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2007 Privacy Trust Study of the United States Government®

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2007 Privacy Trust Study of the United States Government®

By Dr. Larry Ponemon, February 15, 2007

Synopsis

Do Americans believe the federal government takes appropriate steps to safeguard their personal information? Do we believe our government is committed to protecting the privacy rights of its citizens? To answer these and other normatively important questions, we surveyed more than 7,000 U.S. residents.

The objective of this research is to study citizens' trust in federal government organizations that routinely use the public's personal information for various reasons. These include delivering mail, paying taxes, receiving Social Security benefits, performing the census, or registering individuals on the Do Not Call list. The four guiding research questions for this study are:

- Do we believe that the privacy commitments of federal governmental departments, agencies and commissions vary in discernable ways?
- Do our beliefs about the current presidential administration influence what we think about the privacy commitments made by federal organizations?
- What factors do we consider most important when judging the privacy of a particular governmental organization?
- Have perceptions changed since our inaugural study was conducted more than three years ago?¹

Since Ponemon Institute conducted the first Privacy Trust Study of the U.S. Government® in 2004, the results suggest a decline in the public's trust of the federal government's privacy commitments. Specifically, trust has declined steadily from a high of 52% in 2005 to a low of 45% in the 2007 study.

It is interesting to note that during this period, when citizens began to view government as less committed to protecting their privacy, several organizations increased their privacy trust scores over the past year. The Bureau of Consumer Protection increased its privacy trust score by 7% (from 72% to 79%) and the Federal Trade Commission's privacy trust score rose 2% from (78% to 80%). The U.S. Postal Service rose from 80% to 81%, and has maintained the top position in all annual studies. The Transportation Security Administration increased by 6% (19% to 25%) and the Department of Homeland Security increased by 5% (17% to 22%).

In contrast, privacy trust scores for the Veteran's Administration declined at a remarkable rate of 41% (72% to 31%).² The National Security Agency also experienced a significant decline of 9% (28% to 19%). Other notable declines include the IRS at -7% (from 74% to 67%) and Customs and Border Protection at -4% (from 35% to 31%).

Survey

The survey asked individuals to record their beliefs about 74 U.S. government organizations that are known to collect and use personal information about the public. The set of government organizations presented in the survey was a subset of entities identified in field tests with the assistance of an expert panel.

¹The first Privacy Trust Survey of the United States Government was completed in 2004 and officially released in January 2005 as a joint publication of Ponemon Institute and Carnegie Mellon University.

² During our survey period, there were numerous stories in the popular press that mention the VA's data breach involving more than 26 million Americans. We believe that this one event is the primary reason for VA's significant decline in privacy trust. Hence, great care should be used when interpreting this result.

Many of the organizations listed in our survey are a subsidiary operation within a larger agency, bureau or department. For example, the Transportation Security Administration and Department of Homeland Security (DHS) are listed as separate entities, even though the TSA reports through DHS. Separate ratings were required because our preliminary test revealed that respondents viewed TSA and DHS as separate governmental entities for purposes of judging their privacy commitments.

Table 1 reports the 74 government organizations listed in our final survey instrument based on field research, and input from an expert panel.

Table 1: List of Governmental Organizations on Survey

1	Administration for Children & Families	38	Federal Bureau of Prisons
2	Administration on Aging	39	Federal Citizen Information Center
3	AMTRAK	40	Federal Communications Commission (FCC)
4	Branches of the Military	41	Federal Court System
5	Bureau of Alcohol, Tobacco and Firearms (ATF)	42	Federal Elections Commission
6	Bureau of Citizenship & Immigration	43	Federal Emergency Management Agency
7	Bureau of Consumer Protection	44	Federal Maritime Commission
8	Bureau of Engraving & Printing (Mint)	45	Federal Trade Commission (FTC)
9	Bureau of Labor Statistics	46	First Gov
10	Bureau of Land Management	47	Fish & Wildlife Service
11	Census Bureau	48	Food & Drug Administration (FDA)
12	Center for Disease Control & Prevention	49	Forest Service
13	Central Intelligence Agency (CIA)	50	General Services Administration (GSA)
14	Coast Guard	51	Government Accountability Organization (GAO)
15	Consumer Product Safety Board	52	Housing & Urban Development (HUD)
16	Criminal records database (NCIC)	53	Immigration and Customs Enforcement
17	Customs & Border Protection	54	Internal Revenue Service
18	Defense Intelligence Agency	55	Library of Congress
19	Department of Agriculture	56	National Aeronautic & Space Admin (NASA)
20	Department of Commerce	57	National Archives and Records Admin
21	Department of Defense	58	National Institute of Corrections
22	Department of Education	59	National Institute of Science & Technology
23	Department of Energy	60	National Institutes of Health
24	Department of Health & Human Services	61	National Security Agency (NSA)
25	Department of Homeland Security	62	Occupational Safety and Health Admin (OSHA)
26	Department of Justice	63	Office of Management & Budget
27	Department of Labor	64	Office of Personnel Management
28	Department of State	65	Office of Refugee Resettlement
29	Department of the Interior	66	Office of Student Financial Assistance Program
30	Department of the Treasury	67	Office of the Attorney General
31	Department of Transportation	68	Passport Services & Information
32	Department of Veteran Affairs (VA)	69	Postal Service
33	Drug Enforcement Agency (DEA)	70	Secret Service
34	Environmental Protection Agency (EPA)	71	Selective Services
35	Equal Employment Opportunities Commission	72	Small Business Administration
36	Federal Aviation Administration (FAA)	73	Social Security Administration
37	Federal Bureau of Investigation (FBI)	74	Transportation Security Administration

The instrument provided three possible responses for each federal entity presented, which are:

- **Yes** – I am confident that the U.S. government organization is committed to protecting the privacy of my personal information.
- **No** – I am not confident that the U.S. government organization is committed to protecting the privacy of my personal information.
- **Unsure** – I am not sure if the U.S. government organization is committed to protecting the privacy of my personal information.

The primary variable of interest is the Privacy Trust Score (PTS) for each one of the organizations or institutions listed on the survey instrument. The PTS is a calculated construct defined in percentage terms as Total Yes response divided by total number of yes and no responses (or sample size minus unsure or blanks). By design, the theoretical maximum PTS score is 1 (100%) and the theoretical minimum PTS score is 0.

Because several federal organizations are not known or recognized by the public, we also permitted individuals to leave entries blank. Blank responses were omitted from the privacy trust tabulations for a given organization. Also, organizations that had more than a 25% blank response rate were eliminated from the total ranking process.

Thirteen (13) government organizations were omitted in the analysis because of a high number of blank responses. The remaining 61 organizations were ranked in ascending order according to their PTS score. Fourteen (14) organizations achieved a tied score.

In addition to the primary research question, the survey included descriptive items designed to capture opinions about how government can do a better job in advancing privacy and data protection efforts.

The remainder of this paper summarizes our research method and provides survey results. Despite limitations of our survey instrument and sampling method, we believe that our study sheds light on the public's trust in different U.S. government entities that are responsible for safeguarding our private information.

Caveats on the PTS Findings

There are inherent limitations to survey research that need to be carefully considered before making conclusions from sample findings. The following items are specific limitations that are germane to most perception-capture studies.

Non-Response Bias: The current findings are based on a sample of survey returns. We sent surveys to a representative sample of individuals, resulting in a large number of usable returned responses. While tests of late responses were performed to assess non-response bias, it is always possible that individuals who did not participate are substantially different in terms of underlying beliefs from those who completed the instrument.

Sampling-Frame Bias: Because our sampling frame is a pre-selected email list, the quality of results is influenced by the accuracy of contact information and the degree to which the list is representative of individuals who are informed about privacy. We also acknowledge that the results may be biased by media coverage of public events at the time of the study (such as stories concerning VA's data breach).

While compensation was held to a nominal amount, we acknowledge potential bias caused by compensating subjects to complete this research within a pre-defined holdout period. In addition, because we used a Web-based collection method, it is possible that allowing respondents to

furnish non-Web responses (form survey or telephone) would have resulted in significantly different results.

Extrapolated Behavioral Data: The current instrument allowed individuals to use a fixed response variable to disclose current beliefs or perceptions. Our analyses relied on self-assessed results. While there was no indication that this procedure created bias or error, the extrapolation behavioral data from a fixed response variable needs to be considered as a potential limitation when interpreting results.

Unmeasured Demographics: To keep the survey concise and focused, we decided to omit other normatively important demographic variables from our analyses. The extent to which omitted variables might explain survey findings cannot be estimated at this time.

Self-Reported Results: The quality of survey research is based on the integrity of confidential responses received from subjects. While certain checks and balances can be incorporated into the survey process, there is always the possibility that subjects did not provide truthful responses.

Survey Methods

The survey was developed with the goal of collecting opinion-based information from a representative cross-section of individuals who reside in the United States. We limited the number of survey items so that it took a short timeframe to complete. Traditionally, a concise survey results in a higher response rate and better quality of responses. We used Web and paper-based surveys to make completion of the survey as convenient as possible.

To keep the survey form short, only those items crucial to our research objectives were included. Hence, key items focused on individual perceptions about governmental organizations or institutions that collect and use personal information. Other descriptive items were selected to explore key relationships between privacy trust perceptions (PTS) and key demographic variables.

A first draft survey instrument was developed in September 2006. Several learned privacy experts were asked to list the most relevant federal government entities to include in our instrument. The main criterion for inclusion was the expert's belief that the listed organization collects and uses sensitive or non-public personal information about individuals or households. In total, the aggregated list contained 129 unique federal organizations or institutions (of which 65 were not overlapping entities, such as TSA and DHS as discussed earlier).

After creating the list, a pilot study was convened composed of a representative cross-section of target subjects to review and refine the list of government entities. Two opinion criteria were used to prioritize organizations for the survey, including: (1) level of privacy concern about the organization's use of personal information and (2) belief that the organization collects and uses personal information about them or their families. From these criteria, organizations were ranked from highest to lowest in priority, and the top 74 entities were selected for inclusion in the instrument.

A second draft instrument with 74 government entities was developed and edited for clarity. This revised draft of the instrument was tested with a focus group to determine understandability and ease of use. After making minor changes, the survey was finalized in late October 2006. The survey utilized a framing technique to ensure that individual responses were aligned according to the same definitions for personal information and privacy commitment. The actual framing used within the survey instrument is described as follows:

- Personal information –information about yourself and your family. This information includes name, address, telephone numbers, email address, Social Security number, other personal

identification numbers, access codes, age, gender, income and tax information, travel information, account activity and many other pieces of data about you.

- **Privacy commitment** – an obligation by the specified government organization to keep your personal information safe and secure. This includes the commitment not to share your personal information without a just cause or without obtaining your consent to do so.

The survey contained several items including one dependent variable that asked subjects to rate organizations by title, using a fixed-format design. No personally identifiable information was collected about the participants.

Once completed, the survey was administered to a national list of targeted participants based on a random sampling plan. A few days before the actual email invitations were sent, we sent an announcement to all targeted participants requesting their participation in an important study for nominal compensation. The letter or email announcement requested subjects to complete the instrument within three weeks after receipt.

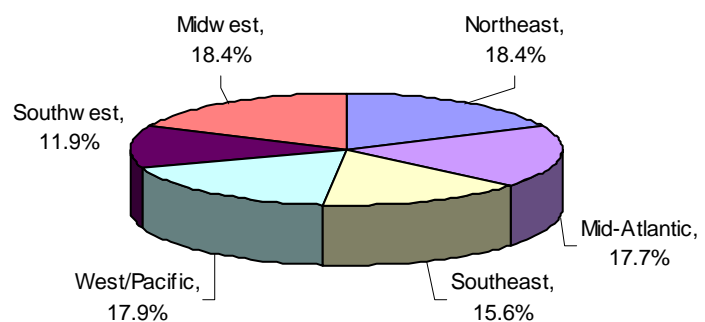
Upon completion of the survey, each returned instrument was measured against specific tests for validity and reliability. In total, 510 returned surveys were rejected because of incomplete or inconsistent responses. Table 2 provides the sample response over a four-week holdout period. The final net response rate was 15.2%.

Table 2: Sample Statistics	Sample plan	Pct% Response
Total Number in Sample Frame	46,553	100.0%
Total Number of Responses	7,565	16.3%
Unusable or Rejected Surveys	510	1.1%
Final Sample Size	7,055	15.2%

To assess non-response bias, we employed a late response testing method using the mail clearing date stamp or email internal run time. The results of this test show no differences in the pattern of survey information provided by subjects over time. Table 3 and Pie Chart 1 show the distribution of our final sample across six major regions across the nation. The Midwest region had the largest number of responses and the Southwest had the smallest number of responses. All major regions of the United States are represented in this study, with respondents residing in 43 states.

Table 3: Regional Distribution	Sample	Pct%
Northeast	1295	18.4%
Mid-Atlantic	1248	17.7%
Southeast	1104	15.6%
West/Pacific	1265	17.9%
Southwest	842	11.9%
Midwest	1301	18.4%
Total	7055	100.0%

Pie Chart 1: Geographic distribution of the sample



Following our procedures from prior annual studies, governmental organizations were removed from the rating evaluation process if these organizations had a high blank response (indicating that subjects did not recognize the named organization). Governmental organizations with a total blank percentage rate above 25% were removed from the ranking procedure.

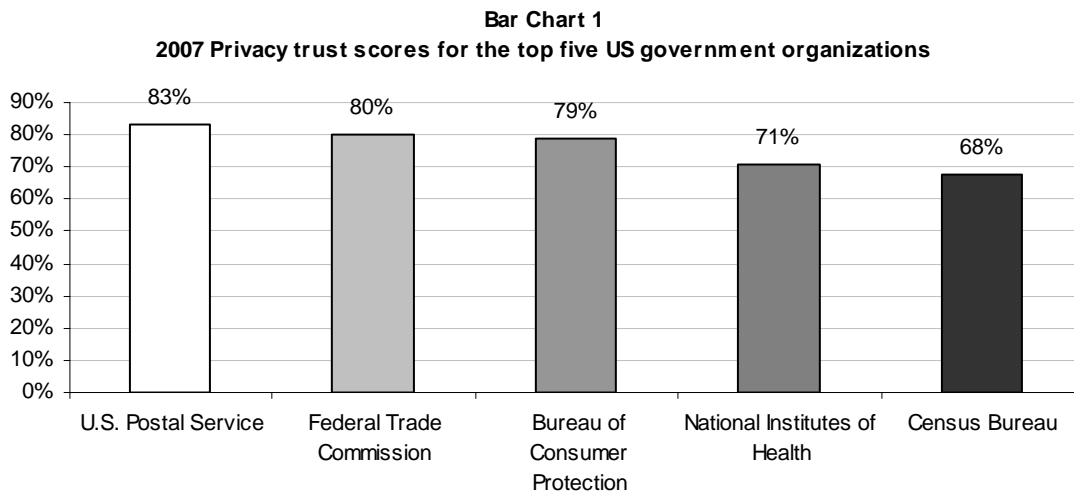
Results:

Table 4 and Bar Chart 1 report the **most trusted** US governmental organizations for privacy. It shows the percentage of subjects, in ascending order from the highest privacy trust score to the lowest trust score in 2007. We also report the privacy trust scores for these organizations over the past three years. A three year average and three year forced rank is also provided.

Table 4 Most Trusted U.S. Federal Organization	Three Year Forced Rank	Three year Average	2005 Privacy Trust Score	2006 Privacy Trust Score	2007 Privacy Trust Score	2007 to 2006 Net Change
U.S. Postal Service	1	81%	78%	82%	83%	1%
Federal Trade Commission	2	76%	70%	78%	80%	2%
Bureau of Consumer Protection*	3	73%	68%	72%	79%	7%
National Institutes of Health	5	69%	68%	69%	71%	2%
Census Bureau	5	69%	66%	72%	68%	-4%
Internal Revenue Service	4	72%	75%	74%	67%	-7%
Social Security Administration	5	69%	70%	70%	67%	-3%
Federal Courts System	6	61%	67%	60%	56%	-4%
Department of Veteran Affairs	NR	60%	76%	72%	31%	-41%

*The Bureau of Consumer Protection is located within the Federal Trade Commission.

For the third year, the **U.S. Postal Service** achieved the highest privacy trust score of 83%. The Federal Trade Commission achieved the second highest score at 80% and the Bureau of Consumer Protection the third highest score. The National Institutes of Health earned fourth place and fifth place is achieved by the Census Bureau.



As shown in Table 4, the Veteran's Administration privacy trust score decreased by more than 41%, moving it out of the most trusted list for the first time since the inception of this survey series.

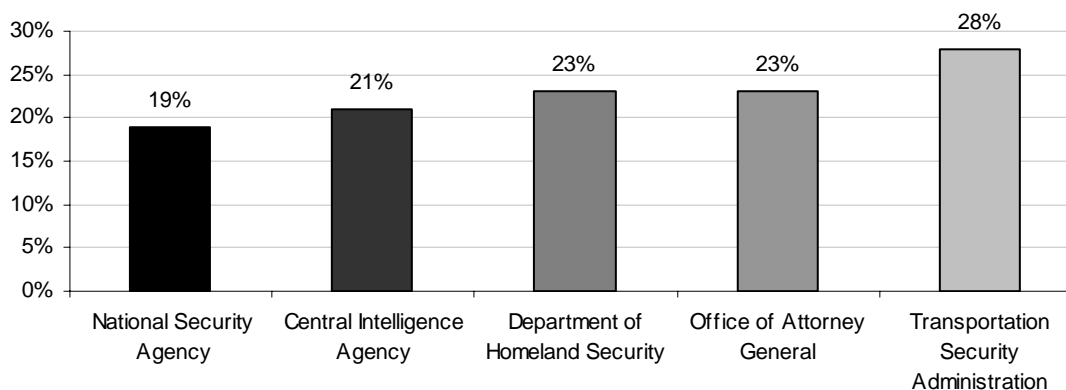
Table 5 and Bar Chart 2 report the **least trusted** government organizations for privacy. It shows the percentage of subjects, in ascending order from the 2007 lowest privacy trust scores of 19% computed for the National Security Agency, followed by a privacy trust score of 21% for the Central Intelligence Agency, and 22% for the Department of Homeland Security.

Table 5 Least Trusted U.S. Federal Organization	Three Year Forced Rank	Three year Average	2004 Privacy Trust Score	2006 Privacy Trust Score	2007 Privacy Trust Score	2007 to 2006 Net Change
National Security Agency	71	25%	29%	28%	19%	-9%
Central Intelligence Agency	73	23%	27%	21%	21%	0%
Department of Homeland Security	74	22%	27%	17%	22%	5%
Office of Attorney General	72	24%	22%	26%	23%	-3%
Transportation Security Administration*	70	25%	30%	19%	25%	6%
Department of Justice	70	26%	24%	25%	29%	4%
Federal Bureau of Prisons	69	33%	38%	31%	31%	0%
Customs & Border Protection*	68	35%	38%	35%	31%	-4%
Department of Veteran Affairs	NR	60%	76%	72%	31%	-41%
Bureau of Citizenship & Immigration	69	33%	39%	29%	32%	3%

*TSA and CBP are part of the Department of Homeland Security.

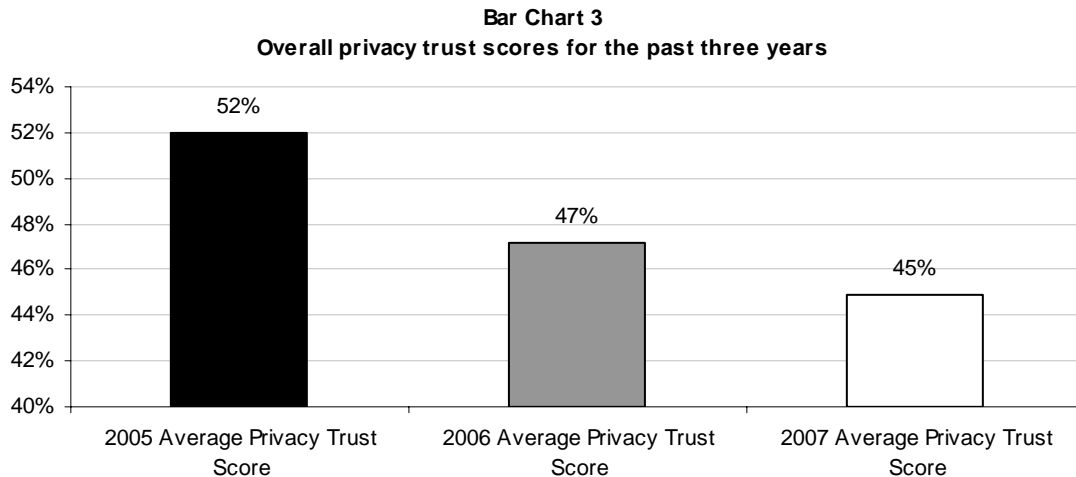
While the Department of Homeland Security and Transportation Security Administration have low privacy trust scores, both experienced significant percentage increases from prior years. It is also interesting to note that Customs & Border Protection (CBP) has joined the least trusted list in our 2007 study (with a privacy trust score of 31%). As already noted, the VA's remarkable fall has placed it on our 2007 least trusted list as well.

Bar Chart 2
2007 Privacy trust scores for the bottom five US government organizations

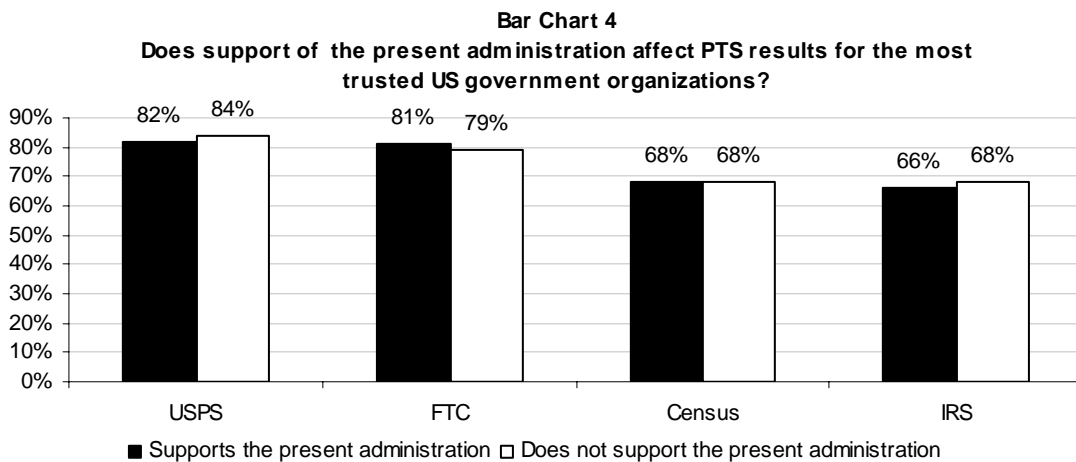


As shown in Bar Chart 3, average privacy trust scores in 2007 declined by over 2% from the 2006 survey and more than 7% from 2005. This finding suggests that our sample of respondents hold a net unfavorable view of the governmental organizations than measured in our previous studies.

An average privacy trust score of 45% for all governmental organizations listed in our survey – which is 5% points below the midpoint (50%) of our PTS scale – suggests that U.S. residents do not believe the federal government is committed to protecting privacy. This negative sentiment is not the case for certain government organizations such as the USPS, FTC, NIH, Census and others.



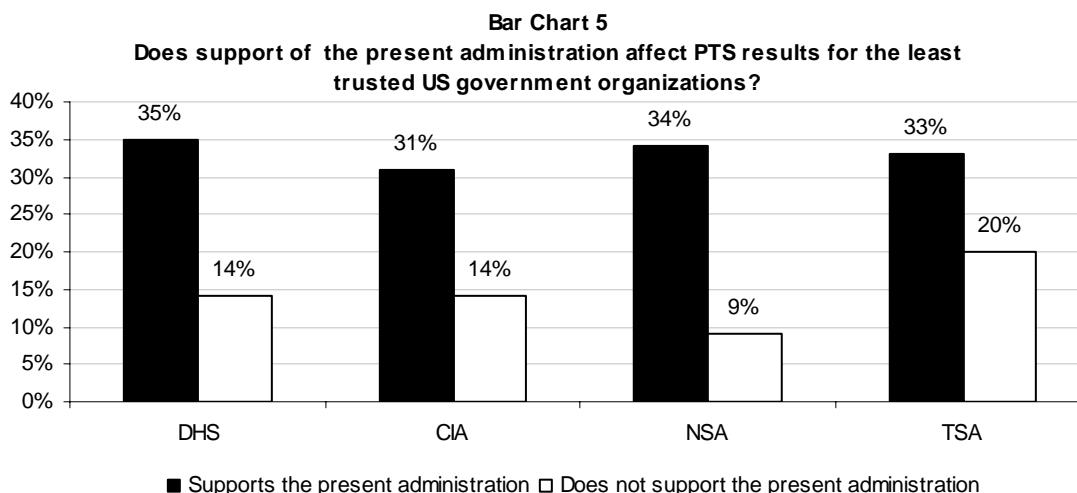
Our findings from previous studies showed that respondents' privacy trust scores are inextricably linked to their political opinions or party affiliation. Bar Chart 4 reports whether respondents who support the current administration have different perceptions about the privacy commitments of four organizations listed on the **most trusted** list.



The figure shows for USPS, FTC, Census and IRS only small (non-significant) differences between respondents who support and those who do not support our current presidential administration.

Bar Chart 5 reports whether respondents who support the current administration have different perceptions about the privacy commitments of four organizations listed on the **least trusted** list.

As can be seen, this figure shows for NSA, DHS, CIA, and TSA very significant differences between respondents who support and those who do not support the current presidential administration. In the case of NSA, those respondents who support the president provide a privacy trust score, on average, of 34%. Those respondents who do not support the president provide an average privacy trust score of only 9% (for a 25% difference). Other salient differences include TSA (a 13% difference), and CIA (a 17% difference), and DHS (a 21% difference).



The above results suggest that positive privacy trust perceptions (such as for the USPS) are less likely to be biased by the respondent's political ideologies or beliefs than negative privacy trust perceptions (such as for the NSA).³

Table 6 lists 10 factors considered important for defining a governmental organization's privacy commitment to the public. The importance of each factor was determined based on the frequency of responses. Respondents were asked to check as many of these factors that they believe were relevant to their privacy rating and, hence, Table 6 does not sum to 100%. Results for 2006 and 2007 are shown (please note that this question was not included in the 2005 survey).

The most important factor in both the 2006 and 2007 study is the, "sense of confidentiality and data security protections when providing personal information." The second most important factor in 2007 is, "having personal relationships or one-to-one contact with someone inside the organization." For instance, in the case of the USPS, the "someone" may be the local mail carrier.

In 2007, the third most important factor is, "limits over the collection of personal information." Factors that are considered less important include, "fast response to questions," "the right of access to personal information," and "privacy policies."

Table 6 Factors most important to creating trust in the government's privacy commitments	Pct% 2006	Pct% 2007
Sense of confidentiality and data security protections when providing personal information	58%	57%
Personal relationships or one-to-one contact with someone inside the organization	51%	53%
Limits over the collection of personal information	53%	51%
Media or press coverage of issues or problems	30%	39%
Secure Web site	35%	39%
Overall positive experiences in dealing with the organization	38%	38%
Education and outreach	17%	20%
Fast response to questions	10%	14%
Privacy policies	12%	12%
Access to my personal information	11%	11%

*Percentages do not sum to 100% because more than one item could be selected by the respondent.

³ In the current study, about 38% of the sample was classified as supporting the current presidential administration. This represents a decline from 49% who supported the current administration in our 2006 sample.

What worries respondents most about the government's use of the public's personal information? Table 7 provides percentage results in descending order by the frequency of responses. Here again, respondents were required to check as many of these factors that they believe are relevant to their beliefs about the privacy commitment of the federal government to its citizenry.

Table 7 shows 67% of respondents choosing "loss of civil liberties and privacy rights" as their number one concern (for all years). The second most frequently selected concern is, "surveillance into personal life" (63%), which is unchanged in percentage terms over three years. The third most frequent concern is, the "monitoring of email and Web activities" (48%). It is also interesting to note that concerns about, "theft of your identity" increased of 10% from 2005.

Table 7 The most salient privacy concerns of respondents	Pct% 2005	Pct% 2006	Pct% 2007
Loss of civil liberties and privacy rights	64%	69%	67%
Surveillance into personal life	63%	63%	63%
Monitoring of email and Web activities	47%	51%	48%
Sharing with business and other commercial organizations	34%	34%	33%
Sharing with state and local government including police	31%	31%	29%
Theft of your identity	19%	23%	29%
Theft or seizure of your personal assets	16%	15%	19%

*Percentages do not sum to 100% because more than one item could be selected by the respondent.

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