

**THE 2010 CENSUS INTEGRATED COMMUNICATIONS  
CAMPAIGN; CRITERIA FOR IMPLEMENTATION:  
MEASUREMENTS FOR SUCCESS**

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**HEARING**

BEFORE THE  
SUBCOMMITTEE ON INFORMATION POLICY,  
CENSUS, AND NATIONAL ARCHIVES  
OF THE  
COMMITTEE ON OVERSIGHT  
AND GOVERNMENT REFORM  
HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

SEPTEMBER 22, 2009

**Serial No. 111-27**

Printed for the use of the Committee on Oversight and Government Reform



Available via the World Wide Web: <http://www.gpoaccess.gov/congress/index.html>  
<http://www.oversight.house.gov>

U.S. GOVERNMENT PRINTING OFFICE

54-383 PDF

WASHINGTON : 2009

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**THE 2010 CENSUS INTEGRATED COMMUNICATIONS CAMPAIGN; CRITERIA FOR IMPLEMENTATION: MEASUREMENTS FOR SUCCESS**

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**TUESDAY, SEPTEMBER 22, 2009**

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON INFORMATION POLICY, CENSUS, AND  
NATIONAL ARCHIVES,  
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 2:01 p.m., in room 2154, Rayburn House Office Building, Hon. Wm. Lacy Clay (chairman of the subcommittee) presiding.

Present: Representatives Clay, McHenry, and Westmoreland.

Staff present: Darryl Piggee, staff director/counsel; Jean Gosa, clerk; Frank Davis, professional staff member; Yvette Cravins, counsel; Charisma Williams, staff assistant; Leneal Scott, information systems manager (full committee); Adam Hodge, deputy press secretary (full committee); John Cuaderes, minority deputy staff director; Dan Blankenburg, minority director of outreach/senior advisor; Adam Fromm, minority chief clerk/Member liaison; and Chapin Fay, minority counsel.

Mr. CLAY. The Information Policy, Census, and National Archives Subcommittee will now come to order.

Good afternoon, and welcome to today's hearing entitled, "The 2010 Census Integrated Communications Campaign; Criteria for Implementation: Measurements for Success."

Today's hearing has a twofold purpose. We will begin the hearing with an update of Census operations from Dr. Groves, our new Census Director. This is Dr. Groves' first appearance before the Information Policy Subcommittee, so welcome, Dr. Groves. After Dr. Groves' presentation, I will have questions for Dr. Groves, along with the ranking minority member.

In the second part of the hearing, we will hear testimony regarding the 2010 census integrated communications plan from our entire panel and proceed with questions from Members in the usual format.

And, without objection, the Chair and the ranking minority member will have 5 minutes to make opening statements after Dr. Groves's update of Census operations. All other Members seeking recognition will hold their opening statements until the second part of the hearing, where they can make opening statements not to exceed 3 minutes.

Without objection, Members and witnesses may have 5 legislative days to submit a written statement or extraneous materials for the record.

Let me start with an introduction of our new Census Director, Dr. Robert Groves.

President Barack Obama nominated Robert M. Groves for Director of the U.S. Census Bureau on April 2, 2009, and Dr. Groves was confirmed by the Senate on July 13, 2009. Dr. Groves began his tenure as Director on July 13, 2009.

Dr. Groves had been director of the University of Michigan Survey Research Center and research professor at the Joint Program in Survey Methodology at the University of Maryland.

Dr. Groves was elected a fellow of the American Statistical Association in 1982, elected a member of the International Statistical Institute in 1994, and named a national associate of the National Research Council, National Academy of Sciences, in 2004.

Dr. Groves was the Census Bureau's Associate Director for Statistical Design, Methodology, and Standards from 1990 to 1992. In 2008, Dr. Groves became a recipient of the prestigious Julius Shiskin Memorial Award in recognition for contributions in the development of economic statistics.

Dr. Groves has authored or coauthored seven books and more than 50 articles. Dr. Groves's 1989 book, "Survey Errors and Survey Costs," was named 1 of the 50 most influential books in survey research by the American Association of Public Opinion Research. His book, "Nonresponse in Household Interview Surveys," with Mick Couper, written during his time at the Bureau, received the 2008 AAPOR Book Award.

Dr. Groves has a Bachelor's Degree from Dartmouth College and a Master's Degree in statistics and sociology from the University of Michigan and also a Doctorate at the University of Michigan.

Again, welcome, Dr. Groves.

[The prepared statement of Hon. Wm. Lacy Clay follows:]

***Opening Statement  
Of  
Wm. Lacy Clay, Chairman  
Information Policy, Census, and National Archives  
Subcommittee***

***Tuesday, September 22, 2009  
2154 Rayburn HOB  
2:00 p.m.***

***"The 2010 Census Integrated Communications  
Campaign; Criteria for Implementation: Measurements  
for Success"***

THE 2010 CENSUS DAY IS ONLY SIX MONTHS AWAY. YET, THERE IS STILL MUCH WORK TO BE DONE BY THE BUREAU TO PUT ITS OPERATIONAL PLANS IN PLACE. THE PURPOSE OF TODAY'S HEARING IS TO EXAMINE THE CENSUS BUREAU'S STRATEGIES FOR THE INTEGRATED COMMUNICATIONS CAMPAIGN.

In the first portion of the hearing Dr. Robert Groves, the new Census Director, in his first appearance before the Information Policy, Census and National Archives Subcommittee, gave his assessment of the status of the 2010 decennial effort.

With regard to the 2010 Census Integrated Communications Campaign (ICC), the Subcommittee will explore several issues, including current duties and responsibilities of Census, DraftFCB and subcontractor personnel, the ICC budget process and the timelines of start up goals, the stages of completion, and end dates.

We expect that the Bureau and DraftFCB will connect ICC expenditures to funding for “hard to count” areas and adjacent communities.

The Office of the Inspector General will provide testimony assessing improvements in the Census Bureau’s application of program risk management. Further, the hearing will allow the Office of the Inspector General to provide recommendations to the Census Bureau and encourage effective program management.

**WE CONTINUE TO SEEK ANSWERS TO THE FOLLOWING QUESTIONS:**

- 1) HOW WILL THE COMMUNICATIONS PLAN DECREASE THE UNDERCOUNT AND INCREASE THE MAIL RESPONSE RATE OF HARD-TO-COUNT COMMUNITIES? AND**
- 2) WHETHER THE CAMPAIGN MESSAGING WILL GENERATE COMMUNITY SUPPORT FOR THE CENSUS?**

**THE PAID ADVERTISING PROGRAM COULD PLAY A KEY ROLE IN REDUCING THE UNDERCOUNT, AS IT DID IN 2000. THE BUREAU HAS PLANS TO USE NATIONAL AND LOCAL MEDIA TO GET THE WORD OUT ABOUT THE CENSUS AND ENCOURAGE PARTICIPATION.**



**MEDIA BUYS SHOULD SEEK TO REACH DIVERSE  
MARKETS IN THE MOST EFFECTIVE AND COST-  
EFFICIENT MANNER POSSIBLE. WE WILL FIND OUT  
TODAY HOW THE BUREAU PLANS TO ACCOMPLISH  
THIS GOAL.**

Mr. CLAY. And it is the policy of the Oversight and Government Reform Committee to swear in our witnesses before they testify. Would you please stand and raise your right hand?

[Witness sworn.]

Mr. CLAY. And let the record reflect that the witness answered in the affirmative.

And, Dr. Groves, would you please proceed?

**STATEMENT OF ROBERT GROVES, DIRECTOR, CENSUS  
BUREAU**

Dr. GROVES. Thank you, Mr. Chairman.

Chairman Clay, Ranking Member McHenry, and other members of the subcommittee, I appreciate this opportunity for being here.

Upon my confirmation, I promised Congress and Secretary Locke that I would spend the first month of my directorship evaluating the key components of the 2010 census. I have done that.

The reason for this, as you know, as this committee knows well, is that the difficulties with the hand-held computer development in the middle of the decade required a major replanning. And many things have happened since those events in 2008, but I needed to take time to make my own professional assessment.

Let me give you a sense of how I did this. Before I arrived, plans were in development to bring on two consultants, former Census Bureau Director Ken Pruitt and former Principal Associate Director John Thompson. They are in place, they were in place when I arrived, and I have used them greatly to help me on this risk assessment. I have also consulted with members of the National Academy of Sciences Panels of the Census. I have reached out to a lot of key academic scientists around the country and, actually, around the world with relevant technical skills. I have met with the staff of GAO, of OMB, of the Office of the Inspector General in Commerce. I have talked to project leaders of all our major contractors. I am meeting twice weekly with MITRE Corp., contractors who offer independent evaluations of major Census activities. And then I have had just tons of productive meetings with the administrative and technical leadership within Census. This has given me the basis of what I will report today.

I have four different kinds of comments. I want to tell you my assessment of the 2010 census as a survey methodologist, the design on paper, as it were. I will go through some external challenges I see facing the 2010 census. I will go through internal challenges. And then I want to report on changes I have made to Census experimental programs.

First, let's look at the design of the 2010 census. I can say with absolute assurance as a professional survey methodologist that if I wrote down the design features of the 2000 census next to the design features of the 2010 census, I would take the 2010 census in a flash. This is a better design, and I am sure most of my colleagues around the world would agree with this.

Why do I say this? Using only the short form of the questionnaire is a good idea. This should help encourage public participation. Sending bilingual questionnaires to 13 million households, a first for the Census, is a good idea. We have known for decades

that supplying people replacement questionnaires if they don't return the first one is a good idea. This should increase cooperation.

And you know, I am sure this committee knows, that there are two new questions in the short-form questionnaire specially designed to improve the coverage properties of the census. These are good ideas. You also know that the master address file was updated throughout the decade, and that should give us a better set of addresses from which we do our mailing.

A new operation called Group Quarters Validation that is going to go on in just a few weeks should improve the quality of our listings on crucial kinds of houses that are hard to cover: dormitories, multi-unit structures, and so on. And then, as this committee knows better than I, the additional funding provided by the American Reinvestment and Recovery Act is making a difference for our partnership and outreach activities in a major way.

So, with this kind of assessment, I say again it is an easy judgment that most professionals would prefer the 2010 design. But a superior design doesn't make, necessarily, for a superior product, and so I want to speak to a set of challenges that I see remaining for my and my colleagues at the Census Bureau. And I will start with a set of internal challenges.

First, the replan of the census in 2008 brought on a new leadership team with fewer censuses under their belt than we have seen in past decades. This weakness, however, in my judgment, is countered by a much more formal and open and transparent risk management process that was adopted during the replanning.

And to bolster this further, I have decided to continue vigorous use of external advisers, both through existing contracts and with John Thompson and Ken Pruitt. Further, I am extremely fortunate to have Deputy Under Secretary for Economic Affairs Nancy Potok, who was recently appointed, who is a former principal associate director with whom I enjoy consultative relationships.

Second, the second internal challenge, like a lot of Federal agencies, the Census Bureau has experienced significant retirements in senior ranks. I am especially concerned about this at the senior mathematical statistical ranks. While we are trying to aggressively recruit new talent, I will attempt to bring in some outside talent of that nature.

Third, as you know, because of the replanning of the census away from the handhelds for the nonresponse followup stage, we are using paper-based operations. The control system for those operations is being written, as we speak, with a talented group of programmers in Suitland. But this phase of development is very tightly scheduled, and it is worth concern.

As you know, a recent GAO report called for a complete end-to-end test of this paper-based operation control system. And I have examined that recommendation and met with a lot of people about the testing process for this system.

The current plan within the Census Bureau is to have an integrated test of core subsystems of the overall design. I asked for an outside review of the definition of what that "core" meant, and that review satisfied me that the definition does, indeed, represent what should be tested.

There will also be a large load test of this control system around Thanksgiving, which should attempt to simulate the full operational load. I have also asked that this test include real users at the skill levels of the users of the system during production. I have asked that the testing design include sequential testing of each of the planned releases of the software.

We have at Census two simulated local Census Offices, one at Suitland and one in Stockton, CA. They will be key components of the test to make the test realistic, and I support that design.

I should also note that we have created an internal review team over this software development, led by our new CIO, Brian McGrath. It also contains the Chief Technical Officer of Commerce and other experts. They have already provided value added, in my belief. Three changes have been made based on their input that should improve the overall design and implementation of the software, and I look forward to other changes from the group.

The fourth internal challenge is that, at this day, on this day, we do not yet know the quality of the master address file. We are going to know that in a matter of weeks. When we know that, we will have, in my hope, greater assurance that we have a master address file that will serve us well in the following stages. I would be happy to report to you on those findings when we have them.

Fifth, I believe there is a current challenge regarding cost estimation and cost control within the decennial census operations and the Census Bureau more broadly. In my belief, we need better cost estimation and control at the Bureau. One finding of the review of the address canvassing operation that you may know about was that the cost models used to guide the work didn't forecast the total costs completely well. We have to strengthen the cost information and control system within the Bureau. We have already intervened in processes to tighten that up for nonresponse followup, which is a very large activity that will take place in the summer of next year.

So these are the five principal internal challenges, in my belief. There are four external challenges, I believe.

One, and the most important for this committee and for me and for all the leadership of the country, is estimating the mail return rate. What will the American public do when we send them out these forms? This is a very difficult thing to estimate. This is something I have spent my life trying to estimate, so I know the difficulty.

The reason it is difficult to estimate is that the population has changed in the last 10 years. In this recession, the vacancy rate of households is much higher than it was in 2000. More and more families are doubling up in houses, due to foreclosures and other events. The rate of people experiencing homelessness is higher. And, at the same time, we have a public debate and attention over immigration issues. And then, five, in other surveys that we have been doing, the response rates are declining throughout the decade.

All of these things point to some difficulty in estimating what is going to happen when we mail out forms to the American public. Will they return them? That is a very important thing, as this committee knows, because for each 1 percentage point misestimation of that, large sums of money are involved in sending people out to fol-

lowup. So we have to get that right. That is a big external challenge.

Second, we are in a new media environment relative to 2000. You know this well. More and more people get the news from non-traditional sources. We are doing all we can to learn about the blogosphere and how it is going to affect the image of the Census Bureau and the behavior of the American public. We have launched a media response team that is meeting every Wednesday morning to help us get the facts out about census in a way that may benefit the return rate.

Third, there is a challenge for which I need your help. I am asking Members of Congress and all census stakeholders to work with us to ensure that the census is not tainted by intense political debates driving the news media. I can't stress this point strongly enough. If the public believes that the census data are slanted by partisan influence of one side or the other, the credibility of the statistics is destroyed. Once destroyed, the public trust can't be easily or quickly restored, and we are in deep trouble, both as a Census Bureau, as a census, and as a country, in my belief.

The fourth external challenge is that we live in a digital environment that raises the threat of Internet scams and cyber crimes like phishing and the widespread use of the Census Bureau logo and the brand. I have directed the Chief Information Officer of the Census Bureau to establish a team that unites our IT security officials with experts from the private sector. And I would be happy to report on this in the near future, about how we are going to swoop in on fake Web sites that appear to be Census Bureau Web sites during this census.

Those are the internal and external challenges. Let me tell you four things that I have done to change features of the experimental program in the Census.

No. 1, the first concerns the census coverage measurement program, which is used to measure differential undercount. As you know, this design has come under some criticism by the National Academy of Sciences, and that has to do with the very late interviewing start. This is the mechanism by which we measure the quality of the census. I am concerned about the quality of the recall of where people were on April 1st, when they fall into this sample. I am concerned about the quality of the matching operations.

I have brought together a group of statisticians from around the country to give us advice on how beef up the quality of the measurement of the census coverage program at the risk of the sample size of this. This is a tradeoff decision, but, in the professional judgment of the statisticians that I have been consulting, it appears that we can build a better quality estimate of the census if we cut some of the sample and put more money into the quality of the measurement.

Second, we will development a master trace project that will follow cases through the census cycle. This will be a research tool to understand the tradeoff of operations and the quality impacts.

Third, we will mount an Internet measurement, a reinterview study for the census that will focus on how people behave differently when they fill out a Web questionnaire versus a paper

questionnaire. This will be a critical component of looking forward about how we use Internet measurement.

And then, fourth, we will mount a post-hoc administrative record census using administrative record data systems we have within the Census Bureau, micro-linking them to returns in the census to ask the question: If we had done an administrative census in 2010, what kinds of people would have been included? What kinds of people had been missed? And how are the data reported? How are the attributes of people reported versus their self-reports, or comparing their self-reports to administrative records?

So I have gone through internal and external challenges and also have given you four changes I have made. The internal challenges, the uncertainty that I am most concerned about are the programming tasks on the paper-based operations control system and the not-yet-known quality of the master address file.

But I want to emphasize this as strongly as I can: These uncertainties, Mr. Chairman, are swamped by the uncertainties about how the American public are going to respond when we send out this questionnaire. And it is this that we should focus on, I think, as the leadership of this country, because this is the single most important thing we can coalesce around to improve the quality of the census.

My clock is not working, and I don't know how I am doing on time.

Mr. CLAY. You are doing just fine, Mr. Director.

Dr. GROVES. OK. Let me say a few things about the communications plan, and let me know if I am going too long here.

I want to turn to the integrated communications plan because I know you are interested in this. You know why this is important: Because it is a chief tool to improve the mail response rate, to address differential undercount, and to assure at that last stage when we send out enumerators to knock on doors that people will understand why they are there and will cooperate with them.

Now, I understand before I came on board this subcommittee had a briefing on this program, I think it was last spring. So I won't go over the entire program, but I would be happy to give you a more formal briefing later if you want.

I directed Associate Director Steve Jost to do a complete scrub of the communications campaign when they came in. He was there a little before I was there. And the goals of this program articulated at that point were to target traditionally hard-to-count and linguistically isolated groups to improve their mail response rates, but also to help increase the overall mail response rate in order to reduce the workload on the nonresponse followup operation—a nonresponse followup operation that I remind us is now a paper-based, pretty labor-intensive operation.

In addition, there was in place an academic assessment panel, and we used them to give us guidance and feedback and ideas to improve the communications campaign. And then, as I have already mentioned, through the ARRA money, \$100 million was added to advertising activities. We can increase our paid media efforts with that extra money, including \$43 million specifically for local advertising buys.

The balance of those stimulus funds will be directed to partnership support, to public relations, to the census in the schools program that I think you have been briefed on already, and to the implementation of a 2010 census road tour. With that additional funding, in adjusted dollars, we are now exceeding the scope of the 2000 census communications campaign.

Moreover, because funds are available in fiscal year 2009 which can be used for the advanced purchases of advertising time, these funds are expected to provide greater exposure of the Census Bureau's message than in 2000. And there is a reason for this: Proportionately more of the money is targeted to low-response areas than was true in the 2000 effort that was more nationally targeted.

At this point, the nonresponse followup media buys haven't been fully planned, negotiated, or bought, but our target frequency is more than five contacts over the course of the nonresponse followup campaign. If our estimates are right on this, the American public will see the Census Bureau image and get the message many times throughout this campaign. It is multitargeted, multimedia, multilingual, and, to my joy, research-based.

One part of the plan already in place will allow us to assess and respond to potential issues stemming from the replan, and that is a continuous tracking and monitoring system. So this will be an advertising campaign for which we will have ongoing, near real-time data of how things are going. Money has been held back to retarget if we need to focus on areas that are showing unexpected results.

Let me give you kind of a hit parade of the things that are the features. We have expanded the number of languages in the paid advertising campaign from 14 to 28. We have revamped the Web site that will actually go live in a few weeks. I urge you and your staffs to look at this when it is live. It should be kind of cool.

We have upgraded the census in the schools program, expanding it from K to 8 to K to 12, in 28 different languages. We have expanded the plans and the scope of the census road tour, something that was quite successful in 2000. We have doubled the sampling of the National Partnership Office, and they are working together with their colleagues in other functional areas at the Bureau. And then we have expanded our language assistance programs in a variety of ways, using an advance letter and other tools.

Mr. Chairman, Ranking Member McHenry, you asked in a recent letter, I think it was September 9th, that you sent to me for updated budget estimates for advertising among the specific population groups. We are in the middle of setting of seeking RFP responses and trying to achieve those targets. We are reviewing and finalizing the creative decisions for use of the ARRA money. And we are launching media negotiations for national and local advertising buys. We think by late October, early November, we will be in shape to give you all of the details that you deserve and you would like to know and be happy to meet with you at that time.

Those are my remarks. I am happy to be here with you, and I thank you for your interest. And I would be happy to answer your questions.

[The prepared statement of Dr. Groves follows:]



PREPARED STATEMENT  
OF  
ROBERT M. GROVES  
DIRECTOR  
US CENSUS BUREAU

*Information Policy, Census, and National Archives  
Subcommittee  
Oversight and Government Reform Committee*

*The 2010 Census Integrated Communications Campaign: Criteria  
for Implementation: Measurements for Success”*

*TUESDAY, SEPTEMBER 22, 2009  
2154 RAYBURN HOB  
2:00 P.M.*

*Operational Assessment*

Chairman Clay, Ranking Member McHenry, Members of the Subcommittee, I appreciate this opportunity to testify before you and provide my assessment of the current status of preparations for the 2010 Census, as well as a general overview of the Integrated Communications Program.

Upon my confirmation I promised Congress and Secretary Locke that I would spend the first month of my directorship evaluating key components of the 2010 Census. As you know, the difficulties with the handheld computer development caused a major re-planning of the 2010 Census and led to the appointment of a new management team. Many things have happened since those events in 2008, but as the new director I needed to make my own professional assessment regarding the current state of preparation and key risks facing the 2010 Decennial Census.



To begin, prior to my arrival, plans were in development to bring on two consultants, former Census Bureau Director Kenneth Prewitt and former Principal Associate Director John Thompson, to assist in a risk assessment. I have consulted with members of National Academy of Sciences panels on the census and with its technical staff. I have reached out to half a dozen key academic scientists with relevant technical skills. I have met multiple times with staff from the Government Accountability Office, the Office of Management and Budget, and the Department of Commerce Office of the Inspector General. In addition, I have interacted with the project leaders of the major census contracts (Lockheed Martin, Harris, and IBM), and I currently have twice weekly meetings with Mitre Corporation contractors who offer independent evaluations of the major census contracting activities. Finally, I have met with my administrative and technical leadership teams for the decennial programs.

In my testimony today I will discuss my assessment of 2010 Census preparations and outline the key challenges we face as we approach Census Day, which is now just over six months away. My comments are in three sections: a) a comparison of the designs of the 2000 and the 2010 censuses from a technical perspective, b) internal challenges to the 2010 Census, and c) external challenges to the 2010 Census.

### **The 2010 Census Design**

The 2010 Census design is fundamentally better than the Census 2000 design:

- For the first time every household will receive the short form, which is simple, straightforward and easy to understand; in past censuses short forms have had higher participation rates than long forms.
- 13 million households in census tracts with high concentrations of linguistically isolated Spanish speakers will receive a bilingual questionnaire; this should lead to higher participation among the Spanish-only speakers who receive it.
- Most non-responding households will receive a second questionnaire; for decades survey methodology has found that replacement questionnaires raise participation rates.
- The questionnaire contains two new questions that will help us understand if we are counting people twice or missing people who

may be residing elsewhere, and we now have a Coverage Follow-up operation that will take advantage of those questions to improve the accuracy of census count. This should reduce differential coverage of subgroups with unusual attachments to households.

- Because the Master Address File has been maintained throughout the decade, it should provide a better frame for mailing out questionnaires.
- A new operation called Group Quarters Validation is designed to better identify places like group homes, residence halls, and unusual living situations such as campgrounds and marinas. This addresses problems experienced in past censuses.
- The additional funding provided by the American Reinvestment and Recovery Act for the paid advertising campaign and the partnership program will enhance and expand our outreach efforts.

Thus, prior to the implementation of the census, examining its design as a survey methodologist, it is my judgment that the 2010 Census has a better design than Census 2000.

A superior design alone, however, does not ensure a superior product. The Census Bureau faces both internal and external challenges, some unprecedented, that must be directly addressed in the months ahead.

### **Internal Challenges**

There are several internal challenges, or risks, that occupy my attention.

First, although we have a bright, well-organized senior team leading the decennial effort, the Census Bureau team has less senior experience in managing censuses than was true in some past censuses. Further, they entered their leadership positions after the handheld contract problems and the re-plan of the census. This weakness, however, is countered by a much more formal and open risk management process that was adopted during the re-planning. In addition, I have decided to continue vigorous use of external advisors, both through existing contracts, and with John Thompson and Kenneth Prewitt. Further, I am extremely fortunate to have as the Deputy Undersecretary for Economic Affairs,

Nancy Potok, a former principal associate director at the Census Bureau, with whom I enjoy continual consultative activity.

Second, like many Federal agencies, the Census Bureau has experienced significant retirements in its senior ranks--in particular, senior statisticians. While we aggressively begin to recruit new talent, I will further engage outside statisticians during key phases of the census process.

Third, because of the movement from handheld computer use for the Non-response Follow-up (NRFU) stage of the census to a paper-based design, administrative software for this phase is still being developed. This is the so-called Paper-based Operations Control System (PBOCS).

While a recent GAO report called for complete end-to-end testing of PBOCS, I have learned, because of the late change to a paper-based census, there is no time to mount a full operations test using all software. Instead, the current plan for testing includes an integrated test of core subsystems. I asked for a review of the definition of what "core subsystems" means, and that review satisfied me that the definition does indeed represent what should be tested. There will be a large load test of the operational control system in late November, 2009, which will attempt to simulate the full operation load on the software. I have asked that this test include real users at the skill levels of the users of the system during production. I have asked that the testing design include sequential testing of each of the planned three releases of the software, and testing to ensure accurate transmittals of information between all system interfaces. Robust user acceptance testing will be conducted in a Local Census Office (LCO) environment established at Census Headquarters and in a test LCO in Seattle, Washington.

Many of the other software systems were tested in earlier steps of the 2010 planning cycle. All the professionals with whom I have interacted believe that risks attached to those systems are low. Thus, the critical risk focuses on the software for the Paper-based Operations Control System. We created an internal review team, led by the Census Bureau's CIO, with the Chief Technology Officer of the Department of Commerce, and other experts. They meet with me on a set schedule, provide recommendations, and give their assessments. We have already made three changes based on their input: a) embedding IT security specialists into the software development process to identify and mitigate emerging security vulnerabilities, b) building a bridge from the internal Census

Bureau software development to the Harris software development to promote integration, and c) replicating testing on secondary releases of the software.

The fourth risk concerns the Master Address File (MAF), the list that is the basis for the delivery of over 134 million questionnaires. The accuracy of the census depends on a complete address list. If we do not know a household's address, it is much harder for us to know whether we have received its census questionnaire. We successfully completed the Address Canvassing operation over the summer, whereby census staff checked 145 million addresses, making additions or deletions where necessary. This included 8 million addresses added by tribal, state and municipal governments in the Local Update of Census Addresses program. At this time, we are analyzing the characteristics of the MAF. In a matter of weeks we will know whether it appears to present any difficulties.

Our challenge now is to continue with our efforts to improve the MAF through subsequent operations, and to address areas where we may have duplicate or missed addresses and ensure that our addresses are correctly located in TIGER (Topographically Integrated Geographic Encoding Referencing). Our staff are examining data at the county level to identify areas where additional work may be needed. Their efforts are complemented by state and local demographers from the Federal State Cooperative for Population Estimates (FSCPE) who are also examining the MAF. Officials from FSCPE help us in our Count Review program as decennial data are tabulated, but this is the first time we have folded their expertise into the Address List Development operation. Local governments also have an opportunity to add addresses in the New Construction program, and I urge all Members of Congress to encourage government officials in their districts to participate in this program where applicable. Data from all three of these efforts will be folded into subsequent operations to ensure the accuracy and coverage of the census. This underscores an important point: While a high quality address list is essential to a good census, every subsequent operation builds on the MAF to help us ensure that we reach everyone.

The fifth risk concerns cost estimation and control. We need better cost-estimation and control at the Census Bureau. One finding in our review of the address canvassing operation was that the cost models used to guide the work did not forecast correctly total costs, and we experienced a cost overrun in components of that operation. We need to strengthen our cost information and management structures within the Census Bureau. I am directly intervening with my associate directors to address these issues, and I will continue to use the

external groups mentioned above to develop better management systems and procedures. The Census Bureau needs to be more accountable, efficient and transparent if we are to be effective.

### **External Challenges**

Uncertainties surrounding the expected mail return rate are more daunting than in past censuses. Interviewing households that do not return their questionnaires is the most expensive component of the census. Scores of millions of dollars will be spent for each additional percentage point of the public that we have to visit during NRFU. In addition to the costs, an inaccurate response estimate also impacts our ability to structure and implement the NRFU operations.

First, there are a number of factors that will make it difficult to know with a degree of certainty how accurate our estimate of the mail response rate is; 1) the vacancy rate is higher than in previous censuses, and it is fluctuating rapidly due to foreclosures and economic dislocations; 2) more people and more families are doubling up in single-family dwellings; 3) the rate of people experiencing homelessness is higher; and 4) the public debate and tension over immigration issues is ongoing. In addition, we continue to see declining response rates in censuses and surveys.

To respond to these challenges we are analyzing the American Community Survey data to simulate the mail response rates at low levels of geography. I am also asking census experts to review the impact of the replacement questionnaire, as well as our operations to enumerate people in transient living situations or without conventional housing.

The new media environment represents a second external challenge for us, and it is unprecedented. More and more people get the news from non-traditional social media sources like blogs, YouTube®, Facebook® and Twitter® rather than from the networks and newspapers of decades past. The sheer volume of these media sources makes it far more difficult for us to get out the facts about the 2010 Census. We are doing all we can, including the establishment of a media response team at the highest levels of the Census Bureau, and the upcoming launch of a 2010 Census Blog, to which I will be contributing, to help strengthen census messaging.

There is an external challenge on which we desperately need your help. I am asking all Members of Congress and all census stakeholders to work with us to ensure that the census is not tainted by the intense political debates driving the news media. I cannot stress this point strongly enough. If the public believes that census data are slanted by partisan influence, the credibility of the statistics is destroyed. And once destroyed, public trust cannot be easily or quickly restored.

Finally, the digital environment we now live in also raises the threat of Internet scams and cybercrimes like “phishing” and the widespread misuse of the Census Bureau’s logo and brand. To combat this, I have directed the Census Bureau’s Chief Information Officer to establish a team that unites our IT security officials with experts from the private sector. I will be reporting to Congress and the Government Accountability Office (GAO) on our plans in the near future.

#### **New Experimental Initiatives and Modifications**

In my assessment I determined there are areas in the Census design that need specific attention. The first concerns the large sample survey, called Census Coverage Measurement (CCM), which is used to measure the differential undercount of the census. Some time ago, the interviewing of the households in this sample survey was placed late in the schedule of the census. This decision, which regrettably cannot be changed at this point, can lead to more difficulty of respondents recalling where they were on April 1, 2010. In addition, I am concerned about the quality of the matching process following this late interviewing. I have consulted with some of our finest academic statisticians on this point. I will make changes in the design to give us more insight into the over and under-count processes of the census.

In addition, we will develop and implement a Master Trace Project to follow cases throughout the decennial census cycle from address listing through tabulation so that we have a better research base for 2020 Census planning. We also will be conducting an Internet measurement re-interview study, focused on how differently people answer questions on a web instrument from a paper questionnaire. Finally, we will mount a post-hoc administrative records census, using administrative records available to the Census Bureau. All of this will better position us for the developmental work we must conduct to improve future decennial census operations.

**Conclusion**

These are my judgments on the operational status of the census. Two internal uncertainties now form the critical risks – the software development on the Paper-based Operations Control System and not-yet-known quality of the Master Address File. But those uncertainties, Mr. Chairman, are swamped by the uncertainties about the likely participation of the American public in the 2010 Census. While our attention must be on these internal risks, I cannot overemphasize the need for every political, corporate, and religious leader to get the message out that the cost and quality of the 2010 Census is in our hands. We all have a part to play in achieving a successful 2010 Census. I look forward to working with you in the months ahead to make this happen.

**Communications and Outreach Plans Update**

With respect to the Integrated Communications Program (ICP), I recognize that there is considerable interest in the planning and implementation of this program, and rightly so. As you know, this integrated strategy is central to our ability to increase mail response, address the differential undercount, and ensure cooperation with the 2010 Census field staff conducting interviews with non-responding households. I understand the Subcommittee received a thorough briefing on the ICP last spring. Rather than describe the program again, I would like to take a few minutes to provide a status update.

In addition to the assessment I have been discussing, I also directed Associate Director Steve Jost to conduct a complete review of the Communications Program. As a result of his review we have made modifications to the communications plan design with two principal goals in mind; first, targeting traditionally hard to count or linguistically isolated populations to achieve an increase in their mail back response rate; and second, to help increase the overall mail back response rate and mitigate the cost implications of the FDCA re-plan by doing all we can to reduce the workload in the Non-Response Follow Up (NRFU) operation. As part of our ongoing assessment efforts, we established an Academic Assessment Panel to provide us with an objective evaluation of the work done to date on the communications campaign.

The 2010 Census communications campaign plan has also been greatly augmented due to the funding increase of \$100 million from the American Reinvestment and Recovery Act (Recovery Act). With this additional funding,

we will be able to increase our paid media efforts – including \$43 million directed specifically to local advertising buys focused on hard-to-count populations. The balance of the Recovery Act funding will be directed to partnership support, public relations, Census in Schools and the implementation of a 2010 Census Road Tour. With this additional funding, the Census Bureau will now exceed the scope of the Census 2000 communications campaign.

Moreover, because funds are available in fiscal year 2009, which can be used for advance purchases of advertising time, these funds are expected to provide significantly greater exposure to the Census Bureau's message than in Census 2000. At this time, our contractor for paid advertising believes the Census Bureau will be one of the top advertisers in the country during the critical January – April time frame in 2010, and that for each one of the targeted audience markets the Census Bureau will be the #1 advertiser based upon current budget allocations. The contractor estimates that 95% of American consumers will see at least 15 Census Bureau advertisements during the Awareness Phase of the paid advertising in January – February, and over 30 advertisements during the Motivational Phase of March – April. Because media will be targeted to areas with low return rates, --which are not known at this point--we do not yet have reach goals for non-response follow-up. Therefore, the NRFU media buys have not been fully planned, negotiated, or bought. However, our target frequency is more than five contacts over the course of the non-response follow-up campaign.

This campaign is multi-targeted, multimedia, multilingual and research-based. One part of the plan already in place that will allow us to assess and respond to any potential issues stemming from the FDCA re-plan is the continuous monitoring and tracking research system. This system will allow us to rapidly respond to areas with low mail return rates and adjust and refocus our communications efforts in these areas to increase response.

As part of our comprehensive review, we have recently made the following enhancements to the communications strategy:

- We expanded the number of languages for the paid advertising from 14 to 28, a substantial increase over the 17 languages in the 2000 Census design.
- We revamped and enhanced the 2010 Census web site to make it more interactive and user friendly and to take advantage of social media and to



- We upgraded the Census in Schools program and expanded it from K-8 to K-12 (stateside, Puerto Rico and the Island Areas), added additional teaching materials in both printed and electronic form and translated the take-home materials into 28 languages, and made them available on our web site for production and distribution by local school districts.
- We expanded the plans and scope of the Census Road Tour from 12 to 13 vehicles, assigning one vehicle to each of our 12 Regional Offices and for the first time designating a National Vehicle with enhanced audiovisual capabilities to expand Census public relations and news media outreach.
- We doubled the staffing of the national partnership office and co-located staff from other offices in the Bureau to upgrade our outreach to national organizations and leverage their full support to promote the 2010 Decennial.
- We expanded our language assistance program by including information in the Advance Letter on language assistance, and there will also be a four-pronged targeted outreach in local neighborhoods with high concentrations of households that speak Chinese, Vietnamese, Korean and Russian through a postcard mailing, expanded partnership efforts, and targeted mailings of language assistance guides through paid in-language media vehicles.

It is important to remember, however, that Census Bureau communications efforts alone will not allow us to reach those populations that are most reticent and therefore hard to count. The 2010 Census Partnership Program is critical because partners are trusted sources of information in the community. Our partners – representing community-based organizations, faith-based institutions, local businesses, educators, tribal organizations and governments, disability groups, local and state governments, media outlets, race and ethnic organizations, social service providers, advisory committees, and Members of Congress – are already communicating a compelling message of census participation to inspire and motivate their constituents to be counted. With the additional \$120 million in Recovery Act funding, the partnership staff in the field has almost quadrupled, allowing us to improve outreach to hard-to-count

communities and thus expand our efforts to reduce historical undercounts of minority populations.

Chairman Clay, Ranking Member McHenry, in your recent letter you asked for updated budget estimates for advertising among the specific population groups. Staff is currently reviewing and finalizing creative decisions for the use of the ARRA funds, and media negotiations are now underway for national and local advertising buys, both of which will have an impact on resource allocations. We will be in a much better position to discuss the budget estimates by population group in late October or early November. I would be happy to discuss the specifics of the budget with you at that time.

I thank the committee for this opportunity and would be happy to answer your questions.

EDOLPHUS TOWNS, NEW YORK  
CHAIRMAN

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ONE HUNDRED ELEVENTH CONGRESS

**Congress of the United States**  
**House of Representatives**

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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WASHINGTON, DC 20515-6143

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September 09, 2009

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Mr. Robert M. Groves  
Director  
U. S. Department of Commerce  
Bureau of the Census  
Room 8H002  
Washington, D. C. 20233

Dear Mr. Groves:

The *Information Policy, Census, and National Archives Subcommittee*, remains steadfast in its bipartisan commitment to a successful 2010 Decennial. We are writing you today to request specific information regarding the Census Bureau's 2010 Decennial Integrated Communications Campaign, the Campaign is aimed at reducing the 2010 undercount, reaching hard-to-count communities and achieving a "full count" Decennial Census.

On September 6, 2007, the Bureau announced that it had awarded the 2010 Census Communications contract, worth at least \$200 million, to Draftfcb of New York. "Working with Draftfcb will be a team of partner agencies that specialize in reaching minority audiences, including Global Hue (black and Hispanic audiences), IW Group (Asian and Native Hawaiian and Pacific Islander audiences), G&G (American Indian and Alaska Native audiences) and Allied Media (other emerging audiences)."<sup>1</sup>

"The Integrated Communications campaign for 2010 Census will be one of the most extensive and far-reaching marketing campaigns ever conducted in this country."<sup>2</sup> The campaign will also be incredibly expensive.

<sup>1</sup> U.S. Bureau of the Census, "Census Bureau Announces Award of 2010 Census Communications Contract," press release, September 7, 2007.

<sup>2</sup> U.S. Bureau of the Census, *2010 Census Integrated Communications Campaign Plan*, August 2008, p. 2.

Mr. Robert M. Groves  
September 09, 2009  
Page 2

We request that you provide these documents as soon as possible, but no later than **2:00 p.m. on Friday, September 18, 2009**, in order to assist the Information Policy, Census, and National Archives Subcommittee in this endeavor and in advance of the Subcommittee hearing planned for late September:

1. The names of the top 3 current management employees responsible for the management of the Integrated Communications Campaign, including titles and responsibilities;
2. A current detailed budget for the communications campaign, including projected total costs and detailed descriptions of the amount, nature and recipients of funds already spent;
  - a. please include detailed budgets broken down into each medium utilized in execution of the campaign, including *but not limited to*: Census in Schools, partnership, network and cable television, radio, internet, newspapers and magazines;
  - b. for each line please include a brief explanation of how the number was derived;
3. A list of communications campaign subcontractors and vendors;
4. A detailed description of Draftfcb's role in selecting subcontractors and vendors and Draftfcb's role in spending communications funds and/or paying subcontractors and vendors;
5. The official plan/guidelines used in selecting subcontractors and vendors (if one exists) – if not, a list of criteria used in selecting vendors;
6. A detailed description of the decision-making process in selecting firms that will assist in reaching hard-to-count communities, including selection criteria; and
7. A map that overlays where funds are being spent compared to hard-to-count areas.

The Oversight and Government Reform Committee is the principal oversight committee in the House of Representatives and has broad oversight jurisdiction as set forth in House Rule X. An attachment letter provides information on how to respond to the Subcommittee's request.

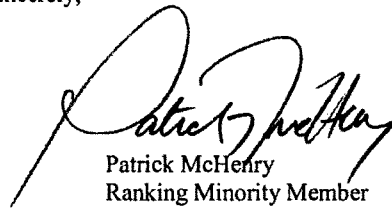
Mr. Robert M. Groves  
September 09, 2009  
Page 3

Please direct any questions concerning this letter to ***Darryl Piggee, Majority Staff Director/Counsel, at (202) 226-0541, and Chapin Fay, Minority Staff at (202) 225-5074.***

Sincerely,



Wm. Lacy Clay  
Chairman  
Information Policy, Census and  
National Archives Subcommittee



Patrick McHenry  
Ranking Minority Member  
Information Policy, Census and  
National Archives Subcommittee



**UNITED STATES DEPARTMENT OF COMMERCE**  
**Economics and Statistics Administration**  
**U.S. Census Bureau**  
Washington, DC 20233-0001  
OFFICE OF THE DIRECTOR

SEP 18 2009

The Honorable William Lacy Clay  
Chairman  
Information Policy, Census and National  
Archives Subcommittee  
Committee on Oversight and Government Reform  
Washington, DC 20515-6143

Dear Mr. Chairman:

This is in response to your jointly signed letter with the Honorable Patrick McHenry of September 9, 2009, regarding your request for information on the U.S. Census Bureau's 2010 Census Integrated Communications Campaign for hearing preparations for late September.

We are very excited about our 2010 Census Integrated Communications Campaign. We have hired contractors to help us with educating people about the importance of the census, and help us develop creative ways to reach out to people residing in this country.

Enclosed is our reply to your various questions. If you have any additional questions, please have a member of your staff contact our Congressional Affairs Office at (301) 763-6100.

Sincerely,

A handwritten signature in cursive script that reads "Robert M. Groves".

Robert M. Groves  
Director

Enclosures

**Responses to Letter of September 9, 2009  
Questions from Chairman William Lacy Clay, Subcommittee on Information Policy,  
Census and National Archives; and  
Ranking Minority Member Patrick McHenry**

- 1. The name of the top 3 current management employees responsible for the management of the Integrated Communications Campaign, including titles and responsibilities.**

*Steve Jost, Associate Director for Communications, U.S. Census Bureau*

Mr. Jost oversees a staff of approximately 200 in the U.S. Census Bureau's Communications Directorate, including the Public Information Office, Congressional Affairs Office, Customer Liaison and Marketing Services Office, the Advisory Committee Office, and the 2010 Census Publicity Office.

*William H. Russell, Assistant Division Chief, Acquisitions, U.S. Census Bureau*

Mr. Russell is the Assistant Division Chief responsible for contracts at the Census Bureau. William serves as the Principle Contracting Officer on the 2010 Communications Contract.

*Raul Cisneros, Chief, 2010 Census Publicity Office, U.S. Census Bureau*

Mr. Cisneros oversees the 2010 Census Publicity Office (C2PO). C2PO develops, implements, and coordinates the contract for this Integrated Communications Program for the 2010 Census, including paid advertising, public relations, partnerships support, the Census in Schools program and online interaction.

- 2. A current detailed budget for the communications campaign, including projected total costs and detailed descriptions of the amount, nature and recipients of funds already spent;**
  - a. Please include detailed budgets broken down into each medium utilized in execution of the campaign, including but not limited to: Census in Schools, partnership, network and cable television, radio, internet, newspapers and magazines;**
  - b. For each line please include a brief explanation of how the number was derived;**

*Please see attachment A "Communications Contract Budget Census 2000 and 2010 Census."*

- 3. A list of communications campaign subcontractors and vendors;**

- DraftFCB – Primary contractor. Also handles diverse mass audience
- Global Hue (minority-owned) – Black audiences
- Global Hue Latino (minority-owned) – Hispanic audiences

- d'Exposito and Partners (minority and women-owned) – Hispanic audiences
- IW Group (minority-owned) – Asian audiences
- G&G Advertising (small and minority-owned) – American Indian and Alaska Native, and Native Hawaiian and Other Pacific Islander audiences
- Allied Media (small) – Arabic speaking and other emerging audiences
- Weber Shandwick – Public Relations
- Jack Morton – Event Marketing
- MarCom Group (small and women-owned) – Recruitment Advertising
- Plum Agency (small disadvantaged and women-owned) – Diverse mass, Black audiences, Greek audiences, Design
- DraftFCB Puerto Rico – Puerto Rico campaign
- Scholastic, Inc. – Census in Schools program
- Maya Group – Copy Testing
- A Language Bank – Translation

**4. A detailed description of DraftFCB's role in selecting subcontractors and vendors and DraftFCB's role in spending communications and/or paying subcontractors and vendors;**

As the prime contractor on the census 2010 communications contract, DraftFCB is ultimately responsible both for selecting subcontractors and vendors as well as paying them. DraftFCB adheres to all the requirements in the contract relative to gaining the consent of the government on vendor and subcontractor selections before awarding any work.

Census has obligated funds totaling \$120,594,300.10 as of 8/31/09. The following has been awarded to subcontractors/vendors:

\$58,186,013.66 to 14 subcontractors (partner agencies)

\$16,127,200.00.41 to 44 vendors (non-partner agencies)

\$28,436,781.00 pending awards to hundreds of media vendors

\$32,479,492.61 has been disbursed to 58 subcontractors/vendors as of 8/31/09. Another 38.24% (\$12,421,010.13) has been disbursed to small businesses (please refer to the attached for additional detail).

In addition when the vendor selection involves an area of expertise better served by one of DraftFCB's subcontractors (e. g. the selection of a black audience media property would be the responsibility of GlobalHue), they use the relevant subcontractor to identify possible vendors, develop request for proposals (RFPs), and make the selection recommendation. DraftFCB provides contractual and financial support for this work and ultimately must receive the consent of the government before an award is made.

Payments are disbursed directly to vendors from either DraftFCB or the subcontractor depending upon which entity holds the contractual relationship. Payments from the government to DraftFCB and subcontractors for the purpose of paying vendors are triggered by proof of



performance for the work under the contract. The government must approve the proof of performance and the payment before payment can be made.

Subcontractor or Vendor Payment Process

Partner agency firm fixed price (FFP) labor purchase orders are issued based upon negotiated technical/cost proposals and receipt of a fully executed task order from the Census Bureau. Payment terms and billing schedules set forth in the task order's billing instructions flow down to the partner agencies and are incorporated into the purchase order. Partner agencies that meet the Small Business Administration (SBA) size classification for small businesses are paid for their FFP labor within 30 days upon receipt of a valid invoice, based upon the delivery schedule established in the task order. Large partner agencies are paid for their labor within 30 days upon receipt of a valid invoice, based upon delivery of services and acceptance by the Census Bureau.

Partner agency Time & Materials purchase orders are issued upon receipt of a fully executed task order from the Census Bureau. Payments are issued within 30 days to both large and small partner agencies upon receipt of a valid invoice and required proof of performance. Time & Materials payments are issued within 30 days to both large and small vendors (non-partner agencies) upon receipt of a valid invoice and required proof of performance.

5. **The official plan/guidelines used in selecting subcontractors and vendors (if one exists)-if not, a list of criteria used in selecting vendors;**

*Please see attachment B "DraftFCB's Purchasing Policy and Procedures."*

6. **A detailed description of the decision-making process in selection firms that will assist in reaching hard-to-count communities, including selection criteria; and**

To successfully deliver on the goals provided by the Bureau of the Census, DraftFCB assembled a team of partner companies with passion, talent, and experience to expertly and innovatively carry out the 2010 Census Communications Campaign. DraftFCB understood the importance of partnering with agencies to reach the numerous and diverse audiences in multiple languages and understood the breadth of the effort required to support the 2010 Census. Therefore they sought partners with relevant knowledge and experience.

In their search for Partner Agencies, DraftFCB searched and validated in industry publications for those agencies with specific experience in addressing the hard-to-count ethnic groups. Once those agencies were identified, DraftFCB interviewed them to determine they had the desired experience, language and cultural capabilities, and resources to perform in the superior manner required. The following agencies were selected:

1. GLOBAL HUE – a minority-owned, multicultural advertising agency dedicated to addressing the **African-American and Hispanic audiences**. Global Hue provides fully integrated, targeted and best-in-class services within one organization, with one operational structure and one leader with common control and leadership.

2. IW GROUP – a minority-owned, full-service marketing communications agency that specializes in reaching the **Asian**. They are experts in 12 Asian languages and provide comprehensive capabilities in market research, TV/Radio/Print/OOH advertising, direct mail, Web development, collateral, promotions/events, cultural sensitivity training, media planning and buying as well as public relations and grassroots marketing.
3. G&G – a small business, is a full-service advertising agency specializing in the **American Indian/Alaska Native, and Native Hawaiian and Other Pacific Islander audiences**. G&G created the advertising, marketing and public relations outreach for the 2000 Census. With offices in Billings, Montana, and Albuquerque, New Mexico, G&G has covered “Indian Country” for many clients, such as SBA, CDC, ONDCP, Indian Health Service, Office of Special Trustee, EPA, BIA Law Enforcement and BIA Education to name a few.
4. ALLIED MEDIA – a small business helping government clients such as the U.S. ARMY, FBI, U.S. Air Force and Department of Treasury reach untapped emerging markets in the United States. They are the experts in **communities that speak Arabic, Hindi, Urdu, Pashto, Dari, Farsi, Somali, Amharic, Russian and Polish**.
5. DraftFCB Puerto Rico – a full-service agency that provides clients such as Kraft Foods, The U.S. Treasury, Coors Brewing, Honda and Radio Shack with advertising, strategic planning, public relations, media and promotions. DraftFCB Puerto Rico will partner with DraftFCB New York to customize the Census 2010 communications to reach and motivate **those who reside in Puerto Rico** to participate in Census 2010.

After receiving award of the Contract to provide and manage the Integrated Communications Campaign for the 2010 Census, DraftFCB realized that an additional agency was required to address the increasing Hispanic population residing in the US. The selection of d’exposito and Partners was the result of an open competition. Announcements were posted in the SBA SUB-Net Site and RFPs were issued to over 15 small business agencies with experience in addressing the Hispanic population. Proposals were evaluated, a competitive range was determined, and oral presentations were made. d’exposito and Partners was selected as the best-value offeror with the best capabilities to support the effort.

d’exposito and Partner’s similar experience was stellar. The key personnel d’exposito & Partners proposed is a result of their experience with government accounts and specifically Census. In fact, many are veterans of the successful Census 2000 Hispanic communications effort, bringing a proven track record and quick ramp-up ability. d’exposito teamed with Chambers Lopez & Gaitan (a Hispanic, woman-owned small business) to handle the Public Relations and Outreach activities. Chambers Lopez and Gaitan also have excellent credentials and were determined to be a valuable addition to the d’exposito team.

The Team assembled by DraftFCB has demonstrated their unique capabilities to deliver the goals provided by the US Census Bureau.

**7. A map that overlays where funds are being spent compared to hard-to-count areas.**

Currently, a map that overlays where funds are being spent compared to hard-to-count areas is not available. However, we are providing you with the designated marketing areas (DMAs), which are marketing areas composed of counties that are typically near or next to one another for each audience.

The following are the DMAs that we are currently expecting to use in the campaign.

***Mass Audience***

New York  
 Los Angeles  
 Chicago  
 Philadelphia  
 Dallas-Ft. Worth  
 San Francisco-Oak-San Jose  
 Boston (Manchester)  
 Atlanta  
 Washington, DC (Hagerstown)  
 Houston  
 Detroit  
 Phoenix (Prescott)  
 Tampa-St. Pete (Sarasota)  
 Cleveland-Akron (Canton)  
 Sacramento-Stockton-Modesto  
 St. Louis  
 Baltimore  
 San Diego  
 Hartford & New Haven  
 San Antonio  
 Las Vegas  
 Albuquerque-Santa Fe  
 Providence-New Bedford  
 Fresno-Visalia  
 Harlingen-Wsico-Brnsvl-McAllen

***American Indian and Alaska Natives***

Albuquerque-Santa Fe, NM  
 Phoenix, AZ  
 Los Angeles, CA  
 Tulsa, OK  
 Oklahoma, OK  
 New York, NY  
 Seattle-Tacoma, WA  
 Myrtle Beach-Florence, SC

San Francisco-Oakland-San Jose, CA  
 Minneapolis-St. Paul, MN  
 Sacramento-Stockton-Modesto, CA  
 Sioux Falls, SD  
 Dallas-Ft. Worth, TX  
 Portland, OR  
 Salt Lake City, UT  
 Minot-Bismarck, ND  
 Denver, CO  
 Tucson, AZ  
 Fresno-Visalla, CA  
 Rapid City, SD  
 Anchorage, AK  
 Sherman-Ada, OK-TX  
 Chicago, IL  
 San Diego, CA  
 Houston, TX  
 Spokane, WA  
 Ft. Smith-Fayetteville-Springdale-Rogers, AR-OK  
 Great Falls, MT  
 Raleigh-Durham, NC  
 Green Bay-Appleton, WI  
 Detroit, MI  
 Philadelphia, PA  
 Billings, MT  
 San Antonio, TX  
 Yakima-Pasco-Richland-Kenawick, WA  
 Atlanta, GA  
 New Orleans, LA  
 Washington, DC  
 Kansas City, KS

*Native Hawaiian and Other Pacific Islander*

Honolulu, HI  
 Los Angeles, CA  
 San Francisco-Oakland-San Jose, CA  
 Seattle-Tacoma, WA  
 Sacramento-Stockton-Modesto, CA  
 Salt Lake City, UT  
 San Diego, CA  
 New York, NY  
 Portland, OR  
 Las Vegas, NV  
 Phoenix, AZ  
 Dallas-Ft. Worth, TX

Chicago, IL  
 Houston, TX  
 Fresno-Visalla, CA  
 Monterey-Salinas, CA  
 Reno, NV  
 Tampa-St. Petersburg, FL  
 Orlando-Daytona Beach, FL  
 Raleigh-Durham, NC  
 Colorado Springs-Pueblo, CO  
 Tucson, AZ  
 Palm Spring, CA  
 Spokane, WA  
 Ft. Smith-Fayetteville-Springdale-Rodgers, AR-OK  
 Eugene, OR  
 Santa Barbara-Santa Maria-San Luis Obispo, CA

*Asian*

Los Angeles-San Diego  
 San Francisco-Oakland-San Jose-Sacramento  
 New York-New Jersey  
 Houston  
 Dallas  
 Seattle-Portland  
 Chicago  
 Boston  
 Philadelphia  
 Atlanta  
 Virginia  
 Washington, DC  
 Hawaii  
 Colorado  
 Minnesota  
 Ohio  
 Las Vegas

*Hispanic*

Meets Criteria for Full Paid Media Plan:

Los Angeles  
 New York  
 Miami-Ft. Lauderdale  
 Houston  
 Dallas-Ft. Worth  
 Chicago  
 San Antonio

Phoenix\*  
San Francisco-Oakland- San Jose  
Harlingen- Brownsville-McAllen  
San Diego  
Orlando  
Tampa  
Atlanta  
Las Vegas  
\* United Farm Workers Radio DMAs

Radio or Papers in Essential Buy DMAs:

Fresno-Visalia\*  
El Paso  
Sacramento  
Albuquerque  
Denver  
Austin  
Tucson  
Corpus Christi  
Washington DC  
Philadelphia  
Raleigh-Durham  
Charlotte  
Yakima (Tri-Cities)\*  
New Orleans  
Portland, OR  
Bakersfield\*  
Salinas-Monterrey\*  
Yuma-El Centro\*

*Arabic*

Detroit  
Los Angeles  
New York  
Chicago  
Washington, DC  
Boston  
San Francisco  
Philadelphia  
Houston  
Miami  
Cleveland  
Dallas  
Denver

***Russian***

New York  
Los Angeles  
Chicago  
Detroit  
Boston  
Miami  
Washington, DC region

***Polish***

Chicago  
New York  
Detroit  
Philadelphia  
New Jersey

***Black***

New York  
Chicago  
Atlanta  
Washington, DC  
Philadelphia  
Los Angeles  
Detroit  
Houston  
Miami  
Dallas  
Baltimore  
Raleigh  
Memphis  
Charlotte  
Birmingham  
New Orleans  
Shreveport  
Columbia, SC  
Jackson, MS  
Montgomery (Selma)  
Augusta  
Tallahassee-Thomasville  
Tampa-St. Pete  
Orlando  
San Francisco-Oakland-San Jose  
Savannah

Macon  
Baton Rouge  
Mobile-Pensacola  
St. Louis  
Cleveland-Akron

Unfortunately, we do not have media plans for some groups. However, the contractor is in the process of developing media plans for the following audiences/languages:

Hmong  
Laotian  
Thai  
Urdu  
Bengali  
Iranian  
Armenian  
Ukrainian  
German  
Greek  
Yiddish  
Italian  
Portuguese  
French



### Communications Contract Budget Census 2000 and 2010 Census

Program Component	Census 2000 Contract Cost (Actual)	2010 Census Contract Estimated Allocation (Base Plan)	2010 Census Contract Estimated Lifecycle Allocation (Stimulus)	TOTAL ESTIMATED LIFECYCLE BUDGET <sup>1</sup>
<b>Paid Media – Total Budget</b>	<b>\$176,799,824</b>	<b>\$178,738,551</b>	<b>\$80,000,000</b>	<b>\$258,738,551</b>
Production	*N/A	\$23,195,450	\$5,000,000	\$28,195,450
Labor	\$57,781,824	\$52,019,288	\$17,000,000	\$69,019,288
*Other	\$9,000,000	\$12,456,009	\$4,000,000	\$16,456,009
Total Advertising Buy	\$110,018,000	\$91,087,804	\$54,000,000	\$145,087,804
National Buys	\$57,916,000	\$51,957,801	\$11,000,000	\$62,957,801
Local Buys	\$52,102,000	\$39,130,000	\$13,000,000	\$52,130,000
(Directed to H.A. Population) Black (including African And Caribbean)	\$17,021,000	\$14,500,000	\$10,000,000	\$24,500,000
Hispanic	\$18,886,000	\$14,700,000	\$13,000,000	\$27,700,000
Asian	\$10,016,000	\$5,200,000	\$13,000,000	\$18,200,000
American Indian/Alaska Native	\$2,804,000	\$1,770,000	\$1,500,000	\$3,270,000
Emerging Audiences	\$1,508,000	\$650,000	\$2,000,000	\$2,650,000
Native Hawaiian and other Pacific Islanders	\$147,000	\$680,000	\$1,500,000	\$2,180,000
Puerto Rico	\$1,298,000	\$1,650,000	\$2,000,000	\$3,650,000
Island Areas	\$422,000	\$0	\$0	\$0
Public Relations/Partnership Support	\$10,800,000	\$23,293,449	\$17,000,000	\$40,293,449
Census-in-Schools	\$17,251,281	\$10,068,000	\$3,000,000	\$13,068,000
<b>TOTAL</b>	<b>\$204,851,105</b>	<b>\$214,000,000</b>	<b>\$100,000,000</b>	<b>\$314,000,000</b>

\*Production numbers were allocated as part of the target media buys for Census 2000  
\*Other: Rapid Response, Travel, Research, Management Reserve

<sup>1</sup> The Contract will also be allocated \$10 million in partnership funding for partners' support materials.  
<sup>2</sup> The allocations by target market are preliminary. Based on our evaluations we will determine the best mix of buys by target audience.

**ATTACHMENT B**

**PURCHASING POLICIES AND  
PROCEDURES**

**DraftFCB  
100 W 33<sup>rd</sup> Street  
New York, NY 10001**

**INTRODUCTION**

DraftFCB's goal for every purchasing transaction is to obtain the best value possible on behalf of its client ("Client"). Best value is determined by evaluating several factors (such as price, delivery capabilities, quality, past performance, financial stability, etc.) and selecting a subcontractor vendor that offers the best combination of those factors.

DraftFCB strives to procure most goods and services through the use of competitively-awarded contracts with appropriate terms and conditions to properly and fairly protect the Client and the vendor. Additionally, DraftFCB is committed to inviting the participation of Small and Small Disadvantaged Businesses (S/SDB) in all transactions.

DraftFCB Purchasing Policies and Procedures are intended to be consistent with Generally Accepted Accounting Practices (GAAP) and with industry standards.

DraftFCB operates under a "purchasing by commodity" framework rather than a central purchasing department. At DraftFCB, purchasing actions are conducted by authorized individuals in each department in accordance with industry standards and published prices (i.e., rate cards). Those individuals are experts in their fields and keep up with the trends and changes in their segment of the industry. However, the policies and procedures addressed in this document will serve as an enterprise-wide foundation and will be consistently followed by all individuals with purchasing authority regardless of the individual's department affiliation. All departments must follow the procedures described in this document. Specific procedures within a department may not supersede the policies and procedures set forth herein. Although Client-specific requirements for purchasing will be consistent with this document to the maximum extent possible, any Client-specific deviations will be included in Section E of this document as "Client-Specific Requirements: Client Name". All deviations must be documented in Section E.

**SECTION A**  
**COMPETITION**

**A.1** DraftFCB’s policies and procedures on competitive bidding ensure that individuals authorized to purchase in the decentralized purchasing environment process transactions in a uniform manner consistent with Client requirements, industry standards and good business practice. DraftFCB focused on the best of the public and private sectors to develop a purchasing policy that creates a demonstrably fair and equitable process. The policy mirrors the Federal Procurement Acquisition (“FAR”) process and also incorporates the best of industry purchasing standards.

DraftFCB makes every effort to maximize competitive opportunities by soliciting bids and proposals for goods and services and making a best-value selection prior to issuing purchase orders, web-based orders or contractual documents. Competitive bidding is a powerful tool for garnering the highest quality professional service at the most reasonable price.

The use of competitive bidding also makes good business sense. Section B, Subcontracting Requirements and Procedures, sets forth the different levels of competition and documentation required depending on the cost of the contract.

**A.2** In DraftFCB’s experience, competition is beneficial because it results in:

**A.2.1 Increased Participation.** A competitive process provides a greater number of vendors an opportunity to submit proposals/offers and encourages qualified firms to participate. It also provides an opportunity to consider small businesses that can deliver a quality product or service at a fair and reasonable price.

**A.2.2 Lower Prices.** Full and open competition reduces costs since prospective contractors submit their best offers to obtain contracts.

**A.2.3 Higher Quality.** Vendors who develop proposals in a competitive environment pull together the strongest management and technical teams available.

**A.2.4 Innovation.** Issuing solicitations to a number of vendors provides the opportunity to select from the most qualified and skilled talent available in the marketplace. The purchasing organization may find a proposal's alternative approach to solving a problem more effective than that initially envisioned by the purchasing organizations’ staff.

**A.2.5 Avoidance of Favoritism.** Unfounded or not, accusations of favoritism can hurt the purchasing organization and mar its reputation. Conducting a fair and open competitive process will help avoid any such claims. It also follows a documentable process that demonstrates equitable evaluation of all offers received.

Any purchase of goods or services through methods other than a competitive process must be documented and approved by the Account Leader, or delegated member of the account team.

**SECTION B****SUBCONTRACTING REQUIREMENTS AND PROCEDURES**

**B.1** DraftFCB selects subcontractor vendors or suppliers on a competitive basis to the maximum extent consistent with the requirements of the contract governing the relationship between DraftFCB and Client or, if the contract contains no such requirements, with industry standards. This presumes that, in the event of federal government contracts, the purchases made under the contract are “commercial items”. The federal regulations define a “commercial item” as any item that is of a type customarily used for non-government purposes and that has been sold, leased or licensed to the general public. If your purchase under a federal contract is for an item that is not a commercial item as defined in this section, contact your Finance Department.

**B.2 SUBCONTRACT TYPES**

In contracting for supplies and services DraftFCB enters into several different contract types. At the heart of selecting the contract type is an analysis of the risk involved to the subcontractor and administrative burden to both the Client and DraftFCB.

**Under the Bureau of Census contract, only Firm Fixed-Price or Time and Materials Subcontracts may be used.**

**B.2.1 A firm, fixed-price subcontract** provides for a firm pricing arrangement established at the time of contracting. This type of contract is not subject to adjustment on the basis of the subcontractor’s cost experience in performing the contract. In other words, if the subcontractor spends more than the fixed-price stated in the subcontract, DraftFCB has no obligation to pay the extra costs.

**B.2.2 A time-and-materials (T&M) subcontract** provides for the acquisition of supplies or services on the basis of:

- (1) **Direct Labor hours** at specified fixed hourly rates that include actual wages, overhead, general and administrative expenses and profit; and
- (2) **Third Party Materials** obtained at cost including, if appropriate and a standard practice by the subcontractor, material handling costs.  
Second-tier subcontractors are handled under this category.

T&M subcontracts include a ceiling price that the subcontractor cannot exceed without obtaining DraftFCB’s prior written approval.

**B.3 SUBCONTRACT PROCEDURES**

As mentioned in the Introduction, DraftFCB has a decentralized commodity purchasing process. Each department purchases the required services and supplies in accordance with the Client's contractual requirement, industry standards, and at published prices (i.e. rate cards). Client-specific purchasing requirements are included in Section E of this document.

**B.3.1** The level of competition and documentation depends on the amount of the purchase.

**B.3.1.1 Purchases under \$3,000 – Steps in this purchase are:**

1. Define the requirement
2. Obtain bid/price quotation (can be by telephone but should be confirmed in writing). Seeking competition is always recommended though not required for this dollar level. Telephone calls can be made to firms or individuals describing the services desired and requesting price, schedule and qualifications to perform. The method of selection (i.e. lowest price) should be disclosed.
3. Select the best offer
4. Document your purchase process
5. Retain documentation in file
6. For federal government contracts, verify that proposed subcontractor is not on the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
7. Issue order using standard forms and procedures

**B.3.1.2 Purchases from \$3,000 to \$100,000 – The steps to be followed are:**

1. Define the requirement
2. Develop Statement of Work if purchase is for services
3. Document selection criteria (price, delivery time, best-value, etc)
4. Obtain price quotations on a competitive basis from at least 3 vendors. Price quotations may be obtained over the phone.
5. Select vendor
6. Document purchase including evaluation and selection rationale
7. Retain documentation in file

8. For federal government contracts, verify that proposed subcontractor is not on the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
9. Issue purchase order using standard forms and procedures and containing flowdown FAR provisions

**B.3.1.3 Purchases over \$100,000** – Purchases in this category require additional planning, time and documentation. Contact your Finance Department for assistance early in the process. Subcontractors in this category are selected on the basis of a “best-value” proposal. Best value does not necessarily mean lowest price. Instead, it is the expected outcome of a purchase that provides greatest overall benefit in response to the requirement. Unless an exception has been granted in writing, the following steps must be followed:

1. Define requirement
2. Develop Statement of Work if purchase is for services
3. Document evaluation and selection criteria
4. Develop and issue a RFP
5. Receive proposals
6. Evaluate proposals according to documented selection criteria
7. Conduct price analysis
8. Select best-value-offer
9. Negotiate final price(s) with selected vendor
10. Document evaluation, selection process and negotiation results and issue purchase order unless the purchase falls under a federal government contract

**STEPS 11, 12, AND 13 APPLY TO PURCHASES UNDER A FEDERAL GOVERNMENT CONTRACT**

11. For federal government contracts, verify that proposed subcontractor is not on the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
12. Submit a “Request for Consent to Subcontract” to the Government Contracting Officer (approval may take up to 2 weeks)
13. Upon approval from government CO, proceed with award of a subcontract containing all the required flowdown FAR provisions.
14. Dispose of all unsuccessful proposals by shredding.

**Any subcontract documents that deviate from a standard DraftFCB form must be reviewed by legal counsel prior to signature.**



**B.4 AUDITS**

Files shall be kept and maintained at the individual purchasing organization and will be subject to internal random audits. The purpose of the random audits is to evaluate the efficiency and effectiveness with which DraftFCB spends Client's funds and complies with the Client's contractual requirements, U.S. government policies, laws, regulations, as well as sound business and industry practices when subcontracting. Random audits will also ensure that DraftFCB's purchasing policies and procedures are being followed. The audit process will be conducted as defined in DraftFCB's Quality Assurance Plan.

**SECTION C****PRICE-REASONABLENESS ANALYSIS**

**C.1** According to DraftFCB's Purchasing Policies and Procedures, no more than a commercially reasonable price (as determined, for example, by a comparison of price quotations and market prices) shall be paid to procure goods, works, and other services. To ensure compliance with this policy, DraftFCB requires that all departments conduct a price-reasonableness analysis of the prices offered in a purchasing process. The detail of the price analysis will depend on the complexity of the purchase.

The main objective of the price-reasonableness analysis is to ensure that the quoted prices of the selected subcontractor or supplier are neither unreasonably high nor unreasonably low. This analysis provides a secondary check by the purchasing organization that Client's funds will be utilized in a cost effective manner, and that the selected subcontractor or supplier will be able to meet the requirements as set forth in the solicitation documents or the supplier's communications with the purchasing organization if no solicitation documents are required.

**C.2 DEFINITION**

The price-reasonableness analysis is a review of the prices proposed by a subcontractor or supplier to ensure that the prices offered in the bids or proposals are fair to both parties (neither too high nor too low) considering the effort required to complete the task, the quality of the bid or proposal, and the comparability of the prices on similar projects in local markets. Price-reasonableness analysis is usually conducted for fixed-price contracts.

**C.3 METHODS FOR CONDUCTING PRICE ANALYSIS**

There are several ways a price-reasonableness analysis may be conducted without examining the individual components of the total price.

**C.3.1 Competitive Prices:** In an open competitive bidding process where price is an evaluation factor and several acceptable and qualified bids or proposals are received, it can be safely assumed that the prices are reasonable as determined by the market conditions.

**C.3.2 Historical Prices:** If the prices offered are comparable to the prices offered in the past for similar contracts either by the same or other subcontractors or suppliers then the prices can be assumed to be reasonable. When comparing current prices with historical prices, inflation and a reasonable margin for profit should be taken into account.

**C.3.3 Rate Card/Catalogue Prices:** Under this method, comparison of offers with competitive published price lists, published market prices of commodities, similar indexes and discount or rebate arrangements is acceptable. If the prices offered are the same or lower than these published prices, then it can be assumed that the prices are reasonable.

**C.3.4 Independent estimate or planned budget:** If an independent estimate has been prepared by the purchasing organization, this estimate may be used as a reference for reasonable prices.

**C.3.5 Market Research:** comparison of the prices offered with prices of similar items obtained by the purchasing organization through market research.

The authorized purchasing individual in each organization is responsible for selecting and using the most appropriate price analysis techniques that will ensure a fair and reasonable price. The analysis performed as well as the findings must be documented and retained as part of the contract file.

**SECTION D**  
**SMALL BUSINESS PARTICIPATION**

**D.1** DraftFCB is committed to small business enterprise participation in all projects. Under federal government contracts that commitment is documented by the government contractor in a “Small and Small Disadvantaged Businesses Subcontracting Plan” (the “Plan”) which establishes subcontracting goals for small, small-disadvantaged, women-owned, veteran-owned, service disabled veteran-owned and HUBZone small business enterprise participation (collectively, the “Small Businesses”). Success in achieving those goals depends on the active commitment of all of the government contractor’s account team members. All subcontractors and suppliers doing business with DraftFCB on the Census contract are expected to share these goals and participate in their achievement.

The degree of utilization of the Small Businesses must be considered along with other selection factors, such as cost, when choosing subcontractors.

**D.2 DRAFTFCB COMMITMENT**

DraftFCB will make the following efforts in ensuring that the Small Businesses, small-disadvantaged, woman-owned, HUBZone small, veteran-owned, and service-disabled veteran-owned small businesses will have an equitable opportunity to compete for contracts.

**D.2.1** Outreach efforts to obtain qualified sources:

- Contacting minority and small business trade associations
- Attending trade association meetings and conferences
- Hosting DraftFCB -sponsored small business conferences
- Sharing small business database information with large commercial customers
- Contacting business development organizations
- Requesting sources from the Small Business Administration's Procurement Marketing and Access Network (*PRO-Net*).
- Attending small, minority, and women-owned business procurement conferences and trade fairs.
- Advertising contracting opportunities in the Small Business Administration Spinnet site.

**D.2.2** Internal efforts to guide and encourage purchasing personnel:

- Presenting workshops, seminars and training programs
- Establishing, maintaining and using the Small Businesses , HUBZone small, small disadvantaged and women-owned business source lists, guides and other data for soliciting subcontracts
- Monitoring activities to evaluate compliance with the Plan

**D.2.3** Additional efforts:

- Conducting free training seminars for small businesses
- Developing an expanded small business database
- Maintaining regular contact with small-business advocates at different government agencies to discuss issues and strategies for providing equitable opportunities.
- Communicating with partner agencies and team members to discuss capabilities of companies they have used for previous efforts

**D.3** ADDITIONAL REQUIREMENTS – FEDERAL CONTRACTS

Federal contracts require DraftFCB to include certain clauses in any purchase order or subcontract issued. FAR 52.219-8, "Utilization of Small Business Concerns", must be included in all subcontracts that offer further subcontracting opportunities.

In the event that a subcontract in excess of \$500,000 is awarded to a business that is not small, the subcontractor must submit a Small and Disadvantaged Business Subcontracting Plan as part of its proposal prior to the subcontract award. The plan may be considered as an evaluation factor in the competitive acquisition.

**SECTION E****CLIENT-SPECIFIC REQUIREMENT  
BUREAU OF CENSUS  
Contract No. YA1323-07-CQ-0004****BROADCAST PRODUCTION PURCHASING PROCEDURES****EE.1 OVERVIEW****EE.2 BROADCAST PRODUCTION BUYING STRATEGY**

In purchasing broadcast production services of all categories the procedures outlined in Section B.3 – Subcontracting Procedures, will be followed. In doing so, terms and conditions which are, to the maximum extent practicable, consistent with customary commercial practices will be used in both the Solicitation and Subcontract documents. In accordance with Section A – Competition and Section D – Small Business Participation, all requirements will be competed among small businesses to the maximum extent practicable.

DraftFCB has defined the categories required for the production of commercials for Census 2010 broadcast advertising. These categories represent the commercial-making processes that will be subcontracted in the production and completion of a commercial. The categories are:

- Film Production
- Film Editing
- Motion Graphics/Special Effects
- Voice Over Casting
- Music
- Sound Design
- Insurance
- Talent Sessions
- Dubbing
- Shipping

**EE.3 MARKET RESEARCH**

Announcements of subcontracting opportunities will be posted on the Census Site and on the Small Business Administration SUB-Net site. The announcement will invite small business to submit their statement of capabilities. After review of the submission, applicants will be notified via electronic message when their name is added to the list of vendors. In addition, market research will be conducted in industry registers and industry publications. The result of the market research will be a list of qualified vendors that will include a minimum of 5 for each of the categories required. In addition, each opportunity will be posted in the SBA SUB-Net site.

**EE. 4 BUYING PROCEDURES**

The following steps, consistent with Section B.3 and with customary industry practices, will be taken in the purchasing of Broadcasting Production Services. The process will be a Two-Step process. In Step 1 interested and previously-identified parties will be given the opportunity to demonstrate their expertise in a capability review or explanation of their capabilities. The submissions will be evaluated and a minimum of four (4) vendors will be selected to participate in the competition for the subcontract. In Step 2, a minimum of four (4) vendors will receive the final RFP (in industry format and including customary terms and conditions), proposals evaluated, and award of a Fixed-Bid (industry term for Fixed-Price) subcontract will be awarded. This process is consistent with customary industry standards.

**EE.4.1 STEP 1****EE.4.1.1. REQUIREMENT DEFINITION**

- o Client approves creative concept to go into production.
- o Agency Creative and Production departments discuss commercial tone
- o Agency Producer develops Production Specifications
  - agency script
  - length of the commercial
  - tone of the commercial (e.g. humor, dialogue, etc.)
  - agency creatives
  - client name
  - key dates for production
  - statement of the final deliverables including any specific techniques
  - estimation of the amount of talent necessary for the filming portion specifying on camera principals and extras\*
  - definition of who will pay the talent
  - determination of which party will provide required insurance for the filming

- dates to provide director treatment with accompanying costs
- description of how many commercials will be edited
- any special equipment that might be needed

#### **EE.4.1.2 ANNOUNCEMENT OF OPPORTUNITY**

The opportunity will be posted on the Small Business Administration SBA SUB-Net. Interested parties will receive the Preliminary Production Package containing the Requirement Definition and asked to submit a preliminary treatment that includes examples of directors, editors, music/sound design, and motion graphic companies.

#### **EE.4.1.3 PRELIMINARY PRODUCTION PACKAGE**

Vendors in the Source List created as a result of previous postings in the Census Site and in SBA SUB-Net will also receive the Preliminary Production Package and asked to submit their preliminary treatment including examples of directors, editors, music/sound design and motion graphic companies.

#### **EE.4.2 STEP 2**

##### **EE.4.2.1 SOLICITATION (RFP)**

The RFP will be sent to the four (4) vendors selected as a result of Step 1 qualification process. The RFP will follow customary industry formats and include the Production Specifications and storyboards or scripts. The solicitation will also include the evaluation factors :

- Scripts or Storyboards
- Proposed Talent
- Production
- Editorial
- Post Effects
- Music
- Cost

The award will be the result of a best-value analysis.

##### **EE.4.2.2 PROPOSALS (BIDS)**



Proposals will be submitted in accordance with customary industry forms and formats (i.e., film production companies will provide costs in an industry format – the AICP form, while editorial companies will file their costs in an AICE form).

Accompanying the cost the proposals will include a written treatment describing the approach to the commercial to insure a clear understanding between company, client and agency – as well as helping the producer understand the costs provided by vendor.

#### **EE.4.2.3. PROPOSALS EVALUATION**

Evaluation of bids will be in accordance with the evaluation criteria specified in the RFP. In evaluating the bids costs, the analysis will vary depending on the type of services solicited and offered.

**Film production** companies provide costs in an industry standard format, the AICP bid form. Rates for crew, locations, film, equipment are the most current reasonable industry costs. Producers will look for, and evaluate, cost efficiencies line by line asking for combined filming, bundling of equipment and crew costs, while comparing calendar and director's approach to get best value.

**Editorial** costs provide costs in an industry standard format, the AICE bid form. Rates on editor, assistants, editing equipment, equipment pertaining to the completion of the commercial from film through final deliverable are the most current reasonable industry costs. Cost efficiencies will be sought by editing and finishing commercials at the same time versus spreading the completion over multiple calendar days.

**Music** companies will be asked to provide samples or demos for a nominal cost to see if the tone is appropriate for each individual commercial. Concurrently, a bid is generated by the music company, submitted to the agency for cost of production. The producer will review the estimates provided by multiple companies determining if there can be efficiencies through the use of technology versus employing extra musicians and bundling the costs for music production. After presenting sample music tracks and making a recommendation to the Client, the Agency and Client agree on what company to engage.

**Talent** - The actors filmed will be part of the actors union and their salaries are determined by the union based on a standard working day and if applicable an agreed union rate for overtime. Draftfcb will provide a worksheet defining the proposed amount of talent needed for each commercial and the costs involved when presenting the film production estimate. The talent costs presented with the production estimate are an estimate only and can fluctuate. These costs are associated with the filming only – there may be additional cost associated with the actors when using the commercials, these costs are determined by the union and are standardized. Any additional costs will be discussed with and approved by the Client.

**Insurance** – Insurance is a direct cost. Draftfcb has explored finding best value for insurance when filming commercials and has identified a vendor, AON/ Albert G. Ruben Company Insurance. AON is able to provide a savings on insurance by almost half what is offered by production companies. Partner Agencies who are not part of the IPG family must select an insurance company in a competitive basis.

Each cost element in the bids will be analyzed and annotated.

#### **EE.4.2.4 DISCUSSIONS AND BEST AND FINAL OFFER**

Bidders will be contacted and provided with written comments on the cost proposed. Specific areas of concern will be identified. All bidders will be given the opportunity to revise their proposal and submit their Best and Final Offer.

#### **EE.4.2.5 NEGOTIATIONS AWARD OF SUBCONTRACT**

Prices will be negotiated with bidders (i.e. customary industry markups will be negotiated to smaller amounts). A fixed-price subcontract (firm-bid contract in industry terms) will be awarded to the best-value offeror. The subcontract will include all customary industry terms and conditions as well as applicable federal government flow-down provisions. Payment terms will be a variation of customary industry practices.

#### **EE.4.2.6 STEPS PRIOR TO AWARD OF SUBCONTRACT**

All pre-award and post-award steps stated in Section B.3 will take place prior to award of the subcontract.

Mr. CLAY. Thank you so much, Dr. Groves.

Let me go to the ranking member now. We will each ask a series of questions, and we will then call the rest of the panel forward. So I will recognize Mr. McHenry.

Mr. MCHENRY. Well, thank you, Mr. Chairman. And thank you for holding this hearing. It is nice that we can have a bipartisan hearing, and we are all equally interested in what the Census Bureau is doing in terms of communications and preparing for census day, which is just over—well, just 6 months away, less than 6 months away.

Dr. Groves, congratulations on your appointment and getting through the process.

Dr. GROVES. Thank you, sir.

Mr. MCHENRY. We are very happy you are at the Bureau, and we welcome you before the committee. Thank you.

And I also do want to take a moment and thank you for your decisive leadership when it came to the issue of ACORN. This was an issue that not all of us have raised, but I, in particular, raised it repeatedly before your appointment. And my concern was what you mentioned in your testimony about other things, is the credibility of the Bureau and the brand, the Census Brand, and its use by other organizations. And so I commend you for your decisive action there. I know it hasn't won wide acclaim, but I think it is important to the integrity of the census. So thank you so much for that.

Well, my staff and the chairman's staff, as well as the subcommittee's staff, have heard from the Bureau; they were briefed by the Bureau on what happened with the address canvassing and how successful that was. They said at that time that there would likely be a report in early November. Is that still the case?

Dr. GROVES. I know we are doing the analysis and processing on that file right now. We have increased the kind of diagnostics we are seeking out of the file. Whether that date is exactly the right date, we will certainly have information about that time and would be happy to share with you as soon as we have it. This is a very important component, as you know. We've got to get this thing right.

Mr. MCHENRY. Now, you mentioned in your testimony what that master address file looks like, how valid it is and how strong it is. Does that relate back to the canvassing results?

Dr. GROVES. Yeah. As you know, the process we go through is a pretty open one. We seek input from local areas for addresses that they know and want to add to that file. So we went out and, believe it or not, visited 145 million different addresses in the country. So every address in the country, basically, was visited.

On 98 percent of those, we took GPS coordinates to help locate them. And we verified whether we could find the unit, forward it. And when we had trouble locating the unit or couldn't find the unit or it was missed in space, it was mis-geocoded, as we say, then we made a note of that.

And that process will identify—some of those could not be found. A common reason for that is that there is a plan to build a subdivision, a small subdivision. Building permits may have been let, and, in this recession, the houses weren't yet built, but they are planned to be built. And in those kinds of cases, we would mark those for

potential delete. We actually keep the records on the file, but it wouldn't be part of the mailing operation.

Mr. MCHENRY. So that process is pretty massive. But it is likely your target date is sometime in November to, sort of, have this?

Dr. GROVES. I could get you an exact date on this. I promise, we'll get back to you.

Mr. MCHENRY. Would you be willing to come back before the end of the year and testify about it?

Dr. GROVES. This is the kind of information that your committee deserves, and we would be happy to share it.

Mr. MCHENRY. Well, thank you. I appreciate it. And we'd hope to have you back, you know, a time or two before March of next year, as well, to make sure that we are, sort of, up to date, we know what needs to be communicated, and what other Members of Congress can help communicate for the Bureau, as well.

Dr. GROVES. We'd love to do that. In fact, knowing and getting the word out about what are the next operations that we are doing—for example, we are mounting this big Group Quarters Validation Operation in just a couple weeks. We are out there listing for the coverage measurement study. And the more we get the word out through you and receive your questions, I think the better the whole country is for the census.

Mr. MCHENRY. Uh-huh. And I'll have additional questions on the communications effort. But there's one story that a constituent told me. He said that he was working in his yard one day and a gentleman came by, just was walking down the street, and had a handheld and said, "Is this your house?" He says, "Who are you?" He says, "I'm with the Census Bureau, and we just need to confirm your address." And he said, "How dare he." And I thought, "well, actually, he's trying to save you money, so he can just mail you something and you can respond back."

And so the communications effort is going to be very important so that when that guy is working in his yard and somebody from the Census comes by, he goes, "Oh, I didn't mail in my form," so there's some awareness there. And I certainly appreciate that. And I think the committee, as well as Congress, on a bipartisan basis, wants to make sure that we have the money there necessary, the resources there necessary, so that we can get the message out and communicate effectively across every community in this country, as the Constitution mandates.

And in your testimony, your written testimony says, and what you in essence said, "One of the findings in our review of the address canvassing operation was that the cost models used to guide the work did not forecast correctly total costs, and we experienced a cost overrun in components of that operation. We need to strengthen our cost information management structures within the Census Bureau."

Can you go into further detail about the amounts and maybe the components that experienced cost overruns?

Dr. GROVES. Well, I would be happy to brief you on the exact numbers, but let me give you just rough orders of magnitude.

One of the things that was discovered I don't view as a misestimation of the cost model, but an unexpectedly large work-

load. So the size of the number of addresses that we went out with was larger than we thought.

Now, why did that happen? Well, this was the first decade where we had continuous updates, and so we were receiving from the Postal Service routinely through the decade more and more addresses. And this was, kind of, the first opportunity to go out there and check all of those. Estimating that is a hard thing to do, and so roughly half of the overrun is higher workload.

The most troubling part of the overrun for me, from my perspective, is about a \$30 million component of the overrun that had to do with a component of work that occurred if we found one of those addresses as a potential delete; you couldn't find the address.

Then, appropriately, and I think to the benefit of the Census Bureau, there were quality control procedures to followup to make sure that really was something that should have been deleted. And those were costly operations.

So part of the misestimation had to do with not anticipating so many deletes out of the file, because in 2000 there weren't as many, proportionally. So that was the kind of misestimation.

What we are doing right now because of that—you know, that operation is over. We can't save the money that was spent. But we can put in place procedures to try to prevent such overruns from happening in the future.

And there are, kind of, two things happening now for non-response followup cost estimation. We are doing a big scrub of assumptions at a high level, and that will produce a new estimate. And then we are going to bring in folks at the operations level and build what some people term a "bottom-up" cost model. We are actually going to have two cost estimation procedures, and when they don't agree, we are going to fight about what's the right assumption. And I think that fighting is really a healthy kind of thing to zero in on the costs.

Mr. MCHENRY. Uh-huh. And so this is basically what you are going to do for the estimated \$15 billion, you know, the billions that are going to be spent next year, you are taking this model—

Dr. GROVES. Well, this will be about a \$2 billion component related to nonresponse followup. This is the May-June-July big push.

Mr. MCHENRY. OK. And so there are some lessons out of that. One, you mentioned before that you had—well, that Mr. Mesenbourg mentioned in his testimony, which was that you had highly qualified applicants, and you didn't have to have those additional interviews. And so you could foresee some savings next year on not having to have multiple interviews and, in essence, people not wanting to stay with the job or dropping out.

Dr. GROVES. Let me tell you some of that. I have been going across the regions now, and in every region that I have been to the story is the same.

This horrible recession we are going through has a benefit for us, and the benefit is more applicants of better quality. And, once they are hired, they don't quit. They work as many hours as they can possibly get. This is all very good for us.

That lesson of address canvassing we got. And it is adjusting targeting for hiring of nonresponse followup. I guarantee you that.

Mr. MCHENRY. OK. So those assumptions are—and you are going to have some more estimates going forward for this committee?

Dr. GROVES. Absolutely. We'd be happy to share things with you.

You know, this is tough work. I don't even want to say it's easy, because you are making predictions about future behaviors that you can't really observe. But we are going to do it honestly. We are going to use multiple methods. And we'll see—

Mr. MCHENRY. I thought that was a career you have chosen for yourself.

Dr. GROVES. Well, I know, I know, I know. It is a career.

Mr. MCHENRY. Estimating, yeah.

You know, as a component of this, are there any specifics, any specific ideas for controlling these costs that you can give us as an example?

Dr. GROVES. Yeah. As a real easy example on the thing we were just talking about, every survey organization, every census around the world hires more people than they think they need to do the job, right? And we don't need to do as much of that as we thought we did. So we can reduce those hiring and training costs in a major way.

Mr. MCHENRY. Thank you.

And I was just informed very politely by the chairman that little red light does mean something. So I yield back the no time that I have remaining.

Thank you, Mr. Chairman.

Mr. CLAY. Thank you, Mr. McHenry. And your colleague, Mr. Westmoreland, kind of bluntly reminded you.

Let me also followup with how Mr. McHenry started and say that, in a private phone conversation, I commended the Director for his prompt action that he took with ACORN. Let me publicly state that I agree with the Director's position, as far as removing ACORN from the 2010 census.

You took prompt action. And they had become a distraction. So, very good. And I support you, support your actions.

Let me ask you, what actions do you plan on taking for the non-response followup operation to avoid similar cost overruns to those experienced doing the address canvassing operation? Anything different?

Dr. GROVES. Well, I think the first thing to note, and I haven't said it yet today, about nonresponse followup, it's a tougher job. It's a job that is done in the evenings and on weekends. You have to go to an address when people are at home. And so the activities of address canvassing are only partially informative to us about what's going to happen in nonresponse followup. That is just a caution about how difficult it is.

But some of the things we are putting in place are those that will give us more information at a lower level of detail about how, in different local Census Offices, how different assignment areas are responding. Do we need more resources in one place or another? Are local Census Offices that are using one particular approach or calling at a certain rate more effective than others?

What we hope to do is both at the national and regional and local level, to have more integrated information, near real-time, to check

and monitor progress so that we can deploy resources where they are needed as efficiently as possible.

Mr. CLAY. What steps are you taking to ensure that the temporary field staffs follow proper procedures for succeeding operations, to avoid the problems reported by the IG during address canvassing?

Dr. GROVES. Right. We saw the IG report; I looked at it. And we accept and appreciate what they are doing. I think I need to say that publicly, because I believe it. What we did with that was to act on that information as soon as we could to intervene.

You asked a slightly different question, and that is, what can you do at a system level to assure that all the troops at low levels are doing what they are trained to do? In addition to good training, we have in place, as you know supervisory and evaluative criteria that, if we see workers, especially at this very compressed, non-response followup stage, if we see workers violating the training guidelines, we can intervene and terminate them very quickly. And we have those management procedures in place.

Hiring such a large group of people that we will do is not a simple task. It will be quite likely that one of those people is not following—at least one of those people is not following training guidelines. We can't fully prevent this. We can, however, have management structures in place to intervene as quickly as possible, and we do.

Mr. CLAY. Also, you are now in the process of opening an additional 344 local Census Offices, for a total of 494. How is that process going?

Dr. GROVES. Oh, pretty good. We are on target on signing—you know, this is a massive operation. It's just incredible, looking at it. So there are leases involved where we need the partnership with GSA. You have to build out these places; then you have to get equipment and furniture in all of them. And this is like a huge logistical operation.

I thought a clever thing was done on the initial local Census Offices. As you know, one of our subcontractors, Harris, comes in and sets up computer networks. They did a few of the LCOs, and they sort of stopped and said, "OK, how are we doing? What are we doing wrong? How could we do this better?" and retooled slightly. And then they are rolling that out for others.

So, so far, so good. We had a few glitches in a certain area with leases, but those are getting cleaned up. So we are optimistic on this one.

Mr. CLAY. Good.

The need to comply with Federal legislation associated with FBI background checks is of significant importance to me. And I would like to ask you about the Bureau's plan to fingerprint, using ink and paper, hundreds of thousands of enumerators needed for our decennial census.

Here is my concern. The use of ink and paper to capture and process fingerprints is highly prone to error and rejection. I have heard up to 40 percent of all fingerprints taken by trained personnel can be rejected, causing delays and, most importantly, the inability to comply with Federal legislation governing successful passage of an FBI background investigation.

Has the Bureau considered using electronic fingerprinting as an alternate method to capture the fingerprints for processing and comply with the law?

Dr. GROVES. Well, I wasn't there, obviously, Mr. Chairman, but I have been briefed on a review. There was, indeed—and I could get you a report on this, if you want—an attempt to evaluate the purchase of electronic measurement devices. The costs of those for an effort as massive of the hiring that we are going through was judged to be not worth the quality enhancement or the speed enhancement.

And so, in a way, the address canvassing operation was a test of this paper-based fingerprinting, and let's evaluate the test. So I am told, going into this, instead of the 40 percent figure you just cited about rejects, we were anticipating about 30 percent. The actual number was 22 percent. And when we diagnosed, so why should we put up with 22 percent? Can we do better? There are people working on improved training for the people taking the fingerprints on this—two separate cards are taken per person—to see if we can get better at that.

The other part of the cost has to do with FBI processing of these things. So we're concerned, can the FBI handle the big load—we are going to have a lot of fingerprints going through the FBI process—in a timely fashion in order to be compliant with the law? And we are doing a big load test on that in a few weeks, mid-October, to basically simulate the full workload of the Census Fingerprintings. We are going to shove that much through the system and then get an FBI judgment that they can or cannot come through on that. So we'll see mid-October.

Mr. CLAY. Well, Director Groves, please share with this committee your documentation and comparisons of the fingerprinting. Because I have contrary information that says it would be a savings of \$10 million to \$20 million on the part of the Bureau if you used electronic fingerprints. So let's share the documentation with this subcommittee.

Dr. GROVES. Yeah, yeah, no, I'd be happy to do that. And, in fact, if you have some really much, much cheaper method that has the quality we are after, I would love to hear about it.

Mr. CLAY. Yeah, well, let's do some comparison shopping here—

Dr. GROVES. OK. Great, great.  
[The information referred to follows:]



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Dr. Robert M. Groves  
Director  
U.S. Department of Commerce  
Bureau of the Census  
Room 8H002  
Washington, DC 20233

Dear Dr. Groves:

Thank you again for your testimony before the Information Policy, Census, and National Archives Subcommittee on Tuesday, September 22, 2009, regarding efforts undertaken to ensure an accurate count for the 2010 Census, and particularly the Integrated Communication Plan. I appreciate your diligent work and further admire your commitment to the tremendous task ahead. However, I remain concerned about the Bureau's ink and paper fingerprinting endeavor.

Prior documentation has shown that the fingerprinting program has been unreliable. I understand that various measures have been taken in an effort to alleviate discrepancies, such as customizing fingerprinting kits and changing training mechanisms, and yet, questions remain. The Federal Bureau of Investigation ("FBI") in its May 19, 2009, correspondence to Ms. Marilla A. Matos, Assistant Director for Field Operations, found that the rejection rate for The United States Census Bureau fingerprint submission was over 40%. The FBI further questioned the image quality and noted that it had become increasingly concerned about potential missed identification. In your testimony before the Subcommittee this past Tuesday, you indicated that you believed the failure rate to be 22%. Given your estimation, 1 in 5 Census workers will not be able to complete the initial, legally required, biometric background check, and the dollars expended in that effort are not recouped by taxpayers.

Dr. Robert M. Groves  
September 30, 2009  
Page 2

I am adamant about making the best use of taxpayer dollars, but at the end of the day, I also desire the process to be correct. This is a public safety issue of national concern. We want to ensure that our American citizens feel safe in this process.

Please provide any and all documentation and/or correspondence to the Subcommittee to/ from the FBI and Census, specifically regarding the fingerprinting issue, since the FBI's May 19, 2009, letter to Ms. Matos. Further, is it true, the FBI has continued to express concerns regarding the Bureau's poor paper -ink fingerprinting quality? Can the FBI guarantee a quick turn-around of the check results following the fingerprint submissions? If the FBI cannot guarantee a quick turn-around, what is the Bureau's contingency plan? Has the FBI given the Bureau a proposed rejection rate to aspire to meet? What is the rejection rate and what steps have been taken to meet it? Do you plan to allow any enumerators out in the field before the adjudication has taken place?

In an effort to fully explore my Subcommittee hearing comments about "comparison shopping," I am particularly interested to know what consideration has been given to contracting live scan fingerprinting services. These services could save both time and money and deliver considerable quality control and results. I understand the Bureau's hesitation to purchase the equipment. However, was any thought given to contracting with a provider of these services? A provider that owns and maintains the equipment and employs trained personnel may have the capability to undertake such an enormous endeavor. If the Bureau has not, I am requesting that you review this option for the 2010 Decennial Census.

Please know the Subcommittee's goal is that you have all the tools necessary to effectively complete the Census count. We do not envision a Bureau mired down in an area for which it has no particular expertise. We desire for all enumerators to be focused on the Constitutional obligation of counting America. I do appreciate your leadership and your willingness to provide transparency to the 2010 Decennial Census.

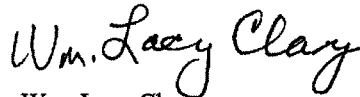
The Oversight and Government Reform Committee is the principal oversight committee in the House of Representatives and has broad jurisdiction as set forth in House Rule X. An attachment to this letter provides information on how to respond to the Subcommittee's request.

Dr. Robert M. Groves  
September 30, 2009  
Page 3

I request that you provide your responses as soon as possible.

If you have questions regarding this request, please contact *Darryl Piggee*,  
*Staff Director/Counsel at 202-226-0541.*

Sincerely,

A handwritten signature in cursive script that reads "Wm. Lacy Clay".

Wm. Lacy Clay  
Chairman  
Information Policy, Census, and National  
Archives Subcommittee

cc: Patrick McHenry  
Ranking Minority Member

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Dr. Robert M. Groves  
Director  
U.S. Department of Commerce  
Bureau of the Census  
Room 8H002  
Washington, DC 20233

Dear Dr. Groves:

Thank you again for your testimony before the Information Policy, Census and National Archives Subcommittee on Wednesday, October 21, 2009, and the valuable information you were able to provide regarding efforts to ensure an accurate count for the 2010 Census. However, as you witnessed during this hearing, concerns remain about the Bureau's ink and paper fingerprinting endeavor.

On *Wednesday, September 30, 2009*, I requested from your office that you provide any and all documentation and or correspondence to the Subcommittee to or from the FBI and the Census, specifically regarding the fingerprinting issue, since the Federal Bureau of Investigation ("FBI") May 19, 2009, letter to Ms. Marilla A. Matos, the Bureau's Assistant Director for Field Operations. As Chairman of the Information Policy, Census, and National Archives Subcommittee, I would appreciate receiving the most accurate, timely and most credible information available to date. I am also asking for your compliance to my request to forward any and all documentation, correspondence, and or emails between your agency and the FBI regarding this issue.

This is a public safety issue of national concern. We want to ensure that our American citizens feel safe in this process. I do appreciate your continued willingness to provide transparency to the 2010 Decennial Census.

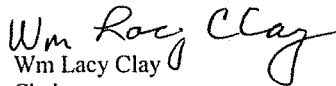
Dr. Robert M. Groves  
October 30, 2009  
Page 2

The Oversight and Government Reform Committee is the principal oversight committee in the House of Representatives and has broad jurisdiction as set forth in House Rule X. An attachment to this letter provides information on how to respond to the Subcommittee's request.

We request that you provide your responses as soon as possible, but in no case later than **2:00 p.m., on Wednesday, November 4, 2009.**

If you have questions regarding this request, please contact **Darryl Piggee, Staff Director/Counsel at 202-226-0541.**

Sincerely,



Wm Lacy Clay  
Chairman  
Information Policy, Census, and National  
Archives Subcommittee

cc: Patrick McHenry  
Ranking Minority Member

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Mr. Robert Groves  
Director  
U.S. Department of Commerce  
Bureau of the Census  
Room 8H002  
Washington, DC 20233

Dear Mr. Groves:

I am writing to bring to your attention several issues and concerns related to the 2010 Census Fingerprinting Temporary Staff operational program. Please review and respond to the questions below.

- 1) Did the Assistant Director of the FBI CJIS Division send a letter in May 2009 to the Bureau's Assistant Director of Field Operations, expressing concern about the quality of the Bureau's ink and paper fingerprints and urging correction of the problem? In your response include all letters from government agencies and Congress to the Bureau expressing concern about the fingerprint program.
- 2) In August 2008 the Bureau's estimated fingerprint budget was \$348 million. A month later the estimate was \$148 million. Please explain how this estimate came in at \$200 million less in one month. The FBI rejection rate of ink and paper fingerprints is 22%. Does the Bureau account for this in their calculations?
- 3) Have any Census 2010 temporary workers been fingerprinted as of today? At what date does the Bureau plan to do the first set of fingerprints, and what is the timeline of fingerprinting temporary staff from today to Census day April 1, 2010?
- 4) In 2006, the Bureau did a test-run with livescan fingerprint machines. Why did the Bureau state that electronic fingerprinting was too costly? Did the Bureau consider contracting for livescan machines instead of purchasing them, which would reduce the estimated 2006 fingerprint budget cost of \$609 million?

Mr. Robert Groves  
July 20, 2009  
Page 2

5) The September 2008 Commerce OIG Semi Annual Report stated that:

A) "A more pressing concern, however, is that operational plans and funding for satisfying legal requirements under the Compact remain unresolved. ... The continuing uncertainty surrounding fingerprinting plans increases operational risks and makes it impossible to accurately estimate and budget for decennial operations."

B) "We recommended that the Department and the Census Bureau do the following:

- 1) Finalize plans and cost estimates for fingerprinting temporary workers during 2010 that comply with all applicable legal requirements in order to reduce uncertainty and the associated operational and budget risks.
- 2) Assess the cost and operational implications of processing fewer fingerprint kits, adding more administrative sessions, and reducing the number of scanners required as more sessions are added.
- 3) Further evaluate the time and distance assumptions required for travel to training locations to ensure that they are consistent with available benchmark data from the 2000 decennial."

Please explain in detail how the Bureau responded to each concern and recommendation from the OIG. Has OIG approved the current Bureau fingerprint action plan and budget?

The Oversight and Government Reform Committee is the principal oversight committee in the House of Representatives and has broad jurisdiction as set forth in House Rule X. An attachment to this letter provides information on how to respond to the Subcommittee's request.

Mr. Robert Groves  
July 20, 2009  
Page 3

We request that you provide your responses as soon as possible, but in no case later than **5:00 p.m., on Monday, July 27, 2009.**

If you have questions regarding this request, please contact *Darryl Piggee*, *Staff Director/Counsel at 202-225-6751.*

Sincerely,

A handwritten signature in black ink that reads "Wm. Lacy Clay". The signature is written in a cursive style with a large, looped "C" at the end.

Wm. Lacy Clay  
Chairman  
Information Policy, Census, and National  
Archives Subcommittee

cc: Patrick McHenry  
Ranking Minority Member





**UNITED STATES DEPARTMENT OF COMMERCE**  
**Economics and Statistics Administration**  
**U.S. Census Bureau**  
Washington, DC 20233-0001  
OFFICE OF THE DIRECTOR

AUG 14 2009

The Honorable William Lacy Clay  
Chairman  
Information Policy, Census, and National  
Archives Subcommittee  
Committee on Oversight and Government Reform  
U.S. House of Representatives  
Washington, DC 20515

Dear Representative Clay:

This is in response to your letter of July 20, 2009, regarding issues and concerns related to the 2010 Census Fingerprinting program. Enclosed you will find each of your questions with a detailed response. We have also enclosed numerous letters between agencies, per your request.

If you have any further questions about the information we are providing, please have a member of your staff contact Ms. Angela Manso, Chief of Congressional Affairs, at (301) 763-6100.

Sincerely,

A handwritten signature in black ink that reads "Robert M. Groves". The signature is written in a cursive style.

Robert M. Groves  
Director

Enclosures

Enclosure 1

- 1) *Did the Assistant Director of the FBI CJIS Division send a letter in May 2009 to the Bureau's Assistant Director of Field Operations, expressing concern about the quality of the Bureau's ink and paper fingerprints and urging correction of the problem? In your response include all letters from government agencies and Congress to the Bureau expressing concern about the fingerprint program.*

The letter from the Assistant Director of the Federal Bureau of Investigation Criminal Justice Information Services Division (FBI CJIS Division) was sent to Ms. Marilia Matos, Associate Director for Field Operations, on May 19, 2009. (Letter is enclosed.)

The FBI has requested that the U.S. Census Bureau use the Image Quality Assurance Function on the fingerprint scanner to reduce the number of unclassifiable prints and to reduce the strain on their Integrated Automated Fingerprint Imaging System. At this time Census is continuing to work with the FBI on how to operationalize this functionality, as well as working on continued throughput testing.

The Census Bureau is also working to improve fingerprint training before field operations resume in the fall. The Census Bureau management is stressing that all of the two-hour fingerprint training time must be utilized and that staff may not deviate from verbatim training. The Census Bureau currently uses a tiered approach to training. Strict adherence to training should increase fingerprint image quality. To improve the effectiveness of the training and to shift it to a lower level, the Census Bureau will offer training to the Local Census Offices (LCOs) from experienced Headquarters staff.

In addition to reinforcing the current training and ensuring adherence to the standard training, the Census Bureau continues to explore other methods to increase fingerprint image quality. Specifically, training visuals will be enhanced for 2010 operations. The Census Bureau has also implemented enhancements to the scanning software that will reposition the fingerprint image, thus increasing the likelihood of legible/classifiable fingerprints. Preliminary findings show the software enhancements are yielding positive results. The Census Bureau will also follow FBI recommendations for the purchase and use of specific hand cream while taking the fingerprints to enhance the quality of the fingerprint, particularly when someone has overly dry skin.

- 2) *In August 2008 the Bureau's estimated fingerprint budget was \$348 million. A month later the estimate was \$148 million.*

- a) *Please explain how the estimate came in at \$200 million less in one month.*

The reduction is directly related to changes in the operational assumptions that were used to develop the higher cost estimate. We decided not to establish a fingerprint examiner position and removed the contractor costs to train fingerprint examiners. Instead, we decided to train the field supervisory staff to take the

fingerprints. We also decided not to have a separate administrative day to complete the appointment process along with taking fingerprints of the new employees. Instead, we will take new employee fingerprints during the operational training session at the end of the first day of training. This operational change reduced the total cost of paid overtime since an employee will be released from training on the first day after he/she is fingerprinted. We changed the contents of the kit by customizing our own fingerprint kit as opposed to purchasing a professional fingerprinting kit, which reduced the cost of the fingerprint kit. We reduced the total number of training sessions—the Vacant/Delete field operation was removed from the estimate since the staff for this operation will be assigned following the Non-Response Follow Up (NRFU) operation and have already completed the fingerprint process. In addition, we reduced the cost by reducing the time to conduct fingerprinting from 20 minutes per set (both hands and two cards) to 15 minutes per set based on our time and motion study completed at a special census test location during FY 08. Mailing costs were reduced in the estimate because Saturday delivery was no longer required. We also reduced the cost of the telecommunications lines in the higher estimate because the cost is already covered in the FBI unit cost (\$17.25 per fingerprint set) to process the fingerprints. We reduced the cost of the scanners needed since the National Processing Center will be allowed to scan cards over two 3-day processing periods thus requiring fewer scanners. In addition, we reduced the additional cost of LCO storage space by utilizing the storage room for hand-held computers during the address canvassing operation in lieu of procuring additional storage space for the fingerprinting supplies.

- (b) *The FBI rejection rate of ink and paper fingerprints is 22%. Does the Bureau account for this in their calculations?*

Based on earlier test results, the Census Bureau initially estimated a 30% unclassifiable rate in our assumptions; that is, both sets of fingerprints were determined to be unclassifiable by the FBI. Based on our address canvassing experience, the actual average unclassifiable rate was 22% of the total hires.

In an attempt to increase the likelihood of obtaining a high-quality fingerprint, the Census Bureau collects two sets of fingerprints per employee using two different staff members. If the first set of fingerprints is unclassifiable or unreadable, we will send the second set of prints to the FBI.

- 3) *Have any Census 2010 temporary workers been fingerprinted as of today?*

As of August 7, 2009, we have fingerprinted 165,032 temporary field staff.

- 4) *In 2006, the Bureau did a test-run with livescan fingerprint machines. Why did the Bureau state that electronic fingerprinting was too costly? Did the Bureau consider contracting for livescan machines instead of purchasing them, which would reduce the estimated 2006 fingerprint budget cost of \$609 million?*

Originally, the Census Bureau explored the use of electronic livescan technology for the 2010 Decennial Census. This consideration was based upon the goals of

increasing fingerprint reliability, decreasing duplications, and obtaining accurate and timely suitability and security screening results. We estimated that 34,121 concurrent training sessions would be held for the NRFU field operation. Each session would require a fingerprint livescan machine at each training session to collect and transmit the fingerprint images to meet processing requirements for a 3-day turnaround. The Census Bureau also projected that an additional 7,500 machines would be needed for backup equipment. We also considered the amount of Information Technology (IT) infrastructure that would be required to support the transmission of image files across the country to a central location for consolidation and transmission to the FBI system. As a result of that investigation, we determined that the required certification and accreditation for the equipment and the IT infrastructure to support operations would not be completed in time for implementation and use during decennial census operations. So, we determined that there was significant risk in implementing any new process for the 2010 Census that would use new equipment and technology without full testing.

In addition, the Census Bureau investigated the leasing of fingerprint equipment. After discussion with two vendors, Census determined that leasing was not a viable option because the lease cost would be equal to, if not more than, the direct purchase cost of the equipment.

The Census Bureau also investigated an end-to-end contract servicing option. We hired a contractor to provide end-to-end fingerprint services at 21 training sites during the 2006 Census Test and compared that service to having Census Bureau staff perform fingerprinting. Using test results as an input, we determined that the cost of contracting the fingerprint operations in its entirety would exceed costs for in-house operations.

5. *The September 2008 Commerce OIG Semi Annual Report stated that:*

*A) 'A more pressing concern, however, is that operational plans and funding for satisfying legal requirements under the Compact remain unresolved. ... The continuing uncertainty surrounding fingerprinting plans increases operational risks and makes it impossible to accurately estimate and budget for decennial operations.'*

*B) 'We recommended that the Department and the Census Bureau do the following:*

*(1) Please explain in detail how the Bureau responded to each concern and recommendation from the OIG.*

*a. Finalize plans and costs estimates for fingerprinting temporary workers during 2010 that comply with all applicable legal requirements in order to reduce uncertainty and the associated operational and budget risks.*

We finalized our fingerprint plans and submitted the final cost estimate for fingerprinting implementation during field operational training on August 20, 2008, to the Department of Commerce and Office of Management and Budget.

- b. Assess the cost and operational implications of processing fewer fingerprint kits, adding more administrative sessions, and reducing the number of scanners required as more sessions are added.*

We eliminated the fingerprint examiner position, deleted the addition of an administrative training day, and have implemented a tiered approach for training the field staff who will conduct the operational training and take the fingerprints. The Field Operation Supervisor, Crew Leader (CL), and Crew Leader Assistant(s) or a person helping the CL is trained on how to take fingerprints in addition to being fingerprinted at their own training session(s). We also developed a fingerprint training manual that is used by the field staff.

In addition, we customized the fingerprint collection equipment. Instead of purchasing a high-end professional kit, the kit is being assembled at our National Processing Center (NPC), in Jeffersonville, Indiana, with individually procured items. This minimized waste and significantly reduced costs.

In January 2009, we purchased and installed 22 scanners and the software at our NPC facility located in Jeffersonville, Indiana. We began scanning fingerprints of new employees hired for the Address Canvassing operation in February 2009. We plan to continue to scan new employees for all subsequent census operations. We expect to receive and install four more scanners on August 17, 2009, which will bring the total to 26 scanners that have been purchased and five installed to date. Based on our FY 10 workload calculations, we need to purchase five additional scanners to handle processing fingerprints for peak hires in April 2010.

- c. Further evaluate the time and distance assumptions required for travel to training locations to ensure that they are consistent with available benchmark data from the 2000 decennial.'*

We have estimated an average of 2 hours of travel pay for FY 09 operations since training locations are widely dispersed over a larger geographic area within each region. We are allowing field staff to claim 1 hour of travel to training and 1 hour of travel to return home from training. For the FY 10 fingerprinting estimate, we expect employees will work and attend operational training sessions in areas closer to where they live. Thus, we have estimated 1-hour travel pay for employees assigned to work on 2010 data collection operations.

(2) *Has OIG approved the current Bureau fingerprint action plan and budget?*

Typically the Department of Commerce Office of the Inspector General does not review/approve our budgets. We have discussed our fingerprint plan with the OIG on several occasions and have no reason to believe that they do not agree with our plan.



U.S. Department of Justice

Federal Bureau of Investigation

Clarksburg, WV 26306-0001

May 19, 2009

Ms. Marilia A. Matos  
Associate Director for Field Operations  
U.S. Census Bureau  
4600 Silver Hill Road, Room 8H126  
Washington, DC 20233

Dear Ms. Matos:

The purpose of this communication is to advise of potential Integrated Automated Fingerprint Identification System (IAFIS) response delays due to an extremely elevated level of insufficient quality fingerprint submissions received from the U.S. Census Bureau (USCB) in support of the 2010 Decennial Census, especially during April 28-30, 2010. During this time period, the FBI's Criminal Justice Information Services (CJIS) Division will receive approximately 600,000 Census-related fingerprint background checks in addition to the average daily fingerprint workload of 175,000 fingerprint submissions.

In Fiscal Year 2008, the IAFIS experienced an overall rejection rate of less than five percent. This total encompasses all tenprint submissions rejected due to low quality characteristics, as well as those related to the improper recording of fingerprints, such as the fingers are not fully rolled from nail-to-nail, the entire fingerprint pattern area is not captured, and/or the fingers are out of sequence. The CJIS Division has been monitoring the rejection rate for all USCB fingerprint submissions, which is averaging over 40 percent with peaks above 60 percent. Although approximately half of the submissions process successfully through the IAFIS, many of those are of borderline image quality and require an inordinate amount of system and human resources. More importantly, inferior image quality fingerprint submissions increase the potential for missed identifications.

Extensive fingerprint submissions of poor image quality negatively impact the CJIS Division's ability to process and respond to all requests including those that are criminal justice related or are of national security interest. To this end, due to the USCB elevated level of substandard quality fingerprint submissions, the CJIS Division has experienced a degradation in the required two-hour response time for criminal justice submissions on more than one occasion. This degradation of service for criminal justice submissions violates Article III (d) of the

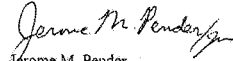
Ms. Marilia A. Matos

National Crime Prevention and Privacy Compact, which states "use of the Interstate Identification Index System for noncriminal justice purposes authorized in this Compact shall be managed so as not to diminish the level of services provided in support of criminal justice purposes."

In an effort to reduce the number of fingerprint rejections submitted by the USCB, the CJIS Division recently traveled to the USCB National Processing Center in Jeffersonville, Indiana, to observe current scanning processes, participate in mock training sessions, and provide feedback that may assist the USCB in obtaining fingerprints of sufficient quality. The CJIS Division also provided an information sheet detailing common reasons for rejections and the proper methods to correct these errors for display at fingerprint capture stations. Although these efforts may assist in reducing the current rejection rate, the CJIS Division requests that the USCB activate the image quality functions on all scanners. The image quality verification functionality will further reduce the number of fingerprint rejections as it alerts of potential errors prior to the fingerprints being submitted to the IAFIS, thus preserving IAFIS and CJIS Division personnel resources, as well as saving associated user fees for the processing of these background checks.

In order to ensure that the CJIS Division can accommodate the USCB response times and not degrade services in support of criminal justice purposes, it is imperative that the CJIS Division and the USCB work collectively to overcome the challenges faced by this unprecedented undertaking. Please continue to work with Ms. Garnet Tucker on this initiative. Ms. Tucker can be contacted at (304) 625-3543, or via e-mail at <gtucker@leo.gov>.

Sincerely yours,



Jerome M. Pender  
Acting Assistant Director  
Criminal Justice Information  
Services Division

1 - Ms. Sandra Jeanne Patterson  
Chief, Census Hiring and  
Employment Check Office  
Administrative and Management  
Systems Division  
U.S. Census Bureau  
4600 Silver Hill Road, Room 3K035  
Washington, DC 20233



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United States Senate

COMMITTEE ON  
 HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS  
 WASHINGTON, DC 20510-8250

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May 4, 2009

Mr. Thomas Mesenbourg  
 Acting Director  
 U.S. Bureau  
 4700 Silver Hill Road  
 Washington, DC 20233

Dear Mr. Mesenbourg:

It is my understanding that for the 2010 Census, the Census Bureau plans to fingerprint and conduct background checks on an estimated 1.3 million temporary employees. As you know, in previous decennials, the Census Bureau obtained a waiver from the fingerprinting requirements found in the National Crime Prevention and Privacy Compact Act of 1998 and screened applicants using only F.B.I. name checks. These procedures have proved to be sufficient in securing the public's safety in past censuses. Further, the F.B.I. estimates that name checks have a ninety-nine percent accuracy rate in identifying applicants with criminal background records.

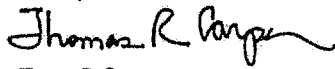
According to an August 2008 audit conducted by the Department of Commerce Inspector General, fingerprinting over a million temporary employees could cost hundreds of millions of dollars and potentially pose a tremendous operational challenge. This is particularly problematic given that adding an additional operation at this very late stage places a huge burden on an already strained process. In addition, it remains unclear whether the F.B.I. can provide the fingerprint and criminal background checks in an expeditious manner without hampering its own internal functions. To that end, I request that you provide the subcommittee with answers to the following questions:

- 1) What is the Bureau's comprehensive plan to incorporate fingerprinting in its applicant screening process? Please provide a complete and detailed breakdown of final cost estimates, the total number of temporary workers that will be fingerprinted for 2010 operations, the total number of temporary workers that have been fingerprinted to date, as well as examiner training and processing schedules.
- 2) How much money has been spent on necessary systems and software to support this operation? Please provide a detailed timeline and breakdown of the expenditures, deliverables, and products.
- 3) What steps has the Bureau taken to identify additional opportunities for cost savings? Please provide specific details and examples.

- 4) Last month, the Census Bureau began its address canvassing operation in which it hired over 140,000 temporary workers to update and verify its address list. Did the F.B.I. have the necessary resources to process the security clearances without any substantial delays? Will you be doing an evaluation of the fingerprinting operation for address canvassing, and if so when will the results of that evaluation be issued? What lessons were learned to improve the overall effectiveness and efficiency of the operation?
- 5) What was the average turn around time for processing fingerprints? Specifically Please provide the average amount of time the process took from the day a given employee was fingerprinted until the FBI completed its check of the fingerprints and the employee began work.
- 6) If you are unable to get a readable fingerprint for an employee, do you fingerprint the employee again? How many employees had unreadable fingerprints during address canvassing?
- 7) Have you identified any problems that will need to be addressed prior to start of fingerprinting for nonresponse follow-up? Given the increase in the number of people that will need to be fingerprinted for nonresponse follow-up as compared to address canvassing, will the Bureau do anything differently to ensure fingerprints get processed as quickly as possible?
- 8) How will the Bureau's plan to fingerprint over one million temporary decennial employees for its non-response follow-up operation affect the routine functions of the F.B.I.?
- 9) What contingency plans are in place in the event that there are delays in the F.B.I.'s ability to process the fingerprint and background checks in a timely manner?

I would appreciate your cooperation in this very important matter. Please provide answers to the questions above by Friday, May 22, 2009. If you have questions regarding this letter, please contact Velvet Johnson of the Subcommittee staff at (202) 224-6579.

Sincerely,



Thomas R. Carper  
Chairman  
Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security

CC: Senator John McCain, Ranking Member

JUN 19 2007



GENERAL COUNSEL OF THE  
UNITED STATES DEPARTMENT OF COMMERCE  
Washington, D.C. 20230

Mr. Kerry B. McTigue  
General Counsel  
The Office of Personnel Management  
Theodore Roosevelt Building  
1900 E Street, N.W., Room 7355  
Washington, D.C. 20415

Mr. Thomas E. Bush, III  
Assistant Director  
CJIS Division  
Federal Bureau of Investigation  
Module C3  
1000 Custer Hollow Road  
Clarksburg, West Virginia 26306

Dear Mr. McTigue and Mr. Bush:

The Department of Commerce seeks your opinion on an issue that affects the recruitment and hiring of approximately one million temporary employees for the 2010 Census. The issue before the Bureau of the Census, a component of the Economics and Statistics Administration of the Department of Commerce (DOC), is whether the Office of Personnel Management (OPM) may continue to conduct "name checks" as part of the background investigation for a specific category of Census applicants, as it has in previous decennial censuses, rather than the more expensive and time-consuming "fingerprint checks," which are now part of the National Crime Prevention and Privacy Compact, as set forth at 42 U.S.C. §§ 14611-14616.

The enclosed memorandum from the Deputy Director of the Census explains the significant adverse impact a requirement to conduct fingerprint checks would have on Census operations — particularly on the timely completion of the Constitutionally-mandated decennial census. I request OPM's opinion on this issue because the legal authority to perform background checks is within OPM's purview. I also request the opinion of the Federal Bureau of Investigation (FBI) because the FBI maintains the criminal history records that must be accessed to perform background investigations. Last month a member of my staff spoke with attorneys at OPM and the FBI and both agencies encouraged DOC to request opinions from your offices.

The argument that Census might be required to do fingerprint checks on all applicants for temporary excepted service positions is based on the Compact. Under Article V of the Compact, to obtain access to an individual's criminal history record for employment purposes, the requesting party must submit the subject's fingerprints. The specific provision of the Compact reads in full:

## Article V--Record Request Procedures

(a) Positive identification. Subject fingerprints . . . shall be submitted with all requests for criminal history record checks for noncriminal justice purposes.<sup>1</sup>

42 U.S.C. § 14616.

This appears to require the use of fingerprint checks to conduct a criminal background investigation when hiring a Federal employee, including a temporary employee.

The legislation that includes the Compact, however, also contains exceptions to this fingerprint requirement relevant to the background checks that OPM performs for Census. Section 14614 of Title 42 of the United States Code provides that:

Nothing in the Compact shall interfere in any manner with --

- (1) access, direct or otherwise, to records pursuant to --
  - (A) section 9101 of Title 5 [Access to criminal history records for national security and other purposes] . . . or
- (2) any direct access to Federal criminal history records authorized by law.

These subsections appear to permit OPM to have continued access to FBI criminal history records under non-Compact laws, including for performance of background investigations for employment purposes. The first subsection permits OPM continued access to criminal history records, direct or otherwise, under 5 U.S.C. § 9101. The second subsection appears to permit OPM continued direct access to criminal history records as authorized by law, such as, but not limited to, 5 U.S.C. § 1304 [loyalty investigations], 28 U.S.C. § 534 [exchange of criminal history records], Executive Orders 10577 [suitability], 10450 [national security positions], 8914 [fingerprint exemption], 28 C.F.R. Part 20 [exchange of criminal history records], and 5 C.F.R. Parts 302 [employment in the excepted service], 731 [suitability], 732 [national security positions], and 736 [personnel investigations]. These authorities appear to permit OPM to continue to perform "name checks," without fingerprinting, for Census temporary employees. In fact, Executive Order 8914, specifically authorizes fingerprint exemptions for temporary employees.

Alternatively, even if the requirement of the Compact to conduct fingerprint checks is applicable to OPM in accessing FBI criminal history records, there is an argument that the procedural requirements of the Compact do not supersede OPM's substantive authorities regarding employment matters. Under OPM regulations for excepted service employees, agencies have

<sup>1</sup> The FBI maintains the criminal history record information that must be accessed to perform background investigations for employment purposes and for other purposes authorized by law. 18 U.S.C. § 534; Pub. L. No. 101-162; 28 C.F.R. Part 20.

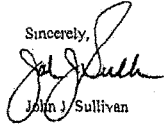
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discretion to determine what type of background investigation to perform, including whether to do criminal background checks. If the agency has the discretion not to do a background check, it follows that it has the discretion on how to conduct such a check, including discretion to conduct a name check rather than a fingerprint check.<sup>2</sup> 5 C.F.R. § 302.203. This discretion is not superseded by the procedural requirements of the Compact if an agency has determined that its investigation is satisfactory for its excepted service employees.

As this matter ultimately requires interpretation of OPM and FBI legal authorities, I request your opinions on the issue.

If you have any questions, please contact Barbara Fredericks, Assistant General Counsel for Administration, at 202-482-5387.

Sincerely,



John J. Sullivan

Enclosure

cc: Tom Aldridge  
Robin Richardson

<sup>2</sup> This discretion is similar to agency discretion regarding the extent of background investigations required for the identification of Federal employees. OMB Memorandum M-05-24, Implementation of Homeland Security Presidential Directive-12 (HSPD-12), Attachment A, dated August 5, 2005, mandates fingerprint checks. As an exception, the Attachment provides that:

[HSPD-12's] [a]pplicability to other agency specific categories of individuals (e.g., short-term (i.e. less than six months) guest researchers; volunteers; or intermittent, temporary, or seasonal employees) is an agency risk-based decision.



U.S. Department of Justice  
Federal Bureau of Investigation

Clarksburg, WV 26306

August 15, 2007

Mr. John J. Sullivan  
General Counsel  
United States Department of Commerce  
Room 5875  
1401 Constitution Ave., N.W.  
Washington, DC 20230

Dear Mr. Sullivan:

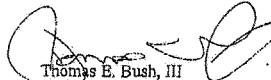
Reference is made to your letter of June 19, 2007, requesting name-based checks of criminal history record information (CHRI) of temporary excepted-service employees. Your letter was also directed to Mr. Kerry B. McTigue, General Counsel of the Office of Personnel Management (OPM), since OPM is the entity with the legal authority to perform the CHRI checks. Further, reference is made to the meeting at our facility on July 24, 2007, and the July 26, 2007, a follow-up teleconference with Mr. Philip Bettwy of the Department of Commerce (DOC). You asked if the OPM may conduct name-based CHRI checks of the temporary employees who will assist the DOC's United States Census Bureau (USCB) in the upcoming Census. Please be assured that although the Criminal Justice Information Services (CJIS) Division will support the efforts of the USCB in determining the suitability of temporary employees by either fingerprint-based or name-based checks of CHRI, the CJIS Division recommends fingerprint-based checks.

Under Title 5, United States Code, Section 9101, the FBI may provide CHRI to OPM for the purpose of determining eligibility for employment by a government agency. Although Executive Order 10450 specifies that the background investigation of an applicant for federal employment shall include a check of the fingerprint files of the FBI, OPM may have discretion to authorize investigations that do not include a fingerprint-based CHRI check of applicants for temporary employment. The FBI will defer to OPM's legal counsel in interpreting its investigative authority under federal law.

Mr. John J. Sullivan

The CJIS Division stands ready to work with DOC and OPM staff in drafting a Memorandum of Understanding that will address the process of either fingerprint-based or name-based FBI background checks of USCB temporary workers. If you have any questions regarding this letter, you may contact me at (304) 625-2700, or Mr. Robert J. Casey of my staff at (304) 625-3690.

Sincerely yours,

  
Thomas E. Bush, III  
Assistant Director

1 - Mr. Kerry B. McTigue  
General Counsel  
Office of Personnel Management  
Room 7355  
Theodore Roosevelt Building  
1900 E Street, N.W.  
Washington, DC 20415

① Mr. Philip G. Betwy  
Supervisory Management Analyst  
U.S. Census Bureau  
U.S. Department of Commerce  
1401 Constitution Ave., N.W.  
Washington, DC 20230



Office of the  
General Counsel

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
Washington, DC 20415

AUG 27 2007

Honorable John J. Sullivan  
General Counsel  
U.S. Department of Commerce  
Washington, DC 20230

Dear Mr. Sullivan:

You requested the Office of Personnel Management's (OPM's) opinion on whether the Federal Bureau of Investigation (FBI) may release criminal history record information to investigators retained by the Department of Commerce to conduct pre-employment investigations for certain Decennial Census appointments on the basis of "name checks," without the need to submit the subjects' fingerprints to the FBI (i.e., without the need for "fingerprint checks"). Because you also addressed your request to the FBI's Criminal Justice Information Services Division, I am forwarding a copy of this letter to that office.

Under article V(a) of the National Crime Prevention and Privacy Compact (hereinafter the Compact), 42 U.S.C. 14616, "[s]ubject fingerprints or other approved forms of positive identification shall be submitted with all requests for criminal history record checks for noncriminal justice purposes."<sup>1</sup> However, under 42 U.S.C. 14614(b)(2), "[n]othing in the Compact shall interfere in any manner with . . . any direct access to Federal criminal history records authorized by law." Separately, under 42 U.S.C. 14614(b)(1)(A), "[n]othing in the Compact shall interfere in any manner with . . . access, direct or otherwise, to records pursuant to . . . section 9101 of title 5."

The investigations will be for temporary appointments in the excepted service to conduct the Decennial Census. The investigative requirements for such positions include rule VI of Executive Order 10,577, codified as amended in 5 C.F.R. 6.3(b), and OPM's implementing regulation in 5 C.F.R. 302.102(a); sections 3(a) and 8(c) of Executive Order 10,450, 3 C.F.R. 936 (1949-1953), reprinted as amended in 5 U.S.C. 7311 note, and OPM's implementing regulation in 5 C.F.R. 732.202(b); and section 4 of Executive Order 8781, 3 C.F.R. 946 (1938-1943), as amended by Executive Order 8914, 3 C.F.R. 1014 (1938-1943). These executive orders and regulations (i) require appointees to be fingerprinted, except where OPM excepts a group of temporary appointees from fingerprinting; (ii) require a security investigation for an excepted service appointment that includes a check of FBI fingerprint files, unless the position is

<sup>1</sup> The FBI advises that there are no "other approved forms of positive identification," so the statutory requirement is strictly for submission of fingerprints.



Honorable John J. Sullivan

Page 2

a temporary, seasonal, or per diem position not to exceed 180 days, or other position for which OPM has waived investigative requirements; and (iii) give each employing agency the discretion, in other respects, to prescribe appropriate regulations and practices for its appointments in the excepted service (e.g., agency-specific investigative requirements for qualifications and fitness).

None of these provisions expressly authorizes an agency conducting a pre-employment investigation for an excepted service appointment (on its own or using OPM's investigative facilities) to have "direct access to criminal history records," as defined in article I(10) of the Compact.<sup>2</sup> Nor, in the context of a related provision, can a right of direct access be inferred when it is not expressly authorized. Specifically, Article V(c) of the Compact states that "[d]irect access . . . by entities other than the FBI and State criminal history records repositories shall not be permitted for noncriminal justice purposes."

Because executive orders and regulations authorizing investigation for temporary appointments in the excepted service do not authorize "direct access to Federal criminal history records," a waiver, under 42 U.S.C. 14614(b)(2), of the requirement for fingerprint checks is not possible. The FBI informally advises that it concurs with this analysis.

However, under 42 U.S.C. 14614(b)(1)(A), "[n]othing in the Compact shall interfere in any manner with . . . access, direct or otherwise, to records pursuant to . . . section 5101 of title 5."

Under 5 U.S.C. 9101(b)(1),

Upon request by the head of a covered agency, criminal justice agencies shall make available criminal history record information regarding individuals under investigation by that covered agency for any of the following:

- (A) Access to classified information.
- (B) Assignment to or retention in sensitive national security duties.
- (C) Acceptance or retention in the armed forces.
- (D) Appointment, retention, or assignment to a position of public trust or a critical or sensitive position while either employed by the Government or performing a Government contract.

The FBI is defined as a "criminal justice agency" for purposes of this provision by 5 U.S.C. 9101(a)(1)(B), and OPM is defined as a "covered agency" by 5 U.S.C. 9101(a)(6)(D) (regardless of whether OPM is conducting an investigation under its original authority, or providing investigative services to another agency by agreement). Therefore, if OPM, by agreement with the Department of Commerce, conducts pre-employment investigations for temporary Decennial Census appointments, it is entitled to criminal history record information held by the FBI, provided that the investigations are those described in 5 U.S.C. 9101(b)(1)(A)-(D).

<sup>2</sup> Article I(10) defines "direct access" as "access . . . by computer terminal or other automated means not requiring the assistance or intervention by any other party or agency."

Honorable John J. Sullivan

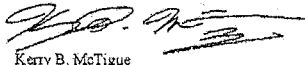
Page 3

Pre-employment investigations for temporary Decennial Census appointments are not for "[a]ccess to classified information," for "[a]ssignment to or retention in sensitive national security duties," or for "[a]cceptance or retention in the armed forces." Nor can they be for "[a]ppointment . . . to a position for public trust," since public trust risk designations are governed by 5 C.F.R. 731.106, which covers only competitive service positions. The question, then, is whether these pre-employment investigations are for "[a]ppointment . . . to a . . . critical or sensitive position." The Department of Commerce has not disclosed to OPM the sensitivity of these positions under section 3(b) of the Executive Order 10,450, as amended, and 5 C.F.R. 732.201(a). Until OPM knows whether the positions have been designated as sensitive, we cannot say whether, in conducting the investigations, OPM's access to criminal history record information is pursuant to 5 U.S.C. 9101(b)(1).

If, in fact, OPM has access to criminal history record information pursuant to 5 U.S.C. . . . 9101(b)(1) in conducting pre-employment investigations for Decennial Census positions, then OPM may waive the requirement for fingerprint checks under 42 U.S.C. 14614(b)(1)(A) if the requirement "interfere[s] in any manner with" OPM's access. OPM would only consider the requirement for fingerprint checks to "interfere" unnecessarily with OPM's access to criminal history record information if OPM had assurance that name checks are a reliable alternative method of uncovering applicants' past criminal activity and of protecting the public from exposure to criminal conduct. OPM has received no such assurance from the FBI. Rather, in an August 15, 2007 opinion, the FBI stated that it "recommends fingerprint-based checks."

In summary, unless the Department of Commerce designated the positions as sensitive and the FBI opined that name checks are a reliable alternative to fingerprint checks, OPM cannot waive the fingerprint check requirement.

Respectfully,



Kerry B. McTigue  
General Counsel

cc: Mr. Thomas E. Bush III  
Assistant Director, CJIS Division  
U.S. Department of Justice  
Federal Bureau of Investigation  
Module C3  
1000 Custer Hollow Road  
Clarksburg, WV 26306



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to  
File No.

Criminal Justice Information  
Services Division  
Clarksburg, WV 26306  
January 29, 2008

Ms. Sandy Patterson  
Branch Chief  
U.S. Department of Commerce  
Census Bureau  
4600 Silver Hill Road  
Room 3K035  
Washington, DC 20233

Dear Ms. Patterson:

I am writing in response to your December 2007 letter regarding connectivity to the Criminal Justice Information Services (CJIS) Division's Integrated Automated Fingerprint Identification System to conduct background investigations for the 2010 Decennial Census.

The letter indicated that the U.S. Census Bureau is planning to conduct name checks and submit fingerprints for individuals applying for temporary employment for the 2010 Decennial Census. As mentioned in previous communications, the most effective means of accomplishing a thorough background check is to provide fingerprint identification.

The U.S. Census Bureau estimated the volume for name checks to be three million, while the volume for the fingerprints submissions would be one million, peaking in May 2010 with approximately 420,000 fingerprint submissions over a two day period. The CJIS Division will process the fingerprints and return an identification decision response to the U.S. Census Bureau for adjudication.

Ms. Patterson

The CJIS Division will support the U.S. Census Bureau in its effort to prepare for the 2010 Decennial Census, however, clarification is needed on two issues; the volume of fingerprint submissions and name search requests.

During a teleconference between the Census Bureau and my staff on January 28, 2008, Mr. Phil Bettwy indicated that a more definite fingerprint volume would be included in a subsequent request for connectivity letter from the Census Bureau. Further, the Census Bureau requested the CJIS Division to advise on technical options for name checks for the near future and for the long term.

Once the formal request for connectivity is received, reviewed, and approved, a User Agreement will be executed with the FBI CJIS Division and your agency. Ms. Garnet Tucker is the CJIS Division point of contact for this effort. Please contact her at (304) 625-3543 or via e-mail at [gtucker@leo.gov](mailto:gtucker@leo.gov) for continued assistance with this matter.

Sincerely yours,

*Robert J. Casey*  
Mr. Robert J. Casey  
Section Chief  
Liaison, Advisory, Training  
and Statistics Section



U.S. Department of Justice  
Federal Bureau of Investigation

In Reply, Please Refer to  
File No.

Criminal Justice Information  
Services Division  
Clarksburg, WV 26306  
April 18, 2008

Ms. Sandy Patterson  
Branch Chief  
U.S. Department of Commerce  
Census Bureau  
4600 Silver Hill Road  
Room 3K035  
Washington, DC 20233

Dear Ms. Patterson:

I am writing in response to your March 26, 2008, letter requesting access to the Integrated Automated Fingerprint Identification System (IAFIS) for civil fingerprint submissions and name check searches via the Criminal Justice Information Services (CJIS) Wide Area Network (WAN).

Your request for direct access to IAFIS has been approved. The CJIS Division will soon begin configuring the site connection located at 17101 Melford Boulevard, Bowie, Maryland 20715. The Originating Agency Identifier of MDCENSUSZ has been assigned for the U.S. Census Bureau at that site. Enclosed is a copy of the CJIS WAN Specifications and the Electronic Fingerprint Transmission Specifications on compact discs to assist in the development and implementation of the U.S. Census Bureau's connectivity.

If you have any questions or require additional information concerning this matter, please contact Ms. Garnet Tucker at telephone number (304) 625-3543 or via e-mail at [gtucker@leo.gov](mailto:gtucker@leo.gov).

Sincerely yours,

Robert J. Casey  
Section Chief  
Liaison, Advisory, Training  
and Statistics Section

Enclosures (2)

04-10-08 12:55pm From:DOC

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UNITED STATES DEPARTMENT OF COMMERCE  
Office of the General Counsel  
Washington, D.C. 20230

Danny Moye  
CJIS Division  
Federal Bureau of Investigation  
Module C3  
1000 Custer Hollow Road  
Clarksburg, WV 26306

MAR 20 2008

Dear Danny

I wanted to write and thank you and all your colleagues at CJIS for meeting with us Monday to discuss various options on background checks for temporary Census employees for the 2010 Decennial Census. We really appreciate the time and effort all of you have put in to helping us understand the various options available.

I also wanted to thank you again for the legal advice your office gave to us previously, that was reiterated at our Monday meeting, concerning Census' legal authority to continue to determine the suitability of temporary employees by name-based checks, notwithstanding the language of the Compact, 42 U.S.C. § 14616. In earlier conversations in January, you had referred us to Article III, section (d)(2) of the Compact, authorizing the use of name-based checks for these suitability determinations. My understanding of your reasoning was that because the FBI had assisted Census in using name-based checks in the 1990 and 2000 Censuses, section (d)(2) would authorize the continued use of name-based checks in the 2010 Decennial Census. After you brought this provision to my attention, my office researched it and determined that we agreed that, based on the Census and FBI joint use of name-based checks in the past, this provision would give Census such authority. We appreciate you reminding us on Monday that the fact that Assistant Director Bush's August 15, 2007 letter stated that CJIS would assist us in the use of either method was additional recognition of the legal validity for Census to use either method for suitability checks.

In light of the fact that Secretary Gutierrez will be testifying to the Congress about the Decennial Census on April 3, your assistance was particularly helpful and timely.

Again, thank you for all the assistance you have been providing.

Sincerely,

Elise B. Packard  
Chief  
General Law Division



UNITED STATES DEPARTMENT OF COMMERCE  
Economics and Statistics Administration  
U.S. Census Bureau  
Washington, DC 20233-0001

Mr. Robert J. Casey  
Section Chief  
Liaison, Advisory, Training and Statistics Section  
Criminal Justice Information Services Division  
Federal Bureau of Investigation  
1000 Cluster Hollow Road  
Clarksburg, WV 26306

Dear Mr. Casey:

This letter is a follow-up to our phone conversation in November 2007. As stated during this discussion, the Census Bureau is in preparation for the 2010 Decennial Census of Population and Housing, and we request your support during the conduct of this immense effort. In addition to this letter, we are preparing a request letter to Assistant Director Thomas E. Bush.

The 2010 Decennial Census requires the Census Bureau to request both name checks for approximately 3 million applicants and fingerprint analysis for over 1 million temporary employees. At peak, 420,000 fingerprint records will be transmitted to the FBI over a 2-day period in May 2010. The Census Bureau will fingerprint employees on the first day of their training sessions using ink and hard cards.

As a result of our discussions, we have identified two key activities listed below that define the support the Census Bureau requires of the FBI:

*1. Establish a direct telecommunications line from the Census Computer Center in Bowie, MD, to the FBI in Clarksburg, WV, to submit fingerprint record submissions to facilitate processing and a 3-day turnaround for results.*

We are proposing to create a file that contains scanned fingerprints from each employee and submit the encrypted file directly to the FBI electronically. We will perform a fingerprint sequence check on all files to reduce the number of errors before the files are transmitted to the FBI for adjudication.

With an understanding that fingerprint submission volumes will be well above CJIS current capacity, we are looking for estimates of the CJIS processing schedule. See attachment I for projected number of fingerprint submissions for the 2010 Decennial Census.

For the 2010 Decennial, we would like to have a User Agreement or Memorandum of Understanding in place to address expectations concerning operations. The FBI has previously requested the following information from the Census Bureau regarding transmission of the files and overall volume of fingerprint submissions.

U S C E N S U S B U R E A U

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[www.census.gov](http://www.census.gov)

- Originating Agency Identifier (ORI) will be USCENSUSZ. We currently use this ORI to submit our current hires to FBI via OPM. Using a new ORI for Decennial operations only would be the preferred method.
- Census will submit these fingerprint files to FBI using the federal user fee format and be charged \$17.25 per submission.
- The reason fingerprinted (i.e., employment) will be embedded in the files for every submission.

*2. Establish a method similar to 2000 Decennial Census for name check requests submitted through the Office of Personnel Management (OPM)*

(Note: See attachment 2 for projected name check volumes for the 2010 Decennial Census.)

During the 2000 Decennial Census, OPM coordinated an effort with the FBI to place a computer in the Criminal Justice Information Services (CJIS) Data Center for name check processing. The Census Bureau transmitted the name check files to the OPM. The CJIS used OPM equipment to extract the data and create a tape for processing. A CJIS employee would then walk the tape over to Integrated Automated Fingerprint Information System (IAFIS)/Interstate Identification Index (III) for Machine Readable Data (MRD) processing. Subsequently, the results of the name check process were loaded into the OPM database. OPM transmitted the name check processing results to the Census Bureau. Currently, the OPM equipment in the CJIS Data Center is not functioning. This equipment must be repaired or a new method implemented.

In addition to the request above, the Deputy Director of the Census Bureau has submitted a letter under separate cover to the FBI's Assistant Director of Criminal Justice Information Services requesting training materials from the FBI's fingerprinting course and a point of contact to facilitate timely processing of data and resolve problems that might arise.

If you have any questions regarding this request, please contact me at (301) 763-1139.

Sincerely,



Sandy Patterson  
Branch Chief

Attachments:

1. Number of Fingerprint Submissions for the 2010 Census
2. Name Check Volume 2010 Census





U.S. Department of Justice

Federal Bureau of Investigation

Clarksburg, WV 26306-0001

May 19, 2009

Ms. Marilia A. Matos  
Associate Director for Field Operations  
U.S. Census Bureau  
4600 Silver Hill Road, Room 8H126  
Washington, DC 20233

Dear Ms. Matos:

The purpose of this communication is to advise of potential Integrated Automated Fingerprint Identification System (IAFIS) response delays due to an extremely elevated level of insufficient quality fingerprint submissions received from the U.S. Census Bureau (USCB) in support of the 2010 Decennial Census, especially during April 28-30, 2010. During this time period, the FBI's Criminal Justice Information Services (CJIS) Division will receive approximately 600,000 Census-related fingerprint background checks in addition to the average daily fingerprint workload of 175,000 fingerprint submissions.

In Fiscal Year 2008, the IAFIS experienced an overall rejection rate of less than five percent. This total encompasses all tenprint submissions rejected due to low quality characteristics, as well as those related to the improper recording of fingerprints, such as the fingers are not fully rolled from nail-to-nail, the entire fingerprint pattern area is not captured, and/or the fingers are out of sequence. The CJIS Division has been monitoring the rejection rate for all USCB fingerprint submissions, which is averaging over 40 percent with peaks above 60 percent. Although approximately half of the submissions process successfully through the IAFIS, many of those are of borderline image quality and require an inordinate amount of system and human resources. More importantly, inferior image quality fingerprint submissions increase the potential for missed identifications.

Extensive fingerprint submissions of poor image quality negatively impact the CJIS Division's ability to process and respond to all requests including those that are criminal justice related or are of national security interest. To this end, due to the USCB elevated level of substandard quality fingerprint submissions, the CJIS Division has experienced a degradation in the required two-hour response time for criminal justice submissions on more than one occasion. This degradation of service for criminal justice submissions violates Article III (d) of the

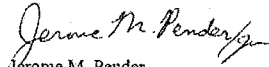
Ms. Marilia A. Matos

National Crime Prevention and Privacy Compact, which states "use of the Interstate Identification Index System for noncriminal justice purposes authorized in this Compact shall be managed so as not to diminish the level of services provided in support of criminal justice purposes."

In an effort to reduce the number of fingerprint rejections submitted by the USCB, the CJIS Division recently traveled to the USCB National Processing Center in Jeffersonville, Indiana, to observe current scanning processes, participate in mock training sessions, and provide feedback that may assist the USCB in obtaining fingerprints of sufficient quality. The CJIS Division also provided an information sheet detailing common reasons for rejections and the proper methods to correct these errors for display at fingerprint capture stations. Although these efforts may assist in reducing the current rejection rate, the CJIS Division requests that the USCB activate the image quality functions on all scanners. The image quality verification functionality will further reduce the number of fingerprint rejections as it alerts of potential errors prior to the fingerprints being submitted to the IAFIS, thus preserving IAFIS and CJIS Division personnel resources, as well as saving associated user fees for the processing of these background checks.

In order to ensure that the CJIS Division can accommodate the USCB response times and not degrade services in support of criminal justice purposes, it is imperative that the CJIS Division and the USCB work collectively to overcome the challenges faced by this unprecedented undertaking. Please continue to work with Ms. Garnet Tucker on this initiative. Ms. Tucker can be contacted at (304) 625-3543, or via e-mail at <gtucker@leo.gov>.

Sincerely yours,



Jerome M. Pender  
Acting Assistant Director  
Criminal Justice Information  
Services Division

1 - Ms. Sandra Jeanne Patterson  
Chief, Census Hiring and  
Employment Check Office  
Administrative and Management  
Systems Division  
U.S. Census Bureau  
4600 Silver Hill Road, Room 3K035  
Washington, DC 20233

Mr. CLAY [continuing]. And determine if we can save the taxpayers some money.

In response to Mr. McHenry's inquiry about future hearings, we do plan on inviting the Director back for updates, as well as other subject matter, in particular for a future hearing. It's my understanding that there has been a political thawing about sampling that we may need to explore in a bipartisan manner. So that could be a future hearing, too.

Mr. MCHENRY. Are you smiling as you say that?

Mr. CLAY. Yes, I am, but not facetiously.

Let me now call the two additional witnesses up to the table.

Mr. WESTMORELAND. Mr. Chairman, could I have about 5 minutes just to ask a couple? Mr. McHenry said we were going to take 15 minutes a side, and I think he took 10.

Mr. CLAY. That was not the format, but I'll tell you what, I'll give you 5 minutes.

Mr. WESTMORELAND. OK. If you will do that, Mr. Chairman—

Mr. CLAY. You are going to take 5 of his.

Mr. WESTMORELAND. Well, if you don't mind me doing that.

Mr. CLAY. Mr. Westmoreland, you may proceed.

Mr. WESTMORELAND. Thank you. And just a couple quick comments, Mr. Chairman.

But, Dr. Groves, I want to tell you that I appreciate your sincerity in the meetings that we've had. I think you are very sincere about giving the American people the best count possible. And, Mr. Jackson, the same thing in the meetings that we have had.

And you were talking about the people under you. I think people that work for somebody or work for a corporate group look at the sincerity of the people that are leading them and want to do that same type job. So I commend you for that.

Dr. GROVES. Thank you. Appreciate that.

Mr. WESTMORELAND. And I also want to say that you are exactly right on the credibility. We have to make sure that the public understands that we are going to count everybody, we are going to do the best job that we can counting everybody.

I want to encourage you to look at letting Members of Congress do some PSAs telling people to fill out their form. Every meeting I have now, I tell people, "Please fill out your census and send it in. And if you do that, we'll have a good, accurate count."

Dr. GROVES. And we'll save the taxpayer money.

Mr. WESTMORELAND. And we'll save the taxpayers money. That's correct.

A quick question. I know that earlier this month our staffs were briefed by the Census Bureau on the address canvassing, as Mr. McHenry mentioned. They said that the handhelds worked well. Do you agree with that, I mean, from everything that you have heard?

Dr. GROVES. The way I see it is that they worked well enough for that task. You know, we trimmed the task a little. We took the large blocks and we didn't use the handhelds for the large blocks, because we knew they were having trouble with the large blocks.

So I think the way I'd prefer to think of it: The way we used them, they worked well.

Mr. WESTMORELAND. OK. Well, I know that they were used for this GPS, you know, the address. And what's the problem—if they

work well in the environment that you say, could they—there's no way they could have been used to get the responses for these 10 questions of people that go out for a nonresponse followup?

Because I know that, at least in the estimations, I believe, in the nonresponse followup, if we were able to use these handhelds, it would have saved a little over \$1 billion of taxpayer money.

Dr. GROVES. No, I see the appeal of this. No, I'm with you on the logic of your question. And the disappointing answer, I think, is that, although they were useful for address canvassing, the questionnaire use of those things is another software leap, and they weren't ready for that. And, indeed, the replanning was motivated by that knowledge. So that programming was stopped. You know, they are just not ready for that.

They are also not the kind of GPS devices that you and I may have in our car that say, you know, "turn left" and so on. They allow us to put spots on maps and code those coordinates, but they are not really navigational devices in the way that you could imagine being used in nonresponse followup.

And then the killer final point is there aren't enough of them. Even if those two things were solved that I just mentioned, we don't have enough of these devices to run nonresponse followup if we wanted to.

So, you know, it is regrettable, but it is a matter of fact that using those in nonresponse followup is not a prudent thing.

Mr. WESTMORELAND. And that's a real shame, because taxpayers spent a lot of money buying those things. And it would have been great if they could have been used for the nonresponse followup and those simple answers.

But, with that, Mr. Chairman, if I have any time left, I will yield that to Mr. McHenry. If not, thank you for the time.

Mr. CLAY. Thank you, Mr. Westmoreland.

Now we will proceed under the normal operations of the hearing and ask the two witnesses to come forward. We will now—and as I stated earlier and without objection, the Chair and ranking minority member will have 5 minutes to make opening statements, followed by opening statements not to exceed 3 minutes by any other Member who seeks recognition. And without objection, Members and witnesses may have 5 legislative days to submit a written statement of extraneous material for the record.

I will now introduce the rest of our panel. We have heard from Dr. Groves, who I have already introduced.

Our next witness will be Judith J. Gordon, who has served in Executive Leadership positions within the Office of Inspector General since 1994 and became responsible for audit and evaluation in June 2008. In her current position, she is responsible for the Audit, Evaluation, and Oversight of Department of Commerce Program, Organization, Operations, and Management, as well as external activities funded by the Commerce through contracts or financial assistance such as loan, grants, and cooperative agreements.

Prior to this appointment, Ms. Gordon served 14 years as Assistant Inspector General for Systems Evaluation, where she led a staff responsible for the Review and Oversight of Commerce Information Technology Systems, Policies, Programs, and Contracts. Ms. Gordon also served as the Director of OIG Systems Evaluation Di-

vision from 1991 to 1994. Ms. Gordon received a B.A. in economics and a master's degree in public policy from the University of Michigan and completed the course work for the doctoral program in economics at American University.

Our third witness will be Mr. Jeff Tarakajian—I got it right—Tarakajian, executive VP of DraftFCB, the prior contractor of the 2010 census integrated communications campaign.

I want to welcome our entire panel to this hearing; and, as is the policy of the committee, we swear in all witnesses. Would you please stand and raise your right hands.

[Witnesses sworn.]

Mr. CLAY. Thank you. You may be seated, and let the record reflect that all witnesses answered in the affirmative.

Each of you will have 5 minutes to make an opening statement. Your complete written testimony will be included in the hearing record. The yellow light will indicate it is time to sum up, and the red light will indicate that your time has expired.

Dr. Groves, do you have any additional statements you want to make at this time?

Dr. GROVES. I am happy to hear the testimony of my colleagues.

Mr. CLAY. That will be good.

Ms. Gordon, you may proceed with your opening statement.

**STATEMENTS OF JUDITH J. GORDON, PRINCIPAL ASSISTANT INSPECTOR GENERAL FOR AUDIT AND EVALUATION, U.S. DEPARTMENT OF COMMERCE; AND JEFF TARAKAJIAN, CHAIRMAN AND CEO, DRAFTFCB**

**STATEMENT OF JUDITH J. GORDON**

Ms. GORDON. Chairman Clay, Ranking Member McHenry—

Mr. CLAY. Make sure your mic is on. Push that button. There you go. Thank you.

Ms. GORDON. Chairman Clay, Ranking Member McHenry, and members of the subcommittee, I am pleased to be here today to discuss the Census Bureau's management of next year's—

Mr. CLAY. Ms. Gordon, would you pull the mic closer to you? There you go.

Ms. GORDON [continuing]. Of next year's decennial census and communications campaign. We recognize the challenges faced by the Bureau in this enormous yet critical task. Oversight of the 2010 census has been a top priority of the Office of Inspector General.

Today, I will focus my remarks on three areas: one, the significant issues we have identified over the past decade in key Census operations; two, the problems discussed in our first quarterly report to Congress last month; and, three, our ongoing review of the Bureau's communications campaign and partnership program.

Over the past decade, we have found critical shortcomings in such areas as contracting, address lists, systems development, and enumerating hard-to-count populations. These challenges remain to this day. Our audit of award fee and contract type on field data collection automation resulted in several improvements when the contract was renegotiated. This occurred after the well-publicized deci-

sion to abandon use of handheld computers for nonresponse follow-up.

We have focused considerable attention on address canvassing, as this is key to a successful census. In our observations nationwide, we found a central procedure is not followed. The Bureau quickly directed the field to correct the problem, but at that point over half of the operation had been completed.

Quality control is critical to identifying and correcting errors when address listers do not follow procedures. While our review is not yet complete, we found that quality control employees were unable to make certain address list corrections when needed.

Our first quarterly report to Congress examined the Bureau's program management limitations. While risk management has improved over census 2000, specific limitations in program management systems and data hamper its ability to plan and manage the census. Examples include the lack of integrated objective measures of cost schedule and progress, unreliable cost estimates, and late risk management activities.

Further, Census stopped reporting the risks associated with its handheld computers as a key issue in its monthly status reports to Congress, the Department, and OMB, even though the issue had not been resolved. This lack of transparency cast doubt on overall reporting accuracy.

Finally, we have been monitoring the Bureau's communications campaign, including its contract as well as the partnership program. While we continue to assess the challenges, the Bureau's management appears to be going well. We have, however, noted some delays in getting promotional materials to local offices.

The partnership program is a related component of the communications campaign. Census used \$120 million in Recovery Act funding to hire an additional 2,000 individuals to increase partnerships in hard-to-count communities. We will be looking at how well Census uses its vastly increased partnership staff.

In conclusion, the Bureau is taking positive steps to increase the mail response rate and participation of hard-to-count populations.

With the limitations in its project management systems, Census faces significant challenges in assessing progress and forecasting cost and schedule overruns for the duration of the decennial. Major areas we intend to watch going forward include the quality of the master address file, the use of the communications campaign and partnership staff, the Bureau's progress in developing automation for nonresponse followup on a highly compressed schedule and components of the enumeration process.

Mr. Chairman, this completes my summary; and I would be happy to respond to questions.

Mr. CLAY. Thank you, Ms. Gordon. You—don't worry about the clock. You did fine. You did well. You were under 5 minutes.

[The prepared statement of Ms. Gordon follows:]

Testimony of

**JUDITH J. GORDON**

**PRINCIPAL ASSISTANT INSPECTOR GENERAL FOR  
AUDIT AND EVALUATION  
U.S. DEPARTMENT OF COMMERCE**

before the

**Subcommittee on Information Policy, Census, and National Archives  
Committee on Oversight and Government Reform  
House of Representatives**

**September 22, 2009**

***The 2010 Census and  
Integrated Communications Campaign***

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

Thank you for inviting us to testify today on the Census Bureau's management of the 2010 decennial census and Integrated Communications Campaign. My testimony will address our oversight of the decennial, findings from our first quarterly report to Congress on the 2010 census, and our work on the communications campaign contract and the partnership program. Please see the appendix to this testimony for a list of our reports on the 2010 Census.

**OFFICE OF INSPECTOR GENERAL (OIG) REVIEWS THROUGHOUT THE PAST DECADE HAVE IDENTIFIED SIGNIFICANT CHALLENGES IN KEY OPERATIONS**

Oversight of the 2010 census has been an ongoing OIG priority. We began our work in 2004 with our report on lessons learned, *Improving Our Measure of America: What the 2004 Census Test Can Teach Us in Planning for the 2010 Decennial Census*. Since that time we have highlighted continuing weaknesses in key decennial areas, including contracting, maps and address lists, systems development, and enumerating hard-to-count populations.

- In April 2006, the Census Bureau awarded the Field Data Collection Automation (FDCA) contract to the Harris Corporation. FDCA was a cost-reimbursement contract



intended to automate and integrate major field operations for the 2010 decennial, including use of handheld computers to conduct address canvassing and nonresponse follow-up. The mounting FDCA problems prompted the decision, in April 2008, to abandon use of the handhelds for nonresponse follow-up while focusing resources on ensuring that the handhelds could support address canvassing. This change set in motion contract renegotiations between the bureau and Harris, with each party redefining its respective role to minimize cost and schedule risks. The renegotiations also gave the bureau the opportunity to revisit the contract type and fee structure it originally negotiated, and modify it as appropriate.

With this in mind, we conducted an audit to determine whether (1) award fees paid to Harris were appropriate, (2) the incentive fee structure used in those periods was the most effective for motivating excellent performance, and (3) cost-plus-award fee was the best contract arrangement for acquiring the system. Our audit resulted in recommendations for improving the contract by, among other items, establishing measurable criteria for assessing performance and determining fees; modifying the fee structure to promote performance excellence and limit the practice of rolling over fees; and incorporating fixed pricing for deliverables, whenever possible.

- We are auditing the contract for the Decennial Response Integration System, which will capture census response data from paper forms and provide for telephone enumeration and follow-up.
- We are also auditing the communications contract, which is being used to raise awareness and to educate residents about the 2010 Census and the importance of their response, with a major focus on minority communities and other areas that have historically lower-than-average response rates.
- We recently began an evaluation of the partnership program, which brings national, regional, tribal and local government, business, and nonprofit organizations together to promote participation in the 2010 Census. I will address our work on the communications contract and partnership program later in my testimony. Both of these programs have received additional funding under the American Recovery and Reinvestment Act.
- With the beginning of address canvassing last spring, we have given considerable attention to assessing the management issues and risks involved in planning and conducting field operations. Because the Census Bureau describes “an accurate, comprehensive, and timely [address] list” as “one of the best predictors of a successful census,” we observed the address canvassing operation firsthand across the country. We reported that important procedures were not being followed. Census responded quickly to this finding by communicating to field staff and regional directors about the issue. However, at that point, many areas had completed production.



- Census depends on its address-canvassing quality-control operation to identify and correct errors resulting from listers' not following procedures. We therefore expanded the number and breadth of our field observations to focus on this quality-control element, particularly in rural areas, and will present our results in a subsequent report. However, we did find one notable issue: quality control listers were unable to make changes to the address list after the initial quality check passed and they were confirming housing unit deletions. This problem increases the bureau's risk of housing units being omitted from the master address file and therefore of not receiving census questionnaires. In some cases, quality control listers recorded units on paper that they could not enter into their handheld computers. Census is in the process of reviewing procedures to incorporate these units, but the actions of individual listers were not standard and the procedures not consistently used.
- As a result of limitations in the number of addresses that its handheld computers could hold, Census deployed a contingency plan to canvass blocks containing more than 1,000 addresses. Our assessment of this operation found a number of problems that demonstrated the need for improved contingency planning.
- We are identifying lessons learned from address canvassing to help make nonresponse follow-up more effective and less costly. Nonresponse follow-up is a massive operation in which census workers collect data from households that have not mailed back their census questionnaires. We are looking at the causes of budget variances for address listers' time, mileage, and expenses incurred during address canvassing to help identify actions the bureau can take to better control costs during nonresponse follow-up. We are also auditing the accuracy and integrity of the payroll system used for the hundreds of thousands of temporary Census employees.
- Finally, we are evaluating the results of the operation that validates the location of group residences (e.g., military bases, college dormitories, prisons, and nursing homes) for later enumeration.

OIG'S FIRST QUARTERLY REPORT TO CONGRESS FOUND PROBLEMS WITH PROGRAM MANAGEMENT SYSTEMS, RISK MANAGEMENT, AND REPORTING TRANSPARENCY

The Supplemental Appropriations Act of 2008 gave the Census Bureau an additional \$210 million to help cover spiraling 2010 decennial costs. The act's explanatory statement required the bureau to submit to the Senate and House Committees on Appropriations a detailed plan and time line of decennial census milestones and expenditures, and a quantitative assessment of associated program risks.

OIG was also required to provide quarterly reports on the bureau's progress against this plan. The objective of our first report was to determine the limitations in the bureau's ability to oversee the systems and information for tracking schedule activities, cost, and risk management activities that depended on a baseline provided by Census in May of this year.

Our review discovered that the bureau's ability to effectively oversee decennial census progress has long been hampered by inherent weaknesses in its systems and information for tracking schedules, cost, and risk management activities. The overarching problem is that these systems and information are not integrated in a manner that allows progress to be objectively measured against the project plan—in other words, the bureau does not have metrics that directly link the schedule of specific activities, the cost of those activities, and the work actually accomplished. This makes it difficult to assess progress and forecast cost and schedule overruns.

To its credit, the bureau's management of risk represents a significant improvement over the 2000 decennial, which lacked a formal risk management process, but important issues remain. Specific limitations that affect the bureau's management of the decennial census include

- not using critical-path management to identify the activities that must be completed on time so that the entire project is not delayed,
- lack of thorough up-front review of project start and end dates,
- limited integration of major contractor activities,
- lack of integration of schedule activities and budget plan/expenditure information,
- unreliable cost estimate,
- lack of transparency in use of contingency funds,
- lack of systematically documented program and funding decisions,
- risk management activities that are behind schedule, and
- varying quality and content of mitigation plans.

Further, the bureau did not clearly and accurately report on the status of the risk associated with the FDCA system, which includes the handheld computers, and ceased reporting it as a key issue in the Monthly Status Report—which is provided to the Department, OMB, and the Congress—even though the issue had not been adequately resolved.

We have forwarded recommendations to the Census Bureau based on our First Quarterly Report. Given where we are with the 2010 decennial, many of our recommendations represent lessons learned and look ahead to the 2020 decennial. They include

- integrating schedule and cost activities associated with a small-scale 2010 decennial operation having both headquarters and field components, as a prototype for integrating all schedule and cost activities for the 2020 census;
- completing the schedule development process earlier in the 2020 decennial life cycle and integrating cost and schedule activities of bureau and contractor operations to

allow Census managers to better track the status of available funds, forecast impending overruns, and improve the transparency of decennial census decisions to census stakeholders;

- developing a transparent decision documentation strategy to account for 2020 census program and spending decisions; and
- strengthening and implementing a risk management strategy and related contingency plans prior to the start of 2020 decennial census operations.

The bureau has concurred with our recommendations and is formulating approaches to address them.

#### THE CENSUS BUREAU HAS BEEN DILIGENT IN MONITORING THE INTEGRATED COMMUNICATIONS CAMPAIGN, BUT THERE HAVE BEEN DELAYS IN DELIVERY OF INITIAL PLAN AND PROMOTIONAL ITEMS

The integrated communications campaign is part of the Census Bureau's attempt to increase the response rate to the questionnaire mailing, thereby decreasing the resources needed for the bureau's follow-up. The campaign also emphasizes increased participation of traditionally hard-to-count populations. The communications campaign includes promotional materials, media advertising, and outreach to parents and guardians through their school-age children.

We have been monitoring the bureau's progress in soliciting and awarding a contract to implement the campaign, including an assessment of how well the bureau has improved upon the structure and effectiveness of the advertising contract used for the 2000 census. In September 2007, the bureau awarded a contract to DraftFCB. The contract now contains 23 task orders valued at about \$300 million, with one-third of those funds already being obligated. Of the total, \$100 million in funding came from the American Recovery and Reinvestment Act.

This past February we began reviewing the overall integrated communications campaign, including the contract with DraftFCB. We are assessing the challenges associated with distributing promotional materials through regional census centers. Our preliminary observations indicate that the bureau has been diligent in its management and monitoring of DraftFCB's execution of the contract. However, we have noted delays in the delivery of the contractor's initial communications plan and delivery of promotional items to regional field offices to distribute to their partners. Other areas of focus include contract requirements, plans, deliverables, time lines, and funding requirements.

The Census Bureau's partnership program is a key component of its efforts to improve mail response, decrease the comparative undercount of certain populations, and improve respondent cooperation. Census used the \$120 million in Recovery Act funds to hire an additional 2,027 positions to focus on increasing partnerships in hard-to-count

communities. In monitoring the program during this time, we saw that Census allocated positions using hard-to-count data and successfully met its hiring goals by the July 1, 2009, deadline. Further, we recently initiated a review to evaluate the specialist and new Recovery Act “assistant” roles and activities, determine whether partners are receiving and using Census-funded promotional materials, and—on a limited basis—assess partner satisfaction.

In summary, the bureau is taking positive steps to increase the mail response rate and the participation of hard-to-count populations. With the limitations in its project management systems, it faces significant challenges in assessing progress and forecasting cost and schedule overruns for the duration of the decennial. Major areas we intend to watch going forward include

- the bureau’s evaluation of the quality of the master address file and its plans for any subsequent improvement actions;
- the communications campaign’s effectiveness in providing promotional materials and advertising that are timely, on message, and within budget;
- the effectiveness of the vastly increased partnership staff to promote outreach efforts to hard-to-count populations;
- the bureau’s progress in developing the automated paper-based operations control system—needed to manage enumerator assignments and track their progress—on a highly compressed schedule; and
- components of the enumeration process, including nonresponse follow-up.

Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions that you or any other Members of the Subcommittee may have at this time.

## APPENDIX

**Office of Inspector General Reports on the 2010 Decennial Census**

(Reports are available in OIG Census Reading Room at  
[http://www.oig.doc.gov/oig/reports/census\\_reading\\_room/index.html](http://www.oig.doc.gov/oig/reports/census_reading_room/index.html))

**2009**

- Memorandum to Director, Bureau of the Census, with Recommendations from *2010 Census: First Quarterly Report to Congress*, August 2009 (OIG-19791-1).
- *Problems Encountered in the Large Block Operation Underscore the Need for Better Contingency Plans*, August 2009 (OIG-19171-02).
- *2010 Census: First Quarterly Report to Congress*, August 2009 (OIG-19791-1).
- *Observations and Address Listers' Reports Provide Serious Indications That Important Address Canvassing Procedures Are Not Being Followed*, May 2009 (OIG-19636-01).
- *Census 2010: Revised Field Data Collection Automation Contract Incorporated OIG Recommendations, But Concerns Remain Over Fee Awarded During Negotiations*, March 2009 (CAR 18702).
- *Census 2010: Delays in Address Canvassing Software Development and Testing, Help Desk Planning, and Field Office Deployment Have Increased Operational Risk*, February 2009 (OIG-19171).

**2008**

- *Census 2010: Dress Rehearsal of Address Canvassing Revealed Persistent Deficiencies in Approach to Updating the Master Address File*, October 2008 (OSE-18599).
- *FY 2008 FISMA Assessment of the Field Data Collection Automation System*, September 2008 (OSE-19164).
- *Census 2010 Decennial: Census Should Further Refine Its Cost Estimate for Fingerprinting Temporary Staff*, August 2008 (OIG-19058-1).
- *Census 2010 Decennial: OIG Reviews Through the Decade Identify Significant Problems in Key Operations*, June 2008 (OIG-19217).



## APPENDIX

**2007**

- *Follow-up Review of the Workers' Compensation Program at the Census Bureau Reveals Limited Efforts to Address Previous OIG Recommendations*, September 2007 (IPE-18592)
- *Census 2010: Key Challenges to Enumerating American Indian Reservations Unresolved by 2006 Census Test*, September 2007 (OSE-18027).

**2006**

- *Enumerating Group Quarters Continues to Pose Challenges*, October 2006 (OIPE-18046-09-06).
- *Valuable Learning Opportunities Were Missed in the 2006 Test of Address Canvassing*, March 2006 (OIG-17524-03-06).

**2005**

- *FDCA Program for 2010 Census Is Progressing, but Key Management and Acquisition Activities Need to be Completed*, August 2005 (OSE-17368)

**2004**

- *Improving Our Measure of America: What the 2004 Census Test Can Teach Us in Planning for the 2010 Decennial Census*, September 2004 (OIG-16949-1).

**2003**

- *MAF/TIGER Redesign Project Needs Management Improvements to Meet Its Decennial Goals and Cost Objective*, September 2003 (OSE-15725).

**2002**

- *Selected Aspects of Census 2000 Accuracy and Coverage Evaluation Need Improvements Before 2010*, March 2002 (IG-14226).
- *Improving Our Measure of America: What Census 2000 Can Teach Us in Planning for 2010*, March 2002 (OIG-14431).

Mr. CLAY. Mr. Tarakajian, you are next.

**STATEMENT OF JEFF TARAKAJIAN**

Mr. TARAKAJIAN. Mr. Chairman, Ranking Member McHenry, members of the subcommittee, Team Census 2010 thanks you for the opportunity to speak with you today about the integrated communications campaign for the 2010 census.

I am joined today by a colleague at DraftFCB, Mark Hall, but I also want to recognize the contributions of our subcontractor partners, without whom this campaign would be impossible to execute. A few of them are GlobalHue, D Exposito, GlobalHue Latino, IW Group, Allied Media, and G&G Advertising, who have all tirelessly worked on behalf of the campaign.

The topic you requested for today's testimony is Criteria for Implementation: Measurement for Success. From the very beginning of the contract, literally all of the activities that the team has been focused around have to do with achieving successfully the three goals of the campaign; and, just to remind us, they are: increasing the overall mail response, delivering an accurate census and reducing the differential undercount and, finally, encouraging cooperation with enumerators.

Everything that we are doing has begun aligned with those goals, and everything we continue to do remains aligned. Absolutely everything we have done is research based. Our approach to ensuring success has been to listen and learn from others and incorporate that learning into the campaign, for example, learning from the consumer through very extensive quantitative and qualitative research.

We have had two phases of communication strategy testing, two phases of creative concept testing. The Census Bureau's own segmentation analysis, our Census barriers, attitudes, and motivator studies have all contributed to a vast amount of consumer knowledge. Learning from the opinions and knowledge of stakeholders, that of advisory committees, that of oversight, including members of this committee, Congress, Senate, and the Department of Commerce. Learning from analyzing the 2000 census program and its achievements. Learning from the Census Bureau itself. The fresh perspective of new leadership at the Bureau, as well as field headquarters, regions, and local offices.

We have had extensive learning from third-party sources, and I will just name a few of these. From Simmons Market Research, Pew Research, Competitrack, and Yankelovich and learning from the recent academic assessment panel report and its recommendations.

And, finally, there is the learning from each other and our own professional experience in developing and implementing integration communications plans.

So we will continue as a team to do whatever it takes to listen, to learn, and incorporate into the campaign what we need to make it successful so that when the final comprehensive evaluation of the campaign is done by NORC, it will be apparent how the campaign has driven the successful achievements of its goals.

Today, I am pleased to report that we remain on track to deliver the campaign to the marketplace in January. We are on budget,

and we thank the government for the infusion of Recovery Act funds which, as the Director has outlined, has helped in many ways to expand this campaign and make it more pervasive.

And also we are on track to deliver the very aggressive small business subcontracting goals of the contract. We have just completed the second and final round of creative concept testing and look forward this fall to finalizing all of the media buys—the up front media buy, the national media buy, and the local media buy—and producing all the creative and giving our stakeholders one additional chance to see work in progress materials and plans before implementation.

So, today, we look forward to your questions, your observations, and advice that you may have about this extraordinary effort and are willing to answer any questions that you may have. Thank you.

[The prepared statement of Mr. Tarakajian follows:]



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*Testimony  
Of  
Jeff Tarakajian  
DraftFCB*

*Information Policy, Census, and National Archives Subcommittee  
Oversight and Government Reform Committee  
Tuesday, September 22, 2009  
2154 Rayburn HOB  
2:00 P.M.*

*“The Census 2010 Integrated Communications Campaign; Criteria for  
Implementation: Measurements for Success”*

The 2010 Integrated Communications Campaign continues to be a work in progress. While most decisions about the Campaign will be finalized when the paid media launches in January 2010, the Campaign is built on the principle that it can and must continue to be optimized over its course in order to maximize its effectiveness. So even as late as the Motivation and Non-Response Follow-up phases of the Campaign, there will still be opportunity to make adjustments to both media and messaging based upon marketplace impact and conditions as well as actual response data. This is the first time that such optimizations have been possible, virtually in real time.

The success of the Campaign will be evaluated by NORC, who is under contract with the Census Bureau. NORC is an independent third party contracted to provide its assessment of the Campaign's effectiveness. Team Census 2010 will be measuring the impact of the campaign for optimization, not evaluation purposes.

Update on 2010 Communications Campaign

Since we were last with the Committee earlier this year in March, a substantial amount of work has been undertaken and completed. We are now at the busiest period in the work of the contract:

Key Highlights Include:

1. **A thorough review of the Campaign's Plans and Programs by the New Leadership at the Bureau** appointed by the New Administration.
  - The new leadership including the Director has reviewed all aspects of the work to date on the campaign: research, media plans, creative concepts, slogans and taglines, budgets and proposed allocations, as well as digital ideas for all audiences.
  - These detailed in-depth reviews took place over a 5-6 week period from Mid-May through the end of June.

**2. In partnership with the New Leadership, there has been a re-direction of some planned activities resulting in:**

- An increase in the number of languages for the Paid Media Campaign, from 14 to 28:

<u>Original</u>	<u>New Languages</u>
English	Portuguese
Spanish	Greek
Mandarin	French
Cantonese	Italian
Vietnamese	German
Korean	Yiddish
Hindi/Hinglish (Asian Indian)	Farsi (Iranian)
Tagalog/Taglish (Filipino)	Armenian
Russian	Ukrainian
Polish	Hmong
Arabic	Laotian
Japanese	Thai
Haitian Creole	Pakistani
Cambodian	Bangladeshi

- Review and constant monitoring of planned spending by audience (continuing to skew heavily toward ethnic/hard-to-count populations) and the development of revised integrated paid media plans for all audiences. This work is still underway and is scheduled to be reviewed by the Bureau in October. It incorporates the addition of Recovery Act funds, which in combination with the Base Contract level spending is expected to bolster total media spending by 25% over 2000 levels.

- Additional Input sessions with Advisory Committees to address their initial concerns and significantly increase their confidence level with the Campaign. These took place in late June.
  
- Additional Phase II consumer testing of creative to assess revised and incremental creative concepts funded by the Recovery Act. These sessions occurred across the country during August with findings released earlier this month.
  - With creative testing now completed, a total of 192 creative concepts have been exposed to 1,714 respondents in 31 cities throughout the US and Puerto Rico, representing all Census Regions.
  
- A substantial increase in the volume and assortment of Partnership Materials and Items delivered to the Regions:

Currently the Regions have 31 different printed materials in English, totaling 11.3 million pieces. These include:

- Operational Timeline
- General Partner, Community-Based Organization, Elected Officials, Faith-Based Organizations, Educators, Businesses, Media, Tribal Government Fact/Sell Sheet
- 2010 Census Folder
- General Public Fact Sheet - English, Russian, Polish, Arabic
- Revised CIS Fact Sheet - English
- 18-Month Calendar - English
- General Partner Fact Sheet - Puerto Rico, Russian, Polish, Arabic
- Elected Officials Fact/Sell Sheet - Puerto Rico
- Community-Based Organization Fact/Sell Sheet - Puerto Rico

- Faith-Based Organizations Fact/Sell Sheet - Puerto Rico
- Educators Fact/Sell Sheet - Puerto Rico
- Business Fact/Sell Sheet - Puerto Rico
- Media Fact/Sell Sheet - Puerto Rico
- Community-Based Organization Fact Sheet - Russian, Polish, Arabic
- AIAN, NHOPI Fact Sheet

In addition they have access on the Census web site to 49 electronic versions of materials:

- Customizable Brochure Template
- Customizable Poster Template
- Final Introductory Letter - English, Spanish PR
- Final Partner Proclamation - English, Spanish PR
- Final Partner Resolution - English, Spanish PR
- Final Partner Commitment Form - English, Spanish PR
- Tribal Government Introductory Letter
- Tribal Government Commitment Form
- Tribal Government Proclamation
- Customizable Fact Sheet Template - English, Spanish
- Customizable Newsletter Template - English, Spanish
- Census in Schools Fact Sheet - English, Spanish PR
- Operational Timeline - English, Spanish PR
- General Partner Fact/Sell Sheet - English, Spanish PR
- Community-Based Organization Fact/Sell Sheet - English, Spanish PR
- Elected Officials Fact/Sell Sheet - English, Spanish PR
- Faith-Based Organizations Fact/Sell Sheet - English, Spanish PR
- Educators Fact/Sell Sheet - English, Spanish PR

- Businesses Fact/Sell Sheet – English, Spanish PR
- Media Fact/Sell Sheet – English, Spanish PR
- Tribal Government Fact/Sell Sheet
- Revised Census in Schools Fact Sheet – English, Spanish PR
- General Public Fact Sheet – English, Spanish PR, Russian, Polish, Arabic
- 18-Month Calendar – English, Spanish PR
- CCC Training Manual
- Partner Activity Guide – One Year Out
- Community-Based Organization Fact Sheet – Russian, Polish, Arabic
- AIAN, NHOPI Fact Sheet
- Partner Toolkit – Congressional Officials, Asian Audiences, Black Outreach – English, Businesses – English, Colleges and Universities

The Regions also have 15 different promotional items, totaling 4.75 Million pieces. These items include:

- 2010 Census Sticker English, Spanish, Spanish PR
- Public Pen – English, Spanish, Spanish PR
- Partner Pen – English, Spanish, Spanish PR
- Mousepad – English, Spanish, Spanish PR
- Water Bottle – English, Spanish, Spanish PR
- Chip Clip – English, Spanish, Spanish PR
- Pencil – English, Spanish, Spanish PR
- Balloons – English, Spanish, Spanish PR
- Canvas Tote Bag – English, Spanish, Spanish PR
- Drawstring Backpack – English, Spanish, Spanish PR
- Notepads – English, Spanish, Spanish PR

- Post-It Pads – English, Spanish, Spanish PR
  - Magnets – English, Spanish, Spanish PR
  - “Proud Partner” Placards – English, Spanish, Spanish PR
  - Coffee Mugs – English, Spanish, Spanish PR
- 
- Commitment to a Road Tour of Census 2010 branded vehicles throughout each Region as well as Headquarters for national coverage. Planning has begun on this initiative with an anticipated launch in January 2010 to coincide with the launch of paid media.
  
  - An increase in funding for the Census in Schools Program, enabling it to expand its reach from its core focus of children K-8 to include teens in grades 9-12, pre-schoolers as well as ESL and ELL programs. Some specific program elements include:
    - 4 Million K-12 Teachers and Principals in 115,000 schools, with 54 million students will be reached.
    - There will be 41 million Parent Take-Home Fliers in English and Spanish.
    - Digital versions of the Parent Take-Home Fliers will be available in 26 additional languages for downloading and distribution.
    - 35,000 Adult ESL settings will be reached.
    - 80,000 Adult ESL kits will be available for targeted use by Regional Offices.
  
  - The addition of a “heavy spending test” to learn more about the relationship between spending and mail response to inform the development of the 2020 campaign.

- The deployment of Public Relations Activities: Team Census 2010 provides a weekly media monitoring service. Electronic Press Kits and Media Specialist Toolkits have been released to coincide with the roll-out of the Census operational and communication plans. These toolkits are provided to the regions to support their outreach efforts. Completed to date:
  - One Year Out/Census Week 2009 (March 2009).
  - CCC Formation (June 2009).
  - Census in Schools (September 2009).
  - Opening of Local Census Offices (September 2009).
  - A series of 6 training podcasts have been distributed to the regions covering a variety of different topics.
  - Race & Ethnic Media Briefings -briefings by the Census to regional race and ethnic media outlets. 11 briefings will occur in major media markets throughout the United States in 2009.

**3. Completion of a third party, independent evaluation by the *Academic***

*Assessment Panel*, of the Campaign's development process, body of work to date and future plans:

- Overall, the Panel has accepted the methodology behind the development of the Campaign, concluding that it is well-positioned to deliver the goals established by the Bureau.
- Panel also provided specific recommendations for 2020 and for the 2010 effort. 2010 recommendations are being evaluated as part of the re-planning effort by audience and will be reviewed by the Bureau in late September and October.



4. **The development and deployment of a Quality Assurance Plan** for the contract, specifically for its program management activities. (A copy of the plan is attached).
  
5. **Work remains on time and on budget:** Neither the re-direction of planned spending by audience and by medium nor revisions to creative concepts have had a negative impact on the Campaign's budget or ability to meet its planned launch date. The effort is on track financially and the timeline leading to a January 2010 launch, while shortened, is still progressing without risk.
  
6. **Budget remains unchanged since March.** The budgets provided to the Committee in March remain intact. It is anticipated that they will be updated when the Bureau's accepts the re-worked audience plans sometime October. Shown below are the current budget for both the base contract and Recovery Act funding:

By Audience/Media Type: (Base, Stimulus, Total Budget)

Base - \$212MM Allocation

Media Type	Total	Diverse Mass	Hispanic Audience	Black Audience	Asian Audience	NHOPI Audience	AJ/AN Audience	Emerging Markets Audience	Puerto Rico Audience	% Allocation
TV	\$ 49,037,804	\$ 34,737,804	\$ 5,700,000	\$ 5,400,000	\$ 1,700,000	\$ -	\$ 900,000	\$ 300,000	\$ 900,000	54%
Radio	\$ 14,940,000	\$ 4,700,000	\$ 2,700,000	\$ 6,000,000	\$ 500,000	\$ 300,000	\$ 400,000	\$ 40,000	\$ 300,000	16%
Newspaper	\$ 10,180,000	\$ 2,500,000	\$ 3,500,000	\$ 1,100,000	\$ 1,900,000	\$ 300,000	\$ 400,000	\$ 180,000	\$ 300,000	11%
Online	\$ 6,270,000	\$ 4,700,000	\$ -	\$ 1,000,000	\$ 400,000	\$ 70,000	\$ -	\$ 50,000	\$ 50,000	7%
Magazine	\$ 1,200,000	\$ -	\$ 500,000	\$ 300,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	1%
Out-of-Home	\$ 7,960,000	\$ 5,900,000	\$ 800,000	\$ 300,000	\$ 500,000	\$ 10,000	\$ 70,000	\$ 80,000	\$ 100,000	9%
Unallocated NRFU	\$ 1,500,000	\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2%
Media Subtotal:	\$ 91,087,804	\$ 51,937,804	\$ 14,700,000	\$ 14,500,000	\$ 5,200,000	\$ 680,000	\$ 1,770,000	\$ 650,000	\$ 1,650,000	100%
Production	\$ 23,195,450	\$ 8,455,446	\$ 5,345,518	\$ 5,305,199	\$ 1,871,855	\$ 335,413	\$ 932,261	\$ 270,758	\$ 679,000	
Labor	\$ 52,019,288	\$ 24,435,708	\$ 6,435,309	\$ 6,493,845	\$ 6,879,770	\$ 1,256,933	\$ 1,962,451	\$ 2,145,230	\$ 2,415,042	
Other*	\$ 12,436,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Paid Media Total</b>	<b>\$ 178,738,351</b>	<b>\$ 84,828,958</b>	<b>\$ 26,480,827</b>	<b>\$ 26,299,044</b>	<b>\$ 13,946,625</b>	<b>\$ 2,272,346</b>	<b>\$ 4,664,712</b>	<b>\$ 3,063,988</b>	<b>\$ 4,744,042</b>	

Partnership Total	\$ 14,431,089									
Public Relations/Events Total	\$ 10,610,360									
Census-in-Schools Total	\$ 8,320,000									
<b>GRAND TOTAL:</b>	<b>\$ 212,100,000</b>									

Notes:

\* Other: Rapid Response, Management Reserve, Travel, Research

Updated: 3/20/09

**Stimulus - \$100MM Allocation**

Media Type	Total	Diverse Mass	Hispanic Audience	Black Audience	Asian Audience	NHOP1 Audience	AI/AN Audience	Emerging Markets Audience	Puerto Rico Audience	% Allocation
Media	\$ 54,000,000	\$ 11,000,000	\$ 13,000,000	\$ 10,000,000	\$ 13,000,000	\$ 1,500,000	\$ 1,500,000	\$ 2,000,000	\$ 2,000,000	100%
Production	\$ 5,000,000									
Labor	\$ 17,000,000									
Other*	\$ 4,000,000									
<b>Paid Media Total**</b>	<b>\$ 80,000,000</b>	<b>\$ 11,000,000</b>	<b>\$ 13,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ 13,000,000</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>	<b>\$ 2,000,000</b>	<b>\$ 2,000,000</b>	
Partnership Total	\$ 2,000,000									
Public Relations/Events Total	\$ 15,000,000									
Census-in-Schools Total	\$ 3,000,000									
<b>GRAND TOTAL:</b>	<b>\$ 100,000,000</b>									

Notes:

\* Other: Rapid Response, Management Reserve, Travel, Research

\*\* Audience totals are under-represented because Labor and Production has not yet been determined

Updated: 3/20/09

**Total Budget - \$372MM Allocation**

Media Type	Total	Diverse Mass	Hispanic Audience	Black Audience	Asian Audience	NHOP1 Audience	AI/AN Audience	Emerging Markets Audience	Puerto Rico Audience	% Allocation
TV										
Radio										
Newspaper										
Online										
Magazine										
Out-of-Home										
Unallocated NRFU										
Media Subtotal:	\$ 145,087,804	\$ 62,937,804	\$ 27,700,000	\$ 21,500,000	\$ 18,200,000	\$ 2,180,000	\$ 3,270,000	\$ 2,650,000	\$ 3,650,000	100%
Production	\$ 28,195,450									

Other*	\$ 16,436,000									
Labor	\$ 69,019,288									
Paid Media Total**	\$ 258,738,351	\$ 95,828,958	\$ 39,480,827	\$ 36,299,044	\$ 26,946,625	\$ 3,772,346	\$ 6,164,712	\$ 3,065,988	\$ 6,744,042	
Partnership Total	\$ 16,431,089									
Public Relations/Events Total	\$ 25,610,360									
Census-in-Schools Total	\$ 11,320,000									
<b>GRAND TOTAL:</b>	<b>\$ 312,100,000</b>									

Notes:

\* Other: Rapid Response, Management Reserve, Travel, Research

\*\* Audience totals are under-represented because Labor and Production has not yet been determined

Updated: 3/20/09

**7. Media RFP Process: Ensuring total marketplace inclusion.**

Team Census 2010 has taken many steps to ensure that all media outlets have the opportunity to be considered for the paid media plan:

- We have already issued over 3000 RFP's to media companies representing over 10000 media outlets. And more RFP's will be issued as we get closer to January Launch date.
- To ensure small business participation, we have posted opportunities on census website and promoted the opportunity to industry trade in form of Public Relations.

An inclusive but rigorous RFP process is a key element to finalizing the Paid media plan recommendation to ensure that the census receives maximum exposure and impact at lowest possible cost. (RFP example attached).

We have been seeking many added value elements from the media community as part of our negotiations. But we are also trying to enlist the media companies as true partners to get behind this important cause. This includes gaining access to their highly recognized and trusted talent to do

PSA's or become Census advocates...such as radio DJ's, TV personalities, sports personalities and engaging music performers.

Results of this RFP process to date are currently being assessed for a presentation and recommendation to Census at the end of September.

8. **A Comprehensive and High Impact Media Plan.** Combining the Original with ARRA funding enables the 2010 plan to include a wide range of media to best meet Census 2010 goals including:
- TV covering every U.S. market with added emphasis in hard to count markets.
  - Radio, Magazines, Newspaper, Outdoor
  - A much more significant online effort versus 2000...perhaps the biggest change versus 2000.

Our Paid Media Plan is expected to include major media events during this time frame such as the Superbowl, NCAA March Madness, Olympics and American Idol as well as highly relevant media to audiences in 28 different languages. In fact the majority of the paid media investment will go toward in-language. Our in-culture efforts will include a deep range of media and seek associations with engaging events that are most relevant to these audiences. This includes large partnerships with media like BET and Telemundo to highly targeted local in-language newspaper.

The Census 2010 paid Media plan will be among the most significant advertising programs between January and May of 2010. While commercial advertisers such as Walmart and McDonald's may have higher ad budgets, **no other commercial advertiser will match the in-culture initiatives of the**

**Census Effort.** We anticipate that the paid media portion of the plan alone will reach 95% of adults an average of 15-20 times during the Awareness Phase, increasing to an average of 25-30 times during the Motivation Phase. Moreover, when considering the entire communications plan that includes Partnerships, a national road tour, Public relations and local outreach, all the components are in place for the Census 2010 to achieve the key goals of participation and response.

**Funding Implications:** While ARRA funding has significantly increased the Paid Media plan versus the original budget, it will not enable the Census Paid Media Plan to be in every media outlet. While the combined budget will be greater than 2000 by 25%, inflation offsets this increase. For example, the cost of a commercial in the Superbowl – the last place to reach a truly mass audience – is nearly double that in 2000. Inflation is across all media. The RFP process is an attempt to offset this reality. By engaging the media community as partners, it is our goal to get added value that offsets inflation and makes the Census 2010 Paid media campaign highly successful.

#### **9. Plan Negotiation and stewardship**

DraftFCB and partner agencies are also adding new partners to help with this far reaching media negotiation process. DraftFCB has added PennGood, a small and minority owned business, to help negotiate and execute the TV buy. Their selection occurred after reviewing over 20 different small media

buying agencies. Global Hue is also in the process of securing a small business to help with negotiations reaching the black audience.

DraftFCB with all partner agencies has put in place a rigorous media negotiation and stewardship process including weekly team meetings, common procedures and necessary tracking procedures of ARRA funded media elements.

**10. Disbursements:** Since the contract has begun, funds have been disbursed with the approval of the Bureau to sub-contractors and vendors who have provided work under the contract and have met their deliverable requirements. The information provided in the report below is the standard detailed supporting documentation provided to the Bureau when DraftFCB files its semi-annual SF294 Small Business Subcontracting Report through the Government's eSRS online reporting system.

The report details disbursement by business. As of 8/31/09 we are on target to reach the contract's goal of 40% spending to small business, with 38.24% of total disbursements to date going to small business. As media buys and

production occurs, the % to small businesses will rise enabling us to achieve our goal.

**Census 2010  
Subcontractor disbursements as of 8/31/09**

Subcontractor	Gate Code	Small Business Total	DBP Total	Woman-Owned Small Total	Minority Owned Small	Veteran Owned Small	Total Disbursements
ALLIED MEDIA CORP	370R8	\$1,024,631.42					\$1,024,631.42
DEXPOSITO AND PARTNERS LLC	8AFH8	\$1,676,313.84		\$1,676,313.84			\$1,676,313.84
FCB PUERTO RICO							\$1,708,008.41
G&G ADVERTISING INC	048F2	\$2,571,452.85					\$2,571,452.85
GLOBAL HUE							\$2,541,317.57
GLOBALHUE LATINO INC							\$2,731,454.99
INITIATIVE							\$178,838.95
NY GROUP INC							\$3,370,148.47
JACK MORTON WORLDWIDE							\$3,953,743.21
MARCOM GROUP (WELLS FARGO)	1YN8B	\$1,740,135.11		\$1,740,135.11			\$1,740,135.11
PLUM (THE RESEARCH ASSOCIATES)	396T1	\$2,397,064.72	\$2,397,064.72	\$2,397,064.72			\$2,397,064.72
SCHOLASTIC							\$733,972.58
WEBER SHANDWICK INC							\$3,330,740.79
ZONA DESIGN INC	3MAU8	\$113,000.46		\$113,000.46			\$113,000.46
<b>Total disbursements to subcontractors as of 8/31/09</b>							
		\$10,027,688.50	\$2,397,064.72	\$2,397,064.72	\$0.00	\$0.00	\$12,821,817.94
Vendor	Gate Code	Small Business Total	DBP Total	Woman-Owned Small Total	Minority Owned Small	Veteran Owned Small	Total Disbursements
A I FREEDMAN L P	577H5	\$217.50					\$217.50
ALFRED S. KEVE	4V8M7	\$19,819.00			\$19,819.00		\$19,819.00
ASSOCIATED PRODUCTION MUSIC LL	0DVZ1	\$150.00					\$150.00
ATKINS RESEARCH GROUP							\$2,543.00
BLUEROCK	5CBX4	\$48,082.81		\$48,082.81			\$48,082.81
CLARION RESEARCH INC	5BHV9	\$59,196.24		\$59,196.24			\$59,196.24
DESIGN DISTRIBUTORS INC.							\$4,088.94
GG FASTCHANNEL							\$150.00
DYNAMEX INC	3GUL0	\$59.40					\$59.40
FEDERAL EXPRESS							\$429.20
FIELDHOUSE MARKETNG RESEARCH							\$2,875.00
FIRST CORPORATE SEDANS							\$287.54
HARRY J. ROOKS	537H4	\$157,965.73			\$157,965.73		\$157,965.73
HOOFSHEAD MEDIA							\$11,487.80
KRITZER MARKETING	4FYF3	\$19,750.00		\$19,750.00			\$19,750.00
LUXURY WORLDWIDE TRANS LLC							\$643.14
MACRO INTERNATIONAL INC							\$1,390,448.00
MARKETING INFORMATION SYSTEMS	4XP3	\$2,015.00					\$2,015.00
MARY NITTOLO INC	4K8Y1	\$18,016.35		\$18,016.35			\$18,016.35
MAYA GROUP LTD	53G88	\$1,560,400.00		\$1,560,400.00			\$1,560,400.00
MEDIA & ENTERTAINMENT STRATEGI							\$84,400.00
MEDAMARK RESEARCH INC							\$5,000.00
MEDIAMARK MUSIC LLC							\$650.00
MMI INC	56ER6	\$119,430.00		\$119,430.00			\$119,430.00
NIELSEN							\$580.00
PACIFIC NEWS SERVICE							\$21,830.67
PLAZA RESEARCH							\$4,324.70
POLARS DIRECT LLC	5CYV4	\$111,739.23		\$111,739.23			\$111,739.23
PREMIUM COLOR GRAPHICS INC	0N4D3	\$46,111.99		\$46,111.99			\$46,111.99
RONEN LANDA							\$3,000.00
SIMMONS MARKET RESEARCH BUREAU							\$77,580.38
SKYLINE CREDIT RIDE, INC							\$17,828.50
STORIES THAT WORK							\$12,000.00
TALENT PARTNERS							\$446.81
THE PROFESSIONALS							\$871.50
THOMSON COMPUMARK							\$728.43
THOUGHT EQUITY MOTION INC							\$248.00
TYLIE JONES AND ASSOC. INC	51CB9	\$228.03		\$228.03			\$228.03
UPS							\$2,895.98
US GOVERNMENT PRINTING OFFICE							\$450,340.00
VERIZON WIRELESS							\$353.23
VITAL TRANSPORTATION INC							\$48.45
VYVIX INC.							\$30.00
WALUTH TRAVEL	07XV6	\$235,340.35		\$235,340.35	\$235,340.35		\$235,340.35
<b>Total disbursements to vendors as of 8/31/09</b>							
		\$3,398,321.62	\$0.00	\$1,836,642.66	\$264,955.35	\$30,306.00	\$4,529,225.63
<b>Total disbursements as of 8/31/09</b>							
		\$13,426,010.12	\$2,397,064.72	\$4,233,707.38	\$264,955.35	\$30,306.00	\$17,721,033.62
<b>Small Business disbursements as a % of total disbursements</b>							
		18.3%	7.18%	21.2%	9.78%	1.23%	

## Census 2010 Subcontractor Services Provided

Subcontractor Name	Service Provided
ALLIED MEDIA CORP	Advertising Agency - Emerging Markets
D'EXPOSITO AND PARTNERS LLC	Advertising Agency - Hispanic
FCB PUERTO RICO	Advertising Agency - Hispanic
G&G ADVERTISING INC	Advertising Agency - Nafive American Indian
GLOBAL HUE	Advertising Agency - Black
GLOBALHUE LATINO INC	Advertising Agency - Hispanic
INITIATIVE	Advertising Agency - Media Planning/Buying
IW GROUP INC	Advertising Agency - Asian
JACK MORTON WORLDWIDE	Advertising Agency - Event Marketing
MARCOM GROUP (WELLS FARGO)	Advertising Agency - Recruitment
PLUM (THE RESEARCH ASSOCIATES)	Advertising Agency - Asian
SCHOLASTIC	Book Publishing
WEBER SHANDWICK INC	Advertising Agency - Public Relations
ZONA DESIGN INC	Advertising Agency - Hispanic
A I FRIEDMAN L P	Print Production
ALFRED S. KEVE	Consulting Services
ASSOCIATED PRODUCTION MUSIC LL	Broadcast Production
ATKINS RESEARCH GROUP	Market Research
BLUEROCK	Broadcast Production
CLARION RESEARCH INC	Market Research
DESIGN DISTRIBUTORS INC.	Direct Mail
DC FASTCHANNEL	Shipping/Messenger
DYNAMEX, INC	Shipping/Messenger
FEDERAL EXPRESS	Shipping/Messenger
FIELDHOUSE MARKETING RESEARCH	Market Research
FIRST CORPORATE SEDANS	Travel/Transportation
HARRY J RODAS	Consulting Services
HOGSHEAD MEDIA	Market Research
KRITZER MARKETING	Market Research
LUXURY WORLDWIDE TRANS LLC	Travel/Transportation
MACRO INTERNATIONAL INC	Market Research
MARKETING INFORMATION SYSTEMS	Market Research
MARY NITTOLO INC	Market Research
MAYA GROUP LTD	Market Research
MEDIA & ENTERTAINMENT STRATEGI	Market Research
MEDIAMARK RESEARCH INC	Market Research
MEDIANT MUSIC LLC	Broadcast Production
MMI INC	Market Research
NIELSEN	Market Research
PACIFIC NEWS SERVICE	Media Representatives
PLAZA RESEARCH	Market Research
POLARIS DIRECT LLC	Direct Mail
PREMIUM COLOR GRAPHICS INC	Print Production
RONEN LANDA	Market Research
SIMMONS MARKET RESEARCH BUREAU	Market Research
SKYLINE CREDIT RIDE, INC	Travel/Transportation
STORIES THAT WORK	Consulting Services
TALENT PARTNERS	Talent Payroll
THOUGHT EQUITY MOTION INC	Broadcast Production
TYLIE JONES AND ASSOC, INC	Broadcast Storage/Dubbing
UPS	Shipping/Messenger
US GOVERNMENT PRINTING OFFICE	Printing
VERIZON WIRELESS	Telephone Communications
VITAL TRANSPORTATION INC	Travel/Transportation
VYVX, INC.	Broadcast Production
DULUTH TRAVEL	Travel/Transportation



**Key Upcoming Milestones**

**Upfront Media Buy:** The upfront is scheduled to be concluded in October with a presentation of the Team Census's recommendation to the Bureau. Participation in the upfront media marketplace enables the Campaign to take advantage of specific programming/media properties, targeting the audiences it is seeking, at the most desirable time periods at the best possible price. This was not able to be done in 2000.

**Local/Remaining Media Buys:** Most will be completed by the end of November with some spilling into December and perhaps in 2010 for last minute, opportunistic properties. It is anticipated that the majority of the Campaign's paid media spending will be with local media.

**Advertising Production:** The production process involves significant lead times in order to identify appropriate production companies based upon expertise and relevant skills, obtain and analyze multiple competitive bids, cast for talent and scout and identify locations, secure post-production services such as editorial, special effects, music and sound design, etc. This process began this summer and the first wave will conclude in November while simultaneously a second wave, funded by Recovery Act monies will conclude in December 2009/January 2010. The process varies depending upon the medium to be produced: Broadcast (TV or radio), Print (Magazines or Newspapers), Out of Home (Billboards, Posters, Transit, etc), Digital (Banner Ads). The production expertise of Team Census 2010 will take advantage of all possible opportunities to aggregate the work in order to expedite time lines and maximize efficiencies.

**Website:** The 2010 website is expected to be live, first beginning to reflect the new creative concept in late October with a significant update in November and updates throughout the Campaign. All online and offline advertising will include the URL of the 2010 site. The overall strategy for the site is to engage participation in the census by providing deeper information (some in 59 languages) than advertising can in an engaging, human, relevant and eye-opening way.

**Social Media Campaigns:** Coinciding with the November web site update, several social media campaigns will be launched.

**Promotional Materials and Items:** By the end of October, 53 additional printed materials will be delivered to the regions totaling 10.9 Million pieces and will be accessible on the web site:

- Awareness Poster – Diverse Mass
- Awareness Poster – African American
- Awareness Poster – American Indian Eastern
- Awareness Poster – American Indian Southwest
- Awareness Poster – American Indian Mountains & Plains
- Awareness Poster – Alaska Native
- Awareness Poster – Native Hawaiian
- Awareness Poster – Other Pacific Islander
- Awareness Poster – Hispanic
- Awareness Poster – Puerto Rico
- Awareness Poster – Chinese
- Awareness Poster – Korean
- Awareness Poster – Vietnamese
- Awareness Poster – Tagalog
- Awareness Poster – Khmer

- Awareness Poster - Hmong
- Awareness Poster - Bengali
- Awareness Poster - Urdu
- Awareness Poster - Hindi
- Awareness Poster - Laotian
- Awareness Poster - Japanese
- Faith-Based Leaders Promotional Guide - English
- Community-Based Organization Fact Sheet - Spanish
- Community-Based Organization Fact Sheet - Chinese
- Community-Based Organization Fact Sheet - Vietnamese
- Community-Based Organization Fact Sheet - Korean
- Community-Based Organization Fact Sheet - Tagalog
- Community-Based Organization Fact Sheet - Khmer
- Community-Based Organization Fact Sheet - Hmong
- Community-Based Organization Fact Sheet - Laotian
- General Partner Fact Sheet - Spanish
- General Partner Fact Sheet - Chinese
- General Partner Fact Sheet - Vietnamese
- General Partner Fact Sheet - Korean
- General Partner Fact Sheet - Tagalog
- General Partner Fact Sheet - Khmer
- General Partner Fact Sheet - Hmong
- General Partner Fact Sheet - Laotian
- General Partner Fact Sheet - Bengali
- General Partner Fact Sheet - Urdu
- General Partner Fact Sheet - Hindi
- General Partner Fact Sheet - Japanese
- General Public Fact Sheet - Spanish
- General Public Fact Sheet - Spanish PR

- General Public Fact Sheet - Chinese
- General Public Fact Sheet - Korean
- General Public Fact Sheet - Vietnamese
- General Public Fact Sheet - Khmer
- General Public Fact Sheet - Hmong
- General Public Fact Sheet - Laotian
- General Public Fact Sheet - AIAN
- General Public Fact Sheet - NHPI
- Operational Timeline - Spanish
- Operational Timeline - Spanish PR
- 18-Month Calendar - Spanish
- 18-Month Calendar - Spanish
- How People Are Counted Brochure - English

There will also be these additional items on the website:

- Partner Toolkit - Aging and Elder Groups - English
- Partner Toolkit - Disabled Community - English
- Partner Toolkit - Veterans - English
- Partner Toolkit - AIAN Outreach - English
- Partner Toolkit - Highest Elected Officials - English
- Partner Toolkit - State and Local Legislators - English
- Partner Toolkit - Media Partners - English
- Partner Toolkit - Puerto Rico Outreach - Spanish
- Partner Toolkit - Immigrants - English
- Partner Toolkit - Faith-Based Organizations - English
- Partner Toolkit - Social Service and Community-Based Organizations - English
- Partner Toolkit - NHPI Outreach - English
- Partner Toolkit - Migrant Workers - English

- Partner Toolkit – Latino Outreach – English

Going forward, each month on a rolling basis the regions can expect to receive additional materials printed, electronic, or both in English and in-language:

**Materials/Items to come after October**

- General Partner Fact Sheet – Thai
- Community-Based Organization Fact Sheet – Thai
- Brochure: How People Are Counted – Spanish, Puerto Rico, Russian, Polish, Arabic, NHOPI, AIAN, Chinese, Vietnamese, Korean, Tagalog, Khmer, Hmong, Laotian, Bengali, Urdu, Hindi, Japanese, Thai
- Action Poster – English, Spanish, Spanish PR, Chinese, Vietnamese, Korean, Russian, Polish, Arabic, African American, NHOPI, Alaska Native, AI Southwest, AI Mountain & Plains, AI Eastern, Island Areas, Tagalog, Khmer, Hmong, Laotian, Bengali, Urdu, Hindi, Japanese, Thai
- Confidentiality Poster – English, Spanish, Spanish PR, African American, Chinese, Vietnamese, Korean, Russian, Polish, Arabic, NHOPI, AIAN, Island Areas, Tagalog, Khmer, Hmong, Laotian, Bengali, Urdu, Hindi, Japanese, Thai
- Confidentiality Flyer/Fact Sheet – English, Spanish, Spanish PR, Chinese, Vietnamese, Korean, Russian, Polish, Arabic, NHOPI, AIAN, Island Areas, Tagalog, Khmer, Hmong, Laotian, Bengali, Urdu, Hindi, Japanese, Thai
- CCC Training Manual – Puerto Rico

- Faith-Based Leaders Promotional Guide – Spanish, Puerto Rico, Russian, Polish, Arabic, Chinese, Vietnamese, Korean, Tagalog, Khmer, Hmong, Laotian
- “Proud Partner” Placard – Chinese, Vietnamese, Korean, Russian, Polish, Arabic, NHOPI, Tagalog, Khmer, Hmong, Laotian, Bengali, Urdu, Hindi, Japanese
- Chip Clip – AIAN
- Magnet – AIAN

**Census in Schools:** Take-home materials, one of the program’s core elements will be in schools starting in January with distribution to children in February 2010. In addition, Census in Schools and the Road Tour will be integrated by making available Activity Pages for kids in the Road Tour vehicles.

**Tracking:** The base wave of the continuous tracking study will be conducted this fall and will continue throughout the course of the Campaign. This data along with mail response data and other marketplace analytics will be part of the Smart Suite (discussed in March 2009 testimony) that will provide the almost real time input for making adjustments to the Campaign during the Motivation phase.

**Stakeholder Reviews:** Team Census 2010 has conducted on-going reviews of plans, materials and concepts for the Campaign since work began in 2007. In keeping with the open and transparent practices already established, before advertising is finalized and ready to deploy into the marketplace, stakeholders including the Dept. of Commerce and JAARP will have to opportunity to review “almost final” creative.

**Public Relations Support:** Rapid Response Feedback Program rolling out in March 2010.

**Summary**

The groundwork and preparation for the 2010 Campaign is almost complete. Finishing the production of creative, finalization of media plans and buys lies ahead this fall. As 2009 closes, we will transition from preparation to deployment and a dramatically different phase of the Campaign will begin. In this phase we will be focused on accuracy and precision in execution as well as the careful monitoring of key marketplace metrics to ensure that we make any needed adjustments in the deployment of the Campaign to ensure success.

The work and the efforts behind it have undergone significant on-going and detailed scrutiny by stakeholders, oversight, and objective third parties. The comments and evaluations provided have given Team Census 2010 the broadest possible array of perspectives and insights to consider, to incorporate but also to use its professional expertise and experience to reject when necessary.

The Campaign is and will continue to be more effective because of all attention and examination it has received. And it will continue to improve right up until it has run its course.

# 2010 Census

## Multi-Media Upfront Request for Proposal

Issue Date: May 12, 2009

Deadline Date: May 29, 2009



DRAFTFCB for



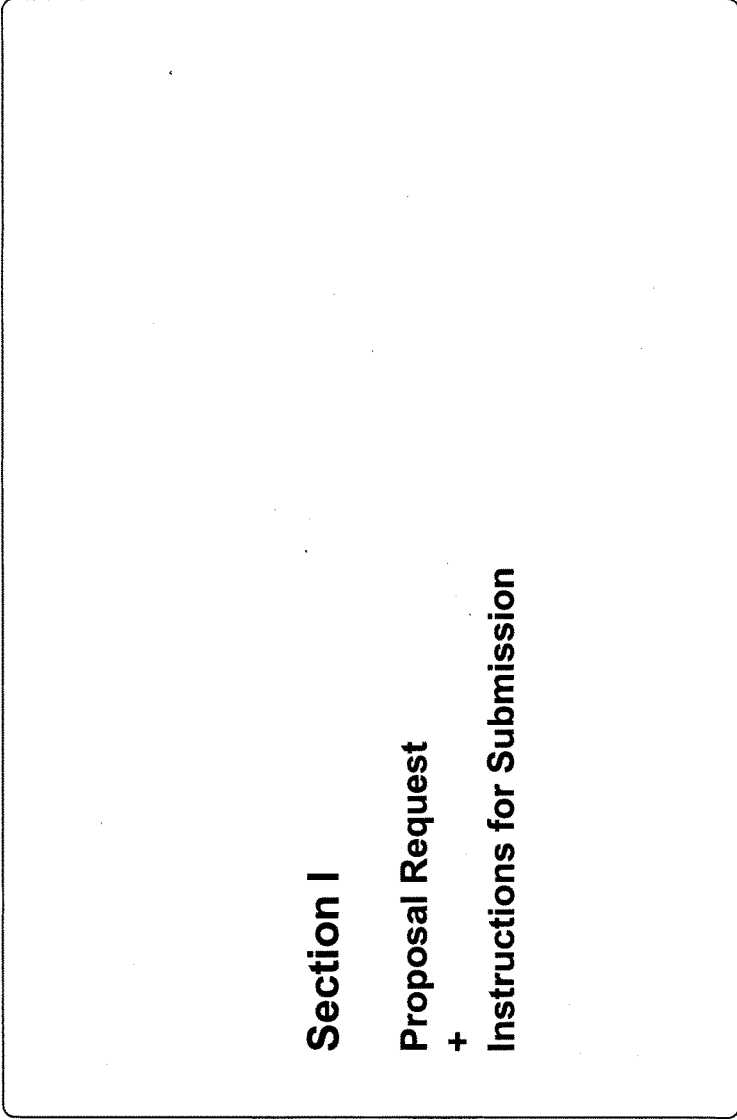
## **Agenda**

### **Section I**

- Introduction
- Proposal Request
- Evaluation Criteria
- Filling out the RFP
- Instructions for Questions & Submission

### **Section II**

- Background on the U.S. Census
- Total Campaign Overview
- Our Goals by Phase
- Our Target & Scope
- RFP Requirements
  - Six requirements each media vendor must adhere to in order to be considered to receive business



## **Introduction**

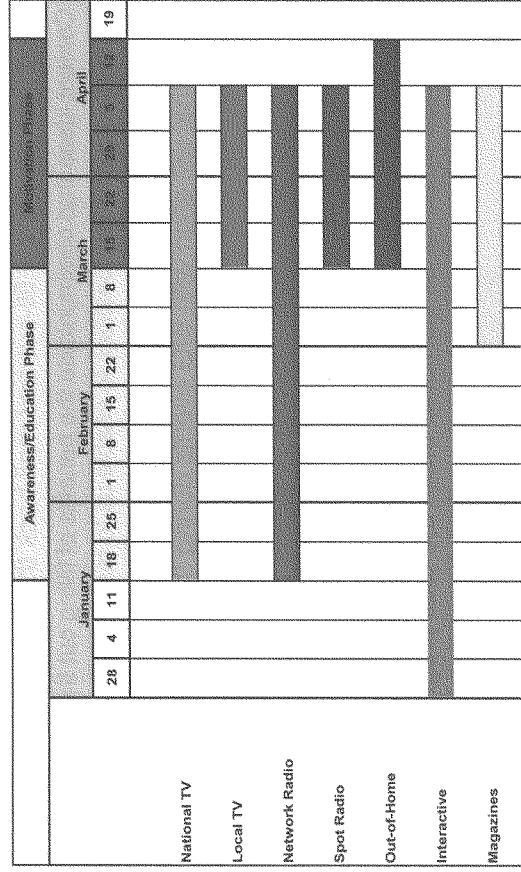
- This is an invitation to participate in a competitive RFP process for the upcoming 2010 U.S. Census Campaign.
- As the Census is a government outreach program we are asking media vendors to embrace this as a cause campaign.
- We are seeking to do a multi-media Upfront buy which will give us the best pricing, program selection and adequate lead times for execution.
- This RFP may be inclusive of your media outlets specifically targeting Hispanic (Spanish-language) and African-Americans within your parent company offerings (if any).

## Proposal Request – What we are looking for

- At this stage, we are looking for the most innovative ideas that best align the Census cause-message with your media properties to increase the likelihood that people will fill-out and mail back the Census form
  - Content ideas that communicate the benefits of filling out the Census
  - Tapping into your personalities to enable us to reach out to your audiences
- Programs that will align with BIG events during the pivotal time frame (January-April 2010) and can be integrated across your media properties
- Highly efficient turnkey programs with significant media value
- Please submit your most aggressive cost proposal in the initial submission. Please itemize costs for all elements within the total program. We will not be able to properly evaluate submissions that do not itemize costs.

## Desired Timing by Media Type

- Please include programs for any of these media properties in your parent company portfolio within the following timeframe:



## Contact Innovation - Television

Please refer to the Target slide in Section II as a filter for program selection

### Parameters

- Priority Dayparts – Primetime, Daytime, Early Morning, Late Night
- National & Local Programming (see Section II for market list)
- Creative - :30 unit

### Requested Program Elements

1. Content Integration – Census message is intertwined in program storyline that gets across benefits of filling out the form
  - Scripted programs preferred; all content will need to be approved prior to airing
2. Public Service Announcements (PSAs)
3. Co-branded vignettes
4. Access to On-Air Talent to utilize in PSAs, Vignettes or PR purposes

### Limitations

- Census cannot participate in any Contests or Sweepstakes

## Contact Innovation - Radio

Please refer to the Target slide in Section II as a filter for program selection

### Parameters

- Priority Dayparts – AM/PM Drive time, Weekend
- National & Local Programming (see Section II for market list)
- Creative: :30 and :60 units

### Requested Program Elements

1. DJ Mentions (“trusted voices” in their communities)
2. Public Service Announcements (PSAs)
3. Access to On-Air Talent to utilize in PSAs or PR purposes
4. DJ Blogs
5. Extension into station events that tie-in with PR Efforts (refer to Section II for market list)

### Limitations

- Census cannot participate in any Contests or Sweepstakes

## Contact Innovation - Outdoor

Please refer to the Target slide in Section II as a filter for program selection

### Parameters

- See Section II for Local Market list
- Creative: sizes vary based on placements

### Requested Program Elements

1. Transit signage – interior and exterior
2. Roadside signage - 14x48 Bulletins or 12x24 Posters
3. Create campaign impact with less traditional formats. Example includes:
  - The “Really Big Short Form”, market tour with giant sized replica short form

### Limitations

- Census cannot participate in any Contests or Sweepstakes



## Contact Innovation – Interactive

Please refer to the Target slide in Section II as a filter for program selection

### Parameters

- Primary Objective of Digital is to focus on educating people within media property environment (clicks to site is bonus but not a focus)
- Creative: Banners, Text Links, Rich Media, Video

### Requested Program Elements

1. Digital extension of "big idea"
2. Content Integration – integrate Census into editorial content & existing properties
3. Homepage Roadblocks
4. Mobile
5. Video (Access to On-Air Talent to utilize in Vignettes, PSAs)
6. Social Networking / Advocacy Programs

### Limitations

- Census cannot participate in any Contests or Sweepstakes
- Avoid microsites or other pages that would require supporting / co-branded media to drive traffic

## Contact Innovation – Magazines

Please refer to the Target slide in Section II as a filter for magazine selection

### Parameters

- Consider only mass-reaching titles with circulation over 1.5MM
- Creative: Page 4-color bleed and 1/3 Page 4-color bleed

### Requested Program Elements

- Print extension of “big” idea
- Advertorials & editorial mentions preferably incorporating high-profile personalities
- Premium positioning, high-impact units (i.e. gatefolds)

### Limitations

- Census cannot participate in any Contests or Sweepstakes

## **Added Value**

- In addition to submitting aggressive rates, please provide an added value proposal by media type. Priorities below:

### **Television**

- 1) Waive additional fees for Content Integration, PSAs, Vignettes
- 2) Bonus units
- 3) Waive network integration fees
- 4) Billboards – will need to be customized; cannot say “brought to you by” or “sponsored by”

### **Radio**

- 1) Bonus units
- 2) DJ Mentions (“trusted voices” in their communities)

### **Digital**

- 1) Bonus inventory
- 2) Research / Surveys (pre/post to measure awareness and intent)
- 3) Creative Production / Development (should digital components require extensive production)

### **Outdoor & Print**

- 1) Bonus space
- 2) Waive additional fees for production, premium placements, bleed charges (print)

## **RFP Evaluation Criteria**

- All proposals will be evaluated based on the following criteria:
  1. Agreement on all (6) RFP Requirements outlined in Section II of this document
  2. Ability to deliver strong programs within campaign timelines AND during key dates (i.e. March 15<sup>th</sup> – March 17<sup>th</sup>)
  3. Effectiveness in reaching a diverse mass target audience
  4. Pricing - both efficiency (Audience CPM) and out of pocket costs will be weighted heavily
  5. Strength of added-value
  6. Flexibility in dollar commitments
  7. Timeliness & quality of submission

### **Filling out the RFP – It's an Excel Template!**

1. Please fill out the Excel forms that accompany this RFP
2. Please stay within the format – do NOT alter
3. Please itemize costs for all elements within the total program cost. We will not be able to properly evaluate submissions that do not itemize costs.
4. Please return only the Excel form provided and NOT this Powerpoint document

## Instructions for Questions & Submission

The following instructions must be followed by all vendors:

1. Questions
  - Please email questions to [bhavana.smith@drafpcb.com](mailto:bhavana.smith@drafpcb.com)
  - Subject header must state "YourCompanyName Questions" in the subject line
  - **Deadline for questions is COB, Monday, May 18<sup>th</sup>**
2. Submissions
  - Please email RFPs to [bhavana.smith@drafpcb.com](mailto:bhavana.smith@drafpcb.com)
  - Subject header must state "YourCompanyName RFP" in the subject line
  - **Deadline for submissions is COB, Friday, May 29<sup>th</sup>**

**Section II**  
**Census Background Information**  
**+ Requirements to do Business**

## Background on the U.S. Census

- The next Census will occur in 2010. This once-a-decade snapshot is crucial to the planning needs of our country and it is vital that all residents participate.
- Responding to the Census is required by law and all answers are confidential and protected from disclosure by Federal law.
- The Census will count everyone living in the 50 States, the District of Columbia, Puerto Rico and the U.S. Territories
- Census helps determine the distribution of \$300 billion annually for services like education, transportation and healthcare. Census information also determines the congressional districting.
- The 2010 Census will be "short form-only." In March, every household will receive a form that asks just 10 a few questions, such as number of people in household, race/ethnicity and age.
  - Announcement Letter: March 8th – March 10th
  - Initial mail out: March 15th – 17th
  - Replacement Questionnaire mailed: April 1st - April 10th
  - Reminder Postcard mailed: April 22nd - April 24th
  - In-home follow up to non-responders: May 1st - July 10th



## Total Campaign Overview

### Campaign Elements

- Paid Media
- Partnerships
- Public Relations
- Census in Schools
- Earned Media Outreach (PSAs)

### Paid Media

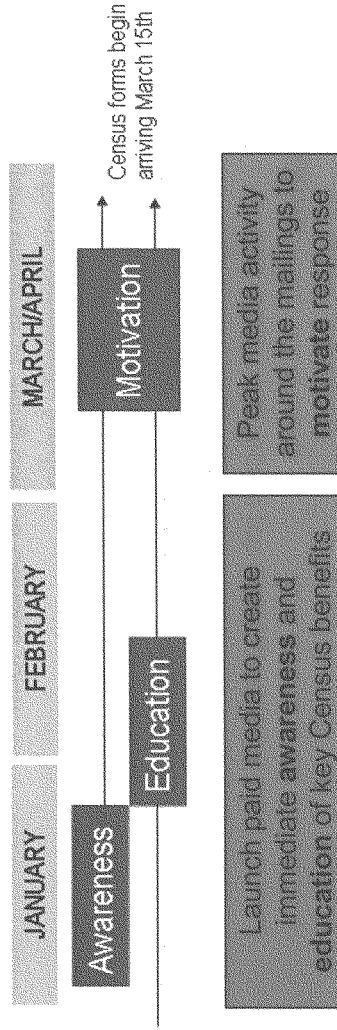
- January Launch
- Multiple Languages
- Multi-Media Plans  
*Television, Print, Radio, Interactive, Out of Home*

### Key Phases

- January-February  
*Awareness/Education*
- March-April  
*Incite behavior and motivate response*

## Our Goals by Phase

The overarching goal is to drive mail response of the 2010 Census



## What do we Mean by Awareness, Education & Motivation?

- **Awareness & Education:**
  - Census form will arrive in mid-March
  - Form consists of 10 simple questions
  - Tangible benefits of filling out the Census form
    - Affects community funding:
      - e.g. for neighborhood improvements, public health, education, transportation, etc.
    - Addresses community needs:
      - e.g. where to provide services for the elderly, build new road & schools, locate job training centers, etc.
- **Motivation:**
  - Increase likelihood to respond

## **Our Target – Everyone Counts!**

- Our goal is to reach everyone (18+) regardless of age, gender, ethnicity, etc. but focus more on younger and diverse audiences as well as the “Hard-to-Count” populations
- This “Hard to Count” group is more likely to:
  - Live in an urban areas; apartment dwellers
  - Have a lower HHI
  - Take public transportation
  - Include a diverse array of ethnic groups and less likely to identify as Caucasian only
  - Primarily consume English-language media
- Media Buying Target: A25-54

## Our Scope – Everywhere Counts!

- National with emphasis on 25 markets below for local media properties, grassroots events, PR, etc.

- |                                |  |
|--------------------------------|--|
| 1. New York                    | 13 Tampa-St. Pete (Sarasota)           |
| 2. Los Angeles                 | 14 Cleveland-Akron (Canton)            |
| 3. Chicago                     | 15 Sacramento-Stockton-Modesto         |
| 4. Philadelphia                | 16 St. Louis                           |
| 5. Dallas-Ft. Worth            | 17 Baltimore                           |
| 6. San Francisco-Oak-San Jose  | 18 San Diego                           |
| 7. Boston (Manchester)         | 19 Hartford & New Haven                |
| 8. Atlanta                     | 20 San Antonio                         |
| 9. Washington, DC (Hagerstown) | 21 Las Vegas                           |
| 10. Houston                    | 22 Albuquerque-Santa Fe                |
| 11. Detroit                    | 23 Providence-New Bedford              |
| 12. Phoenix (Prescott)         | 24 Fresno-Visalia                      |
|                                | 25 Haringen-Wisico-Brownsville-McAllen |

**(6) Requirements each media company must abide by  
in order to be awarded business**

### 1) Content Placement Guidelines

- The following identifies restricted environments for all Census paid media and value added opportunities:
  - Excessive sex or violence
  - Anti-U.S. government sentiments or supporting any violent acts toward the government or the American people, including but not limited to terrorism
  - Questionable moral or ethical values, particularly dealing with bigotry or prejudice
  - Denigration of any cultural group or faith-based communities (imams, ministers, nuns, priests, rabbis, etc.)
  - Anticipated controversial programming that cannot be pre-screened (i.e. reality programming)
  - Controversial talk formats

### 2) Makegood Policy

- In the event that an ad does not run in space previously ordered or an ad ran in violation of agreed upon terms (i.e. Placement Criteria), Buying Agency will require a make-good based on the following terms:
  - Make-good unit must be of equal or greater dollar value
  - Make-good unit must air within flight-date and prior to end of campaign
  - If a make-good unit is outside of the above terms, a cash credit will be required.

**3) Proof of Performance**

- A Proof of Performance (i.e. tearsheets, affidavits) must accompany an invoice issued to Buying Agency

**4) Terms of Payment**

- Buying Agency will not be able to make any partial or pre-payments. Payments will be made (30) days after receipt of a valid invoice and proof of performance.

**5) Flow Down Provisions**

- Media vendor must comply with the applicable Federal Acquisition Regulations (FAR) Flow Down Provisions as contained in the DraftFCB prime contract
- Below is the link to access the full set of FAR clauses however clauses specific to the buying agency can be provided upon request
  - [www.arnet.gov/far/](http://www.arnet.gov/far/)

**6) U.S. Taxpayer ID**

- Media vendor must have a U.S. Taxpayer ID Number



# Quality Assurance Plan

Version 2.2

July 9, 2009

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**Revision History**

Revision Number	Date	Comment
1.0	11/13/08	Accepted and Approved by Census 11/18/08
1.2	11/21/08	Addition of Research Appendix
2.0	3/30/09	Addition of New Print Production Appendix with DQC Checklist and Updated Section A.3 Organizational Structure
2.1	6/24/09	1. Addressed client comments / revisions. 2. Added WorkSmart processes to clarify steps within the process and clearly identify responsibilities. 3. Added Transcreation Process
2.2	7/9/09	Replaced DraftFCB QA Process Minor revisions Added Print Production info to Appendix H5

## A. THE QUALITY ASSURANCE PLAN

### A.1 Executive Summary

DraftFCB is fundamentally about bringing accountability and creativity together. Our Agency model breaks traditional barriers in the advertising/communications industry. We do not work in silos. We live and breathe all disciplines in a synchronized effort towards common goals. In fact, that DraftFCB model marries perfectly with the goals of the 2010 Census Communications Campaign:

- Increase mail response
- Improve overall accuracy and reduce the differential undercount
- Improve cooperation with enumerators

To successfully deliver on the goals provided by the of U.S. Census Bureau, DraftFCB has assembled a team of key personnel and partner companies with passion, talent and experience to expertly and innovatively carry out the 2010 Census Communication Campaign. We understand the breadth of the task that lies ahead. That is why we have the personnel, both internally and externally, with the relevant knowledge, experience and camaraderie.

#### Our Approach

The team will accomplish the 2010 Census goals and requirements using our proven strategic development and campaign management process called Insight to Incite. This is where accountability and creativity come together in a five-step process which fuels creativity and provides the framework for accountability.

**The 5-Step DraftFCB Insight to Incite Process**

		ACCOUNTABILITY			
PHASE	OBJECTIVES	RESEARCH/ANALYSIS	STRATEGY DEVELOPMENT	CONTACT PLANNING	MEASUREMENT/OPTIMIZATION
ACTIVITIES	<ul style="list-style-type: none"> <li>• Immerse/Discovery</li> <li>• Review Client Background Data</li> <li>• Consumer Information</li> <li>• Channel Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Research/Analysis</li> <li>• Confirm/Revise Hypothesis - "Facts" and "Truths"</li> <li>• Develop Segmentation</li> <li>• Best Prospects</li> <li>• Partner Input</li> <li>• Input into BPM</li> </ul>	<ul style="list-style-type: none"> <li>• Strategy Creative Development</li> <li>• Strategic Rumble</li> <li>• Creative Rumble</li> </ul>	<ul style="list-style-type: none"> <li>• Contact Planning</li> <li>• Customize Contact Plan</li> <li>• Tailor by Media/Channel</li> </ul>	<ul style="list-style-type: none"> <li>• Measurement/Optimization</li> <li>• Analysis</li> <li>• Refinement</li> <li>• Documentation</li> </ul>
OUTPUT	<ul style="list-style-type: none"> <li>• Hypothesis</li> <li>• Learnings</li> <li>• Propose Research</li> </ul>	<ul style="list-style-type: none"> <li>• Identify &amp; Quantify Segmentation Approach</li> </ul>	<ul style="list-style-type: none"> <li>• Communication Strategy</li> <li>• Creative Platform</li> <li>• Contact Strategy</li> <li>• Creative Executions</li> </ul>	<ul style="list-style-type: none"> <li>• Modes of Communication</li> <li>• Strategies/Tactics for Each Mode/Each Target</li> <li>• Behavioral Path Mapping (BPM)</li> </ul>	<ul style="list-style-type: none"> <li>• Measurement and Investment Optimization Plan</li> </ul>
		CREATIVITY			

The Quality Assurance Plan seeks to cover the various aspects of:

- Overall Program Management and Coordination
- Overall Attention to and delivery of an integrated approach
- Media Planning and Buying
- Research and Strategic Development (See Appendix C)
- Creative Development, Execution and Coordination

Whilst the process for each of these might not be specifically detailed in this document the overall approach seeks to encompass each of these areas.

## A.2 Scope of the QA Plan

DraftFCB will use the quality assurance standards documented here to assist in the preparation of all materials, products and documentation. The objective of this plan is to ensure quality standards that are well documented as well as timely. Each Project Manager and their respective teams will ensure all standards of quality are met within their areas of responsibility.

DraftFCB uses the WorkSmart process for materials such as Broadcast (Television and Radio commercials), Print & Direct Mail, and Digital products. For documents, such as Presentations (e.g., Research and Media Plans) or White Papers a more limited review process is utilized. For example, a Research Proposal will be reviewed internally by the research and planning department, account group and proofreading.

The scope of this document seeks to address both of these processes. The focus of this document will be primarily specific to the WorkSmart process for the Broadcast, Print & Direct Mail and Digital products in detail.

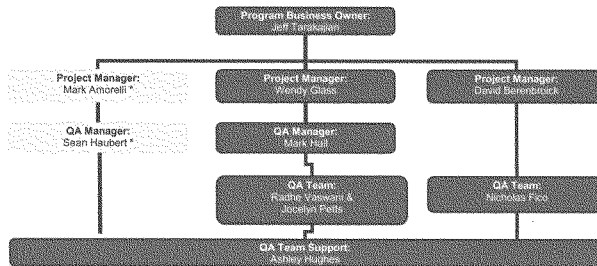
### A.3 Organizational Structure

Below is the structure and function of the QA Team (Diagram 1). Highlighted in yellow are the individuals who comprise the Lead DraftFCB QA team, furthermore referred to as "LQAT." All deliverables from DraftFCB, Partners and Subcontractors must be reviewed by the "LQAT" to ensure quality at every point of the process.

However, with the extremely large number of materials that will be produced, Quality Assurance must be delegated to the appropriate level. Project Managers will be the main gatekeepers of quality assurance by their lines of responsibility with assistance from the QA manager and QA team. Subject matter experts (i.e. Vita Harris for Research, Tim Queenan for Interactive) will be brought in as needed to review for quality assurance.

All individuals will be trained and empowered to resolve quality issues independently while still keeping the LQAT and overall QA Team informed and providing copies of all QA documentation. Partners and other subcontractors will also be delegated with QA responsibility at their level. All deliverables from Partners and Subcontractors will be routed via DraftFCB's QA Team prior to delivery to the Census Bureau.

Diagram 1: Quality Assurance Plan Managerial Structure  
 \*Lead Quality Assurance Team highlighted in yellow



Subject Matter Experts

Subject	Name	Reviewing
Research	Vita Harris	Research Proposals, POVs, etc.
	Darlene Billia	
Interactive	Tim Queenan	Web Presentation, websites, banners etc
	Slobodan Mileta	
	Jim Hubbell	
Media	Rich Gagnon	Media plans, media POVS
	Vito Ellison	
Creative	Gary Resch	Creative Work (TV, print, etc.)
	Kevin Dreyfus	



#### A.4 QUALITY ASSURANCE PROCESS

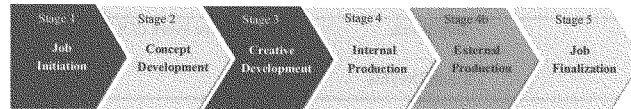
For Quality Control purposes, DraftFCB utilizes a process called WorkSmart, which:

- Is a Process Model and Quality Control Management Tool representing how work flows through the agency.
- Demonstrates the Value of Teamwork and Team Communication
- Is a tool to assist us in delivering every project to our Clients on time and within budget – meeting our high-quality and best-in-class standards
- Is a living tool, which we continually use, test, review and refine

WorkSmart incorporates all of the participants and disciplines associated with completing specific tasks. Participants include:

- Account Services
- Analytics
- Art Buying
- Client Operations
- Creative
- Finance
- Legal
- Media
- Omaha Shared Services (OSS)
- Production (Print or Broadcast)
- Proofreading
- Strategic Planning
- Studio
- Traffic

WorkSmart uses a five or six stage process, depending on the discipline. An example of one for Print Production can be found below. We will address this process in more detail in subsequent sections of this document.



## B. QUALITY ASSURANCE PLAN

### B.1 DEFINITIONS

**Quality Assurance Plan** – Establishes the basis for reviewing and auditing of the deliverables and activities to verify that they comply with applicable standards and to assure the production and operation of high quality products according to stated requirements.

**Quality Assurance Process** – Planned and systematic activities implemented within the quality system to provide confidence that the project will satisfy the relevant quality standards.

**Quality Control** – Monitoring specific program deliverables to determine if they comply with relevant quality standards and identifying ways to eliminate unsatisfactory results.

**LQAT** – “Lead DraftFCB Quality Assurance Team.” This team will conduct “random spot checks” on projects as they are being developed and can be asked to do special reviews of any integration communications work by the Census Bureau. LQAT also is responsible for their “Project” areas and adhering to Quality Assurance Procedures.

### B.2 PURPOSE

The purpose of the quality assurance plan is to function as a guide to facilitate the establishment of Quality Assurance (QA) activities within processes and procedures used to deliver the business and technical objectives of the Census 2010 project. The plan provides a structured systematic method to provide confidence that the services (and products) are developed and delivered according to established processes.

The plan will define the policy for QA activities, the organizational structure of the QA group, responsibilities of the QA group, responsibilities of affected groups, and identify necessary reviews and audits:

- Monitoring the project and enforcement of compliance with industry standards and procedures to facilitate the early detection of potential issues or concerns.
- Inspecting documentation for compliance to specification and standards before their release
- Verifying and validating deliverables before their release as compliant with all provisions of the statement of work and the contract.
- Measuring the progress of the project based on cost and schedule status.

- Identifying lessons learned that could improve processes for future products and services.

### B.3 METHODOLOGY

The methodology used to establish the DraftFCB's QA process is principally based on the methodology described in the Census Bureau's Quality Requirements.

These methodologies supplement the quality control and quality assurance framework established in the Project Management Institute's PMBOK<sup>®</sup>, A Guide to the Project Management Book of Knowledge, Third edition under the Project Management Knowledge Area, Project Quality Management.

A summary of these approaches include:

1. Allocation of adequate resources and funding to maintain and perform quality assurance activities
2. Participation by quality assurance representatives in the preparation and review of project plan, standards and procedures.
3. Reviews of the product development activities to verify compliance.
4. Audits of designated work products to verify compliance.
5. Documentation of deviations identified in the project activities and work products and handled in accordance with a documented procedure.
6. Periodic reviews by independent quality assurance representatives (LQAT) of the activities and work products of the project.
7. Compliance issues are first addressed with the project manager.
8. Establishment of corrective action measures or reports.

**B.3.1 Walkthrough methodology**

Formal or informal, structured walkthroughs used for orientation, examining ideas, identifying defects or errors, and improving products at any stage in the process. Walkthroughs will be conducted internally and on an as-needed basis. Partners and Subcontractors will conduct walkthroughs with DraftFCB when necessary, or on their own as deemed appropriate.

Walkthroughs will be used to:

- Present plans, presentations, documentation, or other deliverables for review and approval.
- Review materials in the preparation stages.
- Critique and report quality deficiencies of plans, processes, and procedures.

Walkthroughs will be scheduled to allow for revisions if issues are identified. When necessary, records of these walkthroughs will be maintained, along with issues that were identified and resulting action to be taken. Issues can be accepted "as is" or may require more work. If further discussion on the issue is required, additional walkthroughs can be scheduled.

**B.3.2 Review methodology**

An independent evaluation of an activity to assess compliance with the project/task order plan; or to examine processes against quality factors through the use of checklists, interviews, and meetings.

Examples of quality factors include:

- Correctness - The extent to which a deliverable satisfies requirements and the stated objectives.
- Timeliness - The deliverable is provided when needed/required.
- Reliability - The extent to which a deliverable is provided on a consistent basis.
- Productivity - The amount of resources to correctly produce the deliverable, including the relationship between the amounts of time needed to accomplish work and the effort expended.

The factors that are observed at each stage of the process are detailed in the WorkSmart charts found in the Appendix.

**B.3.3 Review Procedures**

The QA team will plan and conduct a review according to accepted practices and standards. A typical review procedure includes:

1. Identify reviews in the Project/Task Order schedule
2. Verify correct review procedures are in place (Steps and responsibilities are detailed in WorkSmart Appendixes)
3. Review results against criteria factors, verify deliverable:
  - traceability, if applicable
  - against contractual requirements
  - against standards and procedures
4. Validate corrections by scheduling follow-up actions and reviews
5. Verify that defects or errors are tracked to closure
6. Document review results
7. Enhance review procedures (if necessary)

**B.3.4 Audit Methodology**

The assigned QA team is responsible for conducting deliverable/service and process audits. The purpose of audits will be to identify deviations in process performance, identify noncompliance items cannot be resolved at the project management level, to validate process improvement/corrective action achievements, and to provide relevant reports to all management levels.

A deliverable/service audit is an independent examination of work product(s) to assess compliance with Task Order specifications, standards, client requirements, or other criteria. Audits are used to verify that the product was evaluated before it was delivered to the client, that it was evaluated against applicable standards, procedures or other requirements, that deviations are identified, documented, and tracked to closure and to verify corrections.

A process audit is a systematic examination to determine whether quality activities and related results comply with planned arrangements and whether these arrangements are implemented effectively.

The QA team will perform the following activities when conducting an audit.

1. Define the scope and purpose of the audit within the audit plan.
2. Prepare audit procedures and checklists for the audit.
3. Examine evidence of implementation and controls.
4. Interview personnel
5. Discuss findings with the designated team leader.
6. Prepare and submit an audit report to technical monitor/senior management.
7. Refer unresolved deviations to senior DraftFCB management for resolution.

**B.3.5 Audit Procedures**

A typical audit would include the following steps:

1. Clearly understand and adhere to the audit scope.
2. Conduct preparation meetings in advance of the audit.
  - a. Define areas to be reviewed.
    - i. Branding
    - ii. Consistency
    - iii. Final Editorial
    - iv. Distribution
    - v. In-language Products
3. Conduct the planned meetings, interviews, samples, etc.
4. Prepare the audit report.
5. Provide recommendations on request only.
6. Follow-up on corrective action/process improvement.
7. Improve the audit process.

**B.3.6 Audit Completion**

An audit is considered complete when:

1. Each element within the scope of the audit has been examined.
2. Findings have been presented to the audited organization.
3. All of the auditing organization's follow-up actions included in the scope of the audit have been performed.

**B.3.7 Evaluation Methodology**

Evaluations examine the activities used to develop/deliver products and services, ultimately determining if the activity is fulfilling requirements. The QA function establishes criteria for an evaluation, verifies the process has been performed, and collects the metrics to describe the actual results of those activities.

**B.3.8 Process Improvement**

The QA team at each level will be responsible for process improvement. Process improvement is successful when an effective process emerges or evolves that can be characterized as: practiced, documented, enforced, trained, measured, and improvable. A corrective action plan must be developed when a deficiency in the process is detected. Corrective action should prevent the problem from recurring.

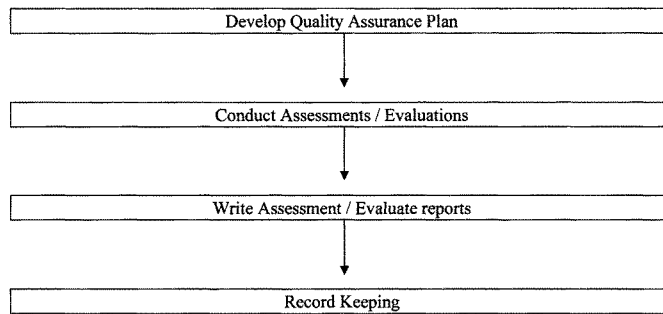
Successive steps for implementing a process improvement approach are:

1. Detection of problems
2. Identification of responsibility
3. Evaluation of importance
4. Investigation of possible causes
5. Analysis of problem
6. Preventive action
7. Process controls
8. Permanent changes

The QA team will analyze the results of their findings in relation to the results of documented processes used to produce products or services. This comparison will be used to determine which process may need improvement and to determine the effectiveness of changes to the processes. This comparison will also be used to identify best practices that should be continued or implemented in the Census 2010 project.

**B.4 DRAFTFCB'S QA process**

## Audit / Evaluation Process

**B.4.1 Record keeping:**

1. Quality assurance reports
2. Status reports of corrective actions

**B.5 REFERENCES**

The following references were used in developing this template. Identified standards were used as a guide to develop a format for this document.

1. US Census Bureau Quality Assurance Plan (dated 10/1/08).
2. Industry Standards and References
  - a. American Association for Public Opinion Research (AAPOR) Best Practices for Survey Research
3. Project Management Institute's PMBOK<sup>®</sup>, A Guide to the Project Management Book of Knowledge, Third edition.



## C. QUALITY ASSURANCE CRITERIA

The ultimate purpose of quality assurance is to make sure that the project objectives are met through the final deployed deliverable.

### C.1 General Criteria

While each item needs to be evaluated according to the purpose of the item, criteria for evaluating QA may include the following:

- Does the document exist?
- Have all sections of the document been addressed?
- Is the language of the document clear and understandable?
- Does the document meet the requested grade level, grammar and style, branding guidelines, etc.
- Have technical terms been explained in a glossary for the non-technical sponsor or reviewer?

### C.2 Specific Task/Project

For each specific task or project there are typically many different components that need to be reviewed internally within DraftFCB or between DraftFCB and one of the many partners. These include, but are not limited to:

- Presentations: Communications Plans, Creative, Research, Media, Web site, etc.
- Plans: Media, Web, Research, etc.
- Creative Deliverables: Television, Print, Radio, Brochures, etc.

The WorkSmart process helps to ensure that no deliverable is sent out for review before going through a rigorous quality control process. Within the Creative Deliverables, there are checkpoints throughout the process, including both the proofreading and the legal department.

DraftFCB will develop deliverable checklists, where required, to target quality assurance concerns. While trying to maintain a common format, the checklists will be specific to a certain set of standards.

**D. PROJECT TOLL GATES**

For better manageability and control, each effort is organized into logical, related segments (phases). Each phase must pass its Toll Gate (approval) before the next phase can begin. The decision points (checkpoints) at the end of each phase are called Toll Gates.

A Toll Gate is the vehicle for securing the concurrence (i.e., approval) of designated individuals to continue with the project and move forward into the next phase of development. The concurrence is an approval of the deliverables for the current phase of development. It indicates that all qualifications (issues and concerns) have been closed or have a plan for resolution.

The purpose of the Census 2010 QA Toll Gates is to:

- Allow all functional areas involved with the project to review the work.
- Provide a forum to raise qualifications (issues and concerns) if issues exist.
- Ensure an acceptable action plan exists for all qualifications raised.
- Obtain concurrence on current phase, and to begin the next phase of development.

**D.1 Definition and Players****Bureau of Census**

- Individuals responsible for the completed deliverable
- Approval Process at Bureau of Census

**DraftFCB**

- Project Business Owner
- Project Managers
- Team Leaders

**Partners and other Subcontractors**

- QA Director
- QA Team

**D.2. Responsibility Matrix**

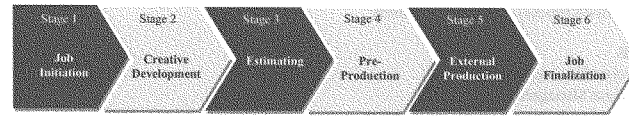
The following matrix provides an example of the responsibilities of various parties involved in the QA process. The WorkSmart process charts that delineate responsibilities throughout the process have been added to the Appendix.

Communications Products	Subcontracted			DraftFCB				Census Bureau Reviewers and Approvers
	Copyists	Proof reading	Section	QA Manager/ QA Team	Secondary Reviewer	Proof reading	Project Leader	
Promotional Materials*	X	X	X	X	X	X	X	X
Public Relations*	X	X	X	X	X	X	X	X
2010 Logo*	X		X	X	X		X	X
Ads (TV, Radio, Print)	X	X	X	X	X	X	X	X
Web*	X	X	X	X	X	X	X	X
Partnership Materials*	X	X	X	X	X	X	X	X
Event Materials*	X	X	X	X	X	X	X	X
Research	X	X	X	X	X	X	X	X
Media Plans	X	X	X	X	X	X	X	X
Strategic Plans	X	X	X	X	X	X	X	X

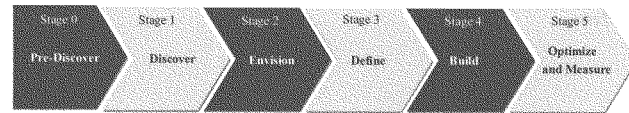
\* These external deliverables go through the WorkSmart process.

**D.3 WorkSmart Process Flow**

Within the WorkSmart process – depending on the discipline – whether it is Broadcast, Print, Digital, etc, there are phases that are adhered to before moving on the next Stage.

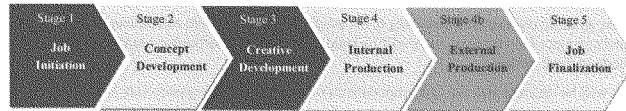


Broadcast Production Process



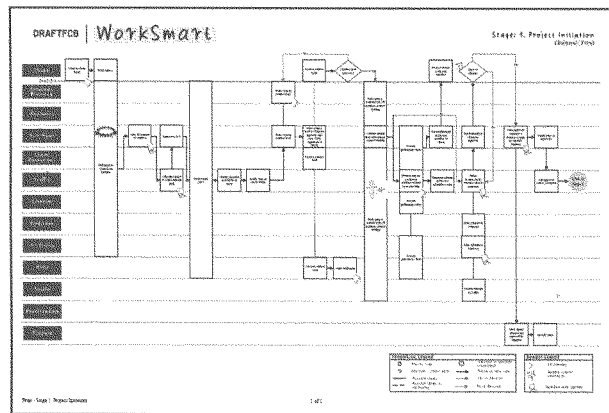
Web Process

\*Define and Build and merged into one stage for Banner and Email Jobs



**Print Production Process**

Each of these Processes has a detailed workflow. For example, Stage 1: Job Initiation for Print Production flow looks like the chart below. (For reference, copies of the entire Print process are included in the Appendix.)



In each stage of this process there are checks and balances, as well as reviews or approvals that must take place before moving on to the next stage. There are various checkpoints throughout this process to insure Quality Control. For example, in this instance, "Approval of Creative Brief" by client must occur before the "Internal Creative Briefing."

This chart delineates the personnel involved in the process of producing a print ad, from Account Management to Proofreading to Research, etc.

**E. REQUIRED DOCUMENTATION BY TASK/PROJECT**

There are the specific documents/templates to be used by project. While checklists will have common project information, each will be tailored to suit the particular requirements of the project or Task Order.

Documents will be defined and the QA responsibility delegated to the appropriate level.

**E.1 By Deliverable**

Each project deliverable or the specific Task Order will be identified, along with the deliverable acceptance criteria and the quality review process.

Description -	Deliverable Acceptance Criteria -
	Standards for Content and Format -
	Quality Review -

A table of approvers and date approved will be created.

DELIVERABLE NUMBER	DELIVERABLE	APPROVERS (WHO CAN APPROVE)	DATE APPROVED

**E.2 As requested**

The account team, business owners may request a special LQAT review of a specific project or task.

**E.3 Reporting Methods**

The QA team will report the results of their reviews and the recommended corrections for each item that needs improvement, using QA checklists or other appropriate documentation.

**F. QUALITY ASSURANCE METRICS**

The final goal is achieving 100% quality standards in the process. Standards to be measured against will be established as well as the way the measurement will take place.

**G. QUALITY ASSURANCE RISK MANAGEMENT**

Periodically, (e.g. quarterly) the quality assurance team leader will brief the senior or upper level manager (e.g. project manager, if appropriate) regarding the health and well being of the project, from the QA analyst's perspective. This will minimize the possibility of any surprises later and, if issues exist, they can be addressed timely. The briefing should cover the following areas:

- Project status
- Issue(s) (if any)
- Project risk(s)
- Action(s) required to remove issues or mitigate risk

Prior to briefing the upper level manager, the QA Team Leader will brief the Project Manager and the project Business Owner. This should be more as a matter of courtesy; there should be no surprises, since these persons are involved with the project ongoing. If serious issues exist, the QA Team Leader will provide a briefing on an unscheduled basis, rather than wait until the next periodic meeting.

## H. DISTRIBUTION AND TRAINING

To ensure success of the DraftFCB's Quality Assurance program, all stakeholders must be informed and participate. Once completed, the QA Plan will be distributed to DraftFCB members during a Training Session that will address the following points:

- Basic QA Principles
  - Introduction to the basic principles and concepts of Quality Assurance
  - Six Sigma principles
  - What is the QA Plan?
  - What is the purpose of the QA Plan?
  - What are the benefits of the QA Plan?
  - When will the QA Plan be revised?
- Census Bureau Quality Requirements
  - BOC Quality Assurance Plan
  - Brand Guidelines for the "U.S. Census Bureau" and "2010 Census"
- DraftFCB QA Goals
  - Presentation of the 100 percent QA goal
  - DraftFCB Brand Guidelines (when developed)
- Walkthrough the QA Plan
- Explanation of Roles and Responsibilities
- Q&A

The QA Plan was distributed to all of our Partners and Subcontractors. In addition, Census Bureau QA Requirements will be amended into all subcontracts with Partners.

Training session occurred on January 15, 2009.

**H. APPENDIX****H.1 Bureau of Census Quality Requirements****H.2 WorkSmart**

## H.2.1 Flow Charts

## H.2.2 Processes

H.2.2.1 Print

H.2.2.2 Broadcast

H.2.2.3 Digital

**H.3 Research****H.4 Print Process – GPO**

## H.5.1 DQC Checklist

**H.5 Transcreation Validation Process**



Mr. CLAY. Thank you so much for those presentations.

We will now go to the question and answer period, and we will start with Mr. McHenry who will get 10 minutes, and each subsequent question he will get 10 minutes. Mr. McHenry, you are recognized.

Mr. MCHENRY. Thank you, Mr. Chairman.

Thank you all for testifying. I certainly appreciate it.

The overall concerns about the communication effort I raised with the Bureau back in July, I believe. We wrote a letter about the contract and making sure that we have some reasonable congressional oversight over this process. I mean, it is hundreds of millions of dollars. It has had a substantial increase and I think—I believe rightfully so. I think we had about \$175 million spent on advertising or communications in 2000; and we are going to have about \$260,000 \$270,000—I am sorry—\$260 million this time around. Is that approximately right, Dr. Groves?

Dr. GROVES. Well, prior to the Recovery Act money, the sum is closer to sort of \$200 million. The \$100 million infusion added to that. So, for the advertising itself, the number of 320 or 322 is probably the best one to use.

Mr. MCHENRY. OK. So certainly we are talking about a substantial increase which, as you note in your testimony, is according to what the Bureau thinks is necessary and proper and will have an effect on lowering nonresponse followup, the need for a non-response followup.

So, you know, that was my question before. I had asked about the DraftFCB and the GlobalHue contract, and we got back basically a quarter of what you sent back. The contract, a quarter of it is redacted. We basically have blank sheets of paper here that are just greyed out. And that is about 25 percent of what you sent back; and it appears, based on some of the few words that are actually here, it is DraftFCB's small business contracting plan.

My question is about how Congress is able to provide oversight over this when we can't even get a document that isn't in full sections being redacted. Would you be willing to work with us to provide us with this information?

Dr. GROVES. As you know, Congressman, I believe the cause of the redaction has to do with the proposer labeling as proprietary some of the information within the proposal. Working within those constraints, we would be happy to do whenever possible.

Mr. MCHENRY. OK. And in your letter back to me, you reference the Freedom of Information Act, which, you know, means any citizen can request this information. We have actually—Congress has appropriated the money. We are providing oversight. And you reference the Freedom of Information Act in multiple places saying that you have already, you know—you have released this information under the Freedom of Information Act, and you are basically forwarding me that.

That wasn't my request. And I can understand certain sections being redacted of proprietary information but not 25 pages worth of greyed-out material. I have seen intelligence reports not this greyed out. And I am not trying to minimize this. I certainly think it is important. But I would like to have some cooperation so we can provide some oversight and transparency here.

Dr. GROVES. I would be happy to talk to you about that.

Mr. MCHENRY. OK. I would really appreciate that.

You have been showing every sign of willingness to work with all interested parties, and I do appreciate your leadership. And I am not really here to sort of beat up on you on this. I just would like to have some knowledge beyond what was sent here. It is almost laughable, the number of redactions we have here.

And even, furthermore, you know, our committee outlines what we are requesting as best practices. And this is something that the committee puts together. It is not a Republican or a Democrat thing. But it is documents responsive to the request should not be destroyed, modified, removed, transferred, or otherwise made inaccessible to the subcommittee. And neither the procurement integrity provisions of title 41 nor the Trade Secrets Act of title 18, section 1905, which is part of what you reference, prevent Congress from receiving proprietary or procurement-sensitive information. So, you know, I think providing us with that information is reasonable.

Additionally, DraftFCB and GlobalHue and their parent company and their public group have a pretty troublesome legal history. GlobalHue is accused of overbilling the Bermuda government \$1.8 million; and, among other things, it is alleged that GlobalHue failed to keep invoices and billing records and charged commissions of up to 181 percent on media bias. What was the process to contract with them?

Dr. GROVES. Well, Jeff may want to respond a little on the subcontracting side.

But, as I think this committee was briefed, the process by which the original contract was led followed all of the Federal guidelines for acquisition of these kinds of services. And there are in place, as you know, Congressman, the kind of oversight—financial and service delivery oversight—that is specified by Federal acquisitions. So those things are in place.

The reference you are making I believe is to an earlier behavior on the part of one of the subcontractors.

Mr. MCHENRY. Yes. And, also, DraftFCB lost a contract with Wal-Mart over allegations of overbilling; and Interpublic was fined \$12 million by the FCC for accounting fraud. Mr. Tarakajian, would you like to respond to that?

Mr. TARAKAJIAN. Let me answer your GlobalHue question first, and then I will subsequently answer the other questions.

Mr. MCHENRY. Sure.

Mr. TARAKAJIAN. GlobalHue as well as all the other subcontractors who are part of this contract went through a process before we were awarded this contract to identify their expertise, their willingness to work with us, their personnel, the backgrounds of their personnel, their skill set, their financial acumen, their past experience working on the census campaign, which was important for a variety of the subcontractors. We took into account a whole number of factors in putting together a list.

The other thing to realize is that there were a number of other firms like ourselves who were in the marketplace to team up with other subcontractors at the time. So we faced a competitive environment as well as did everybody else in that many of the sub-

contractors teamed up with other players and therefore were unwilling to team up with us or vice versa. So I want to reassure you we did go through a very rigorous process.

The Bermuda situation is something that just came about. It was not part of the background when this contract was awarded or when the contract was being put together.

As for ourselves, just to set the record straight on Wal-Mart, there was a solicitation by Wal-Mart. It came out of our Chicago office. We run this out of our New York office. And our parent company did a thorough investigation of that, and their investigation showed that there was no illegal activities, no proprietary activities on behalf of our company relative to the Wal-Mart contract.

Mr. MCHENRY. OK. I certainly appreciate you addressing that.

I guess the question for you, in general, some of the stuff I don't see in the contract and one standard part is a media buying fee. There is certainly a percentage for the purchase of media. What is that percentage you are charging?

Mr. TARAKAJIAN. Actually, by contract, there is no media commission. Media is handled 100 percent on a pass-through basis. So, therefore, the only cost connected with media buying is the actual labor involved with making the actual buy. But there is no media commission in the contract.

Mr. MCHENRY. OK. So it is zero. OK. And there is just simply a handling fee, in essence, for labor?

Mr. TARAKAJIAN. That is correct.

Mr. MCHENRY. OK. All right. OK. Well, thank you so much for your testimony; and thank you for addressing those issues as well. I appreciate you taking the opportunity to fully put those things to rest. Thank you.

Mr. CLAY. Thank you, Mr. McHenry.

Mr. Tarakajian, let me ask you about the—could you discuss with the subcommittee the tradeoff between the cost and benefits of paid versus earned media? Do you have any opinion about that?

Mr. TARAKAJIAN. Yes. Generally speaking, a key difference between paid media and earned media is that in paid media you completely control the message and you control not only the message itself but where that message is placed, what time, etc. Earned media is kind of the opposite. You place a message out into the marketplace, and you try to direct it in a certain channel in the hopes that you do end up with the message expressed the way you would like the message to be expressed in the channels in which you would like them to be seen.

The value of earned media is that it has credibility that paid media does not have with target audiences because earned media is viewed as coming from trusted voices as opposed to paid media where the population knows that the advertiser actually pays to have that message put into programming.

Mr. CLAY. Thank you for that response.

How do you respond to members of your Academic Assessment Panel suggesting that the grassroot efforts needs to be enhanced as opposed to the paid television media plan? Why not use less expensive media that may be more appropriate in reaching specific groups, especially those hard-to-count populations?

Mr. TARAKAJIAN. One of the messages or one of the recommendations that the Academic Assessment Panel was to step back and take a look at the division of spending, the allocation of money between paid media and the partnership efforts. And, as I think many of you know, in the Recovery Act funds, there is an increase to the partnership effort or rather a sizable increase to the partnership effort resulting from the Recovery Act spending. We do believe that we are reaching the right allocation between partnership support materials, which is what our role is in this, and the paid media spending.

Even the paid media spending is dramatically skewed toward ethnic populations, multicultural population, the hard-to-count population. In fact, in order of magnitude, there is—approximately where we are heading is that roughly 20 percent of the population speaks another language other than English in terms of their consumption of media. But that is actually where close to 60 percent of the dollars are likely to be channeled. Whereas only 40 percent of the dollars are likely to be channeled against 80 percent of the population that consumes media in English.

So I think the combination of partnership in activities and what is being done in the way the paid media effort is being planned are together surrounding the hard-to-count populations and motivating them, hopefully, to participate.

Mr. CLAY. Will that include—will those lopsided amounts be included in the American Recovery and Reinvestment Act money also that you all received?

Mr. TARAKAJIAN. The numbers that I just quoted reflect the total amount of the base plan plus the Recovery Act together. And what we were able to do so far is take the Recovery Act money and skew it disproportionately toward the ethnic, multicultural, and hard-to-count audiences to arrive at those numbers.

Mr. CLAY. You know, this is a real reversal from a couple of years ago. I mean, when things were tighter with the Census budget and different groups started weighing in with this subcommittee, they were all fearful that they were losing ground in the communications campaign. So you are here today to tell me that it has been reversed in that it is now geared toward those hard-to-count communities?

Mr. TARAKAJIAN. Yes. As I said—I will repeat—in fact, what I have said, that the majority of the paid media allocation is targeted to the ethnic in language, in culture, hard-to-count populations. And you see that reflected really as a result of the Recovery Act money, the increase in the number of languages in the campaign from 14 now to 28 languages. Those kinds of things have really, you know, enabled us to make the kind of change that a lot of our stakeholders were urging us to do early on.

Mr. CLAY. The OIG responded that the Census Bureau has been, in their words, diligent in monitoring the Integrated Communications Campaign, but there have been delays in delivery of initial plan and promotional items. From your perspective, what caused these delays and have they been eliminated and will these problems be corrected before the decennial?

Mr. TARAKAJIAN. In the written testimony, I outlined where we are as of today and where we will be shortly by the end of October

in terms of delivery of promotional materials and items. And when we had the meeting with the Inspector General back in April, we talked about that deficiency and moved very aggressively with our team to get out a lot of promotional materials into the field, which we have done to the point where today I believe there are roughly 11 million pieces that are physical pieces, plus a lot of pieces that are on the Web site that people can download. So there is a full assortment of items that are out there.

In response to your question specifically about what caused the delay and what has changed since then, I think there are a number of factors. One is that requirements were difficult to get out of the Bureau at the time, and we went back and forth on requirement setting and I think landed in a place where it was very clear to us what needed to happen. I think our team was not as fast as it could be in addressing some of those requirement changes.

And I think, third, the review process that was then in place that has now changed dramatically, led to the cycle time. Where we are today is the Bureau has implemented a review process that is much more streamlined. They have subject matter experts that are assigned to each batch of materials, depending upon what the topic of those materials are. And what that has done is make sure that the right content is reviewed by the right person and we get the kind of feedback that we need on a more timely basis.

So I think we have caught up, but we continue to push very aggressively on this front to make sure that deadlines are not missed and that we meet the expectations in the field.

Mr. CLAY. Very good response.

And a final question for either you or Dr. Groves. What is the Census plan to reach the single, unattached, mobile person? Is there a nondigital system in place to reach this group in 2010? What is the compelling message for this segment of the population? And is there a mechanism in place to monitor the Internet in respect to the 2010 census? Either one of you.

Mr. TARAKAJIAN. Let me start with your last point, the monitoring. I think Dr. Groves talked a little bit about learning about the blogosphere and monitoring there. We have in the communications contract a continuous tracking study that has an Internet monitor component to it. There will be a base wave that will be done this fall, and then we will have continuous tracking while the campaign is in the marketplace next year.

One of the recommendations of the AAP, the Academic Assessment Panel, was to take a look at the single, unattached, mobile segment and ensure that there is more than Internet advertising to reach that segment. The answer is that is something that we are looking at right now.

We had in the plan additional things. They will be exposed to television, they will be exposed to radio, they will be exposed to all the multimedia that everybody else is. The road tour and all the other elements will reach them. The challenge, though, is that they tend to be, on an index basis, less exposed to those media than many of their counterparts. So one of the things in the replanning that we are looking at is exactly how to fine tune that plan against that group; and when we share that with the Bureau in October,

that can be part of what we ultimately share again with stakeholders later on this fall.

Mr. CLAY. It has to be like a high wire act to figure out how you are going to touch this segment of the population when they know there is an overreliance on texting, cell phones, and other new gadgets that are coming out it seems like on a monthly basis.

Perhaps you have something to add to it, Dr. Groves. If not, I do understand.

Dr. GROVES. I do think it is actually implied in Jeff's point. But on the electronic communication with this population, clearly, we have an opportunity to engage our hundreds of thousands of partner operations. Because many of them have their own electronic communication with their constituents, if you will. And so if we can be smart about this so that the content we might prepare actually migrates to their Web sites in various ways that might be an effective tool.

Mr. CLAY. Thank you for your response.

Mr. McHenry.

Mr. MCHENRY. Yes. And, actually, it is a nice transition point. Because, Dr. Groves, you mentioned this. The Internet measurement you mentioned in terms of the effectiveness as sort of a measurement tool afterwards to make the next census better. Can you delve into that? Because I would like to hear some of your ideas on ways that we can integrate this, if not this census, then in the future.

Dr. GROVES. Well, I think the Census has a plan that must go forward the way it is. So what we have added is really a little experimental component to answer an important but only one of the questions that are related to looking forward in how the Internet might be used. That is, do we as humans react to questions on a Web questionnaire in different ways? And this is part of a much larger research agenda that is going on around the world. There is all sorts of work going on on how you can portray what measurement effectively so that people answer as carefully and as well as they can. That is the focus of this particular test.

But, looking forward, I think it is safe to say and I think I—this is a unanimous opinion in the field, that we can't imagine a 2020 census without an Internet component. This is actually, I think, a very easy judgment to make.

The harder judgment is how do you best integrate it, and that is hard because you and I don't know what the Internet of 2020 will look like. It will not look like the Internet of 2010. I think that is a safe bet. So all of these new gismos we have will be old-fashioned by 2020.

And the wisdom that we all require I think is choosing a course of planning and cycle testing so that we have a use of an Internet in 2020 that is the optimal use of that Internet of 2020. This is hard.

I think we have a wonderful vehicle at the Census Bureau now, the American Community Survey, which could indeed be used more or less as the space shuttle is used, to add on little experiments throughout the decade, to inquire when a new gismo is created within the Internet. Is that going to be useful for us to measure

the American society one way or the other? And if we are good about this, we can choose the right role of the Internet.

One thing that I think is important to note, the findings of survey methodological research on the world or on Internet use are not particularly wonderful in terms of whether the response rate increases greatly with an Internet option. It is the biggest disappointment to my profession right now. We had great hopes that if I offered you an Internet option versus a paper questionnaire, you would go immediately to the Internet option. People are not behaving the way we thought. This is a problem for us.

So this will not be a panacea for 2020. It should be a useful tool and an armament of other tools. But, by itself, at least at this point, the Internet of 2010 is not that tool.

Mr. MCHENRY. Is Internet advertising a component of the plan as it now stands?

Mr. TARAKAJIAN. Internet advertising, paid Internet advertising, social media, getting our presence on other people's Web sites, anyway you look at it, having a strong presence on the Internet, including our own Web site, is a key component of where we are headed.

Mr. MCHENRY. Very good. Very good.

You mentioned the American Community Survey. Can you take a moment to explain the American Community Survey and whether or not you think it effective and important.

Dr. GROVES. Well, as you know better than most American citizens, Congressman, the American community survey had as its seed the long form of the census. So a wonderful—as I mentioned in my testimony, a wonderful property of the 2010 census is that we are asking Americans to do a much shorter, simpler task than before.

Yet, at the same time, this Congress and earlier Congresses have passed many laws that require the measurement of certain attributes of the population in order to redistribute funds. Every question in that roughly 69 question questionnaire has a law sitting behind it that you and your colleagues have passed, and that is the tool that allows us to administer—allow different agencies to administer those laws.

Now, it has one other benefit and that is for small business owners, for small town mayors, they were cheated in a way in past census designs. They had wonderfully rich data once every 10 years but only once every 10 years. And now we are supplying those towns and those decisionmakers at the very small levels of geography more up-to-date information. This is a wonderful, grand new thing that the society is going to get. It is going to require a lot of education of local people on how to use it wisely. So we have a big education task ahead of us. But once it soaks into the society—this is a wonderful thing for all of us.

Mr. MCHENRY. All right. Thank you for touching on that. There has been some discussion and debate about the need for it, and I certainly agree with you that it is preferable to the long form. I think it—in terms of the average American's experience and the response rates we have seen, it is going to be very fascinating, and I am sure you are interested to see the outcome of response rates without the long form as a—

Dr. GROVES. It is going to be fascinating.

Mr. MCHENRY. Well, thank you for your testimony. Thank you for addressing those two questions that are just of interest to me. I appreciate your willingness for being here today. And thank you, Mr. Chairman, for your leadership.

Mr. CLAY. Thank you so much, Mr. McHenry; and let me thank the panel for their testimony today. Again, Dr. Groves, it is so good to have you here in this initial hearing. Believe you me, there will be other invitations to come back; and we look forward to you coming back. We certainly look forward to the sharing of information between the Bureau and the subcommittee on the fingerprinting issue.

Without objection, I will submit an opening statement for the record and any other Members' opening statements for the record.

Without objection, the hearing stands adjourned.

[Whereupon, at 3:38 p.m., the subcommittee was adjourned.]

[The prepared statement of Hon. Patrick T. McHenry follows:]



**Statement of Ranking Member Patrick McHenry**  
Subcommittee on Information Policy, Census, and National Archives  
*“The Census 2010 Integrated Communications Campaign:  
Criteria for Implementation; Measurements for Success”*  
September 22, 2009

Thank you, Chairman Clay, for holding this truly bipartisan hearing. There are significant concerns on both sides of the aisle about the communications campaign.

With 2010 Decennial Census forms set to be mailed to every household in America just six months from now, effective outreach to targeted communities across the United States is absolutely vital.

The Census Bureau’s Integrated Communications Campaign encompasses decennial outreach and advertising activities meant to increase mail response, enhance cooperation with enumerators, improve overall accuracy, and reduce the undercount of hard-to-reach populations.

In addition to a partnership program with local organizations to promote participation in their communities, the communications campaign also includes extensive advertising that targets groups less likely to respond to the 2010 Census.

For the 2010 Census, the Bureau has increased its budget for the advertising component of the communications campaign to an unprecedented level. The projected operating cost stands at \$258.7 million, an increase of \$81.9 million dollars over 2000.

We all know the Bureau has far outgrown its projected costs for 2010, and we're willing to provide the resources it needs so long as there is a corresponding increase in oversight and accountability for all spending carried out by the Bureau's media contractors and their subcontractors.

For this reason, it is troubling that DraftFCB and GlobalHue, both subsidiaries of Interpublic Group, were chosen to receive contracts with the Census Bureau to conduct these tremendously important activities. These companies have a very disturbing history: SEC fines, bribery, defrauding governments.

So I question the wisdom of entrusting these companies with hundreds of millions of taxpayer dollars and a vital mission. I'm interested in hearing more about how these selections were made, how their troubling history factored into the decision, and what is being done to prevent the American taxpayer from being their next victim.

Finally, I'd like to welcome Director Groves. I commend you once again for your recent decision to end the Bureau's relationship with ACORN for the 2010 Census. While you may have upset the ACORN apologists in the Administration, you won credibility with the public and on Capitol Hill.

While this subcommittee will continue to provide vigorous oversight of the Census, we also want to help the Bureau achieve our shared goal of a successful 2010 decennial count.

I thank Director Groves and all the witnesses for being here today, and I look forward to their testimony.