PBOCS with reduced functionality and performance.

THE CENSUS BUREAU IS MAKING PROGRESS WITH ITS RISK REDUCTION ACTIVITIES, BUT CONTINGENCY PLANS REMAIN UNFINISHED

Census's risk management plan establishes processes and procedures for monitoring decennial risks, and identifies staff responsible for implementing them. Each program-level risk—i.e., one that may affect overall program cost, schedule, and technical and compliance objectives—must have a plan that defines mitigation strategies and specific time frames, along with staff to implement them. The risk management plan also requires contingency plans for addressing certain risks triggered by a missed date or specific event, and these plans are to be completed well in advance of the expected trigger. The bureau's risk management program represents a significant improvement over the 2000 decennial, which lacked a formal risk management process.

While the bureau is making progress with its risk reduction activities, the bulk of its contingency plans remain unfinished, and contingencies for PBOCS have yet to be clearly defined and documented.

Census's Risk Review Board (RRB) continues to oversee risk management activities and update its "risk register." As of December 31, 2009, the register contained 25 program-level risks, each rated high (likely), medium (somewhat likely), or low (unlikely). The

distribution of these risks has not changed for the period October through December 2009; it is the same as for the preceding quarter: 8 high- , 14 medium- , and 3 low-level risks.[4]

In addition, the RRB has been completing contingency plans to guide the bureau in addressing problems that might arise should mitigation plans and activities aimed at program risks fail. Progress on contingency planning has been made during the last quarter, but time is running short; nine of the 13 plans are not yet final. Significant work, then, remains to be completed. This is especially critical in light of the difficulties with PBOCS, so that alternative plans will be ready to be put in motion if needed.

We reviewed four contingency plans that have been completed to date, and they appear adequate. The four plans are:

- IT Security Breach
- Loss of Confidential Data
- Continued Operations of Critical Infrastructure During Disasters
- H1N1 Influenza Affecting Regional Census Centers and Local Census Office Activities

A contingency plan will be triggered if its mitigation activities are no longer effective, prompting the risk to materialize. When a trigger—such as a date or an event—occurs, appropriate Census staff will assess impacts to the decennial schedule and resources, take necessary actions to resolve problems, and monitor their effect on operations. For example, if an H1N1 influenza outbreak were to impact a local census office, Census managers could hold employee replacement training, limit visitors to the office, and monitor the staff illness rate.

PERSONNEL COSTS ARE THE PRIMARY COST DRIVERS AND WILL BE AFFECTED BY THREE KEY UNKNOWNS

The final decennial cost remains uncertain; three key factors could have significant cost impact. The bureau identified the mail response rate as having the potential to have the greatest impact, with enumerator productivity also a major cost driver. An additional issue, the capabilities and performance of PBOCS for NRFU—and the bureau's ability to implement effective workarounds—will also determine ultimate efficiency, schedule, and thus final cost.

[4] One risk was closed (*Address Canvassing and Group Quarters Validation operational control system solutions*) and two were added (*H1N1 influenza affecting regional Census centers and local Census Office activities, and H1N1 influenza and similar contagious illnesses affecting nonregional Census centers and nonlocal Census Office activities*).

Census has undertaken an extensive communications campaign with a major objective of increasing the mail response rate. The extent to which the public will respond to the initial Census questionnaire is a critical cost driver and a major unknown factor. If mail response is lower, the NRFU workload and associated expense will be correspondingly higher.

Integrated Communications Campaign Intended to Increase Census Response and Accuracy

The more Census questionnaires that are returned by households, the less costly the Census Bureau's nonresponse follow-up operation will be—the largest and most expensive of the bureau's operations. Census awarded the Integrated Communications Campaign contract to a company called DraftFCB, Inc., to increase public awareness of the decennial's importance. The specific goals of the campaign are to increase the mail response rate, improve accuracy and reduce the undercounting of traditionally hard-to-count populations, and improve cooperation with enumerators.

The communications campaign is consistent with congressional direction in the statements accompanying the FY 2009 and FY 2010 departmental appropriations acts. The statement accompanying the FY 2009 act includes the following language: "Paid media is critical to promoting increased participation in the 2010 Decennial, particularly in minority and other hard-to-count populations."

Further, this statement directs Census to submit a comprehensive communication plan in its FY 2010 budget request to address paper NRFU, but the FY 2010 request to Congress contains no such plan. Our review of the request showed that it included performance measures for paid advertising, as follows:

> *Measure: Achieve predetermined "reach and frequency" results for three phases of paid advertising by September 30, 2010.*
>
> *1) For the Awareness Phase, reach 95% of the population at least 5 additional times through paid advertising.*
>
> *2) For the Motivation Phase, reach 95% of the population at least 11 additional times.*
>
> *3) For the Support NRFU [nonresponse follow-up] phase, reach the lowest responding population at least 2 additional times.*

The Census Bureau credits the communications outreach of the 2000 census with increasing the response rate. Census believes that the results in 2000 would have been significantly worse without the paid advertising program. It attributes paid advertising and public relations with reversing the downward trend in mail response rates compared to previous decennials. In 1970, the response rate was 78 percent; by 1990, it had dropped to 65 percent. According to Census, had the trend continued, the response rate in

2000 would have been about 61 percent. However, at 67 percent, it was slightly higher than the 1990 response rate.

The Census Bureau will spend a total of $338 million on the communications campaign, up from the $204 million that was spent in 2000. The total includes an additional $115 million provided by the American Recovery and Reinvestment Act of 2009. The bureau used the additional funds to procure a road tour, additional paid media, and promotional material for 28 languages (14 more than originally planned). Table 1 shows the plan for allocating the communications campaign budget. Census has already obligated $329 million of the $338 million total.

Table 2. Summary of $338-million DraftFCB Integrated Communications Campaign Contract Budget (millions of dollars)

General Contract Costs	
Labor	$ 62.4
Production	36.7
Partnership Support	27.2
Public Relations/Events/Road Tour	26.6
Census in Schools	13.3
Promotional Materials for Other Census Divisions	10.9
Management Reserve (all tasks) and Future Obligations	9.5
Rapid Response & Media Management Reserve	7.4
Research	5.5
Web site	3.5
Travel	2.0
Total	***$205.0***
Paid Media	
Mass Communication Base Plan	$ 60.8
Hispanic	25.5
Black (African American, Black African, & Afro-Caribbean)	23.0
Asian	13.5
American Indian/Alaska Native	3.8
Puerto Rico	2.4
Emerging Audiences (speakers of Arabic and Eastern European languages)	2.0
Native Hawaiian & Other Pacific Islanders	1.1
New Legacy Languages (European languages including French, German, Greek, and Italian)	0.9
Total	***$133.0***
Grand Total	**$338.0**

Source: OIG analysis of U.S. Census Bureau data

DraftFCB is assisted by partner advertising agencies with expertise in specific racial and ethnic markets. It uses 12 subcontractors to assist with the advertising, the *Census in Schools* program, public relations/events, partnership support, promotional materials, and recruitment. We focus here on paid media because it is the component of the campaign receiving the highest amount of funding.

Census used a systematic process in designing the paid media and the broader communications campaign, and worked with its contractors to determine the paid media funding allocations to the targeted audiences. It built its paid media budget plan with 46 percent of its funding going to the mass communication base plan, which is designed to reach the estimated 84 percent of the population that consumes English-language media, including any English-speaking race or ethnic group. It targeted the remaining 54 percent of its budget to hard-to-count audiences, including Hispanic, Black, Asian, American Indian/Alaska Native, Puerto Rican, Emerging (Arabic- , Russian- , and Polish-speaking segments), and Native Hawaiian and Other Pacific Islanders. Census relied on DraftFCB and its subcontractors to identify the specific media outlets to carry its message about the 2010 decennial to the base plan and targeted hard-to-count audiences.

The communication campaign has three phases. The *Awareness Phase,* which formally began in January, and lasts until the middle of March, seeks to notify the public of the upcoming Census and provide education about its purpose and benefits. Next, the *Motivation Phase* begins, running until the end of April. Here, Census seeks to encourage the public to immediately respond to the questionnaire. By that time, all of the forms should have been mailed. The *Cooperation Phase* is last, running from the end of April to the end of June, and promotes cooperation with enumerators during the nonresponse follow-up process.

During each phase the effectiveness of the communications campaign will be monitored in terms of public awareness, shifts in attitudes and beliefs toward the decennial, and reported participation. Bureau officials told us that this will be done by such means as a nightly tracking poll, an Internet tracking survey, and monitoring real-time questionnaire mail response rates. To address potential areas of concern, bureau officials budgeted a $7.4- million reserve ($6 million of it in Recovery Act funds) to respond—through paid media and other communications activities—to conditions such as a natural disaster, which might confuse respondents about the continuation of the Census or to encourage participation in areas in which response is lagging. It has also budgeted $5.5 million as a general management reserve, which can be used where and when needed to address problems with accomplishing task orders. Additional printing needed for *Census in Schools* is an example of the use of reserves.

Census oversees DraftFCB's execution of each task, and ensures that the contractor deliverables are accepted by the Census 2010 Publicity Office prior to making payment. In addition, bureau officials are relying on DraftFCB to ensure that the thousands of media agreements are settled. Accordingly, the bureau needs to provide sufficient management and oversight to ensure successful contract execution.

OIG OVERSIGHT PLAN FOR DECENNIAL OPERATIONS

We will continue to monitor the bureau's progress—on PBOCS and on other key decennial activities. In addition, over the next several months, about 100 members of our staff will be participating in what is for us an unprecedented effort in scope and resource commitment to go on the road and observe Census workers in action. Such oversight, while Census activities are ongoing, will allow us to immediately observe successes and any problems that might arise, and notify the bureau without delay.

The appendix to this statement provides a discussion of our approach to overseeing this year's operations.

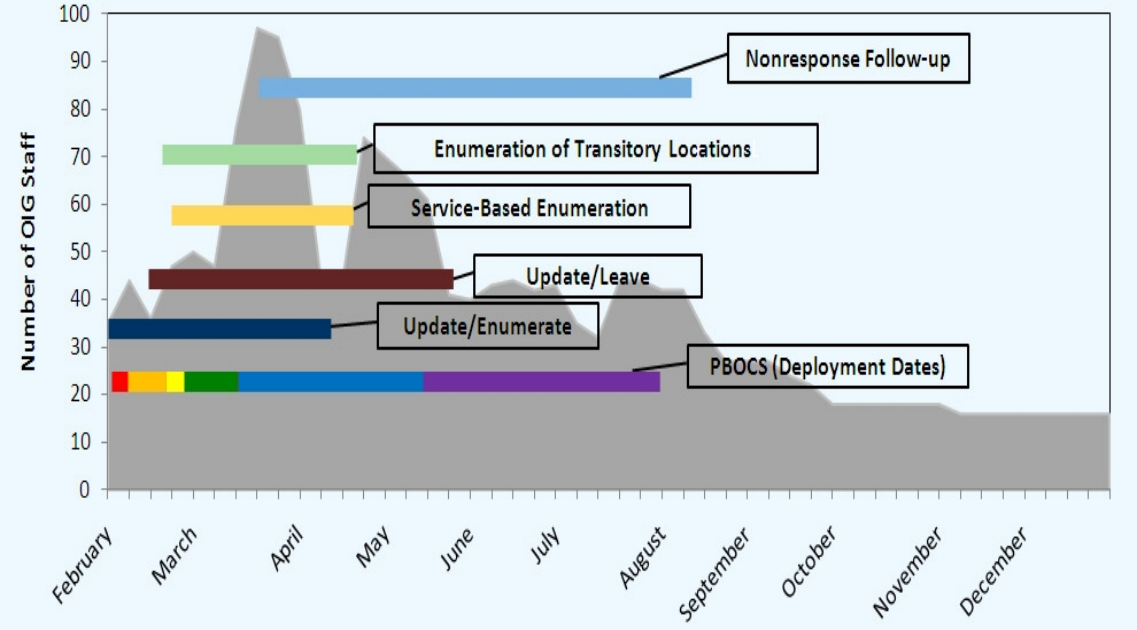
Mr. Chairman, this completes my prepared remarks, and I would be happy to respond to questions from you or any other Members of the Subcommittee.

OFFICE OF INSPECTOR GENERAL
2010 DECENNIAL CENSUS OVERSIGHT PLAN

The Census Bureau has identified 44 decennial operations for 2010. These operations span several years and entail providing support, establishing where to count, collecting and integrating respondent information, providing results, measuring coverage, and performing analysis and research for the 2020 Census. In FY 2010 we anticipate covering aspects of 20 of these operations, including deploying substantial numbers of staff to observe eight Census field operations. This work will also inform our oversight of the 2020 census.

OIG resources devoted to the 2010 Decennial Census over the coming year will involve almost 100 members of our staff at a given point in time. Details of our planned staffing deployment over the course of the calendar year are provided in Figure 1, below. The variability of resource deployment is related to the number and extent of the field operations conducted by Census. During this period, OIG plans to expend approximately 35 full-time-equivalent employees (FTEs) at an estimated cost of about $5.8 million for the review of the decennial census. OIG will oversee Census Bureau field and headquarters management of operations, field enumeration activities, information technology (IT) systems and the security of personally identifiable information, and internal controls over payroll.

Figure 1. OIG Census 2010 Oversight Staffing Plan



Field Activities

Our oversight of field activities will include deploying staff to selected local Census offices nationwide to observe whether activities are being conducted in accordance with Census procedures (for example, whether the Census questionnaire is being administered properly; whether map and address list updating is being completed correctly, where applicable; etc.) and local Census office practices. We will notify the Census Bureau promptly of any problems needing immediate attention. We will summarize our observations and findings in a final report, to be completed in FY 2011. This capping report will provide our summary assessment of the overall efficacy and efficiency of the 2010 Census enumeration. This and subsequent reports will provide lessons learned to aid in planning for the 2020 Census.

In FY 2009 we observed *Address Canvassing* and *Group Quarters Validation*. During FY 2010 field operations we intend to have a presence in every enumeration activity. In our planning for this major deployment of OIG personnel, we analyzed multiple data sources to ascertain the areas in which the Census Bureau may face its greatest demographic and operational hurdles. The following are six decennial operations that we will be observing:

- *Update/Leave*: In areas in which many homes do not receive mail at a city-style address, enumerators canvass assignment areas to deliver a Census questionnaire to each housing unit. At the same time, they update the address list and maps. This method is also used in selected collection blocks within *mailout/mailback* areas, where mail delivery may be a problem, such as apartment buildings where mail is left in common areas.

- *Update/Enumerate*: Enumerators canvass assignment areas to update residential addresses, including adding living quarters that were not included on original address listing pages, update Census Bureau maps, and complete a questionnaire for each housing unit. This occurs in communities with special enumeration needs and in which many housing units may not have house-number-and-street-name mailing addresses, similar to *update/leave*.

- *Enumeration of Transitory Locations*: Enumerators visit transitory locations, such as campgrounds and hotels, to enumerate their residents.

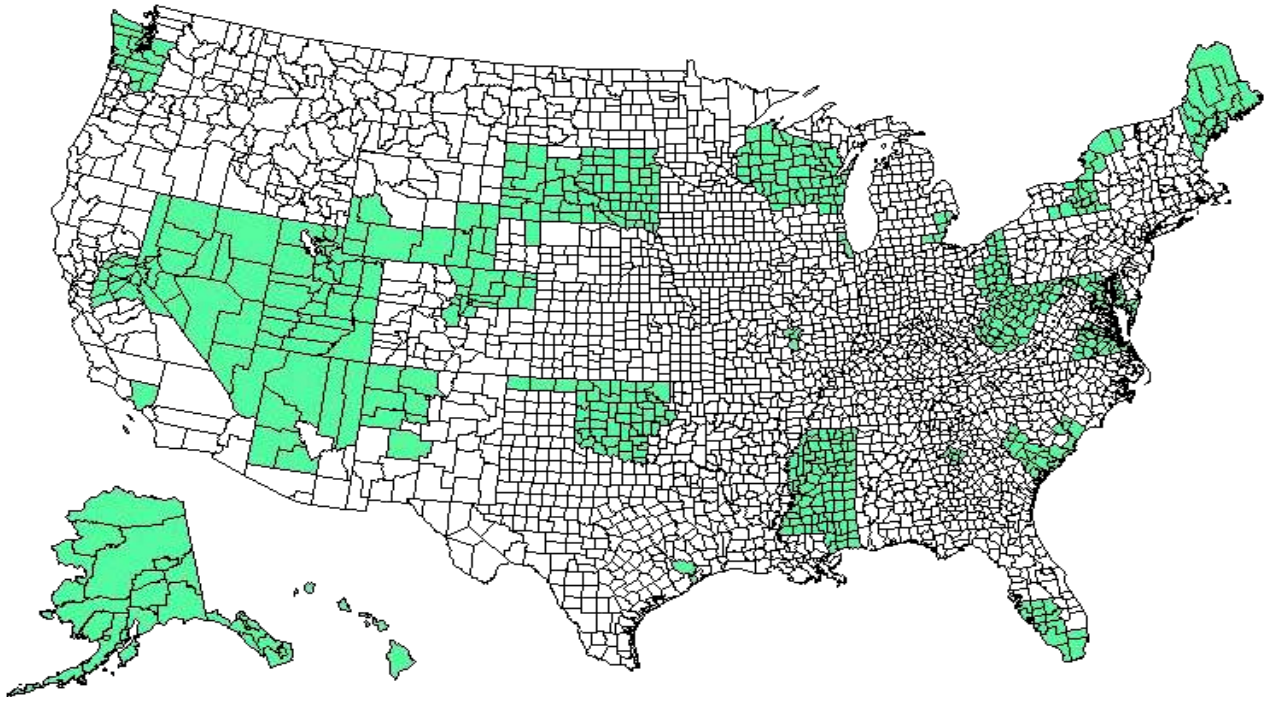
- *Service-based Enumeration*: This focused, 3-day enumeration provides an opportunity for people living on the street or in shelters to be included in the Census.

- *Nonresponse Follow-up (including Vacant/Delete)*: Enumerators visit addresses for which the Census Bureau had no questionnaire or telephone response. Enumerators collect information about the household residents as of April 1, 2010.

- *Coverage Follow-up*: This telephone operation attempts to resolve erroneous enumerations and omissions.

Our field observations will focus on a judgmental sample of 34 of 151 early local Census offices that supported address canvassing operations. These are split into smaller local Census offices for enumeration activities; our sample equals 113 of 494 local Census offices. The areas highlighted on the following map (Figure 2) indicate the boundaries of local Census offices within our sample. OIG staff will observe Census operations in selected areas within those locations.

Figure 2. Local Census Office Boundaries within Sample to be Observed by OIG Staff



To ensure nationwide coverage, we initially selected at least one Early Local Census Office per Census region. Our selections were based on the bureau's demographic measures of enumeration difficulty, operational factors such as blocks with large populations, and significant socioeconomic changes such as high foreclosure rates or high growth rates. Next, we identified a smaller sample conveniently located near OIG offices. The remaining selections were included to ensure adequate representation of population density and specific hard-to-count populations. For example, we intentionally included the rural Mississippi Delta and the hurricane-affected Galveston, Texas, areas. We balanced the sample by including several areas that were not considered hard to count. A listing of the Early Local Census Offices in our sample follows:

Anchorage, AK
Flagstaff, AZ
Phoenix Central, AZ
Los Angeles Downtown, CA
Stockton, CA
Lakewood, CO
DC East, DC
Miami East, FL
Sarasota, FL
Atlanta South, GA
Honolulu, HI
Chicago Far North, IL
Chicago Near South, IL
Frederick, MD
Seat Pleasant, MD
Portland, ME
Detroit West, MI
St. Louis City, MO
Jackson, MS
Meridian, MS
Las Vegas, NV
Bronx Southeast, NY
Queens Northwest, NY
Syracuse, NY
Canton, OH
Oklahoma City, OK
Charleston, SC
Rapid City, SD
Houston Central, TX
Salt Lake City, UT
Richmond, VA
Tacoma, WA
Eau Claire, WI
Charleston, WV

Other Reviews

In addition to deploying staff to observe enumeration activities, we will be conducting reviews in the following areas:

- *Evaluating and Monitoring Decennial Systems*: We plan to evaluate key IT decennial systems for development and operational risks that may affect critical decennial operations and the accuracy of the population count. We will assess the paper-based operations control system and management workarounds required to address its anticipated shortcomings, starting with the *Group Quarters Advanced Visit* operation, as well as the Decennial Applicant, Personnel and Payroll System. Other systems that may be reviewed include the response processing system, the universe control and management system, and the Decennial Response Integration System (DRIS).

- *Safeguarding Decennial Respondent Confidential Data*: We will assess controls to protect the confidentiality, integrity, and availability of electronic decennial respondent information.

- *Census's Ability to Detect/Respond to Cyber Attacks*: We will evaluate the extent and effectiveness of Census's monitoring of its decennial information systems for malicious activity.

- *2010 Enumeration Payroll and Progress Review:* In our ongoing audit of address canvassing payroll for the decennial Census, we are verifying the accuracy and integrity of payroll processing, including a review of supervisory approval, overtime

compliance, and time-and-expense reports. The overall purpose of this review will be to monitor the cost and progress of the 2010 Census field operations and verify the accuracy and integrity of the payroll—with emphasis placed on identifying irregular operations, assessing management staffing and deployment decisions, and identifying fraud.

- *Early 2020 Planning*: Planning for the 2020 Census has already started, and we intend to track progress throughout the decade. Weaknesses in the bureau's cost estimating techniques and its failure in planning and managing the acquisition of handheld computers for field data collection were major contributors to the eventual cost overruns and high level of operational risk. A related factor was the misalignment of budgets, schedules, requirements, testing, and acquisitions leading up to the 2010 Census. We will monitor early 2020 planning to identify more cost-effective methods for obtaining a high-quality address file and conducting enumeration, and promote more effective and transparent decennial planning and budgeting.