

BLS'S RESPONSE


U.S. Department of Labor

SEP 20 2017

Bureau of Labor Statistics
2 Massachusetts Ave. N.E.
Washington, D.C. 20212



MEMORANDUM FOR: ELLIOTT P. LEWIS
Assistant Inspector General for Audit
Office of Inspector General

FROM : WILLIAM J. WIATROWSKI 
Acting Commissioner

SUBJECT : Management Response to Office of Inspector General Draft
Report No. 17-17-002-11-001, *BLS Could Enhance Data
Collection Controls in the Current Employment Statistics Survey*

This response addresses the Office of Inspector General (OIG) Draft Report Number 17-17-002-11-001, "*BLS Could Enhance Data Collection Controls in the Current Employment Statistics Survey*." Our response to recommendation three and the findings related to recommendation one were previously conveyed to the OIG during the meetings held on March 16, 2017 and April 13, 2017. However, the Draft Report includes additional findings and recommendations since the Preliminary Results and Recommendation report was issued on February 6, 2017. As such, the BLS was not provided the opportunity to confirm the factual accuracy of these new statements nor afforded the opportunity to meet and discuss any related concerns with the OIG.

With regard to the specific recommendations, BLS management provides the following response:

Recommendation 1: Redesign the TopCATI system to allow data collectors to view the prior period data only after TopCATI has identified the current period data exceeds the expected change threshold.

Management Response: BLS management disagrees with this recommendation. Furthermore, this recommendation was not included in the Preliminary Results and Recommendations report that was previously issued to the BLS. As such, the BLS was not provided the opportunity to discuss this recommendation.

The BLS reiterates that, neither the Office of Management and Budget (OMB) Standards and Guidelines for Statistical Surveys, the standards against which the OIG audited the Current Employment Statistics (CES) and Current Population Survey (CPS) programs, nor the Confidential Information Protection and Statistical Efficiency Act (CIPSEA) under which the data are collected, prohibits the use of prior period data as a data collection strategy. This strategy, called reactive dependent interviewing, is accepted practice across Federal Statistical surveys and necessary to ensure the quality and validity of the data. In fact, the OIG admitted in its own Draft Report that they verified with another Federal agency and statistician that such use of prior period data is standard practice in the Federal statistical community.

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As was also communicated to the OIG, there is no evidence to suggest that access to prior period data increases the likelihood of data falsification. Rather, the value of using previously-collected information for verification purposes is well established. To address the rare occurrence of individual data falsification, BLS relies on its quality assurance program to deter and limit the ability of staff to do so.

Redesigning the TopCATI system would be cost prohibitive and ineffective. As approximately 75,000 respondent cases are collected by Data Collection Center (DCC) interviewers each month, to redesign a system based on a couple of instances of data falsification that the OIG was made aware of by BLS during the audit period would be a poor use of already limited resources. For these reasons, we believe that our quality assurance program is far more effective in addressing the few instances of data falsification that may arise.

The BLS also notes the following on the results section related to this recommendation:

Page 2, 4th paragraph: correct to “Total Operations Computer Assisted Telephone Interviewing (TopCATI)”

Page 2, 4th paragraph: The last sentence is incorrect. An accurate statement would be “The data collection center in Chicago, known as the Electronic Data Interchange (EDI) Center, processes electronic files from large respondents and does not collect data by telephone.”

Recommendation 2: Ensure re-interview and case review requirements are met at all Data Collection Centers.

Management Response: This recommendation and the related results section which details the OIG’s findings were not included in the Preliminary Results and Recommendations report that was previously issued to the BLS. Therefore, the BLS was neither afforded the opportunity to evaluate and confirm the factual accuracy nor provided the chance to discuss the finding and recommendation before the Draft Report was issued.

With regard to the recommendation that “case review requirements” are met, it is important to clarify that BLS has set internal, ambitious performance goals for case review. These numerical goals are not external “requirements” and should not be cast as such in an official OIG recommendation.

To resolve what we surmise is the spirit of this recommendation, BLS will refine its internal goals by detailing what is a minimally satisfactory number of case reviews and re-interviews and establishing time frames to complete the work.

Recommendation 3: Update the breach policy to include a requirement to inform respondents in the event that a breach involving their respondent identifiable data occurs.

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Management Response: BLS management disagrees with this recommendation. Consistent with applicable law and policy, BLS evaluates on a case-by-case basis whether it must notify the subject of a particular breach of respondent identifiable information (RII) collected under CIPSEA. Neither the OMB Standards and Guidelines for Statistical Surveys, the standards against which the OIG audited the CES and CPS programs, nor CIPSEA requires respondents to be informed of every breach of RII. BLS's existing practice is consistent with OMB's CIPSEA Implementation Guidance, which allows statistical agencies discretion in how they address breaches of CIPSEA-protected data.

The incidents involving RII that are identified in the report involved the inadvertent mailing of survey forms to incorrect business addresses. As a result of the mis-mailing, the company name/address of potential survey respondents were disclosed to other businesses. Except for the company name/address no other information was disclosed in each instance on the survey forms. BLS reported the incidents to OCIO, in accordance with the DOL incident response policy, and upon evaluation of the facts, determined that notification to the respondents of the disclosures was not necessary in light of the nature of the disclosure and negligible risk of harm to the respondents.

While BLS disagrees that every breach of RII requires notification to the subject of the breach, BLS, in consultation with OCIO, plans to revise its breach notification procedures to document BLS's existing practice regarding respondent notifications.

If you have any questions, please contact Leslie Bennett in the Division of Management Systems on (202) 691-7558.

CC: Tracy Katz, OIG
Nancy Ruiz de Gamboa, BLS
Kim Hill, BLS
Mike Horrigan, BLS
Ken Robertson, BLS
Jay Mousa, BLS