PREPARED STATEMENT OF
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2010 Census: A Status Update of Key Decennial Operations

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Chairman Carper, Ranking Member McCain, 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.

I want to take this opportunity to express my condolences once again to the family of Mr. William Sparkman, the Census employee who was found deceased in Kentucky last month. The Census Bureau family is deeply saddened by this loss. Mr. Sparkman was a shining example of the hard-working men and women the Census Bureau has in the field. Our thoughts and prayers are with his family and friends.

Status Update

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 less than six months away. My comments are in two sections: a comparison of the designs of the 2000 and the 2010 censuses from a technical perspective, and an identification of recent challenges in key components of the Census, both internal and external.

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 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 tenuous 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.

Because I know there is specific interest in some areas of the census design, let me offer a bit more detail on two points – the Group Quarters Validation operation and the use of American Recovery and Reinvestment Act funds for the integrated communications campaign. For the first time, the Local Update of Census Addresses (LUCA) includes an integrated review of both housing units *and* group quarters, which were included in the Address Canvassing Operation. We have also added a new operation called Group Quarters Validation, for which fieldwork has begun. The overall operation should last about four weeks and will involve visits to approximately 300,000 group quarters. During Group Quarters Validation, specially trained enumerators will visit all "other living quarters" identified during Address Canvassing and administer a detailed questionnaire to determine if they are, in fact, housing units or group quarters and to classify the types of group quarters. For those determined to be group quarters, the field staff also will determine the type to facilitate the subsequent Group Quarter Enumeration operation next spring.

Although for most residents of the U.S. the concept of usual residence is an easy one. The public needs to be reminded that their usual is not necessarily the same as a person's voting residence or legal residence. For the purpose of the census, individuals are counted at their usual residence-- customarily defined as the place where the person lives and sleeps most of the time. For some individuals, group quarters are the place where they live and sleep most of the time, and can include college dormitories, prisons, group care facilities and nursing homes.

Because of natural disasters and economic dislocation, the places where people reside can change quickly. Through targeted advertising, the Census Bureau will get the message out that people are to be counted on Census Day at their usual residence- the place they usually live and sleep.

As part of the improved 2010 Census design, $1 billion appropriated for the Census Bureau in the American Recovery and Reinvestment Act is being used as follows: $100 million to increase the communications campaign, $120 million for increased partnership efforts, $30 million for an increased Coverage Follow-up program and the balance, $750 million for early 2010 census operations, including Group Quarters Validation.

With the additional funding from the Recovery Act for the communications campaign, the Bureau will be able to increase its paid media efforts – including $43 million directed specifically to local advertising buys focused on hard-to-count populations. The balance of the Recovery Act funds for communications will be directed to these areas:

- $37 million to paid media,
- $2 million towards partnership support materials,
- $15 million towards public relations and events, and
- $3 million towards Census in Schools.

As required by law, we have provided updates on areas of ARRA spending and these may be found on the Census Bureau website at: www.census.gov/recovery. We are currently reviewing and finalizing the promotion ads developed using ARRA funds, and negotiations are now underway for national and local media buys. In short, with this additional funding, the Census Bureau will now exceed the scope of the Census 2000 communications campaign in terms of its reach.

Our efforts to reach hard to count communities will also be enhanced by the use of Recovery Act funds to expand our partnership efforts. $120 million of ARRA funds have been used to expand the local partnership program through the hiring of more than 2,000 additional partnership staff. This will improve outreach to hard-to-count communities and expand our efforts to reduce historical undercounts of minority populations.

After reviewing these elements, and having examined its design as a survey methodologist, it is my judgment that the 2010 Census has a better design than Census 2000 to attain the goal to count every person. However, a superior design alone 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. As a result, I have decided to continue vigorous use of external advisors, including former Principal Associate Director John Thompson, and former Census Bureau Director Kenneth Prewitt. Further, I am extremely fortunate to serve with Dr. Rebecca Blank the Undersecretary for Economic Affairs, as well as the ability to consult with the Deputy Undersecretary for Economic Affairs, Nancy Potok, a former Principal Associate Director at the Census Bureau.

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-bases 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 also 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 Chief Information Officer, with the Chief Technology Officer of the Department of Commerce, and other experts. They regularly meet with me to provide their recommendations and assessments. To date the Bureau has incorporated 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 internal 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.

Preliminary evaluation of the Address Canvassing Operation indicates it was successful in that it was produced on time and within the required quality assurance parameters. Listers also updated and verified existing addresses, added addresses not currently on the address list and deleted addresses from the list that were not found or existed in another form. Listers updated maps by deleting and adding features, and updating feature names.

Review of the entire Address Canvassing Operation is now underway. When this process has concluded and the summaries of how many changes were made to the Master Address File are available, I will be happy to provide them to the Subcommittee.

The fifth internal 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.

Our challenge now is to continue with 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 ensure we reach everyone.

External Challenges

External challenges are also a concern at the Census Bureau. 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 Non Response Follow Up, or 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.

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.

There is an external challenge on which we 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.

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 planning the 2020 Census. 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.

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 Field Data Collection Automation (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.

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 expand the promotion of the census through local, individual support of the decennial.

- 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. This four-pronged targeted

outreach in local neighborhoods with high concentrations of households that speak Chinese, Vietnamese, Korean and Russian also includes the mailing of a postcard with language assistance information, expanded partnership efforts, and targeted delivery 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.

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.

Future Activities and Risks

Over the next two months, hundreds of important tasks must be completed across all components of the decennial census program.

There are a number of external events that could lead to delays or operational problems, such as a major hurricane, a widespread outbreak of H1N1 flu, or a major, last-minute design change imposed upon the program.

Internally, some of the major activities and risks over the next 60 days include:

- We must complete the Group Quarters Validation operation in October so that we can update our control files for the enumeration of these places next spring. The field operation is going well, and we believe our systems are ready to capture and process the results, but at this stage of the census we are on a tight schedule that must be adhered to.

- We must open 344 additional Local Census Offices (LCOs) by the end of December in order to be ready to implement the major operations of the census next spring. Although this effort is going well at the moment, at any location, we risk running into space build-out issues, equipment deployment issues, telecom issues, or even bankruptcy issues with the lessor.

- We must begin recruiting for our major field operations next year, including deployment of toll-free jobs lines to the LCOs. Although it appears that current economic conditions will make recruiting of qualified applicants easier than in past censuses, between now and next spring we must recruit over 3 million applicants to fill over 1 million temporary positions. This is a massive challenge which can be affected by things outside our control, such as a change in the economy. We also know there are some places in the country with high employment rates where we may have more difficulty in attracting enough applicants.

- The Paper-Based Operations Control System (PBOCS) has an aggressive system development lifecycle due to the applications de-scoped from FDCA and a fixed schedule prior to 2010 Census operations. We believe this is being managed well, and that we are on schedule for the deployment and use of these systems, but the schedule is very tight, with little room for any slippage.

- We must finish preparation for and begin production of the address label files for 2010 Census questionnaires and Advance Letters. Again, we believe this is on schedule for timely completion, but any significant problems with these efforts could jeopardize many aspects of the program.

- We must complete a number of activities related to enhancements to our language outreach efforts. We believe these activities can be completed and integrated on schedule, but these efforts are on a tight schedule as well.

- We also must complete the first Operations Test and Dry Run for our Data Capture Centers and Call Centers. Developmental work and testing is going well, but we must stay on track to ensure these centers are ready next spring to capture and process census forms, and respond to public questions and assistance requests.

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.

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