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2010 Census: A Status Update of Key Decennial Operations

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

23 February 2010

Chairman Carper, Ranking Member McCain, members of the Subcommittee, I appreciate this opportunity to once again testify before you and provide my assessment of the most current status of preparations for the 2010 Census.

First, the most important announcement I have to make to you today is that the 2010 Census is underway. Our work started on Monday, January 25, where we began an enumeration in Noorvik, an Alaska Native village in the Northwest Arctic Borough, 30 miles north of the Arctic Circle. It took crossing four time zones, flying in a 10-seat plane, riding a dog sled and a snow mobile to reach them, but it was worth it even in balmy -5 degree weather. That event, although costing nearly $85,000, generated an audience of over 80 million people. To purchase that media coverage would have cost at least $10-$15 million.

Second, our advertisements are on the air. You may have seen our kickoff event in New York City on the Today Show, and similar events around the country, during the first

week of January; we are well on our way to executing the largest non-military mobilization in the United States to count every resident in America.

Third, in my last testimony, I noted a list of future activities and risks that needed to be addressed over the next two month period (October/November 2009). I can report that with less than 40 days away from April 1, we have addressed several of these and we are ready to go. All 494 Local Census Offices are open, with equipment in place, and staffed to serve the public. Recruiting for field operations is well ahead of our goal, even in hard-to-count areas, at 117 percent as of January 24. Just over 2 million potential hires have been recruited. We can boast of over 180,000 partnerships formed around the country with organizations and communities ready to help us raise awareness and increase participation rates. There are 9,600 Complete Count Committees, with 6,800 of them being government- based, also ready and poised to work with us to raise awareness. We are on track or ahead of schedule with all of our forms printing: 210 million enumerator forms are printed; 44.5 million group quarters enumeration forms are printed; 97 percent of our 169.5 million Mailout/Mailback, Update/Leave, and Replacement Mailing questionnaires are printed; 70 percent of our 13.5 million bilingual questionnaires are printed; and, 79 percent of the 132 million advance letters are printed. Lastly, we started the Group Quarters Advance Visit on February 1, the precursor to Group Quarters Enumeration, where we work with Group Quarter administrators and devise the best method for counting their residents.

However, there are also challenges that remain, and I will describe those in more detail later in my testimony. Most importantly, though, our biggest risk is the uncertainty presented by the American public's response to the census. I asked then and will ask again now, that every political, corporate, community and religious leader get the message out that the cost and quality of the 2010 Census is in our hands. We really need your help in encouraging and motivating everyone in your States to participate, and in particular, to mail back a completed form and cooperate with the enumerators.

Status Update

In October when I first testified before the subcommittee, I gave my initial assessment of key components of the 2010 Census. Since that time, I have continued to evaluate our preparations, operations and testing and feel that we are prepared to conduct the census. That is not to say no challenges exist; they do, but we are in a position to manage those challenges/risks better than before and believe we will deliver a quality product to the President and Congress by the statutory deadlines.

Before I begin with my latest operational assessment, and the related technical aspects, I want to touch on two important topics which have received quite a bit of attention in the last few months: our fingerprinting policies and procedures and the 2010 Census media campaign. I will start with the topic on which we ended last, and that is our fingerprinting procedures. Toward the end of that hearing, we briefly touched on the screening process – name (or background) check and fingerprinting - to determine suitability for hire as an enumerator. The concerns expressed by the Government Accountability Office generated a stir that rightly caused us to look at our process to determine how it could be improved. Since that time, the Bureau has put in place additional procedures that we believe will reassure Congress and the public that we are taking every measure to protect the American public. The Census Bureau is committed to protecting the public safety and the integrity of the 2010 Census. Toward these ends, the Bureau has taken steps to tighten its methods for the criminal history screening of future job applicants for the 2010 Census compared to both the 2000 Census and 2010 address canvassing operation.

Before discussing the specific steps taken to protect public safety and the integrity of the census, it is important to note that under Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000e et seq.), an absolute bar to employment based on a conviction or arrest record is unlawful where the bar results in a disparate impact on groups protected by that Act. See Green v. Missouri Pac. R.R. Co., 523 F.2d 1290 (8th Cir. 1975). Although a criminal record cannot be the basis for a categorical disqualification, the Equal Employment Opportunity Commission (EEOC) has previously determined that specific individuals may be disqualified where there is a nexus between their past offenses and the potential harm to the public, should the applicant be employed.

To carry out this legal requirement, the Census Bureau is instituting a rigorous screening process, designed to protect public safety and the integrity of 2010 Census data. Two steps of the process remain unchanged from the 2000 Census:

- During the application process, each applicant is required to accurately disclose information about any conviction, imprisonment, probation, or parole in the last 10 years. Failure to disclose this information will disqualify an individual from being hired.

- A Federal Bureau of Investigation (FBI) background check (or "name check"), involving a check of an applicant's name, date of birth, social security number and gender, is conducted for each applicant. In 2000, the background screening stopped here.

For the 2010 Census, in addition to meeting the criteria outlined above, all employees will also be subjected to the following additional screening:

- The Census Bureau will conduct a separate fingerprint check against the FBI's database as an added step on the accuracy of the initial name check. Among those who pass the name check, the Census Bureau will hire approximately one million individuals who will undergo fingerprint tests. During this process, two sets of fingerprints are collected by two different Census Bureau employees. The Bureau is working with the FBI to make improvements to this process, as described below.

- The Census Bureau has sharpened the criteria for disqualifying applicants with prior criminal histories. The Bureau will now automatically disqualify any applicant whose screening indicates prior convictions or a pending charge for certain categories of crimes, such as murder, sex offenses, robbery, voter fraud, or other crimes that suggest a threat to safety or the integrity of census data. In addition, those who have been convicted or who have charges pending involving crimes of dishonesty, burglary, theft, or vandalism are disqualified from employment, except when the person conclusively demonstrates that he or she does not present a current threat.

For the 2010 Census, the Census Bureau will also utilize the E-Verify process to confirm employment eligibility based on the Social Security number for each person hired.

Applicants who pass this new and improved background check process will be temporarily employed by the Census Bureau beginning in the spring of 2010.

It should be noted that in address canvassing, about 16 percent of the applicants were disqualified based on the initial name check alone, and less than 0.5 percent more were disqualified based on the fingerprinting. Therefore, if an applicant passes the name check, there is a more than 99 percent chance that they will also pass the fingerprint check. Thus, the first background check is a very effective tool, while the fingerprinting adds some additional screening value to verify the results of the first check. Each of these steps is taken to ensure that the Census Bureau does not send people into the field whom it determines may pose a danger to the public.

The Census Bureau faces a unique challenge in carrying out individual screening consistent with applicable law. The Bureau expects approximately three million applicants for 2010 non-response follow-up operations; each of these applicants will

undergo the initial name check; for the initial round of non-response follow-up hiring, the individuals who pass the application process and are offered jobs will undergo fingerprint testing; this testing will be accomplished on a single day at 34,000 locations around the country by 68,000 Census supervisory personnel who have been specifically trained in collecting fingerprints.

The Bureau is using lessons learned during address canvassing operations and has been working closely with the FBI to take effective actions to drastically reduce the 22 percent unreadable fingerprint rate and to improve the background check process. For example, we have improved the fingerprint training, implementing a new 4-hour fingerprint training enhancement for staff responsible for collection of fingerprints in the field. Additionally, lotion has been added to the fingerprint kits in an effort to make more fingerprints readable. The first collection of fingerprints utilizing the advanced training occurred for hires attending the January 26, 2010 training for the Group Quarters Advance Visit Crew Leaders and the Update/Leave Field Operation Supervisors.

More importantly, the Census Bureau will now use live scan electronic fingerprinting devices in every practical case to collect two more sets of fingerprints from employees who still have unreadable prints. At the end of the process, this pool of employees will have passed a standard FBI background check and will have undergone four different fingerprinting efforts conducted by different employees and employing different technologies. We have already distributed live scan machines for fingerprinting to the Regional Census Centers (RCCs), for deployment to the 494 Local Census Offices (LCOs).

Let me reiterate that the safety of the American public and of our staff is of paramount concern to me; I fully support the unprecedented improvements in the screening of applicants to ensure that safety.

Now, let me turn to the integrated communications campaign.

With respect to the media campaign, the goals of the 2010 Census paid advertising, promotion and public relations are threefold:

1. Increase the share of American households that mail back their census form
2. Reduce the undercount, especially the differential undercount which disproportionally impacts hard to count communities
3. Increase cooperation with enumerators during the door-to-door phase, also known as Non-Response Follow-Up (NRFU).

In 2007, the Bureau contracted with a professional advertising firm that retained 12 subcontractors to research, test, design, and produce a multi-faceted paid media effort to reach everyone in America. With additional funding provided in 2009 through the American Recovery and Reinvestment Act (ARRA), the total media buy budget was increased to $140 million (including $7 million in reserves). The media campaign is in 28 languages and across 8 major audiences. Based upon experience, a decade of research, and requirements in Congressional appropriations, the 2010 campaign is designed to especially motivate "hard to count" populations.

Compared to 2000, the budget for ethnic audiences is up 39 percent ($72M vs. $52M); and the allocation between diverse mass audience compared to ethnic audiences is skewed heavily toward the latter to help address awareness issues and low response rates.

The Census Bureau has done extensive research aimed at understanding the societal factors which help contribute to low response rates. Among the key indicators are: rates of public assistance, unemployment rates, homeownership vs. renting, linguistic isolation, and others. Altogether we identified 12 variables that help predict low response and mapped these data at the census tract level. This research has helped guide where we are making media buys, especially at the local level. The 2010 media buy strategy puts more resources into these local, targeted buys as compared to the 2000 campaign.

Together the Census Bureau and our subcontractors collaborated on a media buy strategy and allocation of dollars across television, radio, print, out-of-home (OOH - which includes billboards, transit ads, in-store ads, and others), as well as digital media outlets for each audience campaign.

Before entering into negotiations with media outlets, the 2010 Census Team developed an allocation for all media based upon extensive research into media consumption habits of American consumers. We based our allocations on that data:

Total spend by each medium

- Television - $62.7M
- Radio – $18.1M
- Newspaper – $17.2M
- Magazines - $3.9M

- Out of Home (OOH) - $12.0M
- Digital - $10.1M

As our contractors entered into negotiations for media buys for national and local outlets, they followed industry practices which seek "added value" from the media outlets above and beyond the price of the placements sought by an advertiser. Examples of added value for the 2010 Census campaign include additional broadcast spots provided for free; celebrity endorsements or mentions of Census in programming or through public service announcements (PSAs); news or editorial content; or even special 2010 Census programming. In all some 2,100 requests for proposals (RFPs)were issued for media buys, with over 61,000 media outlets responding, and each outlet engaged was asked to provide some added value. However it was never a requirement of a final buy.

As of late January, the Census team has negotiated almost $30 million in added value from media outlets. This represents a leveraging of the taxpayer spending on media buys of about 22.5% of the total $133 million in buys negotiated or being completed. We expect the final added value may come close to 25% when finalized after Non-response Follow-up.

Mr. Chairman, in a perfect world, where every resident was completely aware of the constitutional underpinnings of the Census, there might be no need to spend any taxpayer money on advertising. We do not live in such a world. Last Census proved with little doubt the value of a paid media campaign as the Census Bureau reversed a multi-decade decline in response rates. We spend advertising money in an attempt to save salary costs of nonresponse follow-up activities.

Internal Challenges

Now I would like to move into the more technical subjects. In the testimony provided in October 2009, it was noted the Census Bureau faced several challenges in the ramp up to the 2010 Census, both internal and external. Following is my most current assessment of these challenges, which included testing key systems; the master address file or MAF; cost estimation procedures; and completion of Group Quarter Validation.

Status of Key Information Technology (IT) Systems

There are several components to our IT systems that have undergone recent developments: the Paper Based Operation Control System (**PBOCS**), the Universe

Control and Management System (**UC&M**), the Decennial Response Integration System (**DRIS**), and the Matching Review and Coding System (**MaRCS**). I will go through each of these in turn and explain their function.

We have been conducting load tests designed to test the key components of the software that we will rely upon to manage field operations during the 2010 Census. On December 3, 2009, we ran the first version of the load test. That load test involved 8,000 personnel in 400 offices around the country. The test was a synchronized effort where each person was given scripted instructions to run specific applications at specific points in time so that we could carefully monitor the network usage. Additional stress was added to the test by conducting the test in conjunction with other routine network activity such as the use of office suite applications and the Internet.

During the December 3rd test we found glitches at various points in the system. One such glitch prevented our payroll system from being tested. Solutions were developed to address each identified glitch in preparation for the subsequent load test on December 15, 2009. After conducting the December 15th test, we are confident that the infrastructure is more than capable of handling the peak network traffic we expect in the spring 2010.

Paper-based Operations Control System (PBOCS)

Due to 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 had to be developed. The result of this development is the so-called PBOCS. This is a high risk activity, and therefore we monitor it very closely.

The PBOCS has a development approach that delivers the features of the application in ***three, five-week development iterations***. This approach accomplishes the following:

- Enables delivery of functionality when it is needed by the stakeholders, rather than as a complete system which would require a longer development window, and

- Maximizes prototyping, stakeholder input/validation, and rapid problem identification and correction.

The PBOCS was certified on January 14, 2010, and its developmental iterations have proceeded as planned.

First Iteration of PBOCS

We completed the critical testing for Release 1 of the PBOCS, and deployed the system to the Local Census Offices (LCOs) on schedule on January 19, 2010. Release 1 of the PBOCS is providing the functionality needed to support the Remote Alaska Enumeration Operation, the Group Quarters Advance Visit, Update Leave, and the Enumeration of Transitory Locations. Since its release, it is clear that the software is providing the functionality needed to support the early activities.

Second Iteration of PBOCS

We have completed developmental activities for Release 2 of the PBOCS. User testing of the following operations has started and is supported by Release 2: Rural Update Enumerate, Update Enumerate, Group Quarters Enumeration, and Non-Response Follow-Up. Deployment of Release 2 occurred on February 22, 2010 for each of these operations with the exception of Non-Response Follow-Up. The software will be ready for use for Non-Response Follow-Up on March 22, 2010.

Third Iteration of PBOCS

The Developmental activities for Release 3 of the PBOCS are underway. Release 3 will support field management of the Vacant/Delete operation beginning June 4, 2010, and the Field Verification operation beginning August 6, 2010.

This subsystem remains a high risk development, as I anticipated at our last hearing, primarily due to the compressed time that has been available to develop these systems and the hard deadlines for operations that we face. To aggressively mitigate and manage the risk, the PBOCS Steering Committee, representing the key stakeholder Census Bureau divisions, actively meets to monitor the project management aspects of the PBOCS's development to include:

- Managing scope and risk as they relate to development, testing, and operational implementation

- Managing time allocated for remedying defects, gaps, and testing within a severely compressed schedule

- Preparing workarounds for remaining defects and gaps (none of which have been instituted for any critical functionality).

- Prioritizing defects that may need to be addressed in production.

Universe Control and Management System (UC&M)

The UC&M system is a dynamic multi-service database designed to define, control, and track the enumeration and data capture processing activities of the 2010 Census. It was developed by Bureau staff following our best practices for database management, development and testing.

The primary functions of the UC&M begin with the initial creation of the database, which includes all known living quarters within the Census. The UC&M system keeps track and manages the cases in all living quarters (both housing units and group quarters) that should be included in the census. The UC&M system also serves as an interactive data base exchanging information with the MAF/TIGER mapping system, the Cost and Progress System and DRIS. The UC&M also exchanged information with the Field Data Collection Automation (FDCA) during the Address Canvassing operations in the spring of 2009.

Although UC&M was tested during the 2007 dress rehearsal, a three-phased approach was used to develop the primary functionality of UC&M during the actual 2010 Census operation cycle:

- ***Phase 1*** - The first phase, completed in October 2009, covered initial creation of the database, which includes all known living quarters within the Census universe. During phase 1, the UC&M system created and delivered the initial questionnaire label files for addressing questionnaires, advance letters, and reminder cards that will be sent to households in the Census.

- ***Phase 2*** - During phase 2, which occurs from October 2009 through October 2010, the UC&M system will provide support for data collection and data capture operations by defining cases for the variety of field operations, such as Update Leave, Non-Response Follow-Up, Coverage Follow-up, and the return and processing of mailing packages from households.

- *Phase 3* - During phase 3, which occurs from October 2009 through February 2011, UC&M will provide support for downstream post data capture processing operations within the Response Processing System.

Decennial Response Integration System (DRIS)

The purpose of the DRIS contract, which was awarded in 2005 to the Lockheed Martin Corporation, is to ensure accurate and protected collection and storage of census responses.

We have been conducting a series of Operations Test and Dry Run activities for each of the individual data capture centers located in Baltimore, Phoenix, and our own National Processing Center in Jeffersonville, IN, and for the telephone centers across the country.

Our current All-Sites Test for the three data capture centers and telephone centers, was completed on February 5, 2010. On February 19, 2010, we conducted a successful operational readiness review for for the entire DRIS network.

Matching and Review Coding System (MaRCS)

The MaRCS is scheduled to deploy in February 2010. The MaRCS software will assist with the adjudication of quality control results for both the Update/Enumerate and the Non-Response Follow-Up operations.

The system matches the initial Update/Enumerate and Non-Response Follow-Up operations interview results with the results of sample re-interviews. If there are no discrepancies, the system will flag the re-interview as having passed. If there are discrepancies, it highlights them so we can investigate and determine whether the interviewer either falsified data or committed an enumeration error. In our testing earlier this decade, this approach made the re-interview process much more efficient, improving the overall quality control operations.

Preliminary Assessment of Address Canvassing

As you know, we conducted Address Canvassing in the summer when about 150,000 listers went out on every road and street in the country and listed addresses. They came armed with a list of addresses that we built up over the decade with cooperation from the US Postal Service (USPS) and other sources, especially local governments. We went out with 145 million addresses on this

list. The operation added and deleted addresses and identified some addresses as duplicates. At the end of this operation, we ended up with an address list consisting of approximately 134 million addresses.

Utilizing an independent estimate of the number of housing units that comes from our population estimates program, we have determined that our address list is about two percentage points higher. That compares to about five percentage points high in the Census 2000 address list at a similar point in time. The Census 2000 address list had a variety of duplicates, therefore, coming closer to that independent benchmark is a good thing in our belief.

Also, we believe it is appropriate that our address list be a little higher than the estimated number of addresses in the country, since the Address Canvassing operation was intended to include addresses for housing units that may not exist at the time of Address Canvassing, but are in the process of being built and may be valid living quarters by the time of the census.

Less than one percent of these addresses that were intended to be mailed out have insufficient information to mail out. We're going to handle these addresses with special follow-up operations during Non-response Follow-up. That occurs in every census.

We delivered feedback materials to the local governments that participated in the LUCA program. They now have the opportunity to appeal what we determined in the Address Canvassing operation. At this point, the Appeals Office established by the Office of Management and Budget, as required by the Census Address List Appeals Act, has received appeals from approximately 2,300 governments out of the 7,465 governments that were eligible to appeal addresses. Approximately 100 governments still have a little more time to appeal. The Appeals Office has until the end of March to make a final determination as to whether the appealed addresses should be included in the enumeration or not. We will attempt to count people at all addresses that were successfully appealed.

We are also seeking help from local governments in identifying new construction that's being built right now. We have shipped materials out to the local governments and they have started sending in new addresses. As of January 12, 2010, we have updates from over 1,000 governments. In addition, we have also processed three new updates from the USPS since we created the address list that went into the Address Canvassing operation. The most recent one was

processed in early Fall 2009. Any new addresses from these files were also sent to the print vendors to deliver questionnaires for the enumeration.

We will get one more update from the USPS. Any new addresses from this update will not be provided in time for the mail-out, but we will enumerate residents at these late addresses no later than summer 2010, when we are in the field.

Preliminary Results of Group Quarters Validation (GQV)

The GQV operation began on schedule, September 28, 2009, and was completed under budget and on schedule, October 23, 2009. The GQV operation provides updated addresses and spatial information for use in the Group Quarters Advance Visit, Group Quarters Enumeration, Service-Based Enumeration, Military Group Quarters Enumeration, Enumeration at Transient Locations, and subsequent enumeration universes. The primary purposes of this operation are:

- To verify if a specific address is a Group Quarter, a housing unit, or non-residential, and
- If it is a group quarter, determine the type of group quarter to help us plan the actual enumeration.

Of the 2,045,110 Other Living Quarters classified during GQV, 12 percent were Group Quarters (GQs), 2 percent were transitory locations, and the remaining 86 percent were housing units, non-residential addresses, and deleted units. This was fairly consistent with our expectations.

A review of the cost of the GQV operation is being conducted as part of a review of our overall cost estimates. We are reviewing the actual and estimated productivity rates, the distribution of estimated GQV workloads in comparison to observed GQV workloads, as well as other assumptions in the budget estimate such as mileage and training cost. We conduct this review of overall cost estimates to understand why and how the operation was completed under budget.

Census Coverage Measurement (CCM)

Although coverage measurement operations generally measure the differential undercount of decennial censuses, the primary purpose of CCM is to identify and categorize likely sources of coverage error in the 2010 Census. This information enables

our research and testing during the coming decade to focus on reducing such errors in the 2020 Census.

In September 2009, we announced our plan to reduce non-sampling error in the CCM program. To facilitate this, we decided to reduce the sample size for operations after the CCM Independent Listing, and refocus our efforts toward approaches to reduce non-sampling error. We expect that this redesign of the CCM program will essentially be cost neutral. These approaches are likely to include:

- **Higher field work re-interview rates** - By increasing our re-interview rates for our field operations, we can improve quality.

- **Higher clerical matching review rates and analyst spot checks** - By increasing analysts' review rates of technicians' work for our clerical matching operations, and reviewing the work of the less experienced analysts, we can ensure higher quality data.

- **Adding training modules to interviewer training** - Several modules will be added to interviewer training, to include more localized training scenarios, training on situations due to current economic conditions (squatters, temporary movers, etc.), and training on probing for other residences.

- **Smaller employee-to-supervisor ratios** - We will reduce the number of field staff assigned to each supervisor. This should ensure greater quality control over fieldwork by allowing more monitoring of work at each level.

- **Paired interviewers for Initial Housing Unit Follow-up operation** - Given the difficulty of performing initial housing unit follow-up interviews, paired interviewers could work together in locating units and reconciling the CCM and Census addresses lists using map pairs.

- **Nationwide Personal visits for possible duplicates in the Person Follow-up operation** - When we identify a possible long-distance duplicate in the person matching, we need to collect data to determine where that person should be counted. Current plans call for a centralized paper telephone operation. However, a national personal visit operation would increase our chances of successfully counting such person in the right place, thereby improving data quality.

- **Extending person re-interview for one week** - Due to scheduling constraints, the original plan for re-interviewing after the person interview was to stop sampling one week before production finished to allow time to complete the re-interview cases. With a smaller workload flowing to the later operations, we can extend the time for re-interview to allow sampling to continue throughout the duration of person interview.

- **Telephone Study of Recall Bias** -- We would interview four panels of random digit dialing (RDD) respondents during May, June, and September 2010, and February 2011. These time periods represent the current timing for Non-response Follow-up, Coverage Follow-up, CCM Person Interview (PI), and the CCM Person Follow-up (PFU). We would roster the contacted units and ask them questions similar to the CCM Person Interview and Person Follow-up series of questions. After the data are collected, we can compare each panel's answers to the questions about movement and residence. If there were changes in the proportions of moves within that month across the panels, we would conclude that the data degraded. We would be able to measure the magnitude of such degradation over time.

Non-Response Follow Up Cost Estimation

We performed an analysis to determine whether the current budget for Non-response Follow-up (NRFU) was adequate to successfully complete operations. The budget is based on cost estimates using a number of components that were developed early in the decade or were revisited when the decision was made to go back to paper operations. The components include staff productivity, the number of cases requiring follow up, and cost drivers such as salary and mileage. The baseline budget for NRFU was $2.74 billion.

As the operation approached, our knowledge of these components improved based on additional experience and data. These included experiences such as Address Canvassing and Group Quarters Validation as well as revisiting Census 2000 observations and Census Tract experiences. We also worked with a panel of experts in both Census headquarters and field operations to determine the impact of this information on cost drivers. This process led us to identify components that needed to be updated and those that could remain as part of the original estimate. The components that emerged as areas with the greatest concern due to high uncertainty and high impact on cost were workload and productivity. Working with subject

matter experts, we developed likely alternative scenarios for these components, and developed over 1000 likely cost estimates based on all scenario combinations.

The analysis indicates that NRFU operations can likely be completed with the original budget despite recent changes in the economy and other external factors that almost certainly will increase NRFU workload and lower productivity. The ability to fit within budget in light of new information would not have been possible without changes to the NFRU operations, most significantly, the management decision to maintain the 2009 hourly salary levels, rather than increase them in FY 2010 (which was our original plan). Though cost will vary greatly due to the uncertainties, those will diminish once the operations unfold.

We at the Bureau are revisiting the likely cost of related operations in a similar manner. This includes the NRFU re-interview operation and the Vacancy/Delete Check operation. Currently emerging information about the Vacancy/Delete Check operation suggests that the workload may be much higher than originally expected, driven primarily by:

1. Significantly higher vacancy rates than originally anticipated, primarily due to current economic conditions.
2. Significantly higher overall number of cases to resolve based on early results from the Local Update Census Addresses program currently in progress.

The Bureau will continue to monitor changing external conditions and will update each estimate as more information becomes available.

Future Activities and Risks

Over the next two months, hundreds of important tasks must be completed across all components of the decennial census program. For example, we will need to complete:

- Group Quarters advance visits;
- Second release of PBOCS;
- Universe Control and Management System (UC&M) phase 2 ;
- DRIS network operational readiness review;

- Incorporation of the appeals from the LUCA program once determinations are done in March;

- Delivery of forms;

- Capture of returned forms.

As I have stated before, 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.

Other events could be a low response rate or an organized effort encouraging non-response or partial response to the census. We are counting on Members of Congress in that respect to reassure the public that this census is safe, it's easy and it's important.

Conclusion

The last time I testified, I indicated the critical risks centered on the software development on the Paper-based Operations Control System and the unknown quality of the Master Address File. I am confident that we are on track with our risk mitigation strategies and activities.

However, as I stated at the beginning of my testimony, our biggest risk is the uncertainty presented by the American public's response to our campaign to encourage participation. We need your help. I look forward to working with you in the coming months and after to let you know how we are doing and how we have done.

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