Dear Reader:

I am pleased to present the Administration for Children and Families' (ACF) FY 2004 Annual Performance Plan and the FY 2002 Annual Performance Report as required by the Government Performance and Results Act of 1993 (GPRA). Here you will learn where ACF stands in meeting a broad range of challenging goals that are directed toward improving child and family well-being by fostering independence and strengthening families. ACF's programs are carried out through partnership with the State, Territorial, local and Tribal governments, and with private, non-profit, faith- and community-based grantees.

The performance plan and report feature a comprehensive set of measures and outcomes in fifteen major areas providing results-oriented information that enables ACF to share with stakeholders its progress toward achieving four strategic goals:

- Increase economic independence and productivity for families,
- Improve healthy development, safety and well-being of children and youth,
- Increase the health and prosperity of communities and Tribes, and
- Manage resources to improve performance

ACF's implementation of performance management has created a consistent framework for linking agency-wide goals with program priorities and targeting resources to meet the needs of children and families. It has provided a shared vision of what needs to be accomplished with our partners. It provides a consistent and effective way to measure our achievements and to strive for continued improvement.

I hope you find it informative and useful.

Wade F. Horn, Ph.D.
Assistant Secretary
for Children and Families

EXECUTIVE SUMMARY

The Administration for Children and Families (ACF) supports a broad range of programs for children and families, helping them develop and grow toward independence and self-reliance. These programs, which are carried out by State, Territorial, county, city, and Tribal governments – as well as by private, nonprofit, community- and faith-based organizations – have been designed to promote stability, economic security, responsibility and self-sufficiency. ACF tailors its programs to meet the needs of a diverse cross-section of society, including low-income families, Native Americans, persons with developmental disabilities, refugees, legalized aliens, and other vulnerable populations.

ACF's FY 2004 Annual Performance Plan features a comprehensive set of measures and outcomes for the major programs. The combined FY 2004 Performance Plan and FY 2002 Performance Report identifies ACF's performance measures and provides results-oriented information that enables ACF to share with stakeholders its progress toward achieving its strategic goals.

Agency Mission and Strategic Goals

The mission of ACF is to promote the economic and social well-being of children, youth, families and communities, giving special attention to vulnerable populations such as children in low-income families, refugees, Native Americans, and the developmentally disabled.

To accomplish this mission, ACF strives to achieve the following four strategic goals:

Strategic Goal 1 – Increase economic independence and productivity for families: ACF assists families, particularly the most vulnerable, in achieving economic self-sufficiency and providing for their children's well-being. Key objectives include supporting job preparation and work, providing opportunities for independent living, ensuring parental responsibility, and offering child care subsidies targeted primarily to low-income families.

Strategic Goal 2 – Improve healthy development, safety and well-being of children and youth: ACF invests in opportunities for children and youth to enjoy stable, safe and healthy years of growth, enabling them to become successful learners and productive adults. Primary outcomes include healthy marriages, safe environments, school readiness, and positive youth development.

Strategic Goal 3 – Increase the health and prosperity of communities and Tribes: ACF believes that supportive communities and Tribes help families succeed. With its partners – including faith- and community-based organizations, private organizations, and State and local government – ACF is committed to supporting strategies that build strong, stable and supportive communities.

Strategic Goal 4 – Manage resources to improve performance: ACF believes that positive outcomes for individuals, families and communities can be achieved through building a more

effective organization. The management objectives in this plan have been aligned with the President's Management Agenda and the HHS Strategic Plan. Major initiatives have been implemented in the areas of human capital, organizational development, electronic government and financial management.

Within the framework of these strategic goals, ACF's leadership has identified the following key priorities:

- **One Department**: Unifying systems, improving management of financial and physical assets, consolidating resources, eliminating duplication and restructuring the workforce to streamline and provide enhanced, citizen-centered services.
- **Prevention**: Dedicating resources to prevent the need for intervention services.
- **Rural Initiative**: Strengthening rural families and communities.
- **Enhancing Early Literacy of Children**: Improving the pre-reading and numeracy skills of young children to improve school readiness.
- **Next Phase of Welfare Reform**: Expanding welfare reform efforts to meet all four goals of the original legislation; identifying gaps and changes required to move the welfare reform agenda forward.
- **Positive Youth Development**: Promoting ongoing relationships with adult role models; safe places with structured activities; healthy life styles; opportunities to acquire marketable skills and opportunities for community service and civic participation.
- **Faith-based/Community Initiatives**: Removing barriers to the full participation of faith-based and other community services in the delivery of social services.
- **Healthy Marriage**: Helping couples who choose marriage for themselves to develop the skills and knowledge to form and sustain healthy marriages.
- **Fatherhood**: Helping men become responsible, committed, involved fathers.

These priorities have stimulated a variety of crosscutting, innovative strategies involving ACF programs, ACF Regional Offices, and their partners at the Federal, State, local and community level. Many of these strategies have led to the development of new performance measures that are reflected in this plan.

Organization and Programs

ACF is responsible for implementing twenty-two acts of legislation (which authorize more than sixty different programs), distributed among thirty-five budget activities. These program and budget activities are consolidated into 14 major program areas to meet the requirements of the Government Performance and Results Act of 1993 (GPRA). (Description of the linkage to the budget is described in Part I.)

- **Temporary Assistance for Needy Families** (TANF) block grant promotes work, responsibility and self-sufficiency and strengthens families through funding State- and Tribal-designed and administered programs. TANF-funded programs provide support to needy children and move their parents into work (administered by Office of Family Assistance and Tribal TANF administered by the Office of Community Services).

- **Developmental Disabilities Programs** enhance the ability of persons with developmental disabilities to live, work and thrive in their communities through supporting State and other programs. These programs develop, coordinate and stimulate permanent improvement in service systems, with priority to those whose needs are not otherwise met under other health, education and human services programs (administered by Administration on Developmental Disabilities).
- **Refugee Resettlement** assists refugees and entrants who are admitted into the United States to become employed and self-sufficient as quickly as possible through grants to States and other grantees for employment-related services, social adjustment, transitional cash and medical assistance, and other services (administered by Office of Refugee Resettlement).
- **Social Services Block Grant** (SSBG) supports a variety of social services tailored to supplement State investments in the self-sufficiency and well-being of low-income populations. SSBG funds also help improve and integrate services, create community-based partnerships, and stimulate innovations (administered by Office of Community Services).
- **Assets for Independence Demonstration Program** establishes demonstration projects to determine the effects of providing an incentive to accumulate assets in individual development accounts to low-income individuals and families to increase their economic self-sufficiency (administered by Office of Community Services).
- **Child Support** locates parents, establishes paternity and support obligations and modifies and enforces those obligations to assure financial support is available to children. This work is done through State agencies that administer the program (administered by Office of Child Support Enforcement).
- **Child Care** provides grants to States to assist low-income working families who need safe, affordable and high-quality child care (administered by Child Care Bureau).
- **Head Start** provides comprehensive child development services to children and families, with an emphasis on each child's social and cognitive development and school readiness. Head Start programs offer support primarily for preschoolers from low-income families, through grants to local public and private nonprofit agencies (administered by Head Start Bureau).
- **Child Welfare Programs** fund State programs that assist at-risk children and their families in achieving safety, permanence, and well-being. These programs support preventive interventions to strengthen the family unit; foster care and adoption assistance to move children more rapidly from foster care to safe, permanent homes; and reunification services to return the child to the home if in the child's best interest (administered by Children's Bureau).
- **Youth Programs** support local agencies that provide shelter, improve life prospects, and reduce high-risk behavior and sexual abuse of runaway and homeless youth. These programs offer alternative activities, safe passages and the tools needed to move youth successfully to adulthood. A major focus is on disseminating best practices and building partnerships in areas of positive youth development (administered by Family and Youth Services Bureau).
- **Community Services Block Grant** provides an array of social services and programs through flexible block grant funding at the State and local level. The purpose of CSBG is

to assist low-income individuals and alleviate the causes and conditions of poverty (administered by Office of Community Services).

- **Family Violence Prevention Programs** support State and local programs and projects to prevent family violence and provide immediate shelter and assistance for the victims of family violence and their dependents. These programs are implemented through grants to States and State domestic violence coalitions for Battered Women's Shelters. Family Violence Prevention programs also support the Domestic Violence Hotline and national resource centers (administered by Office of Community Services).
- **Low-Income Home Energy Assistance (LIHEAP)** helps low-income families in covering the costs of heating and cooling their homes. LIHEAP achieves its mission through block grants and emergency contingency funds to States, Indian Tribes, and insular areas that target assistance to low-income households with high-energy burdens and vulnerable members (administered by Office of Community Services).
- **Native Americans Programs** promote economic and social self-sufficiency of American Indians, Alaskan Natives, Native Hawaiians, and Native Pacific Islanders by supporting programs and encouraging local strategies in economic and social development (administered by Administration for Native Americans).

The operations of these programs are carried out through central office headquarters (eight program and five staff offices) and through ten Regional Offices. By providing over $45 billion in grants to governmental jurisdictions and nonprofit organizations and delivering technical assistance and oversight by approximately 1500 FTEs, ACF enables its partners to achieve results (ACF's partnerships are described in Appendix A.3).

Overview of Plan and Performance Report

ACF has organized its plan according to a standardized format issued by the Department of Health and Human Services (HHS). The Executive Summary provides general information describing the mission and goals of ACF, an overview of the FY 2004 performance plan and FY 2002 performance report, highlights of accomplishment and the program performance report summary table. Part I describes the report plan and provides a roadmap to the plan as well as information on the performance plan's linkages with the budget.

Part II includes a goal-by-goal section of each program activity. The FY 2004 performance plan and the FY 2002 performance report cover fourteen program areas as well as management initiatives with accompanying measures and targets under the appropriate ACF goals and objectives. Each program section includes a narrative description providing (1) the program purpose and legislative intent and (2) a summary table of measures, targets and performance information for FY 1999 – 2004. The reference column (fourth column) includes page references and identification of outcome measures that align with the HHS Strategic Plan and the President's Management Agenda. (). The total program-funding column in the summary table reflects the President's Budget for FY 2003, the requested FY 2004 Budget, and appropriated funds (aggregated by program area) for FY 1999 – 2002. (See Detailed Budget Linkage Table in Part I for line items included in each program total.)

The summary table is followed by a more detailed presentation of (3) program description and context including activities, strategies and resources and (4) program performance analysis. The program sections also include a budget table linking investments to activities, outputs and outcomes; a discussion of data issues; and performance measures for FY 2004 and revised final measures for FY 2003.

The Appendices include sections on linkage to HHS Strategic Plan; changes and improvements from the previous year including status of FY 2002 data and detailed changes between the FY 2003 plan and the revised final FY 2003 plan; partnerships and coordination; data verification and validation; performance measurement linkages, e.g., information technology, cost accounting, workforce planning and restructuring; program evaluation and budget; a detailed program performance summary table; itemization of new data reported for FY 2001; and a chart on the timetable for reporting State and grantee administrative data.

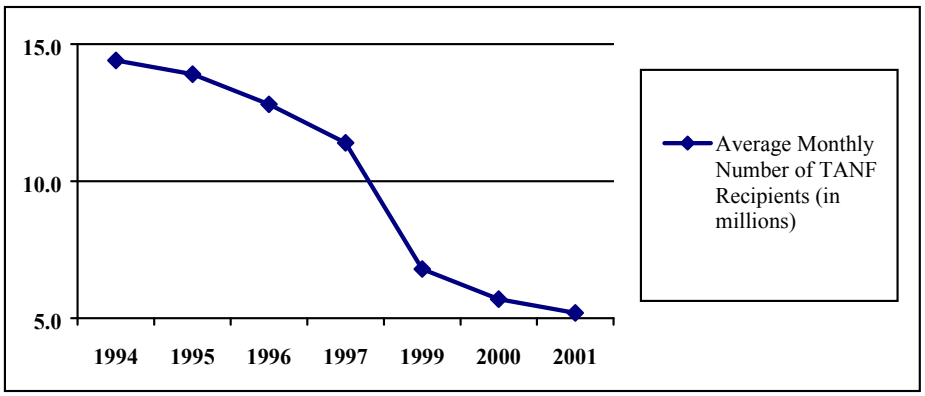
Highlights of Accomplishments

ACF helped to improve the economic independence of low-income families

In partnership with the States, ACF has achieved success in moving families from welfare to work. Much of this success can be attributed to the new relationships fostered by the 1996 welfare reform law, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA).

PRWORA brought about a fundamental change in the nation's welfare system by ending the system of entitlements and requiring work in exchange for time-limited assistance. Under PRWORA, States, Tribes, and Territories receive block grants from ACF through the Temporary Assistance for Needy Families (TANF) program to cover benefits, administrative expenses, and services. TANF provides ACF's partners the flexibility to establish eligibility criteria, benefit levels, service types and resources available to TANF recipients.

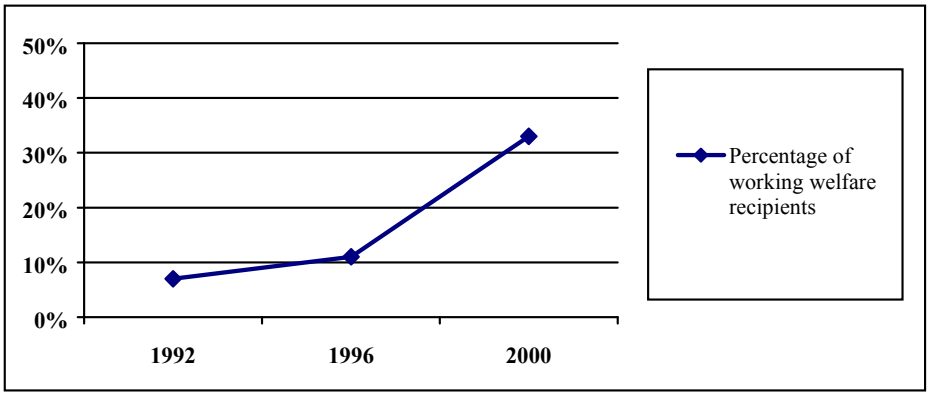
DECLINE IN NUMBER OF TANF RECIPIENTS, FY 1994-FY 2001



Source: TANF Administrative Data.

The partnerships have accomplished a great deal. For example, the average number of Americans receiving cash assistance each month has declined from 12.2 million in August 1996 to five million in June 2002 – a reduction of 59 percent. More current and former welfare recipients are entering the workforce. The percentage of working recipients remained at an all-time high for the second year in a row. In FY 2000, 33 percent of adult recipients were working, compared to less than seven percent in 1992, and 11 percent in 1996. Thus, about one in three recipients was working in a typical month, the highest level ever recorded. In FY 2000, the vast majority of recipients who were working were in paid employment (80 percent of those working); others were engaged in work experience and community service.

WELFARE RECIPIENTS IN LABOR FORCE, 1992- 2000



Source: AFDC/TANF Administrative Data.

However, the work has only begun. As ACF and its partners prepare for reauthorization and the next phase of welfare reform, a number of challenges remain. These include maintaining the TANF investment in order to reach needy families, promoting success at work, and transforming welfare offices.

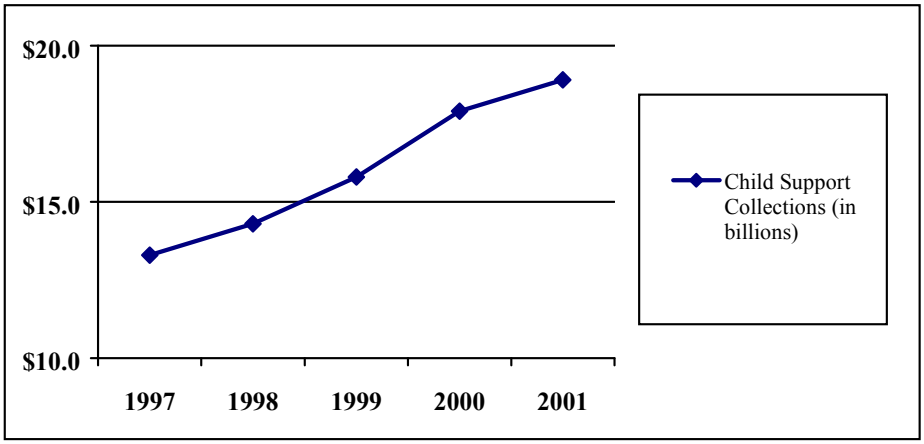
ACF increased parental involvement and financial support of non-custodial parents in the lives of their children

Despite the gains made under welfare reform to move individuals from cash assistance into work, employment represents only a part of the picture. Millions of American children grow up in single parent families and many of these families do not have awards or agreements for child support. Responding to this crisis, PRWORA created new opportunities for ACF to partner with Federal, State and local partners to identify and locate non-custodial parents and secure assets of those who have not supported their children.

PRWORA also created new opportunities for States to encourage two-parent, married families and reduce out-of-wedlock pregnancies. ACF is taking steps to link with State and local governments to increase investments that promote healthy marriage and responsible fatherhood.

Currently, 52 States and Territories are reporting data to the Federal Case Registry (FCR), which locates absent parents across State lines. The FCR contains 17.4 million child support cases. When absent parents are found, ACF promotes State use of the IRS tax refund and administrative offsets for child support. As part of the nearly $19 billion collected for child support in FY 2001 (representing a 75 percent increase since 1997), a record $1.5 billion in delinquent child support was collected in tax year 2001 using the tax refund and administrative offset. More than 2.1 million families benefited from these tax collections.

INCREASE IN CHILD SUPPORT COLLECTIONS, FY 1997-FY 2001



Source: OCSE Administrative Data.

The National Directory of New Hires provides another tool for identifying absent parents; it currently has 52 States and 146 agencies reporting data. During FY 2001 more than 879 million records were posted that matched child support orders to employment records with a value in excess of $3.1 billion. In addition, ACF is operating the new multi-State financial institution data match system and is working with States to implement the in-State financial institution data match system to match delinquent parents with financial records.

ACF continued to promote access to quality child care services to help low-income working parents and their children

In order to break the cycle of poverty and dependency, it is essential to focus services on parents and their children. Parents are more likely to seek employment and maintain jobs if they have access to and confidence in their child care arrangements. ACF provides funding through the Federal Child Care and Development Fund (CCDF), TANF and the Social Services Block Grant (SSBG) for child care services. States are required to spend at least four percent of Federal CCDF to improve the quality of child care and offer additional services to parents. In addition, funds are earmarked for resource and referral services and school-age care, infant and toddler care, and additional quality improvement activities.

In FY 2001, States spent $5.9 billion in Federal funds for child care (including significant amounts of funds transferred from TANF to CCDF) and approximately $1.6 billion of their TANF block grants funds directly for child care services. In addition, $2 billion in State funds, i.e., Matching and Maintenance of Effort, were spent under CCDF in FY 2001. In FY 2000, ACF estimates that in addition to the children served (1.75 million) with CCDF and CCDF-related funds, approximately 700,000 additional children received child care services through the Social Services Block Grant and TANF dollars spent directly on child care.

ACF improved the healthy development and learning readiness of pre-school children

Through its Head Start program, ACF continues to be a leader in providing comprehensive developmental education, health, mental health, nutrition, and social services for America's low-income, pre-school children and their families. Head Start's mission centers on promoting social competence and school readiness with an emphasis on literacy and numeracy. This year, more than 915,000 children will benefit from Head Start services. Research shows that Head Start increased the proportion of children who have the necessary cognitive and social skills to become successful learners.

Research also provides encouraging results on program quality. Head Start classroom quality is good on average, with approximately 75 percent of over 500 observed classrooms rating good quality or higher on the Early Childhood Environment Rating Scale. The Family and Child Experiences Survey (FACES) showed encouraging results on program quality. Head Start classroom quality is linked to child outcomes. For example, children score higher on early literacy measures when they experience richer teacher-child interaction, more language learning opportunities, and a classroom well equipped with learning resources. This outcome, among others, is a proxy measure of the effectiveness of Head Start's national training and technical assistance network in which substantial funds are invested.

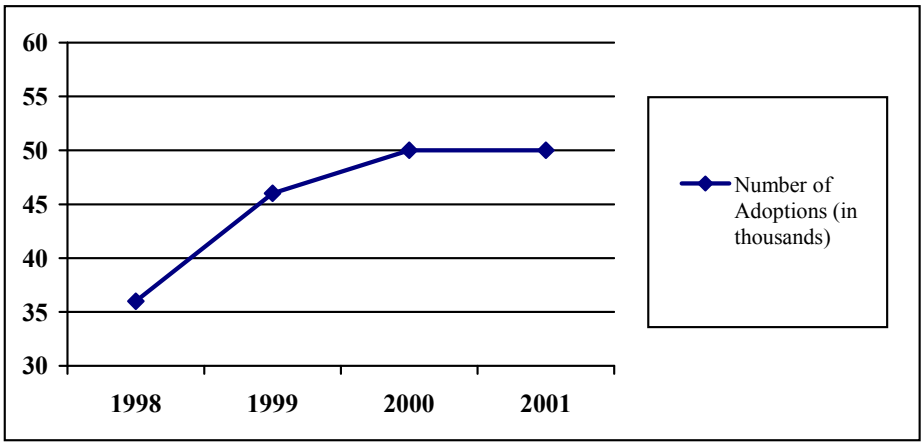
A key ingredient is a qualified teaching staff. Head Start's goal is to have 100 percent of its teachers with a degree in early childhood education (ECE), a child development associate credential, a State-awarded preschool certificate, a degree in a field related to ECE plus a State-awarded certificate or who are in CDA training and have been given a 180-day waiver. ACF maintains a high quality standard with between 85 and 95 percent of the teachers having the appropriate education. In FY 2003-2004, Head Start is implementing a major training initiative focusing on early literacy.

ACF increased the safety and security of children and youth

ACF is also making a difference through its programs to prevent maltreatment of children, protect children from abuse, and secure permanent placements for those who cannot safely return to their homes. Programs offered through ACF and its partners, such as Foster Care, Adoption Assistance, and Independent Living, provide stable environments. These programs strive to assure children's safety and well-being, while their parents resolve the problems which led to the out-of-home placement. Many times the best option for the child is to be placed permanently

with an adoptive family. ACF supports States and other partners in this effort through its Adoption Assistance funds, which are available for one-time payments for adoptions and for monthly subsidies to adoptive families. Due to these and related initiatives, ACF has recorded nearly a 100 percent increase in adoptions from FY 1995 to FY 2001.

INCREASE IN NUMBER OF ADOPTIONS, FY 1998 – FY 2001



Source: ACYF Administrative Data.

Summary of Performance Challenges

The diversity of programs, target populations, levels of government, and range of partners make efforts to establish and achieve goals and outcome measures extremely challenging. Over the past several years, ACF has changed the way it measures the success of programs and implemented a major shift in the way it does business with partners. A changing role with States and grantees has allowed ACF to accelerate major reforms in many programs. In order to focus on results, ACF continues to update performance measures, targets and information and strengthen partnerships with States and grantees. Creating a mature set of performance goals and data collection strategies is a high priority. It has taken considerable time to bring partners to the table, develop shared priorities and goals, address weaknesses in data collection and determine an optimum set of measures.

Data Issues: ACF relies on State administrative data systems for performance reporting because States and local community organizations administer most of its programs. For many programs, final reports are due ninety to 120 days after the fiscal year ends. In some cases, for example in TANF, where earnings gains are measured over a nine-month period after an individual obtains a job, the period is even longer. This time lag in receiving and validating data reports on actual achievements makes it difficult to provide a comprehensive summary of FY 2002 performance until late in FY 2003.

The lack of readily available information and the restrictions on data collection inhibit performance measurement. Additionally, many of ACF's performance metrics rely on voluntary data reports, e.g., LIHEAP, Child Care, TANF, CSBG, and ADD. Fluctuations in the number of States and grantees reporting and the flexibility allowed in selecting measures continue to make the collection of consistent, reliable and verifiable data extremely challenging. Detailed information on program-specific data issues and requirements for data validation and verification are addressed in each of the fourteen program sections. Appendix A.8 has detailed information on availability of State and grantee administrative data. ACF is currently working with the HHS Data Council to assess unmet data needs for its major programs.

Program Performance Report Summary: Accountability through Performance Measurement

ACF continues to make improvements in the performance measurement of its programs. As ACF gains experience in performance measurement, measures are being refined, added, dropped and replaced. As of January 2003, ACF is able to report on 56 of the 65 FY 2001 targets and 25 of the 70 FY 2002 targets. Missing FY 2001-2002 data will be reported in subsequent performance reports as they become available. The table below illustrates ACF GPRA performance progress for FY 1999-2002.

Performance Report Summary

Year	Total Measures	Measures Reported	Measures Met*	Unreported
2004	64 [4][1]			
2003	56 [7][2]			
2002	70 [3][3]	25	12	45
2001	65 [3][4]	56	30	9
2000	52	52	26	0
1999	47	47	24	0

*Note: Includes performance, which is within five percent of estimated target.

For a detailed program performance summary table, please refer to Appendix A.7.

PART I: OVERVIEW OF PERFORMANCE MEASUREMENT

Since the creation of GPRA, ACF has avoided developing a measurement system that emphasizes products, services and processes (inputs and outputs) and has embraced a system that emphasizes substantive outcomes. For FY 2004, ACF has strengthened performance management under GPRA. Recent efforts to link activities in each program area to objectives,

[1] Bracketed numbers indicate that measures are developmental; baselines will be established in 2004.
[2] Bracketed numbers indicate measures are developmental; baselines will be established in 2003.
[3] Bracketed numbers indicate measures are developmental; baselines were established in 2002.
[4] Youth program is unable to report on FY 2001 bracketed measures because of changes in data systems and definitions of measures.

measurable performance indicators, and targets with corresponding resources and strategies has taken us one step closer to integrating budgetary resources with outcomes.

Continued experience has improved the relationship between planned targets and actual results. Over time, the development of trend data has helped in setting and adjusting targets. In a few programs, such as TANF and child support, goal achievement is linked by program statute to incentives and sanctions. In these cases, the process has been driven by a concern for realistic targets. Where an incentives system is not a factor, programs have been encouraged to increase targets with the understanding that shortfalls in achievement will be informative for assessing whether targets have been set too aggressively and what corrective actions should be taken.

ACF's results orientation has encouraged programs to focus on achieving positive outcomes. This outcomes focus provides ACF with a framework for working with its partners, including local communities, non-profit organizations and States, to accomplish shared goals. In FY 2004, 48 of the 64 measures (75 percent) are outcome rather than process measures.

ACF has linked its performance measurement system with the HHS Strategic Plan and the President's Management Agenda (PMA) (see Appendix A.1 for linkage between the ACF plan and the HHS Strategic Plan). For FY 2004, all ACF measures align directly with the HHS strategic goals and objectives. The collaboration, coordination and integration of significant activities within the Department will result in improved services for individuals, families and communities. ACF has achieved substantial progress under all five of the PMA principles – strategic management of human capital, competitive sourcing, improved financial performance, e-government, and budget-performance integration. All four of ACF's management improvement measures align with PMA government-wide initiatives.

Report Plan and Roadmap

ACF's program efforts are carried out through partnership with the State, Territorial, local and Tribal governments, and with private, nonprofit, faith- and community-based grantees. ACF funds social research, demonstration programs and evaluation projects to develop reliable knowledge, support program policies, learn about effects on children and families, identify paths to program quality improvement, and discover better ways to conduct technical assistance, disseminate information, and deliver effective services.

Performance goals have been stated under the program sections that support the seven strategic program objectives and four management improvement objectives in this plan. This framework encourages individual programs to collaborate and direct their efforts to achieve crosscutting program goals and enables ACF partners to use the various program resources within ACF to focus on early childhood enrichment and the economic and social well-being of families. "Data sources" under the various measures refer to OMB-approved program data collection instruments. The programs that support each of the goals and objectives are listed below:

Strategic Goal 1 – Increase economic independence and productivity for families

1. *Increase employment*

   Temporary Assistance for Needy Families: Employment
   Developmental Disabilities: Employment
   Refugee Resettlement
   Social Services Block Grant

2. *Increase independent living*

   Developmental Disabilities: Housing
   Assets for Independence

3. *Increase parental responsibility*

   Child Support

4. *Increase affordable child care*

   Child Care: Affordability

Strategic Goal 2 – Improve healthy development, safety and well-being of children and youth

5. *Increase the quality of child care to promote childhood development*

   Child Care: Quality
   Head Start

6. *Increase safety, permanency, and well-being of children and youth*

   Child Welfare
   Developmental Disabilities: Health
   Youth Programs
   Temporary Assistance for Needy Families: Child Well-Being

Strategic Goal 3 – Increase the health and prosperity of communities and Tribes

7. *Build healthy, safe and supportive communities and Tribes*

   Community Services Block Grant
   Family Violence Prevention Program
   Low-Income Home Energy Assistance
   Native Americans Programs

Strategic Goal 4 – Manage resources to improve performance

8. *Develop and retain a highly skilled, strongly motivated staff*

9. *Streamline ACF organizational layers*

10. *Improve automated data and management systems*

11. *Ensure financial management accountability*

Linkage with Budget

ACF links performance measures to budget and accounting, as appropriate, to meet the requirements of GPRA. Under ACF's approach, more than 60 line-item programs have been aggregated and consolidated into 14 broad program activity areas. Selected program activities are aggregated in a single budget account, e.g., Temporary Assistance for Needy Families and Child Support Enforcement. Some program activities in more than one budget account are consolidated, e.g., Child Care and Child Welfare. Several activities remain free-standing, e.g., Head Start and Native American Programs. These program activity line items are aligned with corresponding strategic goals and objectives, enabling ACF to associate investments with specific achievements.

Consistent with the President's management initiative to strengthen the linkage between budget and program performance, ACF is implementing performance-based budgeting by highlighting the relationships between resource investments and activities at the program level and outcomes achieved by these activities in the longer term. This is the first time that each program description includes a table that links investments to activities and outcomes. This effort lays the groundwork for informing more effective, efficient decisions for resource allocation; improving internal management; and providing greater accountability through integrated financial and performance reporting.

ACF also encouraged programs to develop performance plans and reports that make a clearer connection between requested budgetary resources, planned activities and projected performance targets in the narrative sections.

Three ACF programs (Head Start, Office of Refugee Resettlement and Foster Care) were selected to participate in OMB's performance program assessments, a component of the President's budget and performance integration initiative. Information on the ratings for these three programs can be found in the appropriate program section in the Budget Justification.

ACF faces a number of challenges as it moves toward fuller integration. Among the most pressing challenges are:

- **The difficulty of linking budget with program outcomes**: Linkage can be made more directly to inputs, outputs and program activities.

- **The development of alternative budget scenarios and the selection of performance measures that drive programs toward improved performance**: Most ACF programs are administered by States and local communities so alternative budget scenarios, measures and targets must be useful at that level to improve performance.

- **Timely performance data for budget planning cycle**: Administrative data are not available and cannot be verified and reported until the second, third and sometimes not until the fourth quarter after the end of the fiscal year. Since the budget planning cycle for a particular fiscal year begins two years earlier, critical performance information is not available for budget planning purposes.

Budget Crosswalk

The budget crosswalk is a program-based account structure that allows ACF to assign resource investments to the agency's strategic goals based on the activities of the program line item. It identifies which strategic goal(s) each budget line item supports and includes selected performance measures.

A number of budget line items and their associated funds apply to more than one strategic goal or objective. To avoid duplicative counting, the dollar amounts are only associated with one appearance of their line item, usually where the associated measures most directly relate to the statutory purpose of the particular funding amount. In their appearances elsewhere, the dollar amounts are left blank and indicated with an asterisk. This table is for presentation and overview purposes, not for budgeting or performance analysis. The selected measures are representative and not intended to fully define the performance associated with the total budget under that category. A column has been added which identifies the budget program account number. Budget and other dollar figures are in millions.

NOTE: The budget linkage table below is not a formal budget presentation.

Detailed Budget Table (not for budget analysis) (dollars in millions)					
GPRA ACF STRATEGIC GOALS and OBJECTIVES With selected performance measures (Program Activity)	**Program/Budget Line Items** **(not a formal budget presentation)** **(Program subtotals are shown where needed.)**	**Budget Program Account No.**	**FY 2002 Appropriation**	**FY 2003 President's Budget**	**FY 2004**

I. INCREASE ECONOMIC INDEPENDENCE & PRODUCTIVITY FOR FAMILIES (1.1-4.1)					
1. Increase Employment					
TANF performance measure (1.1)	State Family Assistance Grants (TANF)	1552	16488.7	16488.7	16488.7
FY 02: Increase the % of adult TANF recipients who become newly employed	Family Assistance Grants to Territories	1552	77.9	77.9	77.9
FY 03: Maintain the % of adult TANF recipients who become newly employed	Matching Grants to Territories	1552	15.0	15.0	15.0
FY 04: Maintain the % of adult TANF recipients who become newly employed	Supp Grants for Population Increases	1552	319.4	319.4	319.4
	Contingency Fund	1552		2000	
	Native Employment Works Program	1552	7.6	7.6	7.6
	Tech. Assistance/Welfare Research - Family Formation	1552		100	100
	Family Formation Grants	1552			100
	Employment Achievement (formerly High Performance)	1552			500
	TANF Bonus for Decreased Illegitimacy	1552	100.0	0.0	0.0
	State and Local Welfare Administration	1501	3.0	0.0	0.0
	Emergency Assistance	1501	124.0	10.0	0.0
	TANF/welfare subtotal:		17135.6	19018.6	17608.6

	Social Services Research**	1536	30.9	6.0	6.0
Refugee Performance Measure (1.4)	Repatriation	1503	0.8	1	1
	Transitional, Med Svcs - Refugee Resettlement	1503	227.2	227.3	200.2
FY 02: Increase the number of refugees entering employment from ORR-funded employment related services annually from the prior year's actual performance.	Employment Services - Refugee Resettlement	1503	158.6	151.1	153.1
	Targeted Assistance – Refugee Resettlement	1503	49.5	49.5	49.5
FY 03 target: 3% increase over prior year's actual performance;	Preventive Health – Refugees	1503	4.8	4.8	4.8
FY 04 target: 3% increase over prior year's actual performance	Victims of Torture	1503	10.0	10.0	10.0
	Victims of Trafficking	1503	10.0	10.0	10.0
	Unaccompanied Alien Children Program***	1503	33.0	33.0	34.0
	Refugee subtotal:		493.9	486.7	462.6
SSBG (1.5).					
FY 02: Increase the number of recipients of child protective services funded wholly or inpart by SSBG funds	Social Services Block Grant	1534	1700.0	1700.0	1700.0
	Social Services Block Grant subtotal		1700.0	1700.0	1700.0

FY 03-04 target: The number of recipients of child protective services funded.					
	DD Performance Measure 1.3: State Grants*	1536	*	*	*
Total funding per objective			19360.4	21211.3	19777.2
2. Increase Independent Living					
Developmental disabilities performance measure (2.1)	DD –State Grants	1536	69.8	69.8	69.8
FY 02: The number of people with DD own or rent their own homes	DD –Protection and Advocacy *	1536	35.0	35.0	35.0
FY 03: The number of people with DD own or rent their own homes	DD –University Affiliated Projects	1536	24	24	24
FY 04: The number of people with DD own or rent their own homes	DD –Special Projects	1536	11.7	11.7	11.6
	DD Subtotal		140.5	140.5	140.4
Independent Development Account measure (2.2)					
FY 03-04: Increase acquisition of post-secondary education, homeownership and small business capitalization by low-income working families .	Individual Development Accounts	1536	25.0	25.0	24.9

	Individual Development Accounts subtotal		25	25	24.9
Total funding per objective			165.5	165.5	165.3
3. Increase Parental Responsibility					
Child support enforcement performance measure (3.1)					
FY 02: Increase collection rate for current support to 55%	Federal Incentive Payments - Child Support	1501	450.0	461.0	454.0
FY 03: Increase the IV-D collection rate for current support to 56%.	State Administrative Costs - Child Support ****	1501	3235.6	3521.6	3856
FY 04: Increase the IV-D collection rate for current support to 60%.	Federal Parent Locator Service	1552	24.6	23.6	23.1
	Access and Visitation - Child Support	1501	10.0	10.0	12.0
	CSE Hold Harmless	1501		10.2	
	Payments to Territories	1501	23.0	23.0	23.0
Total funding per objective ****			3743.2	4049.4	4368.1
4. Increase Affordable Child Care					
Child care affordability performance measure (4.1)	Child Care and Development Block Grant	1515	2090.0	2090.0	2090.0
FY 02: Increase the number of children	Child Care Mandatory	1550	1177.5	1177.5	1177.5

served by CCDF subsidies to 2.2 million					
FY 03: Maintain the number of children served by CCDF subsidies at 2.2 million	Child Care Matching	1550	1478.3	1478.3	1478.3
FY 04: Increase the number of children receiving child care services through CCDF, TANF-direct, and SSBG funds from the 2003 baseline	Tribal Mandatory	1550	54.3	54.3	54.3
	AFDC/JOBS Child Care	1501	0.0	0.0	0.0
	Research and Evaluation Fund	1536	10.0	10.0	9.9
	Training & Tech. Assist.-CC Entitlement	1550	6.8	6.8	6.8
	Early Learning Opportunities Fund	1536	25.0	0.0	0.0
Total funding per objective			4841.9	4816.9	4816.8
II. IMPROVE HEALTHY DEVELOPMENT, SAFETY & WELL-BEING OF CHILDREN & YOUTH (5-7)	Promotion and Support of Responsible Fatherhood/Healthy Marriages		0	20.0	20.0
5. Increase the Quality of Child Care to Promote	Head Start	1536	6537	6667.5	6815.6

Early Childhood Development					
	Head Start subtotal		6537	6667.5	6815.6
Child care quality performance measures (5.1)	Child Care and Development Block Grant*	1515	*	*	*
FY 02: Increase by 1% the number of child care facilities that are accredited by a nationally recognized early childhood development professional organization -- 9,725	Child Care Entitlement*	1550	*	*	*
	Research and Evaluation Fund	1536	*	*	*
	Child Care Matching*	1550	*	*	*
FY 03: Increase by an additional 1% the number of child care facilities-9,822	Training & Tech. Assist.-CC Entitlement	1550	*	*	*
FY 04: Increase by an additional 1%, the number of child care facilities-					
Head Start (Health) performance measures (5.2)	Head Start	1536	*	*	*
FY 02: 94% Head Start children receive medical treatment					
FY 03: 97% Head Start children receive					

needed med treatment.					
FY 04: 97% Head Start children receive needed med treatment.					
Total funding per objective			6537	6667.5	6815.6
6. Increase Safety & Well-Being of Children & Youth	Adoption Assistance	1545	1426.0	1619.8	1699.7
Child welfare performance measure (6.1)	Infant Adoption Awareness	1536	12.9	12.9	12.9
	Child Welfare Services	1536	292.0	292.0	292.0
FY 02: 56,000 children are adopted from the public foster care system.	Promoting Safe and Stable Families	1512	375.0	505.0	505.0
(Baseline: 1996: 28,000)	Mentoring Children of Prisoners	1512	0.0	25.0	50.0
FY 03: 58,500 children are adopted from the public foster care system	Foster Care	1545	5055.5	4736.0	4974.2
FY 04: 60,000 children are adopted from the public foster care system	Child Welfare Training	1536	7.5	7.5	7.5
	Training/Tech Assistance - CRTA	1553	12.3	11.8	11.6
	Adoption Opportunities	1536	27.3	27.4	27.3
	Adoption Incentives	1536	43.0	43.0	43.0
	Child Abuse State Grants	1536	22.0	22.0	22.0

	Abandoned Infants	1536	12.2	12.2	12.1
	Community-Based Resource Centers	1536	33.4	33.4	33.4
	Child Abuse Discretionary	1536	26.1	26.4	26.3
	Independent Living/Foster Care/Adoptions	1545	140.0	200.0	200.0
	Child Welfare subtotal		7485.2	7574.4	7917.0
Youth performance measures (6.4)					
FY 02: Increase the proportion of youth living in safe and appropriate settings after exiting ACF-funded services.	Runaway and Homeless Youth (RHY)	1536	88	88.1	88
FY 03: Increase the proportion of youth living in safe and appropriate settings after exiting ACF-funded services.	Maternity Group Homes	1536	0.0	10.0	10.0
	Ed/Prevention: RHY Sexual Abuse	1536	15.0	15.0	15.0
FY 04: Increase the proportion of youth living in safe and appropriate settings after exiting ACF-funded services.	Youth Programs subtotal		103	113.1	113.0
	Family Violence*	8605	*	*	*
	Developmental Disabilities - State Grants*	1536	*	*	*
	Developmental Disabilities -P&A*	1536	*	*	*

	Welfare Research	1536	0.0	15.0	15.0
Total funding per objective	Subtotal		7588.2	7722.5	8065.0
III. INCREASE HEALTH & PROSPERITY OF COMMUNITIES AND TRIBES (8)	Compassion Capital Fund		30.0	100.0	100.0
7. Build Healthy, Safe & Supportive Communities & Tribes	Community Services Block Grant	1536	650.0	570.0	495.0
CSBG performance measure (7.1)	National Youth Sports Program	1536	17.0	0.0	0.0
FY 02: $1.68 billion in non-federal funds brought into low-income communities (2% increase over previous year's target)	Community Food and Nutrition	1536	7.3	6.7	0.0
	Community Services Discretionary	1536	39.5	38.7	32.4
FY 03: $1.7 billion in non-federal funds brought into low-income communities (2% increase over previous year's target).					
FY 04: Increase by 2%	Community Services Subtotal		743.8	715.4	627.4
Domestic Violence performance measure (7.2)	Family Violence Prevention	8605	124.5	124.5	124.4

FY 02: Increase the number of Federally recognized Indian Tribes that have family violence prevention Programs to 190.	Domestic Violence Hotline	8605	2.2	2.2	3
	DD –Protection and Advocacy	1536	*	*	*
FY 03: Increase the number of Federaly recognized Tribes -- to 195					
FY 04: Increase the number of Federally recognized Tribes -- to 200	Domestic Violence Subtotal		126.7	126.7	127.4
LIHEAP performance measure (7.3)	LIHEAP	1502	2000.0	1700.0	2000.0
FY 02: Increase by 1% over the prior year's targeting index of LIHEAP recipient households having at least one member 5 years or younger					
FY 03: Increase by 1% over the prior year's targeting index of LIHEAP recipient households having at least one member 5 years or younger					
FY 04: Increase by 1% over the prior year's the targeting index of LIHEAP recipient households	**LIHEAP subtotal**		2000.0	1700.0	2000.0

having at least one member 5 years or younger					
Native American performance measure (7.4)	Native Americans Programs	1536	45.8	45.2	45.1
FY 02: Increase the number of grants that include elder participation.					
FY 03: Increase the number of grants that include elder participation.					
FY 04: Increase the number of grants that include elder participation.					
	Native Americans subtotal		45.8	45.2	45.1
Total funding per objective			2916.3	2587.3	2799.9
IV. MANAGE RESOURCES TO IMPROVE PERFORMANCE (8-11)	Federal Administration	1536	171.5	171.8	179.6
8. Develop and retain a highly skilled, strongly motivated staff	Faith Based Center		1.5	1.5	1.4
FY 02: Each ACF staf member participate in at least one training					
FY 03: Each ACF staf member participate in					

at least one training					
FY 04: Each ACF staff member participate in at least one training					
9. Streamline organizational layers					
10. Improve Automated Data and Management Systems	Federal Administration *	1536	*	*	*
FY 02: Develop and implement OLDC, which will capture and validate grant information submitted by grantees using the Web.					
FY 03: Operate and maintain OLDC, which will capture and validate					
FY 04: Implement a Funds Planning Capability to manage and track all grant funds					
11. Ensure financial management accountability					
			173.0	173.3	181.0
Total funding per objectives 8-11					
TOTAL ACF PROGRAM & ADMINISTRATIVE FUNDING			45325.5	47393.7	46988.9

*Item with multiple citations, counted once only.
**Social Services Research supports a number of programs in Goals I and II
***FY 2003 includes $3.0M for transportantion cost for minors to be administered by the Dept. of Homeland Security
****These totals represent net Budget Authority and do not include obligation levels for Child Support Enforcement Programs.

PART II: GOAL-BY-GOAL PERFORMANCE MEASUREMENT

ACF's performance measures support the seven strategic program objectives and four management improvement objectives in this plan. This approach establishes a framework for individual programs to collaborate and direct their efforts to achieve ACF-wide crosscutting goals and enables ACF partners (State, Territorial, Tribal and local governments – as well as in private, nonprofit, faith- and community-based organizations) to invest program resources targeted on achieving shared outcomes.

ACF's performance goals align with the mission of HHS as reflected in the HHS Strategic Plan, as indicated in Appendix A.1. Performance data for the ACF goals have been supplemented as appropriate by information from program research and evaluation. Appendix A.6 provides a listing of selected evaluation projects.

STRATEGIC GOAL I: INCREASE ECONOMIC INDEPENDENCE AND PRODUCTIVITY FOR FAMILIES

RATIONALE

A family's capacity to lead a stable and productive life is enhanced by increasing economic independence and self-sufficiency. Achieving this goal requires assisting those in need to obtain and maintain employment within the context of work requirements and time-limited assistance. The job market, economic cycles, changing demographics, and patterns of family formation and child bearing affect outcomes under this goal. These economic and social factors influence parents' ability to find work, meet their family's needs and support obligations, and achieve self-sufficiency.

The President's welfare reauthorization proposal provides tools for ACF and its State partners to build on the successes of the 1996 reforms, including initiatives for demonstrations and research to promote healthy marriage, strengthen work participation requirements, and increase funding

flexibility for States. Initiatives that promote responsible fatherhood, encourage the formation and maintenance of married, two-parent families, and prevent out-of-wedlock pregnancies are critical building blocks leading to greater family stability and self-sufficiency. Child support enforcement and affordable child care are critical to assuring that children are not living in poverty and that they are adequately cared for while their parents work.

The FY 2004 budget request for Unaccompanied Alien Children for $34 million is a $1 million increase over the FY 2003 budget. These funds will support the new programmatic requirements contained in section 462 of the Homeland Security Act protecting the rights and guaranteeing the well-being of unaccompanied alien children in the government's custody.

OBJECTIVES AND MAJOR PROGRAM AREAS

1. *Increase employment*

   Temporary Assistance for Needy Families: Employment
   Developmental Disabilities: Employment
   Refugee Resettlement
   Social Services Block Grant (SSBG)

2. *Increase independent living*

   Developmental Disabilities: Housing
   Assets for Independence

3. *Increase parental responsibility*

   Child Support

4. *Increase affordable child care*

   Child Care: Affordability

1. INCREASE EMPLOYMENT

Approach for the Strategic Objective: Increase employment and economic independence by reducing reliance on public welfare programs, providing job training and other necessary supports and encouraging job creation. Focus on the abilities and skills of individuals, enabling them to move toward self-sufficiency and to pursue jobs in their communities.

1.1 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES: EMPLOYMENT

Program Purpose and Legislative Intent

The purposes of the Temporary Assistance for Needy Families (TANF) program are to provide assistance to needy families so that children can be cared for in their own homes; to reduce dependency by promoting job readiness, work and marriage; to prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Title IV-A of the Social Security Act as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) requires that States and Territories operate programs, and Tribes have the option to run their own programs. States, Territories and Tribes each receive a block grant allocation with a requirement on States to maintain a historical level of State spending (for welfare) known as Maintenance of Effort (MOE). The block grant covers benefits, administrative expenses, and services. States, Territories and Tribes determine eligibility and benefit levels and services provided to needy families.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
1.1a. All States meet the TANF all-families work participation rates: FY 2002-2003 All families rate=50% work participation FY 2001 All families rate=45% work participation 1.1b. All States meet the TANF two parent families work participation rate of 90%	FY 04: 100% FY 03: 100% FY 02: 100% FY 01: 100% FY 00: 100% FY 99: 100% FY 04: 100% FY 03: 100% FY 02: 100% FY 01: 100% FY 00: 100% FY 99: 100%	FY 04: 9/05 FY 03: 9/04 FY 02: 9/03 FY 01: 100% FY 00: 100% FY 99: 100% FY 98: 100% FY 04: 9/05 FY 03: 9/04 FY 02: 9/03 FY 01: 88% FY 00: 76% FY 99: 74% FY 98: 66%	Px 18 HHS 6.1
The reauthorization proposal replaces these two separate standards with a single participation standard for all cases with adults.			
1.1c.Increase (from the baseline year) the percentage of adult TANF recipients who become newly employed.	FY 03: 44% FY 02: 43% FY 01: 43% FY 00: 42% FY 99: NA	FY 03: 9/04 FY 02: 9/03 FY 01: 2/03 FY 00: 46.4% FY 99: 43.3% (42.9%) FY 98: 38.7%	Px 19 HHS 6.1
The number in parenthesis has been updated as a result of additional data.			
1.1d. Increase (from FY 2000) the percentage of adult TANF recipients/former recipients employed in one quarter of the year who continue to be employed in the next two consecutive quarters.	FY 03: 68% FY 02: 65% FY 01: 84% (64%) FY 00: 83% (63%) FY 99: NA	FY 03: 9/04 FY 02: 9/03 FY 01: 2/03 FY 00: 65% FY 99: 76.8%* (58%) FY 98: 80%*	Px 19 HHS 6.1
*For FY 98-99, this measure was limited to job retention over one subsequent quarter. The numbers in parentheses indicate what the rate was over two subsequent quarters for comparison purposes.			
1.1e.Increase (from the baseline year) the percentage rate of earnings gained by employed adult TANF recipients/former recipients between a base quarter and the second subsequent quarter.	FY 03: 29% FY 02: 28% FY 01: 28% FY 00: 27% FY 99: NA	FY 03: 9/04 FY 02: 9/03 FY 01: 2/03 FY 00: 25% FY 99: 27% (22%) FY 98: 24%	Px 20 HHS 6.1
The number in parenthesis for FY 99 was based on incomplete data and has been revised. The three measures 1.1c-e are being replaced in FY 2004 by the common measures which are in the chart below:			
1.1f. Increase the rate of case closures	FY 04: TBD FY 03: NA:	FY 04: FY 03: Baseline	Px 21

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
related to employment. (Developmental)			HHS 6.1
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $17608.6 FY 03: $19018.6 FY 02: $17135.6 FY 01: $16689.2 FY 00: $16818.4 FY 99: $17186.2	Bx: budget just. section Px: page # performance plan	

JOB TRAINING COMMON PERFORMANCE MEASURES (CPM)

There are presently more than 48 job training programs in 10 agencies. Although these programs vary considerably in the types of services provided and the target populations served, their common goal is to improve participants' employment and earnings. ACF and HHS have worked with the Office of Management and Budget, and the Departments of Labor, Education, Housing and Urban Development, Interior and Veteran's Affairs to develop a common set of measures for job training and employment for adults, youth and lifelong learning programs. The definitions and methodology for providing the TANF data for these measures are identified. Data for these three measures (entered employment, retention in employment, earnings increase) will be provided by Unemployment Insurance (UI) wage records and administrative records will be used for the efficiency measure. These measures will be adopted in FY 2004.

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
ENTERED EMPLOYMENT: **1.1c Percentage of adult recipients who become newly employed.**	FY 2004: 44%	FY 2004	Px 19
Methodology: The numerator is "of those who receive TANF cash assistance in a quarter, the number who became employed in that quarter after being unemployed in the previous quarter." The denominator is "the total number of unemployed TANF cash assistance recipients from the previous quarter identified in the numerator".			
RETENTION IN EMPLOYMENT: **1.1d Percentage of those employed in a quarter that were still employed one and two quarters later.**	FY 2004: 68%	FY 2004	Px 19
Methodology: The numerator is "of those who received TANF cash assistance and are employed in a quarter (Q-a), the number of adults who were employed one (Q-b) and two quarters (Q-c) later (regardless of TANF assistance status). The denominator is "the number of participants employed in Q-a.			
EARNINGS INCREASE: **1.1e Percentage change in earnings at**	(a) FY 2004: (under development)	(a) NA	Px 20

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
two points in time: **(a) Percent increase between first quarter of employment and the second quarter prior to receiving TANF assistance.** **(b) Percent increase in earnings between the third quarter of employment and the first quarter of employment.** **.**	(b) FY 2004: 29%	(b) FY 2004	
Methodology: (a) The numerator includes those who received TANF cash assistance with earnings from employment in a quarter (Q-a), their earnings in Q-a minus their earnings two quarters prior to being determined eligible for TANF cash assistance. The denominator is TANF cash assistance recipients' earnings two quarters prior to being determined eligible for TANF cash assistance. (b) The numerator includes those who received TANF cash assistance and who had earnings from employment in a quarter (Q-a), their earnings two quarters (Q-c) later minus their earnings in Q-a. The denominator is TANF cash assistance recipients' earnings in Q-a.			

PROGRAM DESCRIPTION AND CONTEXT

PRWORA dramatically changed the nation's welfare system into one that requires work while time-limiting assistance. The TANF program replaced the former Aid to Families with Dependent Children (AFDC), Job Opportunities and Basic Skills Training (JOBS) and Emergency Assistance (EA) programs, ending the Federal entitlement to assistance.

In FY 2003, the Administration seeks to reauthorize and fund the following pre-appropriated activities originally authorized under PRWORA as part of the TANF program at the levels included under current law: Family Assistance Grants to States, Tribes and Territories; Matching Grants to Territories; Bonus to Reward High Performance States; Tribal Work Programs; and the Contingency Fund. Supplemental Grants for Population Increases would be reinstated. In addition, a new fund supporting research, demonstration and technical assistance activities including family formation, healthy marriages, child welfare research and reducing the incidence of out-of-wedlock birth as well as a matching grant program on marriage promotion would be established.

ACF provides leadership to help States, Territories and Tribes as they design and implement their programs and move families from welfare to work, while protecting the well-being of children through child care and other services. PRWORA gives States flexibility to design their TANF programs in ways that promote work, responsibility, and self-sufficiency and strengthen families. The law limits the area that the Federal government may regulate, allowing States to use TANF funding in any manner "reasonably calculated to accomplish the purposes of TANF."

A primary goal of the TANF legislation is to move recipients from welfare to work and toward self-sufficiency. In addition to providing States with flexibility in program design and funding,

Congress established work participation performance standards and created a High Performance Bonus (HPB) incentive system to facilitate the achievement of this goal. PRWORA provides States and Territories both financial rewards for high performance and significant improvement and penalties for not meeting the work participation targets. The HPB legislation authorized awards for five years (FY 1999 – FY 2003). ACF issued award specifications for FY 1999, FY 2000, and FY 2001 through guidance. The first three years focused only on work measures, i.e., rates of newly employed recipients, retention rates and earnings gain rates of employed recipients and former recipients. Final rules were published in August 2000 to cover awards for FY 2002 and FY 2003. The Administration's reauthorization proposal restructures these grants to focus on employment achievement.

Under PRWORA, $100 million in annual bonuses are awarded to as many as five States with the largest reduction in the proportion of out-of-wedlock births to total births. These bonuses are an incentive to encourage parental responsibility and the formation of two-parent families. ACF compiled the statistics reported by States and compared the proportion for the most recent two-year period to that for the preceding two-year period. For FY 2001, rankings were based on birth statistics from 1997 and 1998 compared to 1999 and 2000. In order to receive the bonuses, the States must also show a decrease in their abortion rate between the most recent year and 1995. Bonuses totaling $100 million were awarded to Alabama, Colorado, Michigan, Texas, the District of Columbia and the Virgin Islands in September 2002. As part of the TANF reauthorization, the President has proposed eliminating these bonuses in order to focus efforts on the TANF goals addressing family formation and healthy marriage.

ACF selected outcomes that measure State investment and policy choices directed at supporting individuals to succeed at work. Strategic activities were developed to meet these targets including issuing bonuses to reward States for high performance; an aggressive technical assistance approach using contracts and grants; aggressive outreach and collaboration with key Federal and non-Federal partners; review and analysis of State programs and fiscal data to identify emerging trends; promoting and disseminating research results; and publishing regulations. Attention is being given to removing barriers to work for welfare recipients who are victims of domestic violence or have developmental disabilities or serious personal or family problems, such as substance abuse or mental health problems that interfere with their ability to work.

ACF implements a wide range of projects to help States and Tribes produce the desired outcomes. These projects include:

- Convening State and Tribal leaders to educate them about the specifics of the law and offering them the opportunity to engage other State or Tribal stakeholders designing their respective programs;
- Providing technical assistance through contracts and grants, including a Peer Technical Assistance Network that provides support to States, Tribes and localities to share expertise and proven experiences;
- Supporting initiatives to increase the availability of jobs for TANF recipients both in the private and public sectors, including Federal entry-level jobs;

- Developing a catalog and other sources of innovative practices, and convening workshops and conferences to provide targeted technical assistance;
- Sponsoring research and convening conferences to discuss welfare reform research; and
- Conducting and encouraging training on the need for welfare agencies to draw on the broader resources of other government agencies, the private sector, and community-based organizations.

To accomplish these strategies, ACF is training its employees in marketing, negotiating, and consulting; using and improving automated technology, databases, and electronic communication; and implementing team-based work procedures.

PROGRAM PERFORMANCE ANALYSIS

The central theme of the 1996 welfare reform legislation was moving families from welfare to work. ACF monitors State efforts in this critical area through two monitoring vehicles. States report detailed case level data on recipient participation in work or work related activities. States collect this information monthly and report it quarterly via the TANF Data Report system. ACF provides ongoing feedback to States on the participation rates they are achieving as well as information on the quality of their data. The second mechanism is through the HPB system. Although States' participation in this system is voluntary, forty-nine States and the District of Columbia provided FY 2000 performance data to compete in the FY 2001 HPB performance awards. This information is critical to understanding the nature and scope of employment activity of TANF recipients and former recipients.

Beginning with performance in FY 2001, the employment measures (job entry [newly employed], job retention and earnings gain) are based solely on performance data obtained from the National Directory of New Hires (NDNH). Under HPB specifications for performance years FY 1998, FY 1999 and FY 2000, States had flexibility in the data source(s) they used to obtain wage information on current and former TANF recipients. ACF moved to this single source national database (NDNH) to ensure equal access to wage data and uniform application of the performance specifications. Performance achieved for FY 2001 and 2002 may be affected by this change in data source. For example, States will have access to Federal employment wage data, which was not generally available before. On the other hand, changes in employment status during a quarter can not be identified in the quarterly wage data on the NDNH database whereas a State may have been able to identify employment status changes monthly through use of its administrative records.

Performance Report

Record numbers of people are moving from welfare to work. Retention rates are promising and all States met the overall work participation requirements in FY 2001. Since the August 1996 passage of the law, recipient caseloads are down by 59 percent. From December 2001 to June 2002, the number of recipients declined 5.1 percent from 5.27 million to approximately five million. These gains still leave too many clients without work or in entry-wage jobs, with below-poverty incomes that make it difficult to support families. Often, working parents lack the

necessary supports that will enable them to succeed in the workforce, such as access to affordable, quality child care, transportation, and training opportunities. Welfare reform has been less effective in addressing the needs of clients with multiple barriers to work such as inadequate fluency in English, mental health problems, addiction to alcohol or drugs, developmental and learning disabilities and domestic violence. Increasingly, State agencies are reporting that the proportion of clients with these barriers is growing.

ACF's ability to affect goal achievement is limited by the fact that much of the responsibility for welfare reform lies with the States and Tribes, and in a number of cases with counties and cities. ACF works in partnership with State, Tribal and local governments toward achieving the goal of increased employment for TANF recipients.

Employment Measures: Measures 1.1a-b--Congress established the TANF work participation performance targets for FY 1997 through FY 2002. In FY 2001, all fifty States, the District of Columbia and Puerto Rico met the overall work participation rates for all families. Of the 33 States, the District of Columbia and Guam that have two-parent family programs subject to a work participation rate in FY 2001, 30 States and the District of Columbia met the two-parent work participation rate standard of 90 percent. States have the option to move their two-parent cases into a separate State program thus avoiding the two-parent work participation requirements. The statutory two-parent participation target of 90 percent remains a rigorous standard.

Given the historic decline in the TANF caseload since 1994 (65 percent), individual State work participation targets are significantly lower than the national target rates. Beginning in FY 1997, the actual all-family and two-parent family participation rates achieved increased significantly each year until FY 2000, when there was an 11 percent decline in the national average rates. (Some of the decline in the all-family rate is attributed to the increase in the all-family minimum hours of weekly participation from 25 to 30 hours). Beginning in FY 2003, as part of the reauthorization proposal, a participation standard for all cases with adults would replace the two separate standards currently in existence. At least 50 percent of all cases receiving TANF that are headed by adults must be participating full-time in a simulated work-week of activities (40 hours per week) and at least 24 hours of these 40 hours must be in a traditional work activity.

The performance achieved by States in FY 1998 and FY 1999 under the job entry, retention, and earnings gain rate measures (measures 1.1c-e) reflect a major accomplishment. Data for these three measures were not collected under AFDC.

Measure 1.1c-- In FY 2000 (the most recent year for which data are available), there was a 3.1 percentage point increase in the percent of adult TANF recipients who became newly employed (job entry). The success States had in moving TANF recipients to work in FY 2000 can be attributed to several factors. These include the employment focus of PRWORA, our commitment to research, identify and disseminate information on the effects of alternative employment strategies, a range of targeted technical assistance efforts, and a strong economy.

Measure 1.1d—There was a decrease of 7 percentage points in the percent of adult TANF recipients employed in one quarter who continued to be employed (employment retention) in the next two consecutive quarters (versus employment in the subsequent quarter). The actual performance for FY 1998 and FY 1999 was based on job retention performance over one quarter (TANF adult recipients/former recipients employed in one quarter of the year who were also employed in the following quarter). The FY 2000 targets for the work retention measure (1.1d) were established after the results from the first year of the HPB competition were calculated (FY 1998 performance data).

While ACF changed the work retention performance measure beginning with the third year of the HPB for FY 2000 and subsequent years to a more rigorous measure--from retention over two quarters to retention over three quarters, it did not change the performance targets. The final work retention rate for FY 2000 was 65 percent. The performance targets for FY 2002 and 2003 were calculated from a preliminary rate of 62 percent. ACF changed the projections for FY 2000 and FY 2001 based on these new calculations (63 percent and 64 percent).

Measure 1.1e – The FY 1999 performance was revised as a result of inclusion of new data from Nebraska and New Mexico. These States did not compete for the FY 2000 HPB awards, but provided FY 1999 performance data in order to compete for the FY 2001 work improvement measures which compare FY 1999 and FY 2000 performance information. There was a decrease of 2 percentage points in the percent rate of earnings gained between the base quarter and the second subsequent quarter (employment earnings gain rate). This decline could be the result of the change in the composition of the TANF caseload, i.e., recipients with less skills and fewer opportunities for increased wage rates or employment hours.

Trends: The performance measures and targets related to the work participation rates are statutory requirements for all States. From FY 1998 through FY 2001, all States met the all-families work participation rates. In the same time frame, there has also been a steady increase in the number of States meeting the more rigorous two-parent work participation rate (from 66 percent to 86 percent).

The remaining TANF work performance measures (job entry, employment retention and earnings gain rate) reflect the purpose of TANF and its ultimate goal of moving families to self-sufficiency. The job entry measure (measure 1.1c) has been steadily increasing from 38.7 percent in FY 1998 to 46.4 percent in FY 2000. One factor that may explain this increase is that States may have had access to more sources of data in the second year of operating TANF.

ACF's efforts are directed to provide leadership and incentives to States to accomplishing these outcomes. In a block grant environment, it is difficult to show direct linkages between Federal investments and outcomes at the State, Tribal, local and recipient level.

BUDGET TABLE LINKING INVESTMENTS TO ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcomes
$5,274,679 (OFA/OCS-Tribal Salaries, T&TA, Travel & Supplies)	Training & Technical Assistance	• Guidance • Program information • National conference • Workshops • Round-tables • Peer TA services and Web site • Program Web sites	• Increase the capacity of States and localities to meet the objectives of the TANF program • Inform and influence the Federal and State decision-making • Increase the number of tailored services for families
$18,941,236 (OPRE TANF-related Research, Data Collection, Dissemination)	Research & Evaluation	• Demonstration projects • Grants • Data collection and analysis	• Increase the capacity of States and localities to meet the objective of the TANF program • Inform and influence the Federal and State decision-making • Increase the number of tailored services for families

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

Achieving economic independence for many TANF families begins with either direct job search or overcoming barriers to employment, e.g., lack of basic skills, and progresses to acquiring job experiences, a private sector job, increased wages, and eventually self-sufficiency. ACF believes that these three key elements: getting a job, retaining the job and increased earnings should be included as performance measures.

1.1a. **FY 2003:** ***All States meet the TANF all-families work participation rate of 50 percent.***

FY 2004: ***All States meet the TANF all-families work participation rate of 50 percent.***

1.1b. **FY 2003:** ***All States meet the TANF two-parent families work participation rate of 90 percent.***

FY 2004: ***All States meet the TANF two-parent families work participation rate of 90 percent.***

Congress established the work participation rates (measures 1.1a-b). The statute directs the Secretary to collect aggregated data (caseload summaries) and disaggregated data (by individual and family) on the TANF program quarterly. Note: The Administration's reauthorization proposal replaces these two standards with a single participation standard for all cases with adults.

The FY 2003 work performance measures (1.1c-e) were developed after extensive consultation with the American Public Human Services Association, the National Governors Association, and States as specified in the HPB statute. In FY 1999, ACF modified the work performance goal specifications to reflect percentage increase in performance rather than numeric changes and established modest increases in the target levels. The FY 2004 measures (1.1c-e) on entered employment, retention in employment, and earnings increase are the result of an effort to develop uniform evaluation metrics (common measures) with the Office of Management and Budget, Departments of Labor, Housing and Urban Development, Education, Veterans Affairs and Interior.

Beginning in FY 2001, the sole data source for these three measures is the NDNH that contains wage data from all State Employment Security Agencies as well as all Federal employment wage data. Previously States generated this data using multiple sources. This change in data source not only impacts the data reported for actual performance for measures 1.1c-e affect but also ACF's ability to do comparable projections from the previous year.

In light of pending reauthorization of the TANF program and the above-mentioned change in data source, ACF has established a conservative target for measure 1.1c, rather than projecting an increase above current performance, and has projected maintenance targets for measures 1.1d and e.

ENTERED EMPLOYMENT

1.1c. **FY 2003:** ***Increase (from the baseline year) the percentage of adult TANF recipients who become newly employed.***

FY 2004: ***Increase (from the baseline year) the percentage of adult TANF recipients who become newly employed (CPM)***

RETENTION IN EMPLOYMENT

1.1d. **FY 2003:** ***Increase (from FY 2000) the percentage of adult TANF recipients/former recipients employed in one quarter of the year who continue to be employed in the next two consecutive quarters.***

FY 2004: ***Increase (from FY 2000) the percentage of adult TANF recipients/former recipients employed in a quarter that were still employed one and two quarters later. (CPM)***

EARNINGS INCREASE

1.1e. **FY 2003:** ***Increase (from the baseline year) the percentage rate of earnings gained by employed adult TANF recipients/former recipients between a base quarter and the second subsequent quarter.***

For FY 2003, ACF looks at the earnings of those who are employed in each of the four quarters of the measurement year and determines if they are also employed in the second subsequent quarter. If they are employed in both quarters, ACF determines the gain in earnings (if any) between the initial quarter and the second subsequent quarter. The sum of these gains in earnings across the four quarters is the numerator. The denominator is the sum of the earnings in each of the four quarters in the measurement year.

FY 2004: ***The percentage change in earnings at two points in time by employed adult TANF recipients/former recipients. (CPM)***

(a) The percentage change in earnings between the first quarter of employment and the second quarter prior to receiving TANF assistance by employed TANF recipients/former recipients (under development).

Plan for Obtaining Earnings Information Pre and Post TANF Enrollment: States do not currently collect employment/wage data on potential TANF participants before enrollment in the program. To obtain such information, ACF will develop recipient matching protocols in order to do a series of matches on the quarterly lists of adult recipients State currently provide to compete on the High Performance Bonus. These matches are necessary to identify TANF adult recipients who are recipients in the measurement quarter(s) but not in the previous two quarters. ACF will consult with States regarding their ability to provide recipient information for the prior quarters before enrollment. In order to implement this measure, ACF will modify the matching and wage compilation/calculation programs now used.

(b) ***The percent increase in earnings between the third quarter of employment and the first quarter of employment by employed TANF recipients/former recipients.***

Data Sources: Unemployment Insurance (UI) Wage Records

The TANF measures, taken together, assess State success in moving recipients from welfare to work and self-sufficiency. Full success requires not only getting recipients into jobs, but also keeping them in those jobs and increasing their earnings in order to reduce dependency and enable families to support themselves. Caseload decline provides information on the number of families leaving TANF, but it does not indicate the number of families that are more self-

sufficient as a result of employment. Therefore, ACF is proposing a developmental measure (1.1f) that measures the rate of case closures related to employment, as well as the receipt of child support and marriage, which generally reflect the earnings of others.

ACF believes that this process measure is important because it encourages States to track how many recipients are leaving welfare as a result of getting jobs, receiving of child support and/or getting married and would focus welfare offices' capacity-building efforts on these efforts.

Developmental Measure

1.1g. **FY 2003:** ***Increase the rate of case closures related to employment, receipt of child support and marriage.***

FY 2004: ***Increase the rate of case closures related to employment, receipt of child support and marriage.***

Data Source: TANF administrative data

1.2 DEVELOPMENTAL DISABILITIES (GENERAL)

Program Purpose and Legislative Intent

The major goal of the Developmental Disabilities program is to assist people with developmental disabilities in reaching maximum potential through increased independence, productivity, inclusion, and community integration. ACF's program partners in the States work with State governments, local communities, and the private sector to reach goals relating to prevention, diagnosis, early intervention, therapy, education, training, employment, and community living and leisure opportunities. Activities are funded in eight areas: quality assurance, education and early intervention, child care, health, employment, housing, transportation and recreation activities. In ACF, the Administration on Developmental Disabilities (ADD) and its partners in the developmental disability (DD) community have the lead in pursuing these goals.

PROGRAM DESCRIPTION AND CONTEXT

There are nearly four million Americans with developmental disabilities. Developmental disabilities are severe, chronic disabilities attributable to mental and/or physical impairment, which manifest before age 22 and are likely to continue indefinitely. They result in substantial limitations in three or more of the following areas: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency. Persons with developmental disabilities require individually planned and coordinated services.

ACF's DD grantee partners fall into four complementary groups. Each has a mandated mission to improve the lives of individuals with developmental disabilities and their families. Strategies must be non-duplicative, unique, and interlocking.

- **State Councils on Developmental Disabilities (SCDD)** pursue systems change, capacity building, and advocacy services in order to promote service systems and supports that are consumer- and family-centered, comprehensive, and coordinated. SCDDs employ strategies that include demonstration of new approaches, outreach training, public education, and information to policy-makers;
- **Protection and Advocacy (P&A)** systems in each State protect the legal and human rights of individuals with developmental disabilities. P&A strategies include legal, administrative, and other remedies; information and referral; investigation of incidents of abuse and neglect; and education of policy-makers;
- **University Centers for Excellence in Developmental Disabilities (UCEDDs)** are components of a university system or are public or not-for-profit entities associated with universities. These Centers provide interdisciplinary pre-service preparation of students and fellows, community service activities, and the dissemination of information and research findings; and
- **Projects of National Significance (PNS)** is a discretionary program providing ACF with the opportunity to focus funds on emerging areas of concern. This program supports local implementation of practical solutions and provides results and information for possible national replication. PNS also supports technical assistance; research regarding emerging disability issues; conferences and special meetings; and the development of national and State policy. Additionally, funding is provided for States to create or expand statewide systems change.

1.3 DEVELOPMENTAL DISABILITIES (EMPLOYMENT)

The DD employment goal is to increase competitive and inclusive employment for people with developmental disabilities consistent with their interests, abilities and needs. This goal encompasses issues such as vocational supports for students, career planning, and accommodation of disabilities. Strategies under this goal strive to create job choices and career opportunities that are integrated, accessible, equitable, and supported, and to inform employers of the capabilities of individuals with disabilities, and support practices and accommodations.

Summary Table

Performance Measures	**Targets**	**Actual Performance**	**Reference (page # in printed document)**
PROGRAM GOAL: Increase entry into, and retention of, employment for people with developmental disabilities, consistent with their interests, abilities and needs.			
Objective: *Increase employment of persons with developmental disabilities*			
1.3a. Achieve the targeted number of adults with developmental disabilities who obtain integrated	FY 04: 7,815 FY 03: 6,834 FY 02: 3,850	FY 04: FY 03: FY 02: 3/03	Px 27 HHS

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
jobs as a result of DD program intervention.	FY 01: 3,800 FY 00: 9,517 FY 99: 9,517	FY 01: 5,854 FY 00: 3,788 (Rev. Baseline) FY 99: 8,959 FY 98: 9,665 FY 97: 6,945	6.1/ 6.3
1.3b. Achieve the targeted number of businesses/employers that employ and support people with developmental disabilities as a result of DD program intervention.	FY 03: Dropped FY 02: 1,400 FY 01: 1,350 FY 00: 4,353 FY 99: 4,353	FY 02: 3/03 FY 01: 1,813 FY 00: 1,324 FY 99: 1,113 FY 98: 1,198 FY 97: 824	Px 27 HHS 6.1/ 6.3
1.3c. Leverage the targeted dollars from ADD's Federal partners to support positive outcomes for people with developmental disabilities for employment, housing, education, health, and community support as a result of ADD intervention (dollars in millions).	FY 04: $2.4 FY 03: $2.4 FY 02: $2.4 FY 01: $2.4 FY 00: $2.4 FY 99: $3.5	FY 04: FY 03: FY 02: $1.17 FY 01: $1.1 FY 00: $2.4 FY 99: $2.1 (Baseline) FY 98: $2.6 FY 97: $2.6	Px 27
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $140.4 FY 03: $140.5 FY 02: $140.5 FY 01: $133.5 FY 00: $122.2 FY 99: $119.2	Bx: budget just. section Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

The programs in the States include three approaches to promoting employment. First, State Councils work to create systems change within employment service systems. Second, public and business opinions and attitudes concerning employment of persons with disabilities are improved through educational efforts, involving both the State Councils and the UCEDDs. Third, P&A systems strive to ensure that the rights of workers with developmental disabilities are not reduced. Interventions by State Councils include promoting job fairs, training job coaches, advocacy to employers to hire more people with developmental disabilities, and creating State-level entities that continue this work on an ongoing basis. Finally, funding in the PNS program is used to leverage other Federal resources.

Program Partnerships

Partnerships at the State and Federal levels represent the key to successful developmental disabilities programs. In the States, a major success factor stems from the interaction among developmental disabilities program grantees, sometimes referred to as the Developmental Disabilities Network. Additionally, each of these programs works with State and local entities, and the private sector, to achieve positive outcomes. At the Federal level, ACF coordinates with the Social Security Administration, the Department of Education, the Department of Labor, the Department of Transportation and other agencies. Within HHS, ACF works with CMS, HRSA and the President's Committee on Mental Retardation.

PROGRAM PERFORMANCE ANALYSIS

The first employment measure (1.3a) aligns closely with the President's New Freedom initiative, as it focuses on integrating individuals with developmental disabilities into the workforce. The other employment measure (1.3b) is being deleted in FY 2003. The Federal resources measure (1.3c) reflects ACF's capacity for engaging in crosscutting strategies and leveraging resources from other Federal agencies. Consequently, this measure will be important for ACF to track in order to develop other resources in support of the President's New Freedom initiative.

The instability in target and outcome data for measures 1.3a-b raises concerns: fluctuations in performance information from the State Councils are primarily related to the flexibility allowed under ACF's developmental disabilities programs and not to problems of reporting or the ability to achieve targets.

Federal law gives State Councils the opportunity to establish goals that reflect the needs in their respective jurisdictions. The dynamic nature of the planning environment makes it difficult for the State Councils to keep up with rapidly changing demands. The Councils strive to set targets in key areas for a five-year period, but are often forced to deal with year-to-year challenges affecting service delivery. For example, a State Council may target employment at the beginning of the planning period and shift directions and resources at mid-course due to changes in the economy, society or other factors. Such actions cannot be accurately predicted. The State Councils must constantly consider the competing demands for resources within the advocacy and service delivery communities. In some States, simply maintaining services and support systems at the current level can be a major accomplishment.

These conditions cause volatility in performance data and targets. Some of the difficulty in setting performance targets can be reduced by the use of trend data to stabilize performance; however, fluctuations will persist. ACF is taking steps to improve its reporting systems and set targets that take account of the changing dynamics within the States.

Performance Report

In FY 2002, all appropriated funding was made available to State Councils and P&A systems in the States. UCEDDs are currently in the process of having their applications reviewed for core funding. Under the PNS, funding is provided under the eight areas of emphasis. Additionally, projects are being advertised under the Family Support program. This program assists families of children with disabilities, including foster and adoptive families, to care for their children at home. To ensure the quality of programs, ADD has continued to fund technical assistance projects for its partners.

In FY 2001, the number of adults with developmental disabilities who obtained integrated jobs (measure 1.3a) was greater than the projected target and also greater than the previous year's performance. State Councils in 44 States and Territories reported 5,854 integrated jobs as a consequence of their intervention, 54 percent above the target of 3,800. States reported new project activities supporting the employment of persons with developmental disabilities.

The number of businesses/employers in FY 2001 that employ and support people with developmental disabilities (measure 1.3b) exceeded the target level. State Councils in 35 States and Territories reported 1,813 employers/businesses employing and supporting people with developmental disabilities, greater than the target of 1,350. This increase reflects national growth in employment in FY 2001 as well as the increased attention to employment issues by the State Councils.

In FY 2002, performance for dollars leveraged from ACF's Federal partners (measure 1.3c) was not met ($1.17 million rather than the projected $2.4 million was leveraged). The FY 2002 performance target was based on prospective funding opportunities that failed to generate the anticipated level of funding. In the future, ACF will seek out more reliable funding sources and will base its performance targets on these sources.

BUDGET TABLE LINKING INVESTMENTS TO ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcomes
$2.0 million (including $0.9 million from non-ACF sources)	Training & Technical Assistance	Improved goal setting and enhanced strategic capacity	Higher achievement rates in high-need areas
$20,0000	Monitoring and Technical Assistance Review System (MTARS)	DD program compliance and identification of performance issues	Greater compliance with Federal law and improved quality of program activities, outputs and outcomes
$340,000	Management of DD program reports and	Quality program information that is readily	Higher quality data to inform management

	information resources	accessible	decision-making

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

State Councils generate both target and outcome data for measures 1.3a-b, and 2.1a (see next section). The targets are reported by State Councils for a five-year period and updated annually. The current State Plans cover the period FY 2002—FY 2006. Outcome data for a particular fiscal year are reported in annual program performance reports (PPRs), submitted in January of the following fiscal year. Both the State Plans and the PPRs are submitted by the Electronic Data Submission (EDS) system.

Not all States set employment targets and many have begun focusing on other high-priority issues. The number of States that project targets and report on performance varies from year to year. ACF plans to correct this problem by working with every State to set some type of employment target resulting in 100 percent of States comprising the base for these measures. ACF plans in FY 2003 to encourage all DD program partners to track this measure and in FY 2004 to mandate setting and tracking ADD GPRA targets.

Various data sources are used to report on program targets and program outcomes, including annual program performance reports, planning reports, and administrative records. These sources are tracked through the EDS system. Interagency agreements and memoranda of understanding provide the data for the last measure, (measure 1.3c) "dollars leveraged," which is tracked in-house in ACF.

A database of the results from the EDS is used to compare targets and actual performance of ADD partners. Verification and validation of data occur through ongoing review and analysis of annual electronic reports, technical assistance site visits, and input from individuals with developmental disabilities, their families and other partners. When anomalies and variations in the data occur, ADD works with individual program partners to gain insight into the reason with assistance being provided by technical assistance contractors. Partners are encouraged to pursue corrective actions to ensure that data are valid.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Increase entry into, and retention of, employment for people with developmental disabilities consistent with their interests, abilities, and needs.

Objective: Increase employment of persons with developmental disabilities

1.3a. FY 2003: Achieve 6,834 adults with developmental disabilities who obtain integrated jobs as a result of DD program intervention.

FY 2004: Achieve 7,815 adults with developmental disabilities who obtain integrated jobs as a result of DD program intervention.

Data Source: State Council annual Program Performance Report (PPR)

The targets for FY 2003 and FY 2004 are set by the State Councils and reported in their State Plans. They have been adjusted by ACF to spread the proposed increases over a two-year period. The targets are strategic in nature and are guides to courses of action rather than firm performance targets. They are influenced, not only by employment-related issues, but also by the full range of disabilities issues that compete for resources and attention. The proposed increases in targets are the result of employment emerging as a significant issue as evidenced by lengthy waiting lists for employment related services in many States.

Objective: Increase number of businesses/employers that employ persons with developmental disabilities

1.3b.* FY 2003: *Achieve the targeted number of businesses/employers that employ and support people with developmental disabilities as a result of DD program intervention. (Dropped)

ACF has dropped measure 1.3b for FY 2003, since it is not as direct an outcome as the first employment measure 1.3a.

Objective: Maintain the Federal dollars leveraged across the spectrum of Federal programs to benefit persons with developmental disabilities

1.3c. FY 2003: Leverage $2.4 million from ADD's Federal partners to support positive outcomes for people with developmental disabilities in terms of employment, housing, education, health, and community support as a result of ADD intervention.

FY 2004: Leverage $2.4 million from ADD's Federal partners to support positive outcomes for people with developmental disabilities in terms of employment, housing, education, health, and community support as a result of ADD intervention.

Data Source: ADD administrative records

1.4 REFUGEE RESETTLEMENT

Program Purpose and Legislative Intent

The purpose of the Office Refugee Resettlement (ORR) is to help refugees, Cuban/Haitian entrants, asylees and other special populations, as outlined in the ORR regulations, obtain economic and social self-sufficiency in the United States in the shortest time possible. ORR funding supports cash and medical assistance programs, English language training, employment preparation and job placement, skills training, social adjustment and other services to help refugees build new lives in the United States. As codified in the Refugee Act of 1980, Pub.L. 96-212, this program strengthened the United States' historic policy of aiding individuals fleeing persecution in their homeland.

Summary Table

Performance Measures	**Targets**	**Actual Performance**	**Reference (page # in printed document)**
Long-term measure: By 2012, grantees will achieve an 85% entered employment rate (EER).			
1.4a. Increase the percent of refugees entering employment through ACF-funded refugee employment services by at least three percent annually from prior year. (Former Measure: Increase the number of refugees entering employment services by at least five percent annually from prior year's actual performance.)	FY 04: Increase 3% FY 03: Increase 3% FY 02: 48,188 FY 01: 56,885 FY 00: 54,176 FY 99: 51,597	FY 04: FY 03: FY 02: 4/03 FY 01: 45,893 FY 00: 48,820 FY 99: 50,208 FY 98: 52,298 FY 97: 46,800	Px 37 HHS 6.1
1.4b. Increase the percent of entered employment with health benefits available as a subset of full-time job placements by three percent annually from the prior year. (Former Measure: Increase the number of entered employment with health benefits available as a subset of full-time job placements by five percent annually from the prior year's	FY 04: Increase 3% FY 03: Increase 3% FY 02: 28,702 FY 01: 30,613 FY 00: 29,156 FY 99: 27,767	FY 04: FY 03: FY 02: 4/03 FY 01: 27,270 FY 00: 27,080 FY 99: 28,425 FY 98: 27,124 FY 97: 25,186	Px 37 HHS 3.1

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
Long-term measure: By 2012, grantees will achieve an 85% entered employment rate (EER).			
actual performance.)			
1.4c. Increase the percent of refugee cash assistance cases closed due to employment by at least three percent annually as a subset of all entered employment from the prior year. (Former Measure: Increase the number of refugee cash assistance cases closed due to employment by at least five percent annually as a subset of all entered employment from the prior year's actual performance.)	FY 03: Dropped FY 02: 14,934 FY 01: 18,169 FY 00: 17,304 FY 99: 16,480	FY 02: 4/03 FY 01: 14,223 FY 00: 15,539 FY 99: 16,445 FY 98: 16,978 FY 97: 14,948	Px 37 HHS 6.1
1.4d. Increase the percent of 90-day job retention as a subset of all entered employment by at least three percent annually from the prior year. (Former Measure: Increase the number of 90-day job retention as a subset of all entered employment by at least five percent annually from the prior year's actual performance.)	FY 04: Increase 3% FY 03: Increase 3% FY 02: 32,694 FY 01: 41,824 FY 00: 39,833 FY 99: 37,936	FY 04 FY 03: FY 02: 4/03 FY 01: 31,137 FY 00: 33,626 FY 99: 36,055 FY 98: 38,040 FY 97: 34,409	Px 38 HHS 6.1
1.4e. Increase the number of refugees who enter employment through the Matching Grant (MG) program as a subset of all MG employable adults by at least five percent annually from the prior year's performance.	CY 04: Increase 5% CY 03: Increase 5% CY 02: 14,576 CY 01: 9,504 CY 00: 9,051 CY 99: 8,620	CY 04: CY 03: CY 02: 7/03 CY 01: 13,882 CY 00: 10,931 CY 99: 9,713 CY 98: 8,049 CY 97: 7,819	Px 38 HHS 6.1
1.4f. Increase the number of refugee families (cases) that are self-sufficient (not dependent on any cash assistance) within the first four months after arrival by	CY 04: Increase 4% CY 03: Increase 4% CY 02: 10,860 CY 01: 6,176 CY 00: 5,938 CY 99: 5,710	CY 04: CY 03: CY 02: 7/03 CY 01: 10,442 CY 00: 10,597 CY 99: 6,497	Px 38 HHS 6.1

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
Long-term measure: By 2012, grantees will achieve an 85% entered employment rate (EER).			
at least four percent annually from the prior year's performance.		CY 98: 5,194 CY 97: 5,279	
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $462.6 FY 03: $486.7 FY 02: $493.9 FY 01: $433.1 FY 00: $426.2 FY 99: $480.9	Bx: budget just. Section Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

ACF provides assistance and services to persons admitted to the United States as refugees, asylees, Cuban or Haitian entrants and Amerasian immigrants. The major program goals are to provide resources and technical assistance to States and other grantees in order to help refugees achieve economic self-sufficiency and social adjustment within the shortest time possible following their arrival in the United States.

Federal resettlement assistance to refugees is provided primarily through a State-administered refugee resettlement program. States provide transitional cash and medical assistance and social services to refugees, and maintain legal responsibility for the care of unaccompanied refugee children.

All California counties participating in the State-administered refugee resettlement receiving ORR social services or targeted assistance formula funds are required to submit an annual outcome goal plan. The California counties are heavily impacted by refugee resettlement and in some instances the California counties have more refugee arrivals than some States.

ORR provides funding for a broad range of social services to refugees, both through States and through direct service grants, to help refugees obtain employment and achieve economic self-sufficiency and social adjustment as quickly as possible. After deducting set-asides mandated by Congress, ORR, as in previous fiscal years, allocated 85 percent of the social service funds on a formula basis.

In June of FY 2000, ORR changed its policy regarding the start date for eligibility of asylees for ORR benefits and services from the date of entry into the United States to the date of the grant of asylum. In FY 2001 this policy change added approximately 37,000 asylees to the ORR caseload

eligible to receive cash and services. Adding the asylees to the refugee arrival ceiling (72,000) and entrant arrivals (19,000) increased ORR's total caseload to 128,000.

In FY 2002, the asylee policy change resulted in the addition of approximately 24,000 asylees to the estimated ORR caseload eligible to receive cash and services. Adding the asylees to the FY 2002 refugee arrival ceiling (70,000) and entrant arrivals (20,000) increased ORR's estimated FY 2002 caseload to 114,000. In addition, a new law passed in October 2000, the Trafficking Victims Protection Act (Pub. L. 106-386), made aliens who are victims of a severe form of trafficking in persons eligible for benefits and services under certain Federal or State programs to the same extent as refugees. For estimation purposes, ORR added 1,000 victims of a severe form of trafficking to the estimated FY 2002 caseload for a total estimated caseload of 115,000.

The Matching Grant program provides an alternative approach to the State-administered resettlement assistance. It provides voluntary agencies the opportunity to use focused intensive employment services, financial incentives, and the flexibility to experiment with creative solutions to the special employment problems of refugees in order to achieve early placements. The program's goal is to help refugees attain self-sufficiency within four months after arrival, without access to public cash assistance. This program provides comprehensive case management during enrollment and is targeted to families with at least one member deemed employable. Both of these features contribute to the high success rate for the CY 2001 performance in this program.

The definition of economic self-sufficiency – an integral component of the Matching Grant Program – is earnings/income for the total family at a level that enables a family unit to support itself without receipt of cash assistance.

ORR conducts on-site monitoring of selected States and other grantees to help them achieve improved client employment and self-sufficiency outcomes. ORR targets States that have large refugee populations and that receive significant ACF refugee program funding for monitoring. In monitoring, ORR assists States and grantees to identify strategies to improve outcomes on ORR performance measures and provides technical assistance on implementing program improvements.

Foreign policy decisions and crises affect the Refugee Program. ORR's ability to quickly resettle new arrivals depends not only on local job markets but also on the rate and number of refugee arrivals and refugees' special needs, educational levels, and English proficiency.

Program Partnerships

ACF refugee resettlement policies and activities are coordinated with the Department of State, State and community agencies, the Immigration and Naturalization Service, the Social Security Administration, the Department of Agriculture's Food and Consumer Service, as well as with TANF, Medicaid and other programs within HHS.

PROGRAM PERFORMANCE ANALYSIS

In FY 2001, 26 States did not meet their projected caseload target. The caseload consists of the number of refugees with whom a service provider had regular and direct involvement during the fiscal year in planned employment-related activities for the purpose of assisting the refugee to find or retain employment.

Some clients who request employment assistance receive services and in the midst of service provision find a job "on their own" but are unavailable or unwilling to share the employment information. Discrepant data are being reported for some cases because some States are struggling with identifying numbers of clients being served. For those employable clients receiving cash assistance, sometimes the assistance is reduced as a result of employment instead of terminated. In some States, more of the refugees served with ORR funding are hard to place and often need extensive longer-term assistance to find a job. ORR staff will continue to negotiate the goal setting process with partners to arrive at mutually acceptable goals and provide technical assistance where needed and program monitoring. Correcting discrepancies in data will be a priority.

Each year States are asked to set goals that represent continuous improvement over the previous year's performance. States that reach a high employment and self-sufficiency rate of 90 percent among employable refugees may establish goals to maintain that level of outcome instead of aiming for continued improvement. While States are encouraged to strive for continuous improvement, goal-setting is the result of a negotiation process.

National numbers do not tell the whole story. Many States significantly increased their performance, as indicated by the following analysis:

Entered employment: (Entered employment [job placements] is defined as the entry of an active participant in employment services into unsubsidized employment for at least one day during any quarter of the Federal fiscal year.) The number of job placements decreased by 6 percent in FY 2001. Nineteen States and four California counties exceeded their actual placements from last year. Eight States placed more than 90 percent of their caseload. Twenty-six States increased their FY 2002 target by five percent or more than their FY 2001 performance. Ten States met or exceeded the FY 2001 target they established.

Cash Assistance Terminations: (A cash assistance termination [grant termination] is defined as the closing of a cash assistance case due to earned income in an amount that is predicted to exceed the State's payment standard for the case based on family size, thereby rendering the case ineligible for cash assistance.) Twenty-two States and two California counties increased the number of cash assistance terminations over the previous year. Eight States met or exceeded the FY 2001 target they established. Twenty-four States increased their FY 2002 target by five percent or more of their FY 2001 performance.

Retentions: (This is a measure of continued participation in the labor market, not retention of a specific job. Employed means working for wages on the ninetieth day from placement at any unsubsidized job. Where there have been multiple placements for the same individual within the same Federal fiscal year, the date of the first employment entry is the start date for calculating the 90-day follow-up. An individual who is on strike on the ninetieth day is considered employed. An individual who has been laid off and does not anticipate returning to the same employment within 30 days is considered unemployed, unless the individual has obtained other employment.) Sixty-eight percent of refugees who found employment retained their employment for ninety days. Twenty-one States and five California counties improved the actual job retention rate over the previous year. In 31 States, more than 75 percent of job placements were retained for 90 days or more. Ten States met or exceeded the FY 2001 target they established. Sixteen States proposed increases in their FY 2002 target by five percent over their FY 2001 performance.

Entered Employment with Health Benefits: (Entered employment with health benefits available reflects the availability of health benefits [either at placement, or at any time within 6 months of placement] for those individuals who entered full-time employment. This is not a measure of how many individuals elect to enroll in health benefits, but rather how many jobs offer this option. Benefits should be considered available if self-only coverage is available to the employee, even if coverage is not extended to the employee's family members. Benefits are considered available without regard to whether the employee must contribute to the premium or whether the employee must wait for coverage.) Sixty-nine percent of full-time placements offered health insurance compared with 62 the year before. Twenty-one States and one California county increased their rates of health benefit availability over FY 2000. Ten States met or exceeded the FY 2001 target they established. Nineteen States increased their FY 2002 target by five percent or more of their FY 2001 performance.

FY 2001 showed significant improvement in the quality of jobs found for refugees. Thirty-eight States and eight California counties reported higher wages at placement than in FY 2000. Forty States reported average wage at placement of $7.00 or above, compared with 36 in the previous year. Average wage at placement in the State-administered program was $7.92, a four percent increase from FY 2000 ($7.58).

FY 2002 performance will be affected by a number of significant events. The terrorist attacks of September 11, 2001 had a serious immediate impact on the Refugee Resettlement Program (RRP). After September 2001, the Federal Government suspended refugee arrivals to the United States until new security procedures were implemented for overseas screening. The President established the FY 2002 refugee admissions ceiling of 70,000 on November 21, 2001. However, refugee arrivals to the United States did not resume again with any regularity until April 2002. As a result of the suspension of refugee arrivals and the slow re-start of overseas refugee processing, ORR anticipates severely diminished refugee caseloads in all States and the Matching Grant during FY 2002. For example, as of March 31, 2002, only 7,283 refugees had arrived in the United States during FY 2002. In prior fiscal years, more than 40,000 refugees had arrived by the end of the second quarter, with larger numbers arriving in the third and fourth quarters. Since ORR targets derived from the estimated caseload were formulated based on

assumptions of a continuous flow of uninterrupted refugee arrivals, ORR anticipates that the FY 2002 targets will not be met.

Many refugees have lost their jobs as a result of the economic downturn in the hospitality industry immediately following the terrorist attacks of September 11. These newly unemployed refugees require re-employment, re-training and vocationally specific English language training in order to compete in the post-September 11 economy. ORR regulations make services available to refugees for their first five years in the United States. Many of the newly unemployed refugees have been in the United States for more than five years. In order to make employment services available to newly unemployed refugees who have been in the United States more than five years, the Director of ORR used his waiver authority to extend services to refugees who have been in the United States more than five years. Thus, ORR caseload for FY 2002 may be composed largely of previously served refugees, rather than new arrivals.

There are also a number of refugees, formerly victims of civil war and ethnic persecution, who were re-traumatized by the terrorist acts of September 11 and are in need of mental health services prior to seeking re-employment. For example, a large number of refugees were employed in the North Tower of the World Trade Center in Executive Dining Rooms and other restaurants. Many of the survivors are too traumatized to work and are receiving intensive counseling. Others are refusing to accept work in high rise buildings in Manhattan and are seeking jobs in small businesses that cannot support additional hires unless the economy improves.

Performance Report

Since FY 1995 ORR has been working in partnership with States to implement the requirements of GPRA into ORR's State-administered program. The joint effort to set annual performance targets has encouraged the State-administered program to shift to more of an outcome-oriented focus. ORR convened a workgroup comprising State Refugee Coordinators and ORR staff in November 1994 to establish performance measures and annual outcome goals. The workgroup agreed the selection of performance measures would be based on the following criteria: measures must be results-oriented, quantifiable, based on reliable data; stated in terms of positive change in social or economic conditions for the refugees using the services; and measure program effectiveness.

The workgroup also recommended that States be required to establish annual outcome targets aimed at continuous improvement of performance for each of the selected program measures. All performance measures focus on increasing refugee early employment and self-sufficiency. The workgroup recommended the following six program measures as most representative and manageable for reporting purposes. Four of the six measures have been incorporated in the ACF GPRA plan.

Since FY 1996, States (and California counties) have submitted an end-of-year report to ORR comparing projected annual targets with actual targets achieved for each of the six measures. States may include a narrative to explain increases or decreases in performance due to local

conditions that may have affected performance during the year. This includes labor market conditions or other factors, such as unanticipated reduction in refugee arrivals.

ORR tracks State and county performance throughout the year. Shortfalls in measures 1.4a-d have occurred because the targets were projected using five percent incremental increases from the FY 1997 baseline year rather than from the actual performance from the previous year. Additionally, these targets did not reflect the annual fluctuations in caseloads. Many States were unable to meet their projected targets because they failed to meet their projected caseload.

The FY 2001 performance was as follows:

Entered Employments: The FY 2001 goal for measure 1.4a was 56,885. The actual totaled 45,893, a six percent decline from the number recorded in FY 2000 (48,820).

Entered Employment with Health Benefits: The FY 2001 goal for measure 1.4b was 30,613. The actual totaled 27,270, a one percent increase from FY 2000 (27,080).

Terminations due to Earnings: The FY 2001 goal for measure 1.4c was 18,169. The actual totaled 14,223, an eight percent decline from FY 2000 (15,539). This measure will be dropped for FY 2003.

Employment Retention: The FY 2001 goal for measure 1.4d was 41,824. The actual totaled 31,137, a seven percent decline from FY 2000 (33,626).

CY 2001 Performance in the Matching Grant Voluntary Agency Program: The Matching Grant Program emphasizes family self-sufficiency (independence from cash assistance) and is characterized by a strong emphasis on early employment and intensive services during the first four months after arrival. The performance measures are focused on the two most critical program goals: entered employments and the proportion of cases that are self-sufficient at four months after arrival in the United States.

Entered Employments: The CY 2001 goal for measure 1.4e was 9,504. The actual totaled 13,882, a 30 percent increase from the number recorded in CY 2000 (10,931).

Self-sufficiency at 120 days: The CY 2001 goal for measure 1.4f was 6,176. The actual totaled 10,442 cases, a 69 percent increase (4,266) over the projected target.

ORR has implemented a number of strategies aimed at challenging States to improve performance for targets that were not achieved. ORR publishes State and Matching Grant performance results in the Annual Report to Congress; certificates of commendation are presented to States with increased performance at the annual ORR national conference; and ORR staff negotiate the targets and provide technical assistance and monitoring to the States and Matching Grant Program grantees to achieve mutually acceptable goals.

ORR continues to focus on performance and encourages grantees to set aggressive goals. ORR

negotiates annual goals with each of its grantees and stresses continuous improvement. The extent to which ORR can predict future performance is limited, because of the emergency humanitarian nature of the refugee resettlement program. Response to international mass migrations of persecuted persons, such as the asylees and the "Lost Boys" from Sudan, places additional demands on ORR's domestic resettlement partners by dramatically increasing the numbers of refugees receiving ORR services. However, ORR's service network continues to place large numbers of newly arrived refugees in jobs each year.

Data Issues

Data are submitted quarterly by all States participating in the State-administered program via the quarterly performance report (Form ORR-6). Data for the Matching Grant are submitted to ACF three times per year on the Matching Grant Progress Report form. Baseline data for all measures in the State-administered program were derived from FY 1997 annual unduplicated outcome data as reported on the annual Outcome Goal Plans through FY 2002. As of FY 2003, targets will be calculated based on the previous year's actual performance. Baseline data for the Matching Grant program are derived from the Calendar Year 1997 Report. Matching Grant unduplicated annual performance data are submitted to ACF in February of each year.

Desk monitoring and tracking of quarterly performance report data occur quarterly in the State-administered program and three times per year in the Matching Grant program. Data are validated by periodic on-site monitoring in which refugee cases are randomly selected and reviewed. During on-site monitoring, outcomes reported by service providers are verified with both employers and refugees to ensure accurate reporting of job placements, wages and retentions. In addition, States conduct regular monitoring of ORR-funded contracts and grants.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

ORR has established the long-term performance objective of achieving an 85 percent entered employment rate for the program by FY 2012. An entered employment rate (EER) is the ratio of refugees entering employment relative to the number of refugees receiving employment services, expressed as a percentage. ORR will measure annual performance against the following performance objectives: States with a FY 2002 EER of less than 50 percent will be expected to achieve a five percent annual increase in this performance rate. States with a FY 2002 EER of greater than 50 percent will be expected to achieve a three percent annual increase in this rate. States that reach a high employment and self-sufficiency rate of 90 percent among employable refugees may establish goals to maintain that level of outcome instead of aiming for continued improvement. Average national EERs will be calculated (a) for all States, (b) for all except the two States with the largest caseloads, and (c) for each of the two cohorts listed above. ORR expects to establish national performance objectives for each of these categories.

In the refugee State-administered program, FY 2003 and FY 2004 targets are calculated using a new baseline year of FY 2002. Starting in FY 2003, ORR performance goals and targets will be calculated as a percentage of caseload, as opposed to a raw number. Because States base their

employment targets on projected caseloads, an over-estimation may result in setting more aggressive targets for all measures in years of fewer arrivals, resulting in shortfalls. Therefore, entered employment targets will be calculated by dividing the unduplicated number of persons who entered employment by the number of persons in the actual unduplicated caseload to arrive at the percent of persons who entered employment. This calculation is the basis for setting future targets. ORR will not be able to provide the targets for these measures until the data are reported for each preceding year.

The Matching Grant program baselines use the calendar year to reflect the matching grant program period. FY 2003-2004, targets are projected using a four percent increase in the Matching Grant program on performance measure 1.4f. and a five percent increase for 1.4e and 3 percent increase for the State-administered program (measures 1.4a-c) from the previous year.

1.4a. **FY 2003*: Increase the percent of refugees entering employment through ACF-funded refugee employment services by at least three percent annually from the prior year.***

FY 2004*: Increase the percent of refugees entering employment through ACF-funded refugee employment services by at least three percent annually from the prior year.*

In FY 2004, the entered employment goal will be calculated by determining the FY 2003 actual unduplicated number of persons who entered employment divided by the number of persons in the actual unduplicated FY 2003 caseload, to arrive at the percent of persons who entered employment. The target will reflect an annual increase of at least three percent from prior year's actual performance.

1.4b. **FY 2003*: Increase the percent of entered employments with health benefits available as a subset of full-time job placements by three percent annually from the prior year.***

FY 2004*: Increase the percent of entered employments with health benefits available as a subset of full-time job placements by three percent annually from the prior year.*

In FY 2004, the entered employment with health benefits goal will be calculated by determining the percent of entered employment with health benefits available as a subset of full-time job placements. This percent will be increased by at least three percent annually from prior year's actual performance.

1.4c. **FY 2003*: Increase the percent of refugee cash assistance cases closed due to employment by at least three percent annually as a subset of all entered employment from the prior year's actual performance. (Dropped)***

Measure 1.4c is being dropped since cash assistance terminations is not a significant measure for those refugees who re-enter the cash assistance rolls after initial employment and cash assistance termination. Also, early employment and cash assistance terminations, even if permanent, are uncertain measures of economic independence for families whose wage income is still too low to raise the family out of poverty.

1.4d. **FY 2003*: Increase the percent of 90-day job retentions as a subset of all entered employments by at least three percent annually from the prior year.***

FY 2004*: Increase the percent of 90-day job retentions as a subset of all entered employments by at least three percent annually from the prior year.*

Data Sources: ORR-6.

In FY 2004, the employment retention goal will be calculated by determining the percent of 90-day retention as a subset of all entered employment. This percent will be increased by at least three percent annually from prior year's actual performance.

ACF requires nonprofit agencies participating in the Matching Grant Voluntary Agency Program to set outcome goals each year on five outcome measures negotiated with the Matching Grant agencies. Only the first two outcome measures are included in this annual performance plan and report.

- Entered employments (job placements)
- Self-sufficiency at 120 days (cases and persons)
- Self-sufficiency at 180 days (cases and persons)
- Average hourly wage at placement
- Entered employments with health benefits available

The following two sets of measures track progress for this program:

1.4e. **FY 2003*: Increase the number of refugees who enter employment through the Matching Grant (MG) program as a subset of all MG employable adults by at least five percent annually from the prior calendar year's actual performance.***

FY 2004*: Increase the number of refugees who enter employment through the Matching Grant program as a subset of all MG employable adults by at least five percent annually from the prior calendar year's actual performance.*

1.4f. **FY 2003*: Increase the number of MG refugee families (cases) that are self-sufficient (not dependent on any cash assistance) within the first four months after arrival by at least four percent annually from the prior calendar year's performance.***

FY 2004: ***Increase the number of MG refugee families (cases) that are self-sufficient (not dependent on any cash assistance) within the first four months after arrival by at least four percent annually from the prior calendar year's performance.***

Data Source: Matching Grant Progress Report

1.5 SOCIAL SERVICES BLOCK GRANT

Program Purpose and Legislative Intent

The purpose of the Social Services Block Grant (SSBG) is to provide States with a flexible pool of resources to meet the changing needs of children and families. The program was established under title XX of the Social Security Act, as amended by Pub. L. 97-35. Funds are allocated to the States on the basis of population and support outcomes across the human service spectrum. SSBG outcomes align with several of ACF's strategic goals, including employment, child care, child welfare, adoptions and youth services. The SSBG resources give States the ability to target services in areas of greatest need, depending on State and local priorities. This reflects SSBG's guiding principles that States, local government, and communities are best able to determine the needs of individuals to help them achieve self-sufficiency, and social and economic needs are interrelated and must be met simultaneously.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
PERFORMANCE GOAL: Increase economic independence and productivity for families			
1.5a. Increase by one percent the number of child recipients of day care services funded wholly or in part by SSBG funds over the previous year's performance. Note: This measure has been incorporated as part of the child care measure 4.1d.	FY 03: Dropped FY 02: Increase 1% FY 01: 2,399,827 FY 00: NA FY 99: NA	FY 02: 12/03 FY 01: 3,150,776 FY 00: 2,834,703 FY 99: 2,620,938 FY 98: 2,399,827 FY 97: 2,207,622 FY 96: 1,863,160 FY 95: 1,697,606	Px 43
PERFORMANCE GOAL: Increase the health and prosperity of communities			

1.5b. Increase by one percent the number of adult recipients of home-based services funded wholly or in part by SSBG funds over the previous year's performance.	FY 03: Dropped FY 02: 339,253 FY 01: 339,253 FY 00: NA FY 99: NA	FY 02: 12/03 FY 01: 260,937 FY 00: 467,478 FY 99: 506,707 FY 98: 339,253 FY 97: 259,464 FY 96: 258,828 FY 95: 279,497	Px 43
1.5c. Increase by one percent the number of adult recipients of special services for the disabled funded wholly or in part by SSBG funds over the previous year's performance.	FY 03: Dropped FY 02: 328,729 FY 01: 313,075 FY 00: NA FY 99: NA	FY 02: 12/03 FY 01: 912,661 FY 00: 974,587 FY 99: 708,129 FY 98: 298,167 FY 97: 470,723 FY 96: 317,101 FY 95: 243,931	Px 43
PROGRAM GOAL: Improve the healthy development, safety, and well-being of children and youth			
1.5d. Achieve at the FY 2003 baseline the number of recipients of child protective services funded wholly or in part by SSBG funds.	FY 04: Baseline FY 03: Baseline FY 02: 1,302,895 FY 01: 1,302,895 FY 00: NA FY 99: NA	FY 04 FY 03: Baseline FY 02: 12/03 FY 01: 1,411,427 FY 00: 1,081,446 FY 99: 1,312,736 FY 98: 1,302,895 FY 97: 1,037,860 FY 96: 1,147,397 FY 95: 1,100%,303	Px 44
1.5e. Increase by one percent the number of recipients of information and referral services funded wholly or in part by SSBG funds over the pervious year's performance.	FY 03: Dropped FY 02: 1,348,171 FY 01: 1,321,736 FY 00: NA FY 99: NA	FY 02: 12/03 FY 01: 1,439,530 FY 00: 1,580,742 FY 99: 1,655,337 FY 98: 1,295,820 FY 97: 815,251 FY 96: 816,734 FY 95: 1,068,087	Px 44
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $1700.0 FY 03: $1700.0 FY 02: $1700.0 FY 01: $1725.0 FY 00: $1775.0 FY 99: $1909.0	Bx: budget just. section Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

States services funded by SSBG must be directed at one or more of five broad social policy goals:

- Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;
- Achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
- Preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests or preserving, rehabilitating, or reuniting families;
- Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
- Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

Because of the flexibility provided States in using SSBG funds, expenditures vary across the States and even from year to year within each State. However, for many States service delivery across the human service spectrum would not be possible without SSBG funding. Particularly in the area of adult protective services, States have few options in gaining Federal support, and nearly half of the States using SSBG funds for this purpose receive approximately 75 percent of the funding from SSBG.

Moreover, these examples highlight not only the enhanced capacity given the States under SSBG, but also the crosscutting nature of ACF programs.

Program Partnerships

SSBG achieves its performance goals through partnerships at the national, State and local level. As stated, this ensures a more effective targeting of support to meet State- and community-level needs. However, such partnerships also raise considerable challenges for results-based management. The flexibility provided under SSBG removes many of the control and reporting mechanisms available under the non-block grant type of programs.

PROGRAM PERFORMANCE ANALYSIS

Expenditures of SSBG funds have declined consistently from FY 1997 to FY 2001, due to decreases in annual SSBG appropriations. In FY 2001, expenditures of SSBG funds were $1.725 billion, which is 31 percent less than in FY 1997. In FY 1997, only two States reported expenditures of funds transferred from the TANF block grant; in FY 2001, 42 States reported such expenditures.

Performance Report

According to FY 2001 reports, States used $2.663 billion for services that were funded by SSBG (of which 36 percent were funds transferred from TANF), with nearly 13 million individuals

served at least partially by SSBG resources. Of these individuals served, 7.4 million (58 percent) were children, and 5.4 million (42 percent) were adults. States spent the two largest portions of SSBG funds on child welfare for child protective services ($314 million) and child foster care services ($270 million).

SSBG's child protective services measure (1.5d) focuses on State activities to prevent or remedy abuse, neglect, or exploitation, and negligent treatment or maltreatment, including failure to be provided with adequate food, clothing, shelter, or medical care. Component services or activities may include immediate investigation and intervention, emergency medical services, emergency shelter, initiation of legal action (if needed), counseling for the child and the family and other services. Approximately $314 million in SSBG funds were expended by 43 States in FY 2001 to serve 1.41 million children with protective services. States used more SSBG resources for child protective services in FY 2001 than for any other allowable service area.

SSBG funding also has enabled States to provide enhanced adult protective services. Thirty-two States reported spending $151 million in FY 2001 in this program area, achieving a higher service level than otherwise possible since there are few Federal resources available for this purpose. The SSBG report in FY 2001 included data from 50 States and the District of Columbia.

The following table has been included to illustrate how ACF is investing FY 2002 resources to improve the efficiency and effectiveness of the Social Services Block Grant program.

BUDGET TABLE LINKING INVESTMENTS TO ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcome
$10,000	Develop data collection tools	Improved data collection	Accurate, valid data collections system
$30,000	Revised report form and new instructions	Reduced number of discrepancies	Improved consistency of data

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

FY 2001 data are considerably more complete and accurate than data from prior years. Recently, ACF has taken steps, such as revising the post-expenditure form, to improve the clarity of reporting on services provided with these funds. The revised form and new instructions are intended to improve the consistency of reporting among States and reduce discrepancies in

reporting methodology. OMB has approved the revised reporting form, which will be used by States beginning with reporting for FY 2002.

SSBG data contain multi-year information and some of the dollars spent on services in FY 2001 may have been transferred from previous years or other programs. States report both total expenditures and SSBG expenditures. Total expenditures include all other Federal, State and local funds for each service that received SSBG funds. The complexity of many States' financial systems makes it difficult for them to provide accurate data on other sources of funds being applied to each of these services. Although all States submitted post-expenditure reports, many States were unable to provide information on total expenditures in their post-expenditure reports, so including this item would have excluded many more States from the analyses.

During this year, the Office of Community Services (OCS) assisted States in improving data collection and reporting. These data received from States are regularly validated. Problems arising through validation are discussed with States and technical assistance is provided where practical. While several problems exist, considerable improvement has been made to assist more States to report, and continuous progress is being made to increase validation rates and make the data more usable. OCS will continue to coordinate with other agencies and organizations to review and assess shifts in funding priorities in order to project accomplishment of ACF performance targets. ACF is committed to increasing the attention of States on more accurately reporting the results of their SSBG expenditures funded wholly or in part by SSBG funds.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Increase economic independence and productivity for families.

1.5a. **FY 2003:** ***Achieve at the FY 2003 baseline level the number of child recipients of day care services funded wholly or in part by SSBG funds. (Dropped)***

This measure has been incorporated into the childcare measure 4.1d.

PROGRAM GOAL: Increase the health and prosperity of communities.

1.5b. **FY 2003:** ***Increase by one percent the number of adult recipients of home-based services funded wholly or in part by SSBG funds over the previous year's performance. (Dropped)***

1.5c. ***FY 2003: Increase by one percent the number of adult recipients of special services for the disabled funded wholly or in part by SSBG funds over the previous year's performance. (Dropped)***

The above measures tracked the number of adult recipients of home-based services and special services for the disabled. ACF is dropping these two measures to focus on the ACF program goal of improving the well-being of children.

PROGRAM GOAL: Improve the healthy development, safety, and well-being of children and youth

1.5d. **FY 2003:** ***Establish a FY 2003 baseline for the number of recipients of child protective services funded wholly or in part by SSBG funds.***

FY 2004: ***Achieve at the FY 2003 baseline the number of recipients of child protective services funded wholly or in part by SSBG funds.***

This revised measure will more accurately state the level of service delivery for child protective services under SSBG using the new FY 2003 baseline. As SSBG resources decline, the program strives to achieve the baseline standard performance.

1.5e. FY 2003: Increase by one percent the number of recipients of information and referral services funded wholly or in part by SSBG funds over the previous year's performance. (Dropped)

ACF is dropping this measure to focus on the ACF program goal of improving the well-being of children.

2. INCREASE INDEPENDENT LIVING

Approach for the Strategic Objective: Empower individuals with developmental disabilities to move into their own homes, increasing their personal control and participation in their community.

2.1 DEVELOPMENTAL DISABILITIES (HOUSING)

The DD housing goal is to increase the opportunities of adults with developmental disabilities to choose where and with whom they live and to have the services they need to support these choices. This goal encompasses issues such as having the opportunity to make choices about where to live and the ability to own their own homes, as well as basic principles of affordability and accessibility. ACF's DD housing measure will be critical to the President's New Freedom initiative that emphasizes providing support to families of children with disabilities so that they may care for and nurture their children at home. (See information on DD program purpose, legislative intent, and program partnerships under Strategic Objective 1, above.)

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
PROGRAM GOAL: Increase the opportunities of adults with developmental disabilities to choose where and with whom they live and to have the services they need to support these choices.			
***Objective**: Increase the number of people with developmental disabilities owning or renting their own homes.*			
2.1a. Achieve the targeted number of people with developmental disabilities owning or renting their own homes as a result of DD program intervention.	FY 04: 4,015 FY 03: 4,015 FY 02: 8,000 FY 01: 7,500 FY 00: 2,132 FY 99: 2,079	FY 04: FY 03: FY 02: 3/03 FY 01: 4,013 FY 00: 7,308 (Rev. Baseline) FY 99: 34,904 FY 98: 19,649	Px 46 HHS 6.1/ 6.3

PROGRAM DESCRIPTION AND CONTEXT

As described under Strategic Goal 1, the State Council, the UCEDD(s), and the P&A system in each State contribute to pursuing housing for persons with developmental disabilities in accordance with State legislation. State Councils usually have the lead in promoting the development of housing options and their interventions include educating mortgage lenders, training potential homeowners and funding projects to demonstrate innovative practices to achieve positive outcomes.

PROGRAM PERFORMANCE ANALYSIS

The State Councils have the flexibility to focus on a broad array of DD issues. Trend analysis of achievement should increase ACF's ability to project future targets.

Availability of accessible housing is influenced by multiple factors in the environment. Primary factors include the impact of the economy on housing costs (owning and renting), the perceived cost of making housing accessible to people with disabilities, the impact of social attitudes regarding the desirability and potential for people with developmental disabilities to live freely in the community, and the negative attitudes of businesses and banks regarding making loans, selling homes, or renting to persons with developmental disabilities. All of these factors increase the difficulty for social services programs to provide access to DD housing.

Performance Report

(See information on DD program "Budget Table Linking Investments to Activities/Outputs/ Outcomes" under Strategic Objective 1, above.)

State Councils in 32 States and Territories reported 4,013 people with developmental disabilities owning or renting their own homes (measure 2.1a), as a consequence of State Council intervention. This performance fell significantly short of both the FY 2000 actual and the FY 2001 target, which was based on the FY 2000 actual. This shortfall occurred in FY 2001 due to the need for States to target resources on other priority DD issues.

Data Issues

Many of the same data issues discussed in the context of DD employment measures affect the housing measure (2.1a). State Councils generate both target and outcome data for this indicator and submit target data to ACF via the EDS system as part of their Statement of Goals and Priorities (SGP) in the legislatively-mandated Program Performance Report (PPR), which is also submitted on the EDS system. Both the SGP and the PPR are submitted annually on January 1.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Increase the opportunities of adults with developmental disabilities to choose where and with whom they live and to have the services they need to support these choices.

Objective: Increase the number of people with developmental disabilities owning or renting their own homes.

2.1a. **FY 2003*: Achieve 4,015 persons with developmental disabilities owning or renting their own homes as a result of DD program intervention.***

FY 2004*: Achieve 4,015 persons with developmental disabilities owning or renting their own homes as a result of DD program intervention.*

Data Source: DDC annual Program Performance Report (PPR)

As described earlier under Strategic Objective 1, targets for FY 2003 and FY 2004 are set by the State Councils and reported in their State Plans. The targets are strategic in nature and are viewed as guides rather than firm performance targets. Housing targets have been maintained due to competing program priorities in areas such as education, child care, health, employment, and transportation services provided by the State Councils.

2.2 ASSETS FOR INDEPENDENCE (INDIVIDUAL DEVELOPMENT ACCOUNTS)

Program Purpose and Legislative Intent

The purpose of the Assets for Independence Demonstration Program is to promote asset accumulation among lower-income working families as a tool to help them achieve self-sufficiency and enter the economic mainstream. The program provides incentives through matching contributions to investments of limited income working families in Individual Development Accounts (IDAs), which can be used for purchase of a first home, post-secondary education, or business capitalization. It was established by the Assets for Independence Act (AFI Act), under title IV of the Community Opportunities, Accountability and Training and Educational Services Human Services Reauthorization Act of 1998, Pub. L. 105-285.

The major goals of the program are to design demonstration projects that will determine (1) the social, civic, psychological, and economic effects of providing individuals and families with limited means an incentive to accumulate assets by saving a portion of their earned income; (2) the extent to which an asset-based policy that promotes saving for post-secondary education, homeownership and small business capitalization may be used to enable individuals and families with limited means to increase their economic self-sufficiency; and (3) the extent to which an asset-based policy stabilizes and improves families and the community in which they live.

Summary Table

Performance Measures	**Targets**	**Actual Performance**	**Reference (page # in printed document)**
2.2a. The number of participants that have opened IDA accounts.	FY 03: Dropped FY 02: 5,389	FY 02: 6/03 FY 01: 4,037 (Baseline)	Px 52
2.2b. The number of participants receiving financial literacy education and asset-related training/services.	FY 03: Dropped FY 02: 5,945	FY 02: 6/03 FY 01: 4,453 (Baseline)	Px 52
2.2c. Increase acquisition of post-secondary education, homeownership and small business capitalization by low-income working families. (Developmental)	FY 04:	FY 04: FY 03: Baseline	Px 52 HHS 6.1

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
Total Funding (dollars in millions) **See detailed Budget Linkage Table Part I for line items included in funding totals.**	FY 04: $24.9 FY 03: $25.0 FY 02: $24.9 FY 01: $24.9 FY 00: $10.0 FY 99: $10.0	Bx: budget just. Section Px: page reference	

PROGRAM DESCRIPTION AND CONTEXT

The Assets for Independence Demonstration Program is a matched savings/investment program for lower-income individuals and families. Participants enter into a Savings Plan Agreement with the project grantee which establishes a schedule and goal of savings from earned income to be matched at an agreed rate which can be from one to eight dollars for each dollar saved. Matching contributions are made by the grantee at least quarterly from equal parts of Federal grant funds and non-Federal share contributions to the project. Matched savings may be expended for either (1) the purchase of a principal residence by a first-time homebuyer, (2) the capitalization of a business, or (3) the expenses of post-secondary education.

Competitive grants are made to eligible applicants, which include private, not-for-profit 501(c)(3) organizations; State and local governmental agencies or Tribal governments applying jointly with eligible not-for-profit organizations; credit unions that have been designated as Low Income Credit Unions by the National Credit Union Administration; and/or Community Development Financial Institutions (CDFI), so designated by the Treasury Department or the CDFI Fund.

This program is entering its fourth year of a five-year authorization, with the AFI Act scheduled to sunset at the end of FY 2003. It should be noted, however, that focus on the program will remain for several years following the sunset period, regardless of reauthorization. Projects funded at the end of FY 2003 will run through FY 2008. And Section 414(b)(5) of the Act calls for evaluation of "the potential financial returns to the Federal Government and to other public sector and private sector investors in individual development accounts over a five-year and ten-year period of time."

A first round of 40 demonstration grants was funded in August and September 1999 for 5-year demonstration projects. In FY 2000, OCS received another $10 million appropriation with which it made 25 new competitive grants to new applicants and 17 supplementary grants to FY 1999 grantees. These supplementary grants were made to grantees that demonstrated their ability to raise additional non-Federal share dollars, that could document successful operation of their project so far, and that identified unmet need that could only be met with supplemental funding. In FY 2001 OCS received an appropriation of $25 million with which it made 78 competitive five-year grants: 58 to new applicants and 20 to existing grantees.

Financial literacy education and asset-specific training related to the savings goal are required elements of all AFIA-funded demonstration projects. They are critical to most participants' success in attaining assets and having them contribute to wealth accumulation over the long term. In addition, over 95 percent of AFIA projects provide some ancillary services, themselves or through referrals, to reinforce the ability of participants to achieve their savings goals. These can include employment support, childcare, transportation, credit repair, and crisis intervention services such as revolving loan funds that can help participants weather unexpected life events. Additional resources offered by many AFIA projects that help put the asset within reach include other financial support such as down payment assistance, special financing arrangements, and discounts or free services related to the purchase.

Each of these grantees will produce yearly progress reports within 60 days of completion of the project year. The Secretary will submit interim annual progress reports to Congress, using the information provided in these progress reports.

Program Partnerships

ACF works in partnership with selected States and local grantees toward achieving the goals of this program. ACF has found that a key to successful project implementation is the development of effective, mutually supportive relationships between grantees and their partnering financial institutions, and OCS technical assistance efforts focus on strengthening these relationships. Other external variables that will continue to influence the achievement of program goals include the health of the local economy and job availability; systemic barriers to employment such as availability of transportation and affordable day care; support of the banking, business, and foundation communities in providing non-Federal matching contributions; collaboration with other social service programs such as Weatherization Assistance and the Residential Energy Assistance Challenge Option Program (REACh), that can help to ensure the soundness and energy efficiency of dwellings purchased by IDA account holders; and the availability of support structures that enhance job retention and advancement of IDA program participants.

PROGRAM PERFORMANCE ANALYSIS

Strong evidence for the positive influence of asset ownership, particularly that of a home, business, or post-secondary education, is summarized in Dalton Conley's book, *Being Black, Living in the Red* (University of California Press: 1999). Based on data collected by the University of Michigan's Panel on Income Dynamics (PIDS), which contains data on over 68,000 households, Professor Conley demonstrated that asset ownership increases quality of life, intergenerational economic and educational performance, and family stability and reduces the likelihood of suffering adverse events, including involvement with the criminal justice system. Of note is the finding that asset ownership has a more powerful effect on life chances than racial or ethnic identity and social class.

ACF will assess the effectiveness of the IDAs based on evaluation research being conducted. (Note: Section 414(a) of the AFIA requires the Secretary to enter into a contract with an

independent research organization for the purpose of a project evaluation.) The evaluation is entering its second year of site visits and participant interviews. A major focus of the evaluation involves looking at the economic, civic, psychological, and social effects of asset accumulation among lower income populations and communities. Within the framework of this overall impact assessment, the evaluation also explores the effects of project design, incentives, and institutional support on savings behavior; the savings rates based on demographic characteristics of participants; the effects of IDAs on participant achievement of asset goals; and other lessons to be learned from the funded demonstration projects, including whether a permanent IDA program should be established.

Achieving substantive impacts with IDAs takes considerable effort on the part of grantees. The concept itself must be fully explained, and high levels of program marketing, participant recruitment and program adaptation are required. Agencies administering IDA initiatives typically must revise outreach and intake strategies several times in order to find the right "marketing message" for their particular target population. This often entails conducting numerous focus groups and surveys with potential clients to identify the best way to explain the IDA account structure, program requirements, and recruitment expectations.

Performance Report

As of September 2001, grantees for FY 1999 and 2000 reported opening 4,037 IDAs and making a total of $1,639,035 in savings deposits (2.2a). The 4,037 figure is the baseline for this performance measure. Given the fact that the income of most account holders was below 150 percent of poverty, these savings figures represent a substantial achievement by the grantees.

Financial and asset-related training was offered to 6,546 participants as of September 2001, with 4,453 participants completing their entire training program (2.2b). These two measures will be dropped effective FY 2003 as ACF moves toward a more outcome-oriented measure (see measure 2.2c below) based on participants actually completing their IDAs and acquiring their assets.

In their applications for funding, the FY 1999 and 2000 grantees cumulatively projected opening 7,584 IDAs during their five-year project periods. Although many grantees began the process of opening accounts within the first several months of the project, early research indicates that successful IDA programs generally undertake a thorough planning and preparation process prior to beginning participant recruitment – a process often requiring several months from initial outreach to the opening of accounts.

BUDGET TABLE LINKING INVESTMENTS TO ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcomes
$500,000	Mandated Evaluation	Evaluation Report	Program decision
$950,000	Technical Assistance Prebid conferences and reports	Increase in number of applications and improved quality of projects	More efficient operation of projects, increasing efficacy of projects and higher successes among participants
$600,000	Project monitoring and stewardship	Improved operation of projects	More efficient operation of projects, increasing efficacy of projects and higher successes among participants
$400,000	Common Expenses and associated costs (GATES, PSC, office expenses)	Data and contract operations	Effective decision-making
$22,540,000	Grant making	80 grants/year	Service to clients

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

The Assets for Independence Act allocates up to $500,000 per year of the appropriated funds to evaluate the overall demonstration program in addition to the funds grantees are required to expend on data collection. The agency requires the grantee to provide a well thought-out plan for collecting, validating and reporting the necessary data in a timely fashion. The grantee is encouraged to identify the kinds of data it believes would facilitate the management information, reporting, and evaluation purposes. The grantee agrees to cooperate with the evaluation of the national program. Grantees are urged to carry out an ongoing assessment of the data and information collected as an effective management/feedback tool in implementing their project. OCS, through its technical assistance contractor, will provide all AFIA grantees with a new Asset Development Information System that will greatly facilitate maintenance, collection, validation, and transmission of project data essential to the program evaluation.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: To increase family stability and self-sufficiency through the accumulation of assets using a matched savings/investment program.

2.2a. **FY 2003:** ***The number of participants that have opened IDA accounts. (Dropped)***

In FY 2003, the projects will have progressed sufficiently to provide significant numbers of participant achievements in completing IDA accounts. ACF is beginning to have measurable data and information on clients' progress toward these interim goals in their movement out of poverty, i.e., how many clients have completed their IDA accounts and how many have translated that into the acquisition of an appreciable asset. Still, these are interim outcome measures for account holders' achievement of economic self-sufficiency and entry into the economic mainstream. Consequently, ACF proposes dropping measure 2.2a in FY 2003.

2.2b. **FY 2003*: Increase to 16,000 the number of low-income families receiving financial literacy and asset-related services. (Dropped)***

Measure 2.2b is being dropped because it measures the number of people receiving services rather than acquisition of education and/or assets as a result of their investment in IDA accounts.

Developmental Measure

2.2c. **FY 2004*: Increase acquisition of post-secondary education, homeownership and small business capitalization by low-income working families.***

Data Source: Annual Progress Reports

With the completion of IDA accounts, the clients will have sustained themselves through a rigorous investment plan including the depositing of significant amounts of savings and will be primed for moving to the next step in the process of economic self-sufficiency. Account holders will have acquired an appreciable asset – a first home, a new business, or enrollment in post-secondary education (measure 2.2c). These assets have been demonstrated to increase quality of life, intergenerational economic and educational performance, and family stability, as well as to reduce the likelihood of the family suffering adverse events.

All these will have long term effects on their futures. Account holders will also have completed both financial literacy education and asset-specific training, which will enable them to deal more successfully with the complexities of banking and financial planning and the challenges of home ownership, business management and career planning.

3. INCREASE PARENTAL RESPONSIBILITY

Approach for the Strategic Objective: Establish paternity for children born out of wedlock and ensure that parents support their children.

3.1 CHILD SUPPORT ENFORCEMENT

Program Purpose and Legislative Intent

The mission of ACF's Child Support Enforcement (CSE) program is to assure that assistance in obtaining support is available to children by locating parents, establishing paternity and support obligations, and modifying and enforcing those obligations. The Office of Child Support Enforcement (OCSE) works in cooperation with State agencies to achieve these goals.

Summary Table

Performance Measures	**Targets**	**Actual Performance**	**Reference (page # in printed document)**
PROGRAM GOAL: All children have parentage established			
Objective*: Increase the number of paternities established, particularly those established within one year of birth.*			
3.1a. Increase the paternity establishment percentage (PEP) among children born out of wedlock. (This includes not only current paternity established cases but also completion of backlogs of older IV-D cases.)	FY 04: 99% FY 03: 98% FY 02: 97% FY 01: 96.5% FY 00: 96% FY 99: 96%	FY 04: FY 03: FY 02: 9/03 FY 01: 102% FY 00: 95% FY 99: 106%	Px 61 HHS 7.3
PROGRAM GOAL: All children in IV-D cases have financial and medical support orders.			
Objective*: Increase the percentage of IV-D cases with orders for financial support.*			
3.1b. Increase the percentage of IV-D cases having support orders.	FY 04: 70% FY 03: 67% FY 02: 64% FY 01: 62% FY 00: 76% FY 99: 74%	FY 04: FY 03: FY 02: 9/03 FY 01: 66% FY 00: 62% FY 99: 60%	Px 62 HHS 7.3
PROGRAM GOAL: All children in IV-D cases receive financial and medical support from both parents.			
Objective*: Increase the collection rate.*			
3.1c. Increase the IV-D collection rate for current support.	FY 04: 60% FY 03: 58% FY 02: 55% FY 01: 54% FY 00: 71% FY 99: 70%	FY 04: FY 03: FY 02: 9/03 FY 01: 57% FY 00: 56% FY 99: 53%	Px 63 HHS 7.3

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
***Objective**: Increase paying cases.*			
3.1d. Increase the percentage of paying cases among IV-D arrearage cases.	FY 04: 60% FY 03: 59% FY 02: 55% FY 01: 54.5% FY 00: 46% FY 99: 46%	FY 04: FY 03: FY 02: 9/03 FY 01: 59% FY 00: 57% FY 99: 55%	Px 63 HHS 7.3
***Objective**: Make the process more efficient and responsive.*			
3.1e. Increase the cost-effectiveness ratio (total dollars collected per $1 of expenditures).	FY 04: $4.35 FY 03: $4.25 FY 02: $4.20 FY 01: $4.00 FY 00: $5.00 FY 99: $5.00	FY 04: FY 03: FY 02: 9/03 FY 01: $4.18 FY 00: $4.21 FY 99: $3.94 FY 98: $4.00	Px 64 HHS 7.3
Total Funding (dollars in millions)-Net Budget Authority * **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $3856.0 FY 03: $3521.6 FY 02: $3235.6 FY 01: $3429.8 FY 00: $3267.8 FY 99: $2965.5	Bx: budget just. Sections Px: page # performance plan	
*These totals represent net Budget Authority and do not include obligation levels for Child Support Enforcement Programs.			

PROGRAM DESCRIPTION AND CONTEXT

ACF implements the child support provisions of the law through technical assistance, tracking parents, and helping collect court-ordered support payments. This strategy has been achieved through a variety of means, including implementing Federal policy, technical assistance, training, information dissemination, a more performance-based incentive funding structure, and Federal oversight and assistance with State-based quality assurance.

The CSE Program is federally funded, i.e., the Federal government pays 66 percent of State administrative costs and 90 percent of paternity laboratory costs, and the program is administered by State and local governments. The Federal role is to provide direction, guidance, technical assistance, oversight, and some critical services to States' CSE Programs for activities mandated under title IV-D of the Social Security Act. PRWORA provided new and effective tools for enforcing child support. These tools are having a significant impact on ACF's ability to collect support.

ACF continues efforts to broaden parental responsibility, especially the involvement of fathers in the lives of their children through several means: first, by focusing attention on the fathers'

positive role in improving their children's well-being; second, by ensuring that ACF research agendas focus on the role of fathers in families and the effects of fathering on children's well-being; third, by using positive messages and language about fathers and fatherhood in publications and announcements; and finally, by ensuring that ACF's own workforce policies encourage and enable fathers to balance work and family life responsibilities.

Working in partnership with States, ACF will use the following resources and tools to achieve the FY 2004 performance goals:

- Federal match of State administrative expenditures (66 percent);
- Data Reliability Audits of performance data and related technical assistance provided to States by Federal auditors;
- All incentive funding to States will be based on State performance in paternity establishment, order establishment, current support collections, arrears cases paying and cost effectiveness;
- Section 1115 research grants, one percent and two percent set-aside funding to provide technical assistance, supportive contracts, and research and demonstration grants;
- Child access and visitation grants;
- Expanded Federal Parent Locator Service, including a database of new hires and child support cases to assist States to locate parents and obtain support through wage withholding;
- Federal Tax Refund/Administrative Offset program to offset income tax refunds and selected Federal payments to child support obligors;
- ACF central office child support (138) and regional office outstation (57) employees estimated at 195; and
- Central office child support staff are supplemented by approximately 145 contractor staff located both on- and off-site.

Program Partnerships

ACF has instituted several mechanisms to ensure internal and external coordination. Child Support reforms are being coordinated at several levels. OCSE was a GPRA pilot and many PRWORA reforms have been integrated into GPRA project activities. HHS has coordinated efforts to increase parental responsibility by promoting and encouraging father involvement through a fatherhood initiative that has representatives from all HHS agencies. Meeting regularly to foster coordination and collaboration across HHS, this group has established working relationships with many non-governmental groups working to promote fathers' involvement in the lives of children. The faith-based community has been contacted to help spread the word on parental responsibility, marriage and child support services.

OCSE has partnered extensively with a range of Federal agencies/programs and State and local entities. The Expanded Federal Parent Locator Service uses data from employers, State Child Support agencies, and State Employment Security agencies to implement the National Directory of New Hires and Federal Case Registry. Treasury's Financial Management Service is a partner in the IRS Tax Refund Offset and the Administrative Payment Offset programs. The State

Department is a partner in denying and revoking passports of individuals meeting certain delinquency criteria. OCSE has coordinated with numerous multi-State and in-State financial institutions to identify assets of non-custodial parents. OCSE has also collaborated with foundations, community-based organizations and State and local child support programs to launch demonstration projects in 10 sites to promote responsible fatherhood. These three year "fragile family" demonstrations, begun in March 2000, total $15 million including $10 million in Federal funding. Final evaluations will be available in FY 2005.

In order to direct more resources to holding non-custodial parents responsible, OCSE's Project Save Our Children (PSOC) partnered with the Department of Justice, U.S. Attorneys, the Federal Bureau of Investigation, the HHS Inspector General, and numerous State and local law enforcement agencies. OCSE reached out to the Department of Labor's Welfare to Work program to secure funds to benefit non-custodial parent job training. OCSE enlisted other ACF programs including Head Start, Foster Care and Child Care to educate clients about child support services. OCSE collaborated with the domestic violence community to inform service providers of the importance of child support and to ensure the safety of victims seeking child support services.

PROGRAM PERFORMANCE ANALYSIS

Welfare Reform: PRWORA is having a dramatic impact on the child support program. This law added major new responsibilities and increased workloads for both State and Federal staff. As described below, the CSE program has been greatly strengthened by the welfare reform law.

PRWORA provided new tools to the CSE program to secure emotional and financial support for many of the nation's children. Some of the new support enforcement tools are the National Directory of New Hires (NDNH), the Federal Case Registry (FCR), Financial Institution Data Matches, State Disbursement Units, activities in Paternity Establishment, and the Passport Denial program. PRWORA included significant enhancements of State and Federal data systems. States are now required to have a State Directory of New Hires and a State Case Registry for Child Support Enforcement. Together, the NDNH and the FCR give States the ability to track non-custodial parents across State lines using a complete and automated system. These various tools provided by the welfare reform law generate direct collections and also ancillary benefits. Some States are beginning to use matches provided by the system to locate custodial parents to distribute child support payments. The landscape of child support enforcement is changing because of the speed, efficiency, and effectiveness of this new system.

ACF and its partners use several reporting systems to facilitate this strategy. First, the Federal Parent Locator Service helps to locate non-custodial parents, as well as their employers and assets. This allows for establishing and enforcing child support orders. Second, the NDNH and FCR are operational and help to locate absent parents across State lines.

ACF works with the Department of State to deny passports to non-custodial parents who are not fulfilling their child support obligations. As many as 60 passports are denied every business day. Since the program's inception in June 1998, the States have collected more than $14 million in

lump sum payments. This amount does not include collections made through payment plans into which non-custodial parents enter upon denial of their passport.

ACF operates the Multi-State Financial Institution Data Match (MSFIDM) with financial institutions and works with State partners to implement the In-State Financial Institution Data Match that assists in identifying non-custodial parent assets. From January 1, 2002, through March 31, 2002, more than 1.8 million matches were returned from the multi-State financial institutions, based on matching social security numbers. As of December 2001, more than 4,500 financial institutions are participating in the MSFIDM. States are using arrangements including in-house, consortia, and outsourcing to implement the in-State financial institution data match with local financial institutions.

Project Save Our Children, an initiative on criminal child support enforcement, has succeeded in its pursuit of chronic delinquent parents who owe large sums of child support. Since the project's creation in 1998, multi-agency regional task forces have received more than 4,250 referrals, resulting in 486 arrests, 421 convictions and civil adjudications, and court orders to pay more than $16 million in owed child support.

Incentive funding: The CSE program includes an incentive funding system with a formula based in statute. PRWORA required the Secretary to develop a new revenue-neutral, performance-based incentive funding formula in consultation with the States. The old incentive funding system, which paid rewards to States based on cost-effectiveness was in effect until FY 2001, when a new system, enacted by the Child Support Performance and Incentive Act of 1998 (CSPIA), was phased in beginning in FY 2000.

For FY 2001, States were able to earn one-third of what they earned under the traditional cost-effectiveness formula. Two-thirds of the $429 million FY 2001 incentive pool was available to all States to be shared under the performance-based incentive formula. The formula continues to be instrumental in driving the CSE program toward achievement of its performance targets. This performance plan employs the same five performance measures enacted by CSPIA:

- **Statewide paternity establishment percentage (PEP)**

$$\frac{\text{Number of Children in State with Paternity Established or Acknowledged during the FY}}{\text{Number of Children in State Born Out-of-Wedlock in the Preceding FY}}$$

- **Percentage of IV-D cases with support orders:**

$$\frac{\text{Number of IV-D Cases with Support Orders}}{\text{Number of IV-D Cases}}$$

- **IV-D collection rate for current support:**

$$\frac{\text{Collections on Current Support in IV-D Cases}}{\text{Current Support Amount Owed in IV-D Cases}}$$

- **IV-D arrearage cases paying:**

$$\frac{\text{Number of IV-D Cases Paying Toward Arrears}}{\text{Number of IV-D Cases with Arrears Due}}$$

- **Total dollars collected per $1 of expenditures:**

$$\frac{\text{Total of IV-D Dollars Collected}}{\text{Total of IV-D Dollars Expended}}$$

To implement the new incentive system, OCSE has trained States on the incentive measures, the formula for calculating payments and revised data reporting. OCSE's auditors are closely monitoring the ability of States to report reliable data and are also assessing the validity of State-reported data. Data reliability audits for FY 2001 began in January 2002 and were completed in August 2002. OCSE performs an analysis of the data and compiles a preliminary data report each summer. Final incentives were calculated in September 2002.

Performance Report

The OCSE Audit Division has completed all FY 2001 data reliability audits and issued final reports for all States. For FY 2000 actual data, the reliability standard was 90 percent, but for FY 2001 the standard increased to 95 percent. ACF has greater confidence in the data for actual performance at this higher standard. The FY 2001 data shown below are final.

Paternities (measure 3.1a): The number of children born out of wedlock with paternity established or acknowledged in FY 2001 is approximately 1.6 million, providing a Statewide paternity establishment percentage of 102 percent (this includes backlogs of older IV-D cases). The target is 96.5 percent. ACF will continue to provide technical assistance, early interventions, training and education activities to help individuals better understand their parental responsibilities.

Support Orders (measure 3.1b): In FY 2001, approximately 11 million cases had support orders established out of 17.2 million IV-D cases (66 percent). This reflects an increase of three percent over the previous year (approximately 10.7 million support order cases out of 17.3 million IV-D cases were established). The FY 2002 target was increased based on the actual performance in FY 2000. PRWORA has provided States with administrative authority and other means of more effectively establishing orders, and more States are moving to administrative procedures as opposed to court orders. Further, PRWORA requires that all States enact the Uniform Interstate Family Support Act, a model State law for interstate cases, which allows them to establish orders against non-residents. These strategies will help OCSE improve performance. State staffing levels remain about the same while IV-D caseloads with support orders continue to increase slightly, making this target difficult to increase. Thirty-two States increased their caseload in FY 2001. ACF anticipates conducting assessments to provide recommendations to States on appropriate staffing levels.

Collections on Current Support (measure 3.1c): The total amount of child support distributed as current support in FY 2001 was $14.2 billion, approximately a ten percent increase from FY 2000. The total amount of current support due in FY 2001 was $24.7 billion, which is approximately a seven percent increase from FY 2000. This provides a collection rate for current support of 57 percent. The FY 2002 target was increased based on the actual performance in FY 2000. OCSE is committed to achieving a higher performance level by focusing on improved enforcement techniques and ensuring more reliable data. Particular emphasis will be placed on automated mechanisms for enforcement, collections, and payments to families. These efforts have been enhanced by PRWORA, which provides States with new hire reporting, uniform procedures for interstate cases, centralized collection and disbursement, and enhanced wage-withholding procedures.

Cases Paying Toward Arrearages (measure 3.1d): There are 10.3 million cases with arrearages due in FY 2001 which is a four percent increase from FY 2000. Total cases paying toward arrearages is 6.1 million in FY 2001, a nine percent increase from FY 2000. This provides a percentage of paying cases among IV-D arrearage cases of 59 percent. The FY 2002 target was increased based on the actual performance in FY 2000. OCSE will focus on improved enforcement techniques emphasizing automated mechanisms for enforcement, collections, and payments to families.

Collections (measure 3.1e): In FY 2001, collections reached a record high of $19 billion, a six percent increase from the previous fiscal year. The inter-State collections totaled $1.2 billion.

Expenditures (measure 3.1e): Under the Child Support Performance and Incentive Act cost effectiveness ratio, the national ratio is $4.18 in FY 2001. The collections distributed ($19 billion), inter-State collections ($1.2 billion), and fees retained by other States ($14.3 million) total $20.1 billion. The administrative expenditures ($4.8 billion), less the non-IV-D costs ($14.5 million), total approximately $4.785 billion in FY 2001. States have increased administrative investments in automated data processes (up seven percent in FY 2001). These expenditures are expected to continue to increase in future years to improve the efficiency of State programs through automated systems. State administrative expenditures are included in Federal audits.

In summary, new collection tools and program improvements, such as new hire reporting and increasing Statewide automation, have increased collections but they have not been fully implemented in all States. Performance targets for FY 2003 and 2004 for all five measures will increase from FY 2002.

The following one percent and two percent table has been included to illustrate how ACF invested FY 2001 resources to improve the efficiency and effectiveness of the Child Support Enforcement program at the State and local community levels.

BUDGET TABLE LINKING INVESTMENTS

TO ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcomes
1% Budget			
$3,800,000	Research, demonstration & special projects	Grants	Increased knowledge
$5,515,000	Training & technical assistance	State/Tribal outreach	Increased program knowledge
$1,410,000	Information dissemination	Printing of material	Information sharing
2% Budget			
$20,100,000	Expanded Federal Parent Locator (eFPLS)	Matched computer records	Increased collections
$2,136,000	Research & demonstration	Grants	Increased knowledge
$1,200,000	Project Save Our Children	Criminal enforcement	Increased collections

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

State Automated Systems: States currently maintain information on the necessary data elements for the five program measures. Most States use an automated system to maintain these data, while a few maintain the data manually. All States were required to have a comprehensive, Statewide, automated CSE system in place by October 1, 1997. Fifty-two States and Territories indicate compliance with the single statewide child support enforcement automation requirements of the Family Support Act of 1998. Fifty States are FSA-certified, two States have been reviewed but their certification review report hasn't been issued yet. Forty-seven States indicate compliance with PRWORA. Continuing implementation of these systems, in conjunction with cleanup of case data, will improve the accuracy and consistency of reporting.

Data Completeness and Reliability. As part of OCSE's review of performance data, the State's ability to produce valid data will be reviewed. Data reliability audits are conducted annually. Self-evaluation by States and OCSE audits will provide an on-going review of the validity of data input and the ability of automated systems to produce accurate data. There is a substantial time lag in data availability. The Audit Division completed the FY 2001 audits as of August 2002.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

The achievement of performance targets will be significantly affected by a number of factors interacting with the CSE program in ways that either help or hinder performance goal achievement including: (1) the effect of State TANF program structures and policies; (2) the five-year time limit on TANF benefits which leaves child support as even more critical for family self-sufficiency; (3) the national economy; (4) wage and unemployment rates; and (5) demographic and social trends such as divorce and non-marital birth rates. These and other external factors impact State agency caseloads, paternity establishment workloads, and ability to collect support payments.

States have organized their enforcement systems and infrastructures differently. Through its considerable national and regional technical assistance initiatives, many incorporating State self-assessment and peer technology transfers, ACF is customizing its efforts to individual State needs. Additionally, the new performance-based incentive process will add impetus to those States that may need to assign a higher priority to child support programs.

The program objective statements listed below are part of the OCSE's multi-year Strategic Plan aimed at increasing overall performance.

PROGRAM GOAL: All children have parentage established.

Objective: Increase the number of paternities established, particularly those established within one year of birth.

3.1a. **FY 2003*: Increase to 98 percent the paternity establishment percentage (PEP) among children born out of wedlock.***

FY 2004*: Increase to 99 percent the paternity establishment percentage (PEP) among children born out of wedlock.*

Data Source: The OCSE Form 157 is the source of data needed to calculate this measure.

This measure directly indicates achievement of the performance target by comparing paternities established during the fiscal year with the number of non-marital births during the preceding fiscal year. The statute allows States to use the IV-D PEP or a Statewide PEP. The Statewide PEP was selected because most States indicated they would use the Statewide PEP as well. The rates above include paternities established by both the IV-D program and hospital-based programs. Increasing the target rate in FY 2004 requires States to keep up with establishing paternities on out-of-wedlock births while continuing to handle backlogs of older IV-D cases needing paternity established.

Early interventions will be sought through expanding hospital-based paternity establishment programs and partnering with birth record agencies, pre-natal clinics and other entities and encouraging voluntary acknowledgments, in accordance with the requirements of PRWORA. Partners will work together with customers to help both parents understand their parental responsibilities and to promote establishing paternity in a non-adversarial manner wherever possible. In collaboration with partners and stakeholders, ACF will explore a variety of activities to help individuals better understand their parental responsibilities, including contributing to direct education programs in high schools, counseling, public awareness campaigns, public service announcements, and brochures about the CSE program.

PROGRAM GOAL: All children in IV-D cases have financial and medical support orders.

Objective: Increase the percentage of IV-D cases with orders for financial support.

3.1b. **FY 2003*: Increase to 67 percent the percentage of IV-D cases having support orders.***

FY 2004*: Increase to 70 percent baseline the percentage of IV-D cases having support orders.*

Data Source: The OCSE Form 157 is the source of data needed to calculate this measure.

A support order is needed to collect child support. This measure directly indicates achievement of the performance target by comparing the number of IV-D cases with support orders with the total number of IV-D cases. ACF projects a slight increase in the target rate for FY 2004 based on the FY 2000 actual of 62 percent. This will require more effort as new child support cases are added to State workloads each year, increasing the overall caseload needing services.

PRWORA gives States new tools to establish an order more quickly, such as administrative authority to require genetic testing, subpoena financial and other information, and to access a wide array of records. More States are voluntarily shifting from establishing court-based orders to administrative-based orders. PRWORA requires expedited administrative procedures for establishing orders; expands paternity acknowledgment programs to birth record agencies, setting the stage for order establishment; and requires that all States enact the Uniform Interstate Family Support Act which grants States expansive long-arm jurisdiction allowing them to establish support orders against non-residents, thus avoiding the lengthy two-State process.

Medical Support Performance

The Child Support Performance and Incentive Act of 1998 requires the Secretary of HHS to recommend a medical support indicator for inclusion in the new incentive system. The Secretary's report to Congress in June 1999 recommended postponing the development of an indicator. OCSE is working with the States to develop the medical support indicator. The indicator workgroup submitted its recommendations and report in 2001.

PROGRAM GOAL: All children in IV-D cases receive financial and medical support from both parents.

Objective: Increase the collection rate.

3.1c. **FY 2003*: Increase to 58 percent the IV-D collection rate for current support.***

FY 2004*: Increase to 60 percent the IV-D collection rate for current support.*

Data Source: The OCSE Form 157 is the source of data needed to calculate this measure.

This measure, a proxy for the regular and timely payment of support, directly indicates achievement of the performance target by comparing total dollars collected for current support in IV-D cases with total dollars owed for current support in IV-D cases. OCSE is projecting small increases in the performance targets for FY 2003 and 2004.

Focus will be placed on improved enforcement techniques emphasizing automated mechanisms for enforcement, collections and payments to families. ACF will emphasize improving the numerous processes that result in the support of children. These improvements include: (1) simplifying the payment process; (2) reducing barriers to non-custodial parents providing support payments; (3) increasing the number of cases handled using automated systems; (4) using alternative disposition strategies such as consensual agreements and other non-judicial agreements; (5) improving interstate case processing; (6) increasing coordination and integration of services with other agencies; and (7) increasing access to services.

Objective: Increase paying cases.

3.1d. **FY 2003*: Increase to 59 percent the percentage of paying cases among IV-D arrearage cases.***

FY 2004*: Increase to 60 percent the percentage of paying cases among IV-D arrearage cases.*

Data Source: The OCSE Form 157 is the source of data needed to calculate this measure.

This measure directly indicates achievement of the performance target by comparing the total number of IV-D cases paying any amount toward arrears with the total number of IV-D cases with arrears due. More direct measurement of a national arrearage collection rate is impossible because States have laws that count arrears in widely varying ways. Some new cases enter the caseload with arrearages already accrued before the State can take any action. This measure, developed by the State/Federal Incentive Formula effort, has been incorporated into the revised FY 2000-2004 Strategic Plan.

Obtaining payment of arrears is often difficult. States must collect both current support and any accrued arrearages. Non-custodial parents often cannot keep up with both current support and arrears, hence arrears payments suffer. Focus will be placed on improved enforcement techniques emphasizing automated mechanisms for enforcement, collections and payments to families.

As stated above, OCSE is projecting increases in performance targets for FY 2003 and 2004. Trend data indicate that arrearage in caseload is increasing which makes achieving these targets all the more challenging.

Objective: Make the process more efficient and responsive.

> ***3.1e.*** **FY 2003*: Increase the cost-effectiveness ratio (total dollars collected per $1 of expenditures) to $4.25.***
>
> **FY 2004*: Increase the cost-effectiveness ratio (total dollars collected per $1 of expenditures) to $4.35.***
>
> Data Sources: The OCSE Form 34A and 396A are the source of data needed to calculate this measure.

This measure directly indicates achievement of the performance target by comparing total IV-D dollars collected by States with total IV-D dollars expended by States. Increasing the target rate for FY 2004 requires greater effort because State caseloads and the total amount of child support owed increase each year. For example, in FY 2001, the IV-D caseload increased slightly but the total amount of arrearages due for all fiscal years increased by 11.3 percent.

Under current law, cost effectiveness is being phased out as the sole determinant for incentive payments. It is important to monitor the allowable costs of the program in relation to the amount collected. Focus will be placed on increased efficiency of State programs through automated systems of case management, enforcement, collection and disbursement; staffing, administrative processes and increased collections resulting from approaches described previously under current collections; and arrears cases paying.

4. INCREASE AFFORDABLE CHILD CARE

Approach for the Strategic Objective: increase access to affordable, quality child care for low-income, working families.

4.1 CHILD CARE: AFFORDABILITY

Program Purpose and Legislative Intent

The purpose of the Child Care and Development Fund (CCDF) is to help low-income working families achieve and maintain economic self-sufficiency and to improve the overall quality of

child care. The CCDF was established under PRWORA, which repealed the title IV-A child care programs and replaced them with new funding administered under the revised Child Care and Development Block Grant (CCDBG) rules and regulations.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
PROGRAM GOAL: Increase the number of children of low-income working families and families in training and education who have access to affordable child care.			
Objective*: Increase access to affordable child care for low-income working families.*			
4.1a. Increase the number of children served by CCDF subsidies from the 1998 baseline average (target number expressed in millions).	FY 03: Dropped FY 02: 2.2 FY 01: 2.1 FY 00: 1.92 FY 99: NA	FY 02: 12/03 FY 01: 3/03 FY 00: 1.75* FY 99: 1.65* FY 98: 1.51	Px 71 HHS 7.1
4.1b. Increase the percentage of potentially eligible children who receive CCDF subsidies from the FY 1998 baseline.	FY 03: Dropped FY 02: 14% FY 01: 12.5% [13%] FY 00: NA FY 99: NA	FY 02: 12/03 FY 01: 3/03 FY 00: 12% FY 99: 12% FY 98: 10%	Px 71 HHS 7.1
4.1c. Reduce the average percentage of family income spent in assessed child care co-payments among families receiving CCDF subsidies to the FY 1998 level and maintain at that level.	FY 03: Dropped FY 02: 5.8% FY 01: 5.8% FY 00: 5.8% FY 99: NA	FY 02: 12/03 FY 01: 3/03 FY 00: 6.1% FY 99: 6.2% FY 98: 5.8%	Px 71 HHS 7.1
4.1d. Increase the number of children receiving child care services through CCDF, TANF-direct, and SSBG funds from the 2003 baseline. (Developmental)	FY 04:	FY 04: FY 03: Baseline	Px 72 HHS 7.1
PROGRAM GOAL: Improve the availability of child care services for low-income working families.			
Objective*: Increase the supply of child care available to low-income working families*			
4.1e. Increase the number of slots in State-regulated child care settings from the FY 2000 baseline.	FY 03: Dropped FY 02: Developmental FY 01: NA FY 00: NA	FY 02: 12/03 FY 01: 3/03 FY 00: 3,954,046	Px 72

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
		Baseline	
4.1f. Increase the proportion of centers and homes that serve families and children receiving child care subsidies. (Developmental)	FY 04:	FY 04: FY 03: Baseline	Px 73
PROGRAM GOAL: Improve parental ability to work or attend training/education leading to greater economic self-sufficiency.			
***Objective**: Increase access to affordable child care for low-income families.*			
4.1g. Increase the number of families working and/or pursuing training/education with support of CCDF subsidies from the FY 1998 baseline (target number expressed in millions).	FY 03: Dropped FY 02: 1.2 FY 01: 1.1 FY 00: NA	FY 02: 12/03 FY 01: 3/03 FY 00: 1.04 FY 99: 975,000 FY 98: 802,000	Px 73 HHS 6.1
4.1h. Increase the number of States that serve all low-income working families who apply without regard to their connection with TANF and without waiting lists. (Developmental)	FY 04:	FY 04: FY 03: Baseline	Px 74
*Actual number of children served in FY 99 and FY 00 revised based on improved data.			
Total Funding for Child Care Programs (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $4816.8 FY 03: $4816.9 FY 02: $4841.9 FY 01: $4588.6 FY 00: $3550.6 FY 99: $3185.8	Bx: budget just. Sections Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

CCDF consists of three funding streams: Mandatory, Matching, and Discretionary Funds. The Mandatory and Matching Funds are appropriated for Fiscal Years 1997 through 2002 under section 418 of the Social Security Act. A State's share of the Mandatory Funds is tied to its spending under the now-repealed AFDC-related child care programs. The Matching Funds are funds remaining after the Mandatory Funds are allocated according to the statutory formula. To receive its share of the Matching Funds, a State must provide a match at the current Medicaid rate, expend its Maintenance of Effort Funds, and obligate its Mandatory Funds. The Discretionary Fund (the Child Care and Development Block Grant fund) is appropriated annually by Congress. Discretionary Funds are allotted to States according to a formula based on the

proportion of children under five years of age, children who receive free or reduced price school lunches, and average per capita income. PWRORA provides that States may transfer up to 30 percent of their funds under the TANF program to CCDF. Transferred funds are subject to the regulations governing the Discretionary Fund. States may also spend TANF dollars directly on child care services.

States are required to spend at least four percent of their CCDF funds on activities to improve the quality and availability of child care. In addition, Congress earmarked small amounts of the Discretionary Fund to be used by States for school-age care, resource and referral services, improved quality, and expanded availability of quality infant and toddler care.

Under the statute governing CCDF, eligible children are defined as those whose parents are working, or in education or training, or who are in need of protective services. Children must be under the age of 13 years and reside with a family whose income does not exceed 85 percent of the State's median income (SMI) for that size family. States may set their own child care funding priorities for children. States may serve children 13 to 19 years of age who are under court supervision or are mentally or physically incapable of self-care. States must spend 70 percent of their CCDF monies to provide child care services for families on, or transitioning off, TANF, or at risk of welfare dependency. States are also required to give priority to children with special needs and children from very low-income families. Within the parameters of Federal statute and regulations, States have broad discretion in establishing policies and priorities that respond to State and local needs. In their biennial plans to ACF, States must provide information concerning policy issues such as family eligibility limits, sliding fee scales, provider reimbursement rates, provider health and safety requirements, and activities to improve the quality and availability of care.

Along with other parts of the PRWORA, the legislative authority for the CCDF expires on September 30, 2002. ACF anticipates continuing to promote the availability of child care services as a key element in its strategy for helping families achieve economic independence and supporting child development and success in school.

Supporting the child care needs of children and their families requires partnerships among child care providers, Head Start, public and private early childhood education, health, nutrition, mental health, and parental employment preparation programs. To this end, ACF continues to encourage collaboration at the Federal, State, and individual program levels. This involves working with ACF's partners to increase the supply of child care, to develop measures and supports for child care quality, and to provide information to help parents make sound choices about child care.

In FY 2001, States spent $6 billion in Federal funds for child care (including significant amounts of funds transferred from TANF to CCDF) and approximately $1.6 billion of their TANF block grant funds directly for child care services. In addition, $2.0 billion in State funds (i.e., Matching and MOE) were spent under CCDF in FY 2001. These expenditures reflect historically high levels of Federal and State funding for child care. With these funds, many States exercised the flexibility provided under CCDF and TANF to expand the number of children served and provide services for low-income working families without regard to their connection to TANF

and without waiting lists. ACF estimates that in addition to the children served with CCDF and CCDF-related funds, approximately 700,000 additional children received child care services funded through the Social Services Block Grant and TANF dollars (Federal and State) spent directly on child care.

To improve evidenced-based policy decisions at the Federal and State levels, in Fiscal Years 2000 and 2001, the Bureau awarded 24 grants for field-initiated child care research. In addition, the Bureau has awarded twelve grants to individual doctoral students to complete dissertations on child care-related topics, and funded two research fellowships through the Society for Research in Child Development. In FY 2001 and 2002, six State CCDF Lead Agencies received grants under a new research priority entitled State Data and Research Capacity. The purpose of these grants is to improve the capacity of States to collect child care data and use the data for research purposes.

In addition, the Bureau, in partnership with the ACF Office of Planning, Research, and Evaluation, awarded a seven-year contract to work with States on a multi-site evaluation of selected child care subsidy strategies. The long-range intent of this contract is to provide reliable information to local, State, and Federal policy-makers about the efficacy of policies and programs related to child care subsidies in promoting outcomes for children and helping low-income families obtain and retain work.

Program Partnerships

Quality early childhood programs provide a crucial linkage for comprehensive, healthy child development to prepare children to be successful in school and later in life. Quality programs also provide needed supports to parents moving toward self-sufficiency through training and work. Recognizing the importance of comprehensive services, ACF encourages its State partners to create linkages between child care and health, family support, early childhood education, and other services at the State and community levels.

ACF collaborates at the Federal level with other agencies to facilitate community-level coordination. This includes coordination within ACF among the Bureau, TANF, Head Start, Office of Child Support Enforcement, Office of Refugee Resettlement, and the Administration on Developmental Disabilities. For example, the Child Care and Head Start Bureaus jointly sponsor the QUILT (Quality in Linking Together) project that helps Head Start and child care grantees as well as State pre-kindergarten programs form partnerships toward the provision of full-day, full-year early childhood services.

Within HHS, the Bureau participates with the Maternal and Child Health Bureau to sponsor the Healthy Child Care America Campaign, which aims to improve health and safety in child care by creating strong links between the child care and health communities. Externally, ACF continues to partner with the Department of Labor's Welfare-to-Work grants program, States (both individually and through national associations such as the American Public Human Services Association and the National Governors' Association), various national child care associations, and the research community (e.g., the Bureau's Child Care Research Consortium).

In FY 2002, the Bureau placed particular emphasis on partnering with the Head Start Bureau and the Department of Education on the President's initiative, Good Start Grow Smart. This initiative, designed to ensure that child care and early childhood programs maximize the opportunity to further early learning and literacy in young children, requires States to develop voluntary guidelines for school readiness. This will involve State CCDF Lead Agencies as well as State Education Agencies. Success in this endeavor will require Federal leadership from both the ACF and the Department of Education.

PROGRAM PERFORMANCE ANALYSIS

The following are examples of some of the Bureau's activities during the first three quarters of FY 2002. CCDF grants were awarded to States, Territories, and Tribes. A kick-off event was held for the Center on the Social and Emotional Development Foundations for Early Learning. The subsidy evaluation study was initiated and States and communities that may be viable study sites have been identified. Good Start Grow Smart planning is ongoing. Finally, program announcements for the Early Learning Opportunity Act and child care research grants were published and the Bureau awarded the new discretionary grants in September 2002. (See information under Strategic Goal 2, Improve Healthy Development, Safety and Well-Being of Children and Youth.)

In the FY 2002-2003 State Plans, 44 States and Territories reported that their Lead Agency partners with the entity responsible for administering State TANF funds. At least seven States indicated that they have developed a single, "seamless" system for administering child care subsidies to all families without regard to eligibility category. Fourteen States said they have established procedures that allow families to apply for child care assistance via mail, phone, or fax, and nearly one-half of the States use the Internet to perform application functions.

Twenty States reported collaborating with the State Education Department or another public or private entity to expand services for school-age children. Thirty-seven States collaborate with their State Health Department. In an increasing number of States, collaboration involves outreach on health and safety issues to child care providers and efforts to inform low-income families about the availability of subsidized health care. In their plans, 45 States described collaboration with Head Start and 23 reported joint efforts to promote early intervention for children with developmental disabilities. Twenty-five State Lead Agencies reported active collaborations with Tribal communities to improve service delivery to dually-eligible children. Thirty-six States reported that planning and collaboration efforts are directed by State and/or local councils, committees, and advisory board that are established by the State or through legislation.

Performance Report

The number of children served through the Child Care and Development Fund increased by more than five percent from 1.65 million in FY 1999 to 1.75 million in FY 2000 (measure 4.1a). In FY 2002, it was discovered that a number of States incorrectly reported the proportion of the children included in their case-level reports that were funded through CCDF for FY 1999 and

2000. In addition, California was able to provide case-level data for FY 1999 and part of FY 2000. This allowed for more accurate California child counts than had been possible using extrapolations from expenditures data.

CCDF grantees have many efforts underway to improve access to child care for low-income families. As work continues in partnership with States to improve data collection, a number of indicators, including informal feedback from grantees, indicate that access to child care for low-income children served by CCDF is increasing.

BUDGET TABLE LINKING FY 2002 INVESTMENTS TO ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcomes
$12,000,000	Training & Technical Assistance	Network of contracted T & TA providers	Improved administration of CCDF and services to families and children
$10,000,000	Policy-Related Child Care Research	Discretionary grants and contracts in support of specific research efforts	Improved information to guide policy decisions
$1,000,000	Child Care Aware Hotline	Cooperative Agreement with National Association of Child Care Resource and Referral Agencies	Improved access to child care for parents
$25,000,000	Early Learning Opportunities Act	Discretionary grants to local councils	Improved early learning outcomes for children

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

The Federal Child Care Information System (FCCIS) collects aggregate and case-level data from the 50 States, the District of Columbia, Puerto Rico and the Territories of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the Virgin Islands, as required by CCDF legislation. States are responsible for compiling aggregate data at the State level and transmitting it electronically via the Internet to the FCCIS. All data received by the FCCIS are stored in a national dataset. Data standards have been set and training and technical assistance provided to all States and Territories on reporting requirements and submission procedures.

The Bureau continues to provide technical assistance (TA) designed to improve State and Tribal data submission and data quality. These TA activities include on-site visits; distribution of related documents; enhancements to the TA Tracker software; training workshops; presentations at regional and national meetings; and software to help Tribes collect data and administer their subsidy programs.

One major TA resource, the Child Care Automation Resource Center (CCARC) is used by the States, Territories, and Tribes for interactive and immediate TA to resolve data collection problems. A unique feature of CCARC is the development of two software utilities (Child Care Data Viewer and Tribal Child Care Data Tracker), which enable States, Territories, and Tribes to use the data submitted to the Bureau for their own (local) purposes. In addition, the Bureau anticipates that its new State Data and Research Capacity Grants will support States in developing their capacity to report accurate data. While the Bureau has noted a steady improvement in data quality from the States over the last few years, it is committed to continuing its active role to facilitate States' compliance with CCDF reporting requirements.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Increase the number of children of low-income working families and families in training and education who have access to affordable child care.

Objective: Increase access to affordable child care for low-income working families.

4.1a. **FY 2003:** ***Increase the number of children served by CCDF subsidies from the 1998 baseline. (Dropped)***

Performance measure 4.1a is being dropped because it excludes children served through non-CCDF Federal funding streams including SSBG and TANF-direct. As such, it underestimates the number of children receiving Federally-subsidized child care services. In addition, it is duplicative of another measure in the plan (measure 4.1d).

4.1b. **FY 2003*****: Increase the percentage of potentially eligible children who receive CCDF subsidies from the FY 1998 baseline. (Dropped)***

Data Sources: Annual Aggregate Report, ACF-800, Child Care Quarterly Case-Level Report, ACF-801.

Measure 4.1b is being dropped for FY 2003 as it underestimates the proportion of children receiving child care services with Federal and related State child care funds. It does not take into account children being served with TANF-direct, SSBG, Head Start, and State pre-kindergarten funds. It also does not take into account the variations where States set their eligibility limits or the fact that many States prioritize the lowest income families.

4.1c. **FY 2003:** ***Reduce the average percentage of family income spent in assessed child care co-payments among families receiving CCDF subsidies to the FY 1998 level and maintain at that level. (Dropped)***

Data Source: Child Care Quarterly Case-Level Report, ACF-801

Measure 4.1c is being dropped for FY 2003 because it appears to encourage States to establish very low co-pays as opposed to encouraging States to implement affordable co-payment schedules that increase gradually with incomes and avoid eligibility cliffs, that require families to take increasing responsibility for the cost of care, and that maximize the number of families that can be served. At this time, ACF does not have a reliable definition of "affordable" or sufficient information about co-pays and the relationship between subsidies, co-pays, and other benefits that families receive to propose an alternative measure related to co-pays. Alternatives will be explored through research efforts and consultation with States.

Developmental Measure

4.1d. **FY 2004*: Increase the number of children receiving child care services through CCDF, TANF-direct, and SSBG funds from the FY 2003 baseline.***

Data Source: Under Development. Child counts for CCDF will be obtained from State aggregate and case-level reports. In the absence of comparable TANF and SSBG child counts, the Bureau will use a model developed by the ASPE to estimate children served. This involves dividing yearly TANF-direct and SSBG expenditures by the CCDF average yearly cost per child to arrive at child estimates for TANF-direct and SSBG.

This new measure is designed to better assess the number of children served through a greater range of funding sources rather than CCDF only.

PROGRAM GOAL: Improve the availability of child care services for low-income working families.

Objective: Increase the supply of child care available to low-income working families.

4.1e. **FY 2003*: Increase the number of slots in State-regulated child care settings from the FY 2000 baseline. (Dropped)***

Data Source: Under development.

This developmental measure is being dropped for FY 2003 due to data problems. The Bureau included a question related to this measure in the State Annual Aggregate Report, however, it was approved as an optional item, and only a few States responded with data. The Bureau has not identified another reliable source of national data about child care slots at this time. A new measure, 4.1f, has been added, which is thought to be a better measure of low-income family access to child care services.

Developmental Measure

4.1f. **FY 2004*: Increase the proportion of centers and homes that serve families and children receiving child care subsidies from the FY 2003 baseline.***

Data Source: Under Development, Child Care Quarterly Case-Level Report, ACF-801 and the Children's Foundation or, if necessary, through modifications to the State Plan Preprint and the Annual Aggregate Report (ACF-800) (Subject to OMB approval)

The numerator for this measure is the number of centers and homes that serve subsidized families and the denominator is the total number of centers and homes. In the development process, the Bureau will explore existing data sources to determine whether or not this information can be obtained without additional collection of data. If it is determined that the necessary data are not available, OMB approval will be required to add these data elements to current State reports.

Parental access to a range of child care choices is a central goal of CCDF. However, individual child care providers are not obliged to serve families receiving subsidies through CCDF. If the reimbursement rates paid by a State are too low, or if providers have difficulty getting paid or collecting overly high co-payments from families, providers may choose not to provide services to subsidized families. Therefore, the proportion of centers and homes serving subsidized families and children indicates how well the program is being administered and, ultimately, parental access to the range of choices.

PROGRAM GOAL: Improve parental ability to work or attend training/education leading to greater economic self-sufficiency.

Objective: Increase access to affordable child care for low-income working families.

4.1g. **FY 2003*: Increase the number of families working and/or pursuing training/education with support of CCDF subsidies from the FY 1998 baseline (target number expressed in millions). (Dropped)***

Data Source: Child Care Quarterly Case Level Report, ACF 801, Item #6, Response 1, 2, or 3.

The average monthly number of children is extrapolated based on the ratio of children to families in the data. As a result, 4.1g and 4.1a (to be replaced by 4.1d) provide essentially duplicate information, therefore, this measure is being dropped for FY 2003. Data about the number of families working and/or pursuing training/education with support of CCDF subsidies will continue to be available through the Child Care Bureau.

Developmental Measure

4.1h. **FY 2004*: Increase the number of States that serve all low-income working families without regard to their connection with TANF and without waiting lists from the FY 2003 baseline.***

Data Source: Under development. Biennially, data will be obtained through the revised State Plan Preprint. In alternate years, States will be required to submit the information as an addendum to the Annual Aggregate Report, ACF-800. (Subject to OMB approval.)

This measure assesses State efforts to make policy choices that avoid perverse incentives for low-income working families who are not connected with TANF. It also measures how well States are supporting work by managing their programs without waiting lists.

STRATEGIC GOAL 3: INCREASE THE HEALTH AND PROSPERITY OF COMMUNITIES AND TRIBES

RATIONALE

Strong neighborhoods and communities provide positive, healthy environments for children and families. ACF achieves its goal of increasing the health and prosperity of communities and Tribes by strengthening local community partnerships, improving civic participation, and working with Tribes and Native American communities to build capacity and infrastructure for social and economic development.

ACF supports a variety of activities in its community-based programs. These include strategies to create jobs in economically disadvantaged communities, to help communities develop comprehensive service networks for supporting local residents, to empower residents to leverage local assets and to assist communities in their efforts to respond to energy emergencies and to prevent family violence.

The LIHEAP request for an increase of $300 million over the FY 2003 President's Budget will enable States to meet energy emergencies of our most vulnerable populations (the elderly, households with small children and persons with disabilities) due to extemes in temperature, either during severe cold weather in the winter or sustained heat waves in the summer. The request for an increase of $843,000 for the Domestic Violence Hotline will assure adequate responsiveness to increased calls due to public awareness messages.

OBJECTIVES AND MAJOR PROGRAM AREAS

7. Build healthy, safe and supportive communities and Tribes

Community Services Block Grant

Family Violence Prevention Program
Low-Income Home Energy Assistance
Native Americans Programs

7. BUILD HEALTHY, SAFE AND SUPPORTIVE COMMUNITIES AND TRIBES

Approach for the Strategic Objective: Strengthen local communities through community partnerships and improving civic participation; increase community development investments so that families can lead healthy, safe and productive lives; and work with Tribes and Native American communities to develop strategies and programs to promote social and economic development and self-sufficiency.

The Secretary of HHS created a Rural Task Force to examine how HHS programs can be strengthened to better serve rural communities. ACF supports that effort and has identified strengthening rural families and communities as one of its key priorities. Additionally, ACF is working with the Office of the Secretary and other HHS Operating Divisions (OpDivs) -- particularly Health Resources and Services Administration (HRSA) -- to ensure that the Secretary's Rural Initiative Task Force gives appropriate attention to human services policy and program matters. Among other activities, ACF will support the new HHS Advisory Committee on Rural Health and Human Services by providing information for a Department-wide clearinghouse on rural issues, exploring the possibility of using geographic information system technology for agency-wide planning on rural issues, and assisting HRSA in its' mplementation of State-wide and local-level demonstration projects to provide human services and health services in rural areas.

7.1 COMMUNITY SERVICES BLOCK GRANT

Program Purpose and Legislative Intent

The purpose of the Community Services Block Grant (CSBG) Program is to assist States and local communities to reduce poverty, revitalize low-income communities and empower low-income families and individuals to become more self-sufficient. Ninety percent of the CSBG funds pass through States to local eligible entities, most of which are Community Action Agencies (CAAs). Based on local needs assessment, local agencies use CSBG funds to leverage resources to coordinate and develop programs filling gaps in their community service system with a wide variety of programs, services and activities.

CSBG provides the core funding to communities to develop the capacity to ameliorate the conditions and causes of poverty. State and local agencies supplement the resources of the CSBG through volunteers and other financial resources in order to carry out the many activities required to reduce poverty. Therefore, an important measure of the capacity of States and local CSBG service providers to carry out this program is whether they are successfully building the capacity to leverage resources to provide needed services and activities.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
PROGRAM GOAL: Ensure that low-income people have a stake in their community.			
7.1a. Increase by two percent over the previous year the number of volunteer hours contributed by CSBG consumers in one or more community groups (in million of hours).	FY 04: Increase 2% FY 03: 30.07 FY 02: 29.48 FY 01: 27.7 FY 00: 28.9 FY 99: 28.6	FY 04: 12/05 FY 03: 12/04 FY 02: 12/03 FY 01: 30.3* FY 00: 30.7 FY 99: 27.46 FY 98: 26.86 FY 97: 27 FY 96: 28.06	Px 130 HHS 6.4
*50 States Reporting			
PROGRAM GOAL: Conditions in which low-income people's lives are improved.			
7.1b. Increase by two percent over the previous year the amount of non-Federal resources brought into low-income communities by the Community Services Network (in billions of leveraged non-Federal funds).	FY 04: Increase 2% FY 03: $1.7 FY 02: $1.68 FY 01: $1.66 FY 00: $1.38 FY 99: $1.36	FY 04: 12/05 FY 03: 12/04 FY 02: 12/03 FY 01: $2.5** FY 00: $1.83 FY 99: $1.92 FY 98: $1.64 FY 97: $1.26 FY 96: $1.20	Px 130 HHS 6.4
**(51 States Reporting)			
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $495.0 FY 03: $570.0 FY 02: $650.0 FY 01: $657.7 FY 00: $584.3 FY 99: $553.3	Bx: budget just. Section Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

At the heart of CSBG is ROMA – Results Oriented Management and Accountability – that began prior to the passage of GPRA to focus on increasing the capacity of local providers to increase program performance. ROMA is an interagency initiative, which promotes outcome-based management strategies for community, State and Federal programs participating in the CSBG programs. It not only provides the opportunity for States and local agencies to measure results but more importantly, it provides a framework for examining agency mission and goals and evaluating progress for all of the family and community development programs delivered by the Community Action Agencies. The implementation of ROMA is one of the most effective

ways for OCS to encourage program improvement in a devolved block grant environment. ROMA measures progress and allows partners at each level – local, State and Federal – to focus on the training and technical assistance required for achieving the six national goals:

- Low-income people become more self-sufficient;
- Conditions in which low-income people live are improved;
- Low-income people own a stake in their community;
- Partnerships among supporters and providers of services to low-income people are achieved;
- Agencies increase their capacity to achieve results; and
- Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive systems.

Funds have been provided to develop and implement cutting-edge management and measurement tools such as (a) scales that measure incremental progress of families and communities; (b) entry-level training in performance measurement and strategic planning; (c) the development of an advanced train-the-trainer program; and (d) innovative data collection tools. OCS worked closely with national, State and local partners to effectively share the findings and products of these efforts.

Flexibility to tailor services and activities to individual family and local community need is the key to any successful delivery system. A major challenge in developing ROMA was to retain the legislatively intended flexibility at the local level while maintaining a tool for national accountability. During this development phase, ROMA allowed localities and States to collaborate on the best incremental measures for their programs while developing a system for aggregating data at the national level.

ROMA has been adopted by a significant portion of the Community Services Network. OCS is in the process of identifying six to ten outcome measures across the six goals that best reflect community action programs. These outcomes will be required of all community action agencies in all States and information will be collected based upon the services of all the programs and services within an agency that contribute to achieving the outcome, not just CSBG. OCS is establishing plans and timetables in collaboration with States and localities to have this additional ROMA requirement in place by Fiscal Year 2004.

Program Partnerships

Given CSBG's anti-poverty focus, the program relies on partnerships at the State and local level to achieve its mission. Crosscutting partnerships enable CSBG to provide its clients with a broad spectrum of activities aimed at ameliorating the causes and conditions of poverty. However, CSBG's programmatic diversity also raises one of the primary challenges to program effectiveness, a challenge that demands continuous attention and nurturing on the part of program staff at all levels.

PROGRAM PERFORMANCE ANALYSIS

The 1998 Reauthorization Act required that by FY 2001 all agencies should begin implementing ROMA. As a response, OCS identified core activities to States to measure ROMA progress. OCS encouraged States and eligible entities to use core ROMA activities to assess their own progress and to identify what work would need to be completed by FY 2003.

States currently engage in several key activity areas: (1) to provide technical assistance in the form of statewide partnership grants for statewide implementation of ROMA; (2) to use five-year grants to strengthen the capacity of State CAA Associations; (3) to assist eligible entities through special State technical assistance grants to address complex issues relating to ROMA implementation; (4) to provide a Train-the-Trainer institute on ROMA; and (5) to provide a National Academy to help agencies build their leadership and financial management capacity.

As indicated, because CSBG provides the core funding in communities used to develop their capacity to ameliorate the conditions and causes of poverty, OCS expects agencies to supplement CSBG resources through volunteers and other leveraged financial resources. Therefore, States must be successful in filling the gaps for services and activities. OCS also holds CAAs accountable for achieving two of the key national goals:

- The extent to which local residents volunteer to work with the CSBG-supported agencies; and
- The extent to which Community Action Agencies are able to "leverage" funds from other programs to enhance their efforts to achieve one or more of the six national CSBG goals.

The first measure – the number of hours of volunteer work contributed by the community residents – reflects how well the local Community Action Agency has engaged its target population and community, and the degree to which its programs reflect community needs and interests. This connection with the community distinguishes CSBG from other programs focused on anti-poverty and economic development work.

The second measure – the amount of non-Federal funds leveraged by Community Action Agencies – points to three key attributes. First, it reflects the willingness of other State, local and private partners to collaborate and to invest in the agencies. Second, it recognizes that the broader goals of self-sufficiency and community economic development require strong partnerships across public, private and non-profit sectors of the community. Third, it acknowledges that CSBG cannot support all the work of community action, but plays a critical role in partnership development.

Performance Report

CSBG networks have achieved consistently high levels of volunteer contributions (measure 7.1a). However, the contributions have fluctuated over the last several years, declining from a high of 28 million hours in 1996 to 26.8 million hours in 1998 and then rising from 27.4 million hours in 1999 to 30.3 million hours in 2001. This increase is 2.6 million above the FY 2001 projected target. ACF expects that the volunteer contribution will continue to increase as

agencies develop new volunteer opportunities. Pilots have been initiated in several States to address volunteerism and the populations of the aged and disabled, striving to help seniors and disabled populations obtain public benefits. With the help of faith- and community-based organizations, houses of worship, and youth – and working in partnership with the National Council on the Aging – volunteers will help individuals within these populations to access public benefits.

A four-year (1994-97) trend analysis of local networks' resources revealed that there has been a decline in non-CSBG resources, largely due to the elimination or reduction of Federal funding in discretionary domestic programs for low-income individuals and communities. Many programs, historically administered by CAAs and other community-based organizations, were eliminated while others were drastically reduced. The steady growth in resources in all other sectors kept the network from a precipitous loss of capacity to respond to the needs of the low-income community.

The levels of non-Federal funding consistently increased since FY 1997. The measure (7.1b) identifies non-Federal funds, which increased to $1.92 billion in 1999 from $1.20 billion in 1996. In FY 2001, non-Federal funding exceeded the target by $84 million. This is an increase of $67 million from the FY 2000 actual because the number of States reporting increased from 49 to 51 in FY 2001. ACF expects that CSBG grantees will continue their efforts to leverage increases in non-Federal funds.

The following table illustrates how ACF is investing FY 2002 resources to improve the efficiency and effectiveness of the Community Services Block Grant Program at the State and community levels.

BUDGET TABLE LINKING INVESTMENT OF ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcomes
$2,500,000	Training and Technical Assistance	Statewide Partnership Grants and Regional Collaboration	Statewide Implementation of ROMA
$2,300,000	Develop and Implement Management and Measurement Tools	Ability to Measure Incremental Progress	Strengthen Capacity of State CAA Associations to Implement a Performance Measurement System
$1,158,000	Develop Advanced Train-the-Trainers Program	Trained Professionals	Increased Training at the Local Level
$700,000	Develop Data Collection Tools	Improved Data Collection	Accurate, Valid Date Collection System

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical

assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

Data collected for CSBG are collected through the CSBG Information System (CSBG/IS) survey, which is administered by the National Association for State Community Services Programs (NASCSP). OCS and NASCSP have worked closely to ensure that the survey captures the required information. Because the CSBG is a Block Grant and States have flexibility in determining their program years, there is substantial time lag in reporting. NASCSP and OCS have worked closely to ensure that reporting by States is more timely and complete by providing better survey tools and reporting processes. Over the past two years, the time lag in reporting has decreased by six months. OCS' goal is to receive CSBG data by the next fiscal year. Technology continues to be a major concern for States and local agencies in providing quality data collection and reporting. However, local agencies, typically non-profit organizations whose funds are primarily dedicated to and invested in providing service, view developing and investing in technology as a secondary concern. With the need to track outcomes for families and clients over longer periods of time comes the need for more sophisticated tools. Much of the technical assistance provided by OCS and the States in the past several years has focused on assisting States and agencies in meeting this challenge.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Ensure that low-income people have a stake in their community.

7.1a. **FY 2003*: Increase by two percent over the previous year the number of volunteer hours contributed by CSBG consumers in one or more community groups.***

FY 2004*: Increase by two percent over the previous year the number of volunteer hours contributed by CSBG consumers in one or more community groups.*

PROGRAM GOAL: Use Federal funds as leverage to improve conditions where low-income people live.

7.1b. **FY 2003*: Increase by two percent over the previous year the amount of non-Federal resources brought into low-income communities by the Community Services Network.***

FY 2004*: Increase by two percent over the previous year the amount of non-Federal resources brought into low-income communities by the Community Services Network.*

States and agencies are continuing to develop and test a menu of performance measures that reflect impact on low-income families and communities. In FY 2004, this menu will be refined and consolidated to provide a more detailed picture of the results achieved. Several CSBG partners have begun experimenting with community-level measures, e.g., "increase in affordable housing available" and "increase in the amount of property tax generated as a result of rehabilitation projects." Additional measures will be considered for inclusion in future annual performance plans as the Network gains more experience and sophistication in determining the most appropriate indicators for measuring community revitalization results.

7.2 FAMILY VIOLENCE PREVENTION

Program Purpose and Legislative Intent

The purpose of the Family Violence Prevention and Services Act (FVPSA) is to assist States and Indian Tribes in their efforts to respond to and prevent family violence. ACF's Family Violence Prevention and Services Program (FVPSP) is responsible for the administration and oversight of a number of activities pertaining to family violence. FVPSA allocates funds to support the provision of immediate shelter and related assistance for victims of family violence and their dependents. Funding is also allocated to carry out coordination, research, training, technical assistance, and clearinghouse activities.

The Family Violence Prevention and Services Act was enacted as title III of the Child Abuse Amendments of 1984, and was reauthorized and amended most recently by the Victims of Trafficking and Violence Protection Act of 2000 (Pub. L. 103-322).

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
PROGRAM GOAL: Build healthy, safe and supportive communities and Tribes that increase the ability of family violence victims to plan for safety.			
***Objective**: Support programs to provide immediate shelter and related assistance for victims of family violence and their dependents.*			
7.2a. Increase the number of Federally recognized Indian Tribes that have family violence prevention programs.	FY 04: 200 FY 03: 195 FY 02: 190 FY 01: 189 FY 00: 174 FY 99: 162	FY 04: FY 03: FY 02: 184 FY 01: 181 FY 00: 187 FY 99: 174 FY 98: 174 FY 96: 120	Px 137

PROGRAM GOAL: Ensure that victims of domestic violence and sexual assault, their family and friends, and others interested in their safety and support, have a source of comprehensive and timely information, crisis services, and assistance.			
7.2b. Increase the capacity of the National Domestic Violence Hotline to respond to an increase in the average number of calls per month.	FY 04:12,500 FY 03:12,000 FY 02:11,500 FY 01:11,000 FY 00: NA FY 99: NA	FY 04: FY 03: FY 02: 12,500 FY 01: 13,800 FY 00: 11,000 FY 99: 11,000 FY 98: 8,000	Px 137
Objective: *Build the capacity of the National Domestic Violence Hotline to receive and respond to calls from sexual assault victims/survivors and their family/friends.*			
7.2c. Increase the amount of training hours provided to advocates to handle sexual assault calls. (Developmental)	FY 04: 384 FY 03: 192	FY 04: FY 03: FY 02: Baseline	Px 135
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $127.4 FY 03: $126.7 FY 02: $126.7 FY 01: $119.1 FY 00: $103.5 FY 99: $ 90.5	Bx: budget just. section Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

Family violence is a broad term, encompassing all forms of violence within the context of family or intimate relationships, including domestic violence, child abuse and elder abuse. The primary focus of the FVPSA has been supporting intervention and prevention efforts targeting domestic violence, or violence and abuse between adult intimate partners. Most commonly, domestic violence involves the abuse of a female by a male partner or ex-partner, current or former spouse, or date. Domestic violence is an issue of increasing concern because of its far-reaching and negative effects on all family members, including children. Domestic violence is not confined to any one socioeconomic, ethnic, religious, racial, or age group, and occurs in rural, urban and Tribal communities. It is the leading cause of injury to women in the United States, where they are more likely to be assaulted, injured, raped or killed by a male partner than by any other type of assailant.

Statistics show that nearly 30 percent of all violence against women by a single offender is committed by an intimate – a husband (3.4 percent), ex-husband (1.6 percent), boyfriend/ex-boyfriend/well-known-to-victim (24.6 percent). Estimates from the National Crime Victimization Survey (NCVS) indicate that the number of female victims declined from 1993 to 1998. In 1998 women experienced about 900,000 violent offenses at the hands of an intimate, down from 1.1 million in 1993. Estimates from a compilation of data maintained by the Bureau

of Justice Statistics and the Federal Bureau of Investigation on violence and reported in March of 1998 showed a similar decline in the number of victimizations experienced by women at the hands of an intimate partner. Data on the rates of intimate partner violence considered by age category indicate that from 1993 to 1998, women ages 16 to 24 experienced the highest per capita rates of intimate partner violence (19.6 per 1,000 women).

Accurate information on the extent of domestic violence is difficult to obtain because of extensive under-reporting. Using the above estimates as evidence of reported incidence, domestic violence experts project that each year in this country between one and four million women are abused to the point of injury by a male partner or ex-partner. About one-fourth of all hospital emergency room visits by women result from domestic assaults.

The National Violence Against Women (NVAW) also reported that rates of intimate partner violence vary significantly among women and men of diverse racial backgrounds. Results from the NVAW Survey in July 2000 indicate that African American and American Indian/Alaska Native women and men report more violent victimization than do women and men of other racial backgrounds. The survey also found that Asian/Pacific Islander women and men tend to report lower rates of intimate partner violence than do women and men of other minority backgrounds. In response to the NVAW statistical data, several initiatives have been implemented through FVPSA to facilitate and improve its outreach, information gathering, and service response to under-served communities. Such initiatives include the mobilization of researchers, academicians, and practitioners around issues of family violence that affects these particular communities. These efforts have resulted in the development of the Institute on Domestic Violence in the African American Community, the National Symposium on Domestic Violence in the Latino Community, the Women of Color Network, and the Asian American Institute on Domestic Violence.

This violence takes a devastating toll on children who are exposed to its cruelty. Three to four million children witness parental violence every year. Children whose mothers are victims of wife battery are twice as likely to be abused as those children whose mothers are not victims of abuse. When children witness violence in the home, they have been found to suffer many of the symptoms that are experienced by children who are directly abused.

Components of FVPSA are State and Tribal Programs, Discretionary Program and activities, the Domestic Violence Resource Network (DVRNetwork), and the National Domestic Violence Hotline (NDVH).

State and Tribal Programs: The FVPSA State and Tribal grants program authorized by Section 303 of the Family Violence Prevention and Services Act serves as the primary Federal mechanism for encouraging State, Tribal and local support for implementing, maintaining, and expanding programs and projects to prevent family violence. FVPSA funds continue to supplement many already established community-based family violence prevention and services activities. In particular, these funds have been instrumental in promoting and supporting the development of services in rural and other underserved areas.

Discretionary Program and Activities: Each fiscal year, FVPSA discretionary funding supports public agencies and nonprofit organizations in establishing, maintaining, and expanding programs and projects to prevent incidents of family violence and provide immediate shelter and related assistance to victims and their families. Discretionary funding is typically limited to applicants who specify goals and objectives having national and local relevance. Moreover, the programs must demonstrate applicability to the coordination efforts of national, Tribal, State and community-based organizations.

There are more than 1500 domestic violence shelters in the United States that provide emergency shelter and intervention services for victims of domestic violence and their dependents. Shelters vary in size, preferred location, range and scope of services offered to clients, and in physical capacity. Physical capacity may dictate shelter operations and whom they serve. Shelters are not required to serve a set number of programs. However, all domestic violence shelters will provide a core set of services that include: physical shelter for the protection and safety of the victim and children; crisis intervention hotline services; individual and group counseling; and information and referral services.

The Domestic Violence Resource Network (DVRNetwork): The DVRNetwork was established in 1993 as part of the 1992 amendments to the FVPSA. The FVPSP initially provided funding for the development and operation of a National Resource Center on Domestic Violence and three special issue resource centers – the Battered Women's Justice Project (focusing on civil and criminal justice issues), the Health Resource Center on Domestic Violence, and the Resource Center on Domestic Violence: Child Protection and Child Custody. In 1997, funding was made available to establish a fourth special issue resource center (The Sacred Circle) focusing on the technical assistance and training needs of Tribes and Native American communities.

National Domestic Violence Hotline (NDVH): The NDVH became operational in 1996 as a project of the Texas Council on Family Violence and serves as a critical partner in the prevention and resource assistance efforts of the Domestic Violence Resource Network (DVRNetwork).

The toll-free, 24-hour NDVH provides:

- Crisis intervention to help callers identify problems and possible solutions, including development of emergency safety plans;
- Information about sources of assistance for individuals and their families, friends, and employers wanting to learn more about domestic violence, child abuse, sexual assault, intervention programs for batterers, criminal and civil justice system issues, and other critical concerns; and
- Referrals to battered women's shelters and programs, social services agencies, legal programs, and other groups and organizations willing to help.

The Hotline is committed to meeting the needs of diverse communities and provides bilingual Spanish-English staff, text telephones for callers who are hearing impaired, access to translators in 139 languages, and materials in a variety of languages and formats.

Program Partnerships

ACF recognizes that coordination and collaboration at the local level among the police, prosecutors, the courts, victim services providers, child welfare and family preservation services, TANF agencies, and medical and mental health providers facilitate a more responsive network of protection and support for families dealing with domestic violence. To help develop a more comprehensive and integrated services delivery approach, HHS urges State agencies and Indian Tribes receiving funds under FVPSA to coordinate planning activities with new and existing State, local, and private sector agencies.

State Domestic Violence Coalitions: The FVPSP administers grants to statewide private nonprofit domestic violence coalitions to conduct activities that promote domestic violence prevention and intervention and the increase in public awareness of domestic violence issues. Needs assessment and planning activities conducted by coalitions are designed to document gaps in current response and prevention efforts and help guide future endeavors. FVPSA funding also enables State coalitions to provide technical assistance to State agencies and organizations on policy and practice related to domestic violence intervention and prevention, as well as ongoing training and support to local domestic violence programs, many of whom receive State allocated FVPSA funds.

PROGRAM PERFORMANCE ANALYSIS

With each amendment of the legislation, the FVPSA responsibilities have grown. In addition to overseeing State and Tribal activities, the FVPSA administers grant programs for State domestic violence coalitions carrying out technical assistance, training and prevention efforts. Moreover, the FVPSA provides ongoing support for the Domestic Violence Resource Network, which now includes the National Resource Center on Domestic Violence, four special issue resource centers, and the National Domestic Violence Hotline.

The National Domestic Violence Hotline (Hotline) is a significant entity in facilitating victims' access to shelter and services. The Hotline answered more than 720,000 calls since the inception in February 1996. Each year the number of calls to the Hotline have increased in addition to the number of calls responded to by the Hotline advocates. Hotline staff and volunteers provide victims of domestic violence and those calling on their behalf with crisis intervention, information about domestic violence and referrals to local service providers. The services of the Hotline are available 24 hours a day, seven days a week and not one day of service has been missed. One call to the Hotline summons help in English or Spanish. Hotline staff and volunteers have access to translators in 139 languages. The Hotline data collection program collects, analyzes and disseminates national data on the nature, scope and impact of family violence in the United States for professionals and policy makers at the local, State and national levels. This data on Hotline callers has not been available before. Assistance through e-mail is available at ndvh@ndvh.org.

Performance Report

During the past decade, there has been an expansion in the number of grants to Indian Tribes for preventing family violence. The FVPSA programs on Tribal trust lands and reservations are in the process of evolving towards a more stable and comprehensive set of activities**.** In FY 2002, the target for measure 7.1a, increasing the number of Federally recognized Indian Tribes that have family violence prevention programs, was not attained. Staff turnover and failure to submit applications by eight Alaskan Native Villages negatively affected this measure. As a result, the Alaskan Native Villages will receive increased attention.

There are several activities underway in an attempt to improve Tribal reporting of family violence intervention and prevention activities. ACF now has the assistance of a newly-funded resource center, Sacred Circle, providing comprehensive technical assistance, support and training to Tribes, Native American communities, and advocates working with Indian women. Sacred Circle has begun working directly with Tribes receiving FVPSA grants both in the collection of data for reporting purposes and to assist them in administering their programs.

Measure 7.1b: In FY 2001, the National Domestic Violence Hotline's capacity to receive and respond to calls was expanded due to a one-time grant from a corporate contributor. This resulted in exceeding the projected target by 2,800 calls. In FY 2002, the Hotline responded to 12,500 calls, 1,000 more than projected.

Additional funding enabled the NDVH to provide responses to sexual assault as well as domestic violence calls. As a result, measure 7.2c was added to track the increased amount of training hours needed for advocates to handle these sexual assault calls.

BUDGET TABLE LINKING INVESTMENTS TO ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcomes
$501,213	Training and Technical Assistance	Number of FVPSA grants to Tribes	Increased participation in FVPSA programs by Tribes and Tribal Organizations
$107,850	Training and Technical Assistance	Increased number of calls responded to by the Hotline	Improved response to domestic violence by Hotline advocates
$107,850	Training and Technical Assistance	Improved ability to identify cases of sexual assault	Improved response to sexual assault by Hotline advocates

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

Through the Documenting Our Work project the family violence program has initiated several efforts designed to assist in developing performance indicators and outcome measures for the various programs and activities supported with FVPSA funds. This activity is currently being piloted in several States. There is currently considerable variation in the type and comparability of program information and data reported by State and Tribal grantees, State coalitions and discretionary grantees. This is due in part to the variation in services and activities funded within each State or locality, given other Federal, State and local funding that might be available, as well as the varying reporting capacity and requirements of grantees to provide extensive data. This FVPSA effort require collaboration with the States, State domestic violence coalitions, the national resource center network, and Federal-level partners to reach consensus.

Support for the Documenting Our Work project is provided by the National Resource Center on Domestic Violence (NRC). The NRC formed a working group and completed an extensive number of focus group conference calls to assist in building common, but sufficiently inclusive, definitions of the "services" provided by local domestic violence programs. Representatives of the State domestic violence coalitions are participating in the focus groups and initiating a review of the current data elements reported by States and shelters to identify baseline elements.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

The following program performance goals have been developed in two program areas where sufficient data is available to track performance: Tribal program development and the National Domestic Violence Hotline.

PROGRAM GOAL: Build healthy, safe and supportive communities and Tribes that increase the ability of family violence victims to plan for their safety.

Objective: Support programs to provide immediate shelter and related assistance for victims of family violence and their dependents.

7.2a FY 2003: Increase to 195 the number of Federally recognized Indian Tribes that have family violence prevention programs.

FY 2004: Increase to 200 the number of Federally recognized Indian Tribes that have family violence prevention programs.

The FVPSA program will provide technical assistance and information to 25 percent of the States and 10 percent of the Indian Tribes aimed at increasing the number of Indian Tribes that sponsor family violence prevention programs. A collaborative effort among the national resource center network and selected State domestic violence coalitions will sponsor the technical assistance activity for States and Tribes as an ongoing activity for this initiative.

Program Goal: Ensure that victims of domestic violence and sexual assault, their families and friends, and others interested in their safety and support, have a source of comprehensive and timely information, crisis information, services and assistance.

7.2b FY 2003: Increase the capacity of the National Domestic Violence Hotline to respond to an average of 12,000 calls per month.

FY 2004: Increase the capacity of the National Domestic Violence Hotline to respond to an average of 12,500 calls per month.

The largest challenge to the Hotline is staffing. To adequately respond to 12,000 calls per month requires 26 full- and part-time advocates, 20 relief advocates and 30 volunteer advocates. Staff resources are constrained by factors that inhibit all labor-intensive activities, such as turnovers, work schedules, compensation, and competition with better paying jobs in the local area of the Hotline operation.

Program Objective: Build the capacity of the National Domestic Violence Hotline to respond to calls from sexual assault victims/survivors and their family/friends.

Developmental Measure

7.2c FY 2003: Increase the amount of training hours provided to advocates to handle sexual assault calls.

FY 2004: Increase the amount of training hours provided to advocates to handle sexual assault calls.

ACF has found that with additional training in "active listening," the advocates are better able to recognize the sexual assault calls. ACF will provide additional training during FY 2004 to the advocates to provide them with a more structured manner and basis to respond to the calls. ACF anticipates 384 hours of training for the advocates in this effort.

7.3 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

Program Purpose and Legislative Intent

The purpose of the Low Income Home Energy Assistance Program (LIHEAP) is to assist low-income households that pay a high proportion of household income for home energy to meet their immediate home energy needs. States, Federally or State-recognized Indian Tribes/Tribal organizations, and Insular Areas receive Federal LIHEAP block grants to administer the program at the community level.

LIHEAP's legislative intent is to ensure that LIHEAP benefits are targeted to those low-income households with the highest energy costs or needs, taking into account family size. The LIHEAP statute identifies two priority groups of low-income households needing energy assistance:

- **Vulnerable Households:** Households with frail older individuals, individuals with disabilities, or very young children that meet LIHEAP income-eligibility standards.
- **High Energy-Burden Households:** Households with the lowest incomes and highest home energy costs.

REACh: The Human Services Amendments of 1994 (Pub. L. 103-252) added Section 2607B(b) to the LIHEAP statute to establish the Residential Energy Assistance Challenge Option Program (REACh) funded for the first time in FY 1996. REACh awards are used to implement innovative plans through local community-based agencies to help LIHEAP-eligible households reduce their energy vulnerability. The purpose of REACh is to minimize the health and safety risks that result from high energy burdens on low-income Americans; to prevent homelessness as a result of inability to pay energy bills; to increase the efficiency of energy usage by low-income families; and to target energy assistance to individuals who are most in need.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
PROGRAM GOAL: Increase the availability of LIHEAP fuel assistance to vulnerable and high energy burden households whose health and/or safety is endangered by living in a home without sufficient heating or cooling.			
7.3a. Increase the targeting index of LIHEAP elderly households.	FY 04: 92 FY 03: 91 FY 02: 90:64	FY 04: 11/04 FY 03: 11/03 FY 02: 90:64 FY 01: 90:64	Px 145 HHS 6.1
7.3b. Increase the targeting index of LIHEAP young child households.	FY 04: 110 FY 03: 109 FY 02: 109:64	FY 04: 11/04 FY 03: 11/03 FY 02: 109:64 FY 01: 108:64	Px 145 HHS 6.1
In FY 2001-2002, the target was expressed as a comparison of vulnerable household to eligible but non-vulnerable households. FY 01 and FY 02 targeting indices are baseline data. In FY 2003-2004, a targeting index of 100 for a specific group of households indicates that group's representation in the LIHEAP recipient population is the same as that group's representation in the LIHEAP eligible population. A targeting index below or above 100 indicates a lower or higher representation rate for a recipient population group. Elderly households are those LIHEAP eligible households having at least one member 60 years or older. Young child households are those LIHEAP eligible households having at least one member five years or younger.			
7.3c. Increase the targeting index of LIHEAP recipient high-energy-burden households compared to LIHEAP recipient low-energy-burden households.	FY 03: Dropped FY 02: NA		
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $2000.0 FY 03: $1700.0 FY 02: $2000.0 FY 01: $1855.7 FY 00: $1844.4 FY 99: $1275.3	Bx: budget just. section Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

OCS has a limited role in determining how LIHEAP block grant funds are spent. LIHEAP grantees have the flexibility to determine how to implement or target their programs and how best to carry out the purposes of LIHEAP. Grantees can spend LIHEAP funds on the following types of benefits for eligible low-income households:

- Heating or cooling assistance (i.e., fuel subsidies) for recipients to increase the affordability of heating or cooling their homes;
- Energy crisis intervention to assist recipients to cope with weather-related and supply-shortage home energy emergencies, and other household energy-related emergencies; and
- Low-cost residential weatherization and other energy-related home repairs.

Although the LIHEAP statute requires grantees to conduct outreach services, OCS cannot prescribe how such services are delivered. However, OCS can improve the program's performance by making more vulnerable households and high energy burden households aware of LIHEAP benefits. Given that such households have a high need for energy assistance, OCS is initiating a Federal LIHEAP outreach effort to reach more of these households. OCS will assess whether its Federal outreach effort is an effective way to improve program performance in serving vulnerable households. OCS' underlying assumption is that increased program participation by vulnerable households will contribute to the ACF strategic goal of building healthy, safe and supportive communities and Tribes.

OCS will use the following resources, activities, and strategies in initiating its LIHEAP targeted outreach project:

- Develop a generic LIHEAP brochure that includes information that relates health and safety issues to vulnerable and high energy-burden households' need for energy assistance;
- Collaborate with key Federal agencies that assist vulnerable low-income households in disseminating OCS' LIHEAP outreach brochure through their community-based programs;
- Develop an indicator to measure LIHEAP targeting performance to vulnerable and high energy burden households that can be used to compare these households to other eligible households;
- Collect data needed to measure LIHEAP targeting performance to vulnerable, high energy burden and other eligible households;
- Analyze the results of LIHEAP targeting performance to vulnerable and high energy burden households; and
- Use targeting performance results to manage further OCS LIHEAP outreach efforts.

REACh: The REACh program is designed to provide services through local community-based organizations (CBO) to help LIHEAP eligible households reduce their energy vulnerability. The States, Tribes, Tribal Organizations and certain Insular Areas are funded to implement innovative initiatives designed to provide for: a reduction in energy costs on participating households over one or more fiscal years; an increase in regularity of home energy bill payments; and an increase in energy vendor contributions towards reducing energy burdens of eligible households. Energy affordability in the 68 grants, funded for $35.7 million between 1996 and 2001, has been addressed through aggregation, family development, energy education, and collaboration and negotiation. OCS ensures that targeting is geared to the eligible households through its various communication channels including print and electronic media, and its network of technical support provided at conferences, and one-to-one meetings.

Program Partnerships

Partnerships at the Federal level are key to assuring OCS' LIHEAP outreach information reaches the community level. Beginning in FY 2003, OCS will disseminate its LIHEAP outreach brochure through the community-based networks of the Administration on Aging for elderly households, Head Start for young children, and the Administration on Developmental Disabilities for persons with disabilities. Additional Federal programs that serve vulnerable households will be included in the dissemination process during FY 2003 and FY 2004.

OCS will build on its partnerships with national organizations and Federal programs in support of its targeted outreach project. Existing partnerships include the following:

- **The National Energy Assistance Directors' Association (NEADA):** The Association has worked closely with OCS on LIHEAP performance measurement and can provide OCS with feedback from State LIHEAP programs on the OCS' outreach project. In addition, NEADA has embarked on its own LIHEAP outreach campaign.
- **OCS Community Services Block Grant Program (CSBG):** This program delivers a range of community-based services to low-income individuals through Community Action Agencies. These agencies serve low-income vulnerable households through various Federal funds. In addition, the LIHEAP statute requires LIHEAP grantees to conduct outreach activities to assure that eligible households are made aware of any similar energy-related assistance available under CSBG.
- **The Department of Energy (DOE) Low-Income Weatherization Assistance Program (WAP):** This program is mandated to target vulnerable households.

REACh: REACh grantees are encouraged to form linkages and partnerships with participating CBOs, utilities, and other agencies to leverage additional resources. REACh is also encouraging its grantees to seek additional resources from the Department of Agriculture's Rural Partnership Office, Rural Development Fund, Department of Housing and Urban Development, Department of Energy; Department of Labor and others. REACh funds can be used creatively in energy-related endeavors to identify and maximize resources for the program.

PROGRAM PERFORMANCE ANALYSIS

LIHEAP grantees are required by law to conduct outreach activities designed to assure that eligible households, especially households with at least one member who is frail elderly, disabled, or a young child, and households with high home energy burdens, are made aware of LIHEAP assistance. However, LIHEAP is not an entitlement program. Approximately 3.9 million households received heating assistance in FY 2001 representing about 13 percent of all households with incomes under the Federal maximum LIHEAP income standard (29.9 million households).

Of the 3.9 million households receiving heating assistance in FY 2001, approximately 1.4 million of these households contained at least one member 60 years or older. Approximately one

million of these households contained at least one child five years or younger. Some of these households contained both an elderly person and a young child.

LIHEAP's targeting index is a proxy measure for health and safety outcomes. Improving targeting performance for eligible vulnerable households can help such households avoid serious health risks if they cannot afford to adequately heat or cool their homes. Health risks can include death from hypothermia or hyperthermia and increased susceptibility to other health conditions such as strokes and heart attacks. Improved targeting performance for eligible high-energy-burden households can help such households avoid safety risks in their homes if they cannot afford to adequately heat or cool their homes. Safety risks can include use of makeshift heating sources or inoperative/faulty heating or cooling equipment that can lead to fires or asphyxiation.

OCS completed its LIHEAP outreach brochure in November 2002, and printed approximately 50,000 copies of the brochure. OCS has held preliminary discussions with the Administration on Aging, Head Start, and the Administration on Developmental Disabilities about their interest and ability to disseminate the LIHEAP outreach brochure for the FY 2003 winter season. The three agencies agreed to assist in OCS' LIHEAP outreach effort.

To quantify LIHEAP targeting performance, OCS has developed a **targeting index** as a performance indicator. The targeting index for a specific group of households is computed by dividing the percent of the assisted target group within the LIHEAP recipient population by the percent of the eligible target group within the LIHEAP eligible population. For example, if 25 percent of the assisted households are elderly households, but eligible elderly households represent 40 percent of the eligible population, the targeting index for eligible elderly households is 63 (100 times 25 divided by 40). This would indicate that eligible elderly households are served at a 37 percent lower rate than they are represented in the eligible population.

A targeting index of 100 for a specific group of households indicates that group's representation in the LIHEAP recipient population is the same as that group's representation in the LIHEAP eligible population. A targeting index below or above 100 indicates a lower or higher representation rate for a recipient population group.

OCS collects data from the Bureau of the Census's annual March Current Population Survey (CPS) on vulnerable households and the receipt of energy assistance. OCS also has collected data from the Department of Energy's 2001 Residential Energy Consumption Survey (RECS) on high energy burden households and the receipt of energy assistance. (RECS is conducted every four years).

Calculating the targeting indexes of elderly and young child (vulnerable) households are based on weighted estimates obtained from the March CPS. The most recent data available are from the March 2002 CPS. OCS will analyze the targeting indexes for vulnerable households by Census division to identify those Census divisions where eligible vulnerable households are underserved. (targeting indexes are not calculated for households with a disabled member as States define disability differently.)

For those vulnerable households that are under-served in particular Census divisions, OCS plans to have its LIHEAP outreach brochures distributed to clients of the local programs funded by Head Start, the Administration on Developmental Disabilities, and the Administration on Aging during the FY 2003 winter season. For other parts of the country, the brochures will be distributed only to program staff of the three federal programs. OCS hypothesizes that the greatest increases in targeting performance can be realized through the targeting of outreach information to those areas of the country in which targeted households are under-served (measures 7.3a and 7.3b).

OCS is unable to measure LIHEAP targeting of high-energy-burden households beyond FY 2001 (measure 7.3c). Funds were unavailable for OCS to do a follow-up survey in FY 2002 with the sample of LIHEAP recipient households that were included in the 2001 RECS. Consequently, this measure has been dropped for FY 2003. Instead, OCS is planning to conduct an evaluation study in FY 2003 to determine whether the LIHEAP program is targeting eligible high energy burden households. The study will use weighted data from the 2001 RECS.

REACh: REACh programs' performance in reaching their goals are supported through careful targeting of LIHEAP eligible households, reporting out conferences and by publishing lessons learned. Programs are reviewed by independent evaluators and results reported through various media. Evaluation reports have been completed for the first two cycles and their findings have contributed to subsequent program announcements and action transmittals. Programs have been encouraged to demonstrate better targeting, seek other resources that can contribute to addressing and remedying causes of the lack of affordable energy, and to seek new ways and alternative energy sources for addressing the energy problem for this population.

Performance Report

The FY 2001 winter season serves as the baseline in which there was no federal LIHEAP outreach. The FY 2002 winter season served as extended baseline in which there also was no federal LIHEAP outreach. Instead, OCS sent LIHEAP grantees a LIHEAP Information Memorandum in November 2001, reminding grantees of the statutory requirement to target LIHEAP benefits to eligible vulnerable households and eligible high-energy burden households. The targeting index for LIHEAP elderly households remained the same (90) for FY 2001 and FY 2002. However, the targeting index for LIHEAP young households increased from 108 to 109. It is unclear as to what accounts for this increase. This result will need to be taken into account in determining whether LIHEAP targeting performance improves for the FY 2003 winter, as a result of federal targeting of LIHEAP information.

State LIHEAP grantees report annually on the number of LIHEAP-assisted households with at least one member who is elderly, disabled, or five years of age or younger. The following table shows the percent of assisted households nationally for FY 1999-2001 that included elderly members or young children. The variability in the data from one year to the next will need to be taken into account in measuring LIHEAP targeting performance.

PERCENT OF LIHEAP HEATING ASSISTED HOUSEHOLDS CONTAINING AT LEAST ONE ELDERLY MEMBER OR YOUNG CHILD,

AS REPORTED BY STATES (FY 1999-FY 2001)

Type of vulnerable household member	FY 99	FY 00	FY 01	FY 02
Elderly*	33%	35%	32%	July 03
Young children**	33%	25%	23%	July 03

*An elderly member is a person who is 60 years or older.
**A young child is a person who is under six years of age. Data on households with a young child were not as reliable for FY 99 as for subsequent fiscal years due to reporting problems and should be used with caution.

BUDGET TABLE LINKING INVESTMENTS TO ACTIVITIES/OUTPUTS/OUTCOMES

Investments*	Activity	Outputs	Outcomes
$14,000	Development of brochure	50,000 copies produced and disseminated	Vulnerable households will be made aware of their susceptibility to energy-related health and safety issues and the availability of LIHEAP fuel assistance.
$5,000	Contractual assistance to OCS on measuring LIHEAP targeting performance, using March CPS and RECS data	LIHEAP targeting indices	Improved targeting indexes in underserved Census divisions for vulnerable households compared to non-vulnerable households
$10,000	Contractual assistance to OCS on assessing the statistical reliability and validity of targeting indices	Reliability and validity assessment	Determination of whether LIHEAP targeting indexes can be used for managing for results.

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

The LIHEAP targeting indices rely on the use of household survey data. These data present the following problems:

- The reliability of household survey data is subject to sampling and non-sampling errors. Consequently, differences in data from one year to the next, between groups of households, and between sections of the country need to be examined.
- Household survey data on public assistance programs undercount the number of assisted households when compared to State-reported data. Likewise, the number of LIHEAP recipient households is undercounted when compared to aggregate data from the program's *LIHEAP Household Report*. The undercount may bias the March CPS and RECS estimates of the percentage of vulnerable households or high energy burden households that received LIHEAP heating assistance. To check for bias, the March CPS and RECS percentages will be compared against each other and state-reported data from the *LIHEAP Household Report*. The comparisons will be based on data from the previous fiscal year because finalized data from the *LIHEAP Household Report* are not available until approximately 10 months after the end of the fiscal year. The data comparisons may result in adjustments to the March CPS and RECS data.
- Verification of State-reported data on LIHEAP-recipient households is difficult. There are no federal quality control or audit requirements for data reported in the States' *LIHEAP Household Report*.
- OCS needs to examine the reliability and validity of the targeting indices.
- OCS will need to recalculate the targeting indexes for FY 2001 and FY 2002 so that the data will be comparable with subsequent March CPS data that use weights from the 2000 Decennial Census.

REACh: While the process and program evaluations report data on REACh projects, the need to classify and develop approaches for measuring performance in a more rigorous way is being addressed and will become part of future evaluations and reporting.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Increase the availability of LIHEAP fuel assistance to vulnerable and high energy burden households whose health and/or safety is endangered by living in a home without sufficient heating and cooling.

7.3a. **FY 2003:** ***Increase the targeting index of LIHEAP elderly households.***

FY 2004: ***Increase the targeting index of LIHEAP elderly households.***

7.3b. **FY 2003:** ***Increase the targeting index of LIHEAP young child households.***

FY 2004: ***Increase the targeting index of LIHEAP young child households.***

Data Source: Annual March CPS

7.3c. **FY 2003:** ***Increase the targeting index of LIHEAP recipient high energy burden households compared to LIHEAP recipient low-energy burden households. (Dropped)***

This measure has been dropped due to issues relating to the lack of annual follow-up data from a sample of RECS households.

7.4 NATIVE AMERICAN PROGRAMS

Program Purpose and Legislative Intent

The purpose of the Administration for Native Americans (ANA) discretionary grant programs is to promote social and economic development, language preservation and environmental enhancement. ANA achieves its mission through grants, training, and technical assistance to eligible Tribes and Native American organizations representing 2.2 million individuals.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
PROGRAM GOAL: Support and encourage the role of Tribal elders in the community; promote efforts to involve elders in work as mentors with youth and children, e.g., teaching culture and language in Head Start and other child care programs.			
7.4a. Increase the number of grants that include elder participation.	FY 04: 98 FY 03: 94 FY 02: 70 FY 01: 65 FY 00: 60 FY 99: 44	FY 04: FY 03: FY 02: 114 FY 01: 88 FY 00: 62 FY 99: 55 FY 98: 52 FY 97: 44	Px 150
PROGRAM GOAL: Increase the provision of training and technical assistance services to the diverse Native American population, with particular emphasis on urban organizations, rural and non-federally recognized Tribes.			
7.4b. Maintain the number of TA visits per year to the diverse Native American population, with emphasis on urban Native organizations, rural & non-federally recognized Tribes.	FY 03: Dropped FY 02: 1500 FY 01: 1500 FY 00: 1450 FY 99: 1400	FY 02: 1562 FY 01: 1515 FY 00: 1450 FY 99: 1450 FY 98: 1190 FY 97: 1014	

PROGRAM GOAL: The number of Tribes and Native American organizations receiving economic development-related services.			
7.4c. The number of Tribes and Native American organizations receiving economic development related services. (Developmental)	FY 04: FY 03: NA	FY 04: FY 03: Baseline	Px 151
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $45.1 FY 03: $45.2 FY 02: $45.8 FY 01: $46.0 FY 00: $35.4 FY 99: $34.9	Bx: budget just. Section Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

Promoting the goal of social and economic self-sufficiency through local self-determination is the cornerstone of ANA's program philosophy. Self-sufficiency is that level of development at which a Native American community can control and internally generate resources to provide for the needs of its members and meet its own economic and social goals. Social and economic underdevelopment is the paramount obstacle to the self-sufficiency of Native American communities and families.

In 1981, ACF collaborated with Tribes and Native communities to develop the innovative Social and Economic Development Strategies (SEDS) program. SEDS is based on the premise that a local community has the primary responsibility for determining its own needs, planning and implementing its own programs, and using its own natural and human resources. In initiating the SEDS approach, ACF developed a framework of three interrelated goals:

- Assist Native American leadership in exercising control over their resources;
- Foster the development of stable, diversified local economies which provide jobs, promote economic well-being, and reduce dependency on social services; and
- Support local access to, and coordination of, programs and services that safeguard the health and well-being of people, essential elements for a thriving and self-sufficient community.

Through this direct grant funding relationship, Tribes and Native communities have created administrative systems to operate their own social and economic programs in much the same way as State and local governments. Support for the unique government to government relationship that exists between Tribal governments and the federal government is reflected in this approach.

ANA faces unique challenges in formulating goals and measuring results. As a discretionary grant program funding projects designed and implemented at the local level, the differences between projects are considerable in terms of size, scope, community goals, and funding levels.

Because Tribes and Native American communities set their own goals and priorities, ACF requests objective progress reports throughout the project period of the grant and an objective evaluation report once the grant has ended. This system provides information on goals and measures, but these are unique to the Tribe or community. Each grantee is at different stage of social and economic development. Administrative and organizational capacity varies greatly among grantees, making more difficult the prospect of developing uniform measures.

Many ANA grants are aimed at capacity-building and infrastructure development for Tribes and organizations, particularly through developing legal codes and courts systems and revising existing Tribal constitutions. Capacity-building encompasses not only economic development (creation and expansion of businesses and jobs), but also efforts to create new programs as a result of welfare reform. This emphasis on capacity-building ties into the larger ACF goal to facilitate the changes effected by welfare reform by working together in innovative ways. For both economic and social development, capacity-building and infrastructure development are key factors. ANA will continue to work with its partners to develop meaningful GPRA measures--within the context of sovereignty--for job creation, economic well-being, and reducing dependency on social services across a diverse mix of project types, Tribes, and Native American organizations.

ANA will launch a new initiative for FY 2003 including a series of economic development forums to be held by the ANA Commissioner for the purpose of consultation, dialog and feedback designed to take economic development in Indian country to the next level. ANA has included a new developmental measure to track this activity.

Program Partnerships

ANA coordinates with all ACF program offices on Native American issues. These offices include Head Start, Office of Community Services (Tribal TANF), and the Child Care Bureau. ANA has provided a leadership role on a number of issues within ACF and throughout the Department including the development of the HHS Tribal Consultation Plan, the Tribal Colleges and Universities Plan, and other initiatives involving Native populations. The HHS Intra-Departmental Council on Native American Affairs (IDCNAA), chaired by the ANA Commissioner, coordinates numerous activities and initiatives with HHS agencies, such as the Indian Health Service (IHS), and external departments such as the Department of Interior (DOI).

PROGRAM PERFORMANCE ANALYSIS

In prior years, ANA funded over 225 competitive grants annually totaling over $34 million in several grant programs including Social and Economic Development, Environmental Regulatory Enhancement and Native Languages Preservation and Enhancement. ANA's grant award process is highly competitive: approximately one-third of applications received are funded each year. The FY 2001 budget increase provided $10.6 million to fund an increase in grants under ANA programs. This increase provided funds for 91 additional new grants in FY 2001. This level of funding was sustained for FY 2002.

ANA regularly selects new program goals and priorities. For example, ANA continues to play a key role in the Department's Tribal consultation policy implementation and is the ACF lead organization in implementing the Tribal Colleges/Universities (TCU) Executive Order. Through the TCU effort, ANA provided financial assistance in the form of grants to the colleges and universities. ANA also modified its grant eligibility statement to allow TCUs direct competition for funding in addition to Tribes' eligibility.

ANA's new economic development initiative was developed, in part, to address socioeconomic trends indicating that American Indians have higher unemployment rates than the U.S. population. As reported by the Bureau of Indian Affairs (BIA) 1999 Indian Labor Force Report (most recent data available), unemployment was at 43 percent in 1999 and the poverty level among the 556 Federally recognized Tribes increased to 33 percent. It is important to note that individual Tribal data have consistently indicated higher unemployment rates.

ANA anticipates a complete review and validation of existing ANA performance measures in FY 2003 under the new ANA Commissioner 's leadership. ANA began this process in FY 2001 based on quarterly meetings with the national training and technical assistance contract providers.

Performance Report

ANA exceeded its targets for FY 2001 and met all targets for FY 2002 by providing consistent technical assistance and emphasizing the role of Tribal elders in Indian communities. Elders play a key role in Tribal culture by protecting and preserving Tribal cultural heritage, including language, traditions and life ways. They also play a critical role in guiding youth. Increased elder participation (measure 7.4a) occurred due to their inclusion in the native language grants awarded and in various SEDS projects that focus on culture. In 1998, with the addition of the Pacific region, the number of T/TA contractors increased from five to six. New contract performance requirements led all contractors to expand the variety of technical assistance delivery methods they use. In addition to on-site assistance, contractors offer walk-up, worldwide web, telephone, fax, e-mail and other state-of-the-art delivery mechanisms. Other initiatives under consideration include on-line chats and threaded discussions, electronic newsletters, and CD-ROM training programs.

BUDGET TABLE LINKING INVESTMENTS TO ACTIVITIES/OUTPUT/OUTCOMES

Investments*	Activity	Outputs	Outcome
$5,505,926	Elder Participation	Increase in number of grants with Elder participation	Preserve/protest key role of Elders in Tribal culture
$378,869	Training and Technical Assistance (T/TA)	Maintain number of On-Site visits	Enhance Quality of Technical Assistance
$Baseline	Economic	Number of Tribes	Catalyst for positive

	Development Projects	receiving services	change to lower unemployment rate

* When integrating budget and performance information, ACF programs were encouraged to focus on primary investments used to accomplish program outcomes. Some ACF programs use mainly training and technical assistance resources, while others factor in total budget figures when measuring program impacts. Investment data presented in this table reflect the most appropriate resource base for the program.

Data Issues

The primary source for data collection on the above performance measures is the Grant Award Tracking and Evaluation System (GATES). The grantee information entered into the GATES system includes a full project description, project periods, award amounts, approved objectives, as well as contact information so reports can be generated based on zip code, type of award and other data variables. Recent developments with the latest generation of GATES allow for better interface with other data collecting software thereby enhancing ANA's ability to design and perform systematic validation surveys of grant proposals regarding: the types of projects and proposed participants, including trends and changes from other periods, potential applicants' use of technology, and training and technical assistance providers' outcomes and delivery levels. It is ANA's goal to design and implement a comprehensive data management system that will allow ANA to realize the full potential of the data contained in grant applications, funded and unfunded, and grantee Program Progress Reports. This Oracle-based software will be built expressly for ANA's data collection needs and will work with GATES to identify data elements in existing documents. The electronic capture of information will greatly enhance ANA's data collection capabilities.

ANA has developed a strategy that utilizes the data management system described above to validate the data it collects. ANA is currently working with other ACF programs to identify and develop standardized, cross-program measures.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Support and encourage the role of Tribal elders in the community; promote efforts to involve elders as mentors with youth and children, e.g., teaching culture and language in Head Start, other child care programs and adult programs.

7.4a. **FY 2003*: Increase to 94 the number of grants that include elder participation from the 1997 baseline level of 44 grants.***

FY 2004*: Increase to 98 the number of grants that include elder participation from the 1997 baseline level of 44 grants.*

Tribal elder involvement was selected as a key measure of program performance because the role of Tribal elders is essential in all aspects of Tribal and community life. Supporting Tribal elders and providing a voice for their concerns has been an important emphasis area. Through the

Tribal Elders Initiative, elders meet regularly with ANA/ACF officials and staff. Based on the rate of elders' participation in prior years, ANA expects by FY 2004 to increase elder participation by approximately 10 new grant projects. The funding will expand training and technical assistance and increase grant application rates and awards to Tribes and organizations that have not received assistance in the past.

PROGRAM GOAL: Maintain the provision of training and technical assistance services (T/TA) to the diverse Native American population, with particular emphasis on urban organizations, rural and non-federally recognized tribes.

> ***7.4b.*** **FY 2003*: Maintain at 1,500 the number of technical assistance contacts per year by Tribal T/TA contractors to the diverse Native American population, with particular emphasis on urban Native organizations, rural and non-federally recognized Tribes. (Dropped)***

The training and technical assistance measure is being dropped in FY 2003 and replaced by the developmental measure, 7.4c, to focus on increasing economic development ventures.

Developmental Measure

> ***7.4c.*** **FY 2004*: The number of Tribes and Native American organizations receiving economic development related services.***

From 1979 – 1999, the poverty rate among American Indians climbed from 27 percent to 33 percent, far exceeding the national rate. Unemployment rates are also higher than the U.S. population. All the social health and well-being indicators are lower than other population groups.

Effective strategies for economic development and job creation are critical as Tribes implement the next phase of welfare reform. Native American communities are in varying stages of implementing economic development strategies and building governmental and organization capacity. The ANA Commissioner is planning a series of economic development forums to improve the business capacity of Native American communities. This will include consultation and discussion of successful practices and strategies in the areas of small business, manufacturing and energy development used by successful Native American economic development businesses. Feedback from the Commissioner's forums will help to identify quantifiable measures of success as well as baseline data. ANA grants will provide seed money for building governmental infrastructure and strategic planning skills in economic and business development, as well as for small business "incubator" projects. Data collected for measure 7.4c will allow us to assess the impact of this technical assistance effort and grant award process. Even a small percentage increase in economic development-related services will be considered a success since these incubators tend to be small rather than large scale capital investment projects.

STRATEGIC GOAL 4: MANAGE RESOURCES TO IMPROVE PERFORMANCE

RATIONALE

ACF is committed to being a customer-focused, citizen-centered organization as it provides assistance to America's most vulnerable populations. ACF has reached a critical point in its ability to manage a wide array of discretionary and mandatory programs. It is essential that the organization continue to manage resources to improve performance, provide high quality, cost-effective and efficient services, meet customers' needs and expectations, and use state-of-the-art information technology to improve management and data systems.

The FY 2004 budget request for Federal Administration is $181.0 million, a net increase of $7.7 million from the FY 2003 budget. This funding level supports 1,455 FTE, 40 FTE below the level requested in the FY 2003 President's Budget.

ACF continues to use strategic management of human and real capital to accomplish the President's management priorities, such as identifying activities and services that could more efficiently be achieved using outsourcing services; targeting improvements in the financial management performance arena, including reduction of erroneous payments and participation in the Department's unified systems integration project; and directing resources to better manage our e-government activities and expand the e-government services we provide to our clients.

As part of a government-wide effort to strengthen the focus on erroneous payments in programs funded by the Federal Government, the ACF federal administration budget includes $5 million to be targeted to our efforts in identifying and reducing erroneous payments. Three programs will be the focus of our efforts in FY 2004 – Temporary Assistance for Needy Families, Foster Care, and Head Start.

The President initiated five government-wide reforms in FY 2001 to improve the management of the Federal Government. As part of the President's Management Agenda, ACF is working closely with HHS to implement the following reforms:

- **Strategic Management of Human Capital:** De-layering management levels to streamline organizations and reshaping organizations to meet a standard of excellence.
- **Competitive Sourcing:** Making greater use of performance-based contracts; expanding A-76 competitions and more accurate FAIR Act inventories.
- **Improved Financial Performance:** Achieving "clean" audit opinions throughout government and providing more accurate and timely financial information to secure the best performance and highest measure of accountability.
- **Expanded Electronic Government:** Expanding electronic Government applications and other E-Government services.

- **Budget and Performance Integration:** Making Government results-oriented – guided not by process but by performance. (The discussion of ACF's budget-performance integration is in Part I).

These four objectives guide ACF's implementation of the President's Management Agenda:

8. Develop and retain a highly skilled, strongly motivated staff

9. Streamline ACF organizational layers

10. Improve automated data and management systems

11. Ensure financial management accountability

Strategic Management of Human Capital: During the last several years, ACF has included activities in the annual performance plan that address human capital issues. ACF's goal is to achieve a higher standard of excellence through increased emphasis on training staff and by streamlining ACF organizational layers. To implement a more efficient organization that is responsive to the needs of the public, ACF will continue to:

- Reduce the number of reporting layers,
- Decrease the supervisor-to-staff ratio,
- Increase the number of staff in direct service positions through redeployment, and
- Eliminate duplication of services.

ACF's objective to "develop and retain a highly skilled, strongly motivated staff" (Objective 8) has been tracked since FY 2000. In FY 2003, ACF reinstated a FY 1999-2000 measure "to decrease the manager to staff ratio" and added the objective "Streamline ACF organizational layers" (Objective 9).

Other initiatives include using the results of work force planning to realign and/or integrate like programmatic/functional responsibilities. Examples of the consolidated and realigned functions include realigning major research functions into the Office of Planning, Research and Evaluation (OPRE), Tribal TANF from the Office of Community Services (OCS) to the Office of Family Assistance (OFA), and TANF programs and fiscal data collections from OPRE and the Office of Administration to OFA; examining the impact of ACF's regional-headquarters reporting relationships on the efficiency and effectiveness of program operations and service delivery to customers; and increasing internal capacity and contracting services from the private sector. In addition, ACF will develop a succession planning strategy to address dwindling resources and the fact that more than 75 percent of the ACF work force will be eligible for retirement in FY 2006.

Competitive Sourcing: ACF contracts out several major activities to private vendors and the Program Support Center (PSC) within HHS: information technology (IT) help desk support; human resources services (personnel, employee relations, employee assistance and select EEO

activities such as investigations, counseling, court reporting services); administrative services (records management, personal property management, mail, transportation, incidental labor, management of employee transit benefits and space management); acquisitions management (procurements, travel card and purchase card programs); and financial services (in some ACF components, aspects of the grants process, including intake and review of applications).

In order to meet the five percent goal of expanding A-76 competitions set forth by OMB for FY 2002, ACF will continue outsourcing these functions. ACF is also contracting out a significant portion of its administrative support needs eliminating the need to hire the projected 16 FTEs to perform these duties. In addition, ACF is relying heavily on contractor support to accomplish its programmatic responsibilities in FY 2002.

ACF plans to further evaluate its current staffing inventory and for FY 2003, ACF has identified 34 full-time equivalents it plans to directly convert or study for possible outsourcing in the following functional areas: audit resolution, grant closeouts, personnel security clearances, telecommunications, facilities management and additional administrative support. ACF has aligned its competitive sourcing plan with ACF's workforce restructuring plan.

In FY 2004, ACF plans to continue the contractor support that is currently being provided in the areas mentioned above. In addition, ACF will directly convert or study additional functions in the areas of administrative support services, customer services, telecommunications and information technology. ACF will continue to review its inventory for possible outsourcing opportunities.

Improved Financial Performance: ACF added a new objective to measure its efforts to achieve this Presidential management reform – Ensure financial management accountability (Objective 11). Federal agencies' financial statements are audited to reassure the public that those statements fairly and accurately represent the agency's financial condition. A "clean" and timely audit opinion on these statements is essential if decision-makers within the agency and at OMB and Congress are to use this information.

ACF received a "clean" or unqualified opinion from the auditors for FY 1999-2001—a major accomplishment that contributed significantly to the Department's clean audit opinion. Nevertheless, this is only one step, albeit a significant one, toward financial accountability to the public. Although ACF has achieved a clean opinion for three years, improvements to its accounting systems and services are still needed, especially with OMB-required compressed deadlines beginning with the FY 2002 audit cycle. The Reports Consolidation Act of 2000 requires that the Department's FY 2002 audit cycle be completed and its Accountability Report be submitted by February 1, 2003, approximately one month earlier than has been required in previous years.

In order to accomplish this successfully in FY 2002, the Department imposed earlier milestones on its OPDIVs as a pilot for the FY 2001 audit cycle. Over the past year, Departmental financial and accounting officials, the OPDIVs and the auditors have been collaborating on ways to achieve the compressed schedules. Because FY 2001 final performance measurement data were

not available until the second or third quarter following the end of the fiscal year, ACF provided FY 2000 data in the FY 2001 audit report. Similarly, ACF will provide FY 2001 data (where available) for the FY 2002 audit report.

ACF has developed an Analytical Review policy that requires a more detailed level of supporting documentation be provided by the Program Support Center (PSC). ACF has communicated this policy to the PSC and has confirmed that the PSC will make its best effort to provide the necessary reports in a timely manner. This is one of several critical elements required for a clean audit opinion. The CFO has alerted ACF Principals that appropriate managers must be available during critical periods in the FY 2002 audit cycle to provide any needed input and clearance of information.

For FY 2004, the audit cycle must be completed by November, more than two months earlier than previous years. ACF is working closely with the Department to meet these increasingly shortened audit deadlines. While ACF is committed to achieving future clean opinions, the abbreviated cycles are creating major resource challenges. To help expand our accounting expertise and support our immediate audit activity needs, ACF recently hired a new accountant.

ACF is working to improve the linkage of financial management systems and data to program performance and results and provide more accurate and timely data to financial/program managers for informed decision-making. ACF continues to play a significant role in the Department's Unified Financial Management System (UFMS) initiative by providing staff resources (via details of staff as well as representation on the UFMS Steering Committee, UFMS Planning and Development Committee and the UFMS Policy Workgroups). ACF will provide the additional funds requested by the Department for full implementation of the UFMS.

The purpose of the UFMS is to achieve economies of scale, eliminate duplication, foster consistency in preparation of HHS financial data and streamline business processes to increase operational efficiencies. ACF anticipates that the UFMS will help ACF access the type of data needed to help managers determine which resources have the greatest positive impact on its client populations. OMB requirements for future quarterly financial statements, accelerated end-of-year reporting, comparative financial reporting, and reports that integrate financial and performance information will provide better financial accountability throughout the Federal Government and to the public.

ACF has completed and submitted to the Department three reports describing the agency's efforts to identify and reduce erroneous payments in the Temporary Assistance for Needy Families (TANF), Head Start (HS), and Foster Care programs. Consistent with ACF's Erroneous Payments Plan—developed in collaboration with officials in the Department, OMB, and specific Program Administrations—ACF embarked on a focused review on single audits (reports) conducted of FY 2001 State-administered TANF and Foster Care programs, and HS grantees, where erroneous payments could be an issue. The three reports highlight the findings of these reviews, as well as the mechanisms the Department and ACF currently have in place to identify, reduce and correct erroneous payments under these and other programs. These include the Single Audit process, reviews of financial data, on-site reviews, OIG reports, and regulations for

specific programs. ACF's Erroneous Payments Initiative and existing activities support the Administration's Improving Financial Management Reform Initiative. A Child Care review and report are to be completed by the second quarter of FY 2003.

ACF has undertaken a new initiative to establish a Funds Planning Module that will allow grants and program management staff to forecast (plan) and administer Federal funds through a comprehensive system. This module will permit the planning and tracking of ACF program and S&E funds over several different categories, provide for comprehensive on-demand reporting, and will give managers a useful tool for estimating their fiscal year funding needs and adjusting these over time. It will permit meaningful comparisons of funding plans to actual obligations and add another tool for program managers to assess program performance.

Expanded Electronic Government: The objective to improve Automated Data and Management Systems responds directly to this Presidential management reform (objective 10). ACF has developed unique software to provide a common solution for building its Internet applications. The first use of this software will be to capture, validate and store all information now submitted by grantees or potential grantees using government forms for the Grants Administration Tracking and Evaluation System. This information includes grant applications, funding requests and performance reports. The enhanced process significantly reduces the data-entry burden on ACF grants staff and grantees, expedites the receipt and processing of grants and makes timely up-to-date grant information available for ACF decision-making.

Other ACF applications will employ this software to Internet-enable other program applications, such as the Publications, Requestors and Orders Management Information System (PROMIS), supporting the ACF minority outreach program as well as internal administrative requirements in both the central and regional offices. Additional internal administrative systems will be Internet-enabled. This software ensures that ACF will be able to meet the October 2003 target date of the Government Paperwork Elimination Act. This legislation requires agencies to provide for the optional use and acceptance of electronic documents and signatures, and electronic record-keeping where practicable.

ACF has a major initiative under way for better managing e-government activities. Currently, ACF is upgrading its infrastructure and business practices and is making e-government an integral part of the business processes. Training of ACF staff in efficient and effective use of the Internet and Internet-based applications is being conducted. ACF has more than 100,000 web pages receiving thousands of hits daily from the public. ACF intends to use the Internet more effectively to make its processes more citizen-centered.

ACF is participating with the Department to establish an Enterprise Architecture to bring IT and Business objectives together for reengineering business practices and creating more efficient and effective technology solutions to better serve citizens.

Faith-based and Community Initiative

The Compassion Capital Fund, a key part of the President's Faith-Based and Community Initiative, was established to provide funds targeted to assist small, grassroots faith-based and community organizations. In FY 2002, ACF awarded nearly $25 million to 21 intermediary organizations that will help smaller faith-based and grassroots organizations operate and manage their programs more effectively, access funding from varied sources, develop and train staff, expand the types and reach of social service programs in their communities, and replicate promising programs.

In addition to providing technical assistance, these intermediary groups will issue sub-awards directly to targeted faith- and community-based organizations to expand or replicate promising or best practices. Priority for sub-awards is expected to be given to organizations that focus on homelessness, hunger, at-risk children, transition from welfare to work, and those in need of intensive rehabilitation such as addicts or prisoners. To encourage organizations to work in partnership with the federal government, intermediary organizations were expected to provide at least 50 percent of the amount of federal funds requested (i.e., one-third of the proposed total budget).

Approximately $2 million was awarded to establish the Compassion Capital Fund National Resource Center. The National Resource Center will work directly with the intermediary organizations to ensure that faith- and community-based organizations receive effective and appropriate technical assistance, and it will develop a comprehensive plan to oversee and coordinate the work of intermediary organizations that receive Federal funding. In addition, the National Resource Center will develop and maintain a clearinghouse and Web site that provide a wide array of information useful to intermediary organizations and faith-based and community organizations, such as "best practices" on meeting the needs of individuals and families, and information on program outcomes and effectiveness. It will also develop manuals on specific topics that will assist intermediary organizations and the faith-based and community organizations they serve.

Approximately $1.6 million was awarded to support research on the services and best practices of intermediary organizations and the faith-based and community organizations they serve. Approximately $1 million was awarded to four organizations to support short-term research projects that will contribute to the knowledge base regarding roles and promising approaches by diverse types of faith- and community-based organizations.

As part of the faith- and community-based management improvement initiative, ACF initially proposed tracking the number of applications received in FY 2002, increasing outreach efforts, assessing the quality of applications and providing a technical assistance plan for four discretionary grant programs in four program activity areas: Urban and Rural Community Economic Development, Assets for Independence, Adoption Opportunities and Runaway and Homeless Youth Programs. At that time, because ACF was unable to track increases in applications received from these organizations, ACF proposed creating a baseline indicating the percent of grants approved in FY 2001 for faith- and community-based organizations (FBOs and CBOs) in four selected program areas.

PERFORMANCE MEASURE FOR FY 2001

Developmental Input Indicator	***Programs***	***FY 2001 (baseline)***
The percentage of faith- and community-based organizations funded by selected discretionary grant programs.	*Urban/Rural Com. Econ. Dev.*	*100%**
	Assets for Independence	*90%***
	Adoption Opportunities	*50%****
	Runaway and Homeless Youth Programs	*100%*****

*Legislation requires that all grantees must be Community Development Corporations (CDCs).
**Eight of the 81 grantees are county or city governments; the remainder are CBOs and FBOs.
***Of the 67 grantees, 33 are faith-and community based, 32 are State, city and county grantees and 2 are university grantees.
****All 634 grantees are faith-and community based.

Since FBOs and CBOs are currently the primary recipients (between 90 percent and 100 percent) of discretionary grant funds in three of the four selected areas, ACF determined this was not a meaningful measure for improving performance. However, a voluntary survey instrument that would be an addendum to the standard grant application forms and would provide additional information about applicant organizations has been developed and is under review at OMB. If approved by OMB and used by ACF, this instrument, the *Survey on Ensuring Equal Opportunity for Applicants,* will allow ACF to obtain substantially more specific information about the types of organizations seeking funding, including whether or not the applicant is a faith-based/religious organization, the size of the organization, whether the organization has received other government funding.

PROGRAM DESCRIPTION AND CONTEXT

ACF has endeavored to embrace the principles of GPRA by reinventing the way it does business through partnership building, strategic planning, measurable outcomes, customer focus, streamlining of operations and devotion to quality. ACF's goal of managing resources to improve performance has brought about changes in its internal management. Efforts in recent years include:

- Promoting fiscal integrity and financial management accountability by establishing strong, collegial, cooperative relationships among program and/or staff managers and employees in ACF, the Program Support Center, the Office of the Assistant Secretary for Budget, Technology, and Finance, Office of the General Counsel, Office of Inspector General, and the audit firm of Clifton Gunderson LLP in order to identify systems or procedural problems and establish and implement corrective actions as quickly as possible;
- Reengineering the grants management business process to improve service to partners and achieve greater efficiency;
- Surveying partners and customers for assessment and guidance on the quality and appropriateness of ACF's services;

- Partnering with other Federal Agencies to support the Government-wide Federal Commons project where potential grantees will be able to apply for grant funds through a single portal on the Internet in the future; and
- Establishing a presence on the World Wide Web;
- Investing in internal systems improvement and technology so that current and potential ACF grantees can apply for grant funds over the Internet through On-line Data Collection;
- Participating in the Department's response to the President's Management Agenda (PMA) to improve the management and performance of government, and establishing an internal reporting mechanism to discuss and share ACF's status on the PMA initiatives;
- Developing an ACF Work force Restructuring Plan based on the goals of the PMA and in support of the Department's management initiatives;
- Establishing performance contracts between the Assistant Secretary and ACF senior staff that include GPRA goals and the Department's response to the PMA, as well as the Assistant Secretary's priorities for the agency;
- Participating in the Work force Planning Project work group (part of a larger HHS effort), which identified cross-cutting work processes with needed core and technical competencies for the next three to five years and provided recommendations for future training and expansion of staff based on a competency assessment of the ACF work force;
- Reinventing the regional office structure to locate resources where partners most need them;
- Developing and implementing diversity and minority initiatives that allow for alignment of the work force with the goals and priorities and help ACF achieve its diversity objectives that reflect all groups including the most under-represented populations;
- Establishing a successful labor-management cooperative agreement with the National Treasury Employees Union (which represents the bargaining unit);
- Investing in technology such as videoconferencing equipment and satellite linkages to bring central office, regional offices and partners closer together and to save on travel costs; and
- Developing an agency strategy to enhance the skills and productivity of the ACF work force through a range of learning options, including on-line e-learning, blended learning (classroom plus e-learning), and other available staff development opportunities.

8. DEVELOP AND RETAIN A HIGHLY SKILLED, STRONGLY MOTIVATED STAFF

Approach for the Strategic Objective: Change the way ACF does business by maintaining or increasing values such as effectiveness, efficiency, and diversity while promoting continuous learning opportunities.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
8.1a.1. Each ACF staff member participates in at least one developmental learning opportunity to enhance his/her skills and productivity.	FY 04: 80% FY 03: 80%	FY 04: FY 03: 7/03 FY 02: 100% Baseline	Px 162
8.1a.2. Each ACF staff member participates in at least one Distance Learning or other training opportunity directly related to increasing his/her job skills. (Replaced by 8.1a.1)	FY 02: 100% FY 01: 100% FY 00: NA	FY 02: 7/03 FY 01: 96%	
Total Funding (dollars in millions) **See detailed Budget Linkage Table in Part I for line items included in funding totals.**	FY 04: $176.3 FY 03: $173.3 FY 02: $173.0 FY 01: $173.2 FY 00: $147.8 FY 99: $144.5	Bx: budget just. section Px: page # performance plan	

PROGRAM DESCRIPTION AND CONTEXT

ACF's objective to "develop and retain a highly skilled, strongly motivated staff" has been tracked since FY 2000. For many years, ACF has confronted shrinking staff levels, resources and a loss of knowledge and skills due to attrition and separations. These combined challenges, within an agency with a work force three-quarters of which are eligible to retire by 2006, focused ACF efforts to continue to develop a highly skilled, diversified staff to carry out its mission in the twenty-first century. To address these issues, ACF is building upon a culture of continuous learning and developing an agency training strategy that provides training and developmental learning opportunities to enhance skills and productivity. ACF is addressing the needs of the existing staff and new hires by offering developmental opportunities to support restructuring and redeployment of staff in mission-critical positions, while supporting a diversity and minority initiative to ensure that ACF's work force reflects all groups, including the most under-represented populations. ACF's aim is to build, sustain, and effectively deploy a skilled, knowledgeable, diverse, high-performing, technologically advanced work force to meet the current and emerging needs of the government and the public.

PROGRAM PERFORMANCE ANALYSIS

ACF has been a leader in providing a rich curriculum of on-line learning to all staff, including over 1300 vendor-provided courses, as well as ACF-developed on-line courses such as security awareness training provided to all staff and on-site contractors in FY 2001-2002. In FY 2002, ACF began a much more focused blended learning approach to enhance the skills and productivity of all ACF staff and on-site contractors by integrating on-line learning with classroom training for a new e-mail system and personal productivity tools.

E-learning is just one component, albeit a very important tool, of a blended learning approach. ACF is now moving its focus from emphasizing the e-learning tool to assuring that the learning strategies are appropriate to the individual learner, and to ensuring that individual and organizational learning are in alignment with the agency's business goals. By linking business needs to performance strategies, enhancing individual and organizational productivity, and developing a culture for organizational learning and continuous learning, ACF will leverage limited resources to enhance job competencies. What ACF has learned over the last two years is that it is not primarily about e-learning: it's about improving people performance, which leads directly to better business results. The success of ACF's strategic goal "to develop and retain a highly skilled, strongly motivated staff" rests on enhancing the skills of every ACF staff member through all avenues available from traditional to leading edge—whether that means creating a learning organization, effecting organizational change, developing the work force, or helping to build the HHS corporate university.

Examples of strategies that have proven most successful in developing and retaining a highly skilled, strongly motivated staff include:

- Implementing the *Balanced Scorecard* to expand its performance measurement system to include *customer service* feedback and *employee satisfaction,* as well as its program measurement system focused on results; and
- Initiating in FY 2001 on-line Distance Learning through FasTrac (a learning consortium at the National Security Agency) to strengthen and significantly expand learning opportunities that address the professional development needs of ACF staff in a changing workplace.
- Providing access to all ACF Federal employees to more than 1300 technical and non-technical training courses and to a rich variety of in-house skills-enhancement and other staff development and learning opportunities. All employees were provided training in the agency-wide migration to the new e-mail system--Microsoft Outlook 2000 and intensive computer security awareness training during FY 2002.

In addition, in response to concerns following the September 11 tragedy and subsequent anthrax scares, ACF arranged for an Army Colonel on the Secretary's Bio-Terrorism Task Force to speak to interested employees about the government's strategy regarding anthrax prevention. ACF also established a new in-house Security Officer position to address employee and facility security issues.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Develop and retain a highly skilled, strongly motivated staff

8.1a. **FY 2003:** ***Each ACF staff member participates in at least one developmental learning opportunity to enhance his/her skills and productivity.***

FY 2004: ***Each ACF staff member participates in at least one developmental learning opportunity to enhance skills and productivity.***

Data Source: ACF Administrative Records

ACF staff will be encouraged to avail themselves of at least one training opportunity although it will not be required. Because it is voluntary, ACF projects an 80 percent target for this activity.

9. STREAMLINE ACF ORGANIZATIONAL LAYERS

Approach for the Strategic Objective: Implement restructuring plan to reduce bureaucratic levels, maintaining or increasing values such as effectiveness, efficiency and diversity while reducing the number of managers to assure that ACF is more responsive to its customers and citizens.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
9.1a. Decrease ACF's manager-to-staff ratio (replaces former FY 00 measure 9.1a)	FY 04: TBD FY 03: TBD	FY 04: FY 03: FY 02: (baseline)	Px 163

PROGRAM DESCRIPTION AND CONTEXT

While ACF has undertaken several methods to ensure steady progress toward this goal, including reorganizations, elimination of duplicative units, consolidations, employee reassignments and

creative use of technology, progress towards this goal has been limited. Main factors include personnel attrition, a limited administrative budget and limitations on outside hiring. As part of its succession planning activities, ACF intends to use the Presidential Management Intern and HHS Career Intern programs, as well as other targeted recruitment, to hire new government workers to fill mission-critical positions. This strategy should assist ACF in meeting its goal of decreasing the manager-to-staff ratio, thereby reducing the number of managers and the time required for decision-making. FY 2002 will provide a baseline for this FY 2003 performance measure and realistic targets will be based on the Work force Restructuring Plan.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

9.1a. **FY 2003*: Decrease ACF's manager to staff ratio.***

FY 2004: ***Decrease ACF's manager to staff ratio.***

Data Source: ACF Personnel Records

10. IMPROVE AUTOMATED DATA AND MANAGEMENT SYSTEMS

Approach for the Strategic Objective: Continue to invest in systems improvement and technology to allow greater access for ACF staff to move forward in a working environment which increasingly requires that all employees have access to and use of the Internet as an integral part of day-to-day agency operations. With continued investments in upgrading hardware and software, ACF will assure that staff have access to information and technology and run the applications that are critical to performing their jobs in an Internet-oriented age.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
10.1a.1 Implement a funds planning capability to manage and track all grant funds and planning mechanization. (New)	FY 04: Complete Phases 1, 2 and 3	FY 04:	Px 165
10.1a.2 Operate and maintain the On-line Data Collection system (OLDC), which will capture and validate grant information	FY 03: OLDC	FY 03:	Px 165

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
submitted by grantees using the Web.			
10.1a.3 Develop and implement OLDC, to capture and validate grant information submitted by grantees using the Web.	FY 02: OLDC FY 01: GATES II	FY 02: Alpha version completed. Beta version to be tested and implemented in March 2003. FY 01: Completed	

PROGRAM DESCRIPTION AND CONTEXT

Historically, ACF processed grants using more than 30 separate computer programs (application systems). In 1993, ACF initiated a re-engineering of its business processes, challenging the purpose, principles and assumptions of ACF's grant processes and abandoning the outdated grant-making and management procedures and separate rules for various categories of grants. In July 1994, the ACF Grants Re-engineering Team published its report. The report recommended an organizational restructuring of the way ACF does business, establishing a quality assurance framework and supporting re-engineered grants administration activities with a major redesign of the automated information systems.

A systems re-engineering team began developing an integrated system, the Grants Administration, Tracking and Evaluation System (GATES), designed to support decision-making and accountability in a decentralized environment. This project targeted the replacement of more than 30 incompatible, outmoded legacy systems operating on a variety of platforms supporting grants administration. This re-engineered GATES, a comprehensive system for electronic processing, benefited grantees by providing more timely and efficient grants processing, more accurate data, less down time and quicker start-up.

PROGRAM PERFORMANCE ANALYSIS

In FY 1996 and FY 1997, ACF completed developing and implementing GATES system functions supporting application, evaluation, award and funds control activities for Discretionary Grants made to non-profit and Native American organizations. In FY 1998, 22 legacy systems were replaced. The FY 1999 target was to replace 15 additional legacy systems. The deployment of the Entitlements portion of GATES in June 1999 completed the replacement of the additional 15 systems. Now 100 percent of the active ACF grants are being processed electronically in GATES. Replacement of these legacy systems with GATES also corrected the Year 2000 programming flaw embedded in them. All Y2K system replacements were completed by December 31, 1998.

ACF completed the full functionality planned for GATES. The Audit resolution tracking process (measure 10.1c) was implemented in GATES and the old system shut down in August of 2000. ACF adopted the Crystal Report Writing software that allows the user community to retrieve information in GATES efficiently and quickly. Both standard and ad hoc reporting retrieval is possible. Crystal Report writer licenses have been distributed and training conducted throughout the ACF grant and program offices. Additionally, OIS has set up a Crystal Report support system to assist users with the development and usage of the standards and ad hoc GATES reports. This was implemented in June 2000. Enhancements for tying in to the Bureau of Census' Federal Clearinghouse, as well as debt collection capabilities, were scheduled in the 2001 module.

GATES schedules were developed jointly with each Program Office and Region affected through Joint Application Development (JAD) meetings with crosscutting representation in small face-to-face meetings and telephone conferences. The formula/block award modules were implemented on schedule. This completes the legacy conversion/replacement efforts. Now, all grants are awarded through GATES. ACF is developing a funds planning component in GATES to enable management to effectively plan, monitor and manage grant expenditures. ACF anticipates that the Phase 1 component will be operational by the end of FY 2003.

ACF is implementing the next generation of electronic grant-making using an “On-line Data Collection (OLDC) Initiative" to enable grantees and potential grantees to submit the required information over the Internet. Plans have been presented to the Information Technology Review Board (ITRB) consistent with the new Government Paperwork Elimination Act.

Synchronization of the databases between OLDC and GATES is proving to be difficult and is requiring extensive testing efforts. Additionally, the GATES software had to be upgraded to be W2K compliant.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

PROGRAM GOAL: Benefit grantees by improving automated data and management systems.

10.1a2 **FY 2003*: Complete and maintain OLDC, which will capture and validate grant information submitted by grantees using the Web.***

10.1a1 **FY 2004: *Implement a funds planning capability to manage and track all grant funds and planning mechanization. (new)***

Data Source: ACF Administrative records

11. ENSURE FINANCIAL MANAGEMENT ACCOUNTABILITY

Approach for the Strategic Objective: Improve financial and budgetary functions by adopting a more results-oriented, businesslike approach to management and oversight of its fiscal resources.

Summary Table

Performance Measures	Targets	Actual Performance	Reference (page # in printed document)
11.1a. Obtain a clean audit opinion for ACF.	FY 04: Clean opinion FY 03: Clean opinion FY 02: Clean opinion	FY 04: FY 03: FY 02: 6/03 FY 01: Clean Opinion FY 00: Clean opinion FY 99: Clean opinion	Px 166

PROGRAM DESCRIPTION AND CONTEXT

ACF first submitted its annual audited financial statements in FY 1996 as a result of the Department's strategy for implementing requirements under the Chief Financial Officers' Act of 1990, as amended by the Government Management Reform Act (GMRA) of 1994. Under the HHS plan, ACF was designated as an individual reporting component requiring an annual financial statements audit of its activities. ACF and other OPDIV annual audited financial statements are "rolled up" and the HHS audited financial statements package is presented in the annual Accountability Report consolidating several financial management reports with selective performance measurement information.

PROGRAM PERFORMANCE ANALYSIS

ACF works closely with the Program Support Center (PSC), the accounting firm that develops the ACF financial statements, the Assistant Secretary for Budget, Technology and Finance (ASBTF), Office of Inspector General, Office of General Counsel, and the private audit firm of Clifton Gunderson, LLP, to complete the annual financial statements audit. The President's Management Agenda states that by the FY 2002 audit cycle all 24 cabinet level departments will pass their audits. ACF received a "clean" or unqualified opinion from the auditors for FY 1999-2001 and continues to work aggressively to maintain this accomplishment. In FY 2001, ACF achieved the clean opinion without any material weaknesses. ACF, the Department, and ACF's auditors are dedicated to improving the accounting systems and services that support the development of ACF's audited financial statements. This collaboration is essential for ACF to meet the compressed deadlines for the FY 2002 and future audit cycles. ACF will continue to work closely with its partners to correct remaining problems identified by the auditors.

Performance Plan

Performance Measures for FY 2004 and Final Measures for FY 2003

11.1a. **FY 2003:** ***Obtain a clean audit opinion for ACF.***

FY 2004: ***Obtain a clean audit opinion for ACF.***

Data Source: Clifton Gunderson, LLP, Independent Auditor's Report

APPENDICES

A.1 LINKAGE TO HHS AND OPDIV STRATEGIC PLANS

HHS STRATEGIC GOALS*	CORRESPONDING ACF STRATEGIC GOALS, OBJECTIVES AND STRATEGIES
GOAL 1: REDUCE THE MAJOR THREATS TO THE HEALTH AND WELL-BEING OF ALL AMERICANS *1.2 Reduce the incidence of sexually transmitted diseases and unintended pregnancies* *1.6 Reduce the incidence and consequences of injuries and violence*	**GOAL 2: IMPROVE HEALTHY DEVELOPMENT, SAFETY AND WELL-BEING OF CHILDREN AND YOUTH** *6. Increase safety, permanency, and well-being of children and youth* *6.5a Enhance child well-being by promoting healthy marriages and family formation and reducing out-of-wedlock pregnancies* **GOAL 3: INCREASE THE HEALTH AND PROSPERITY OF COMMUNITIES AND TRIBES** *7.2 Support programs to provide immediate shelter and related assistance for victims of family violence and their dependents*
GOAL 3: INCREASE THE PERCENTAGE OF THE NATION'S CHILDREN AND ADULTS WHO HAVE ACCESS TO HEALTH CARE SERVICES AND EXPAND CONSUMER CHOICES *3.2 Strengthen and expand the health care safety net* *3.4 Eliminate racial and ethnic health disparities* *3.5 Expand access to health care services for targeted populations with special health care needs* *3.6 Increase access to health services for American Indians and Alaska Natives*	***GOAL 2: IMPROVE HEALTHY DEVELOPMENT, SAFETY AND WELL-BEING OF CHILDREN AND YOUTH*** *5. Promote early childhood development* *5.2 Children demonstrate improved physical health* *6. Increase safety, permanency, and well-being of children and youth* *6.3 Increase the number of health care providers trained to meet the health needs of people with developmental disabilities*
GOAL 5: IMPROVE THE QUALITY OF HEALTH CARE SERVICES *5.2 Increase the appropriate use of effective health care services by medical providers*	**GOAL 2: IMPROVE HEALTHY DEVELOPMENT, SAFETY AND WELL-BEING OF CHILDREN AND YOUTH** *5. Promote early childhood development* *6. Increase safety, permanency, and well-being of children and youth* *6.3 Increase the number of health care providers trained to meet the health needs of people with developmental disabilities*

HHS STRATEGIC GOALS*	CORRESPONDING ACF STRATEGIC GOALS, OBJECTIVES AND STRATEGIES
GOAL 6: IMPROVE THE ECONOMIC AND SOCIAL WELL-BEING OF INDIVIDUALS, FAMILIES, AND COMMUNITIES, ESPECIALLY THOSE IN NEED *6.1 Increase the proportion of low-income families and persons receiving welfare who improve their economic status*	**GOAL 1: INCREASE ECONOMIC INDEPENDENCE AND PRODUCTIVITY FOR FAMILIES** *1. Increase employment* *2. Increase independent living* *3. Increase parental responsibility* *4. Increase affordable child care* *6. Increase safety, permanency, and well-being of children and youth*
6.3 Increase independence and quality of life of persons with disabilities, including those with long-term care needs	**GOAL 1: INCREASE ECONOMIC INDEPENDENCE AND PRODUCTIVITY FOR FAMILIES** *1. Increase independent living* **GOAL 2: IMPROVE HEALTHY DEVELOPMENT, SAFETY AND WELL-BEING OF CHILDREN AND YOUTH** *6.3 Increase the number of health care providers trained to meet the health needs of people with developmental disabilities*
6.4 Improve the economic and social development of distressed communities	**GOAL 3: INCREASE THE HEALTH AND PROSPERITY OF COMMUNITIES AND TRIBES** *7. Build healthy, safe and supportive communities and Tribes*
6.5 Expand community- and faith-based partnerships	*The number of unduplicated faith- and community-based organizations that receive technical assistance to increase the capacity to provide needed social services*****
GOAL 7: IMPROVE THE STABILITY AND HEALTHY DEVELOPMENT OF OUR NATION'S CHILDREN AND YOUTH *7.1 Promote family formation and healthy marriages*	**GOAL 2: IMPROVE HEALTHY DEVELOPMENT, SAFETY AND WELL-BEING OF CHILDREN AND YOUTH** *6. Increase safety, permanency, and well-being of children and youth* *6.5a Enhance child well-being by promoting healthy marriages and family formation and reducing out-of-wedlock pregnancies*
7.2 Improve the development and learning readiness, as appropriate, of infants, toddlers, and preschool children	*4. Increase affordable child care* *5. Promote early childhood development*
7.3 Increase the involvement and financial support of non-custodial parents in the lives of their children	*3. Increase parental responsibility*
7.4 Increase the percentage of children and youth living in a permanent, safe environment	*6. Increase safety, permanency, and well-being of children and youth*

HHS STRATEGIC GOALS*	CORRESPONDING ACF STRATEGIC GOALS, OBJECTIVES AND STRATEGIES
GOAL 8: ACHIEVE EXCELLENCE IN MANAGEMENT PRACTICES *8.1 Improve the strategic management of human capital.*	**GOAL 4: MANAGE RESOURCES TO IMPROVE PERFORMANCE** *8. Develop and retain a highly skilled, strongly motivated staff* *9. Streamline ACF organizational layers*
8.3 Improve financial management	*11.Ensure financial management accountability*
8.4 Enhance the use of electronic commerce in service delivery and record keeping	*10. Improve automated data and management systems*
8.5 Achieve integration of budget and performance information	*Budget crosswalk and budget linkage tables*

*The HHS strategic goals reflect those in the draft HHS Strategic Plan dated November 2002.
**This measure is still under development and has not been assigned a strategic objective number.

A.2 CHANGES AND IMPROVEMENTS OVER PREVIOUS YEAR

ACF has made a number of improvements in this FY 2004 Annual Performance Plan. The FY 2004 plan includes additional information on detailed changes between the Final FY 2003 Plan and the Revised Final FY 2003 Plan, including which targets have been revised, which have been discontinued and which are still developmental. Each of the ACF programs was asked to re-examine its measures and targets to align them with Administration priorities. As a result, many programs created a more focused set of measures, e.g., dropping some measures, providing improved measures and targets based on the most recent available data and narrowing or refining existing measures.

Part I provides additional information that includes a roadmap explaining how the plan is organized and a description of ACF's key priorities and performance budget linkages.

In Part II, under each of the strategic goals and objectives, performance goals and measures are discussed in greater detail with a fuller discussion of program activities and strategic approaches directed at improving performance. Program performance analysis and resource and data issues are summarized and a budget table linking investments to activities, outputs and outcomes is included.

ACF has endeavored to project targets based on trend data wherever possible. There are a few measures that still lack baselines because programs are implementing new initiatives and data collection activities. Baselines for those measures will be established upon completion of start-up and developmental activities. In a few cases, the targets or measures are stated in ways that cause baselines to change annually (e.g., continuous improvement targets or legislatively defined targets). For those, a context has been provided in the narrative.

More descriptive information has been provided in a number of areas: (1) addition and/or deletion of measures to reflect new program priorities; (2) revision of targets to reflect program experience retaining the same baseline data wherever possible; (3) explanation for targets not achieved and steps that will be initiated to correct shortfalls; (4) additional narrative explaining the FY 2003 and 2004 measures; and (5) a status update on FY 2002 data and detailed changes between the FY 2003 Plan and the Revised Final FY 2003 Plan.

Both the FY 2003 and FY 2004 targets are repeated in the narrative section. Because the measures in the summary tables tend to be generic and programs are still refining the wording of many of the measures, it is critical that the specific wording be included in the narrative section for future tracking purposes.

STATUS OF FY 2002 DATA AND DETAILED CHANGES BETWEEN THE FINAL FY 2003 PLAN AND THE REVISED FINAL FY 2003 PLAN

Includes changes, status of developmental measures and availability of data for FY 2002 Performance Report. Measures are not listed if they remain as they were presented in the Final FY 2003 Annual Performance Plans (APP).

1. Increase employment.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (EMPLOYMENT)

Status of measures: FY 2002 results will be available September 2003: States are given up to 3 months to provide data for each quarter. Time is needed to validate and verify the data. A developmental measure, 1.1f, has been added to assess the rate of case closure due to employment.

DEVELOPMENTAL DISABILITIES (EMPLOYMENT)

Status of measures: FY 2002 results will be available for measures 1.3a-b March 2003. Measure 1.3b has been dropped for FY 2003.

REFUGEE RESETTLEMENT

Status of measures: Annual, unduplicated FY 2002 data are due 45 days after end of year, circa November 15. Because individual State reports may be missing and time is needed to validate and verify the data, final State data will be available April 2003; final MG data July 2003. For measures 1.4a, b and d, the percentages have been revised downward based on caseload fluctuations. Measure 1.4c has been dropped.

SOCIAL SERVICES BLOCK GRANT

Status of Measures: FY 2002 results will be available June 2003. Measure 1.5d has been re-phrased to be more reflective of program dynamics and funding levels. The remaining four measures (1.5a-c and 1.5e) have been dropped.

2. Increase independent living.

DEVELOPMENTAL DISABILITIES (HOUSING)

Status of measures: FY 2002 data will be available March 2003.

INDIVIDUAL DEVELOPMENT ACCOUNTS

Status of Measures: FY 2002 results will be available June 2003. Measure 2.2a has been replaced by a developmental measure, 2.2c, with baseline being developed in FY 2003. Measure 2.2b has been dropped.

3. Increase parental responsibility.

CHILD SUPPORT ENFORCEMENT

Status of measures: FY 2002 results will be available September 2003.

4. Increase affordable child care.

CHILD CARE: AFFORDABILITY

Status of measures: FY 2002 results will be available December 2003. Most of the data for these measures are from State reports, due the end of CY 2002. Five measures, 4.1a-c, 4.1e and 4.1g, have been replaced by three developmental measures, 4.1d, 4.1f, and 4.1h with baselines being developed in FY 2003.

5. Increase quality of child care to promote childhood development.

CHILD CARE: QUALITY

Status of measures: See CHILD CARE: AFFORDABILITY above. FY 2002 results will be available for measure 5.1b in February 2003 and measures 5.1a and 5.1d in December 2003. Measures 5.1b and 5.1d have been dropped in FY 2003 and a baseline for one developmental measure (5.1c) has been added in FY 2003 to be more reflective of new program priorities.

HEAD START

Head Start has set more aggressive targets for measures 5.2a, 5.2b and 5.2e. Measures 6.1a-c have been moved under strategic objective 5 (now 5.2l-n) to reflect the integrated nature of the program's child development strategies.

6. Increase safety, permanency, well-being of children and youth.

CHILD WELFARE

Status of measures: FY 2002 final results for most measures will be available in June 2003. Measure 6.1g was dropped in FY 2003. Measure 6.1b and 6.1f will be available September 2003.

DEVELOPMENTAL DISABILITIES (EDUCATION)

Status of measures: FY 2002 data will be available March 2003. Measure 6.2a has been dropped for FY 2003.

DEVELOPMENTAL DISABILITIES (HEALTH)

Status of measures: FY 2002 data will be available January 2003.

YOUTH PROGRAMS

Status of measures: Measures 6.4b and 6.4g have been dropped, baseline for one developmental measure, 6.4h, has been added in FY 2003 to reflect program priorities and targets for FY 2002 and 2003 have been added for 6.4c.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (CHILD WELL-BEING)

Status of measures: FY 2003 baseline for a new developmental measure, 6.5a, has been added to reflect program priorities.

7. Build healthy, safe & supportive communities and Tribes.
COMMUNITY SERVICES
Status of measures: FY 2002 final results will be available July 2004. The target for measure 8.1b has been increased from one percent to two percent.
FAMILY VIOLENCE PREVENTION
Status of Measures: No change in status.
LOW INCOME HOME ENERGY ASSISTANCE (LIHEAP)
Status of measures:. Measure 7.3c, a developmental measure, has been dropped due to data issues. FY 2003 targets were developed for measures 7.3a-b.
NATIVE AMERICANS PROGRAMS
Status of measures: 7.4b has been dropped and a baseline will be developed in FY 2003 for a developmental measure (7.4c) to reflect the program's emphasis on economic development.
A RESULTS-ORIENTED ORGANIZATION
8. Develop and retain a highly skilled, strongly motivated staff
Status of measures: FY 2002 final results will be available July 2003.
9. Streamline ACF organizational layers
Status of measures: No change in status.
10. Improve automated data and management systems
Status of measures: FY 2002 final results will be available June 2003.
11. Ensure financial management accountability
Status of measures: FY 2002 final results will be available June 2003.

A.3 PARTNERSHIPS AND COORDINATION

ACF and its partners began "focusing on results" before GPRA was in effect. Efforts to reach consensus on outcomes prompted extensive discussion of strategic objectives, legislative requirements, data sources and availability; led to a fuller understanding of outcomes and the relationships to process and output measures; and fostered closer partnership collaborations. Continuous program improvement has required ongoing consultation, technical assistance, and coordination across partnerships resulting in some performance measures being modified, dropped or replaced.

PARTNERSHIPS WITH STATES: **RESULTS-ORIENTED PARTNERSHIP AGREEMENTS AND TARGETS HAVE BEEN NEGOTIATED WITH INDIVIDUAL STATES. EACH PROGRAM HAS DEVELOPED AN INDIVIDUALIZED PROCESS FOR ENGAGING PARTNERS IN GOAL SETTING AND DEFINITION OF MEASURES AND TARGETS THAT ARE MEANINGFUL AND USEFUL AT THE STATE AND LOCAL COMMUNITY LEVEL. FOR EXAMPLE, ACF UNDERTOOK A LEGISLATIVELY-MANDATED, PARTNER-ORIENTED PROCESS TO DEVELOP THE MEASURES AND FUNDING FORMULAS USED TO AWARD TANF HIGH PERFORMANCE BONUSES TO STATES. ALSO, THE CHILD SUPPORT PROGRAM DEVELOPED WITH STATES A NATIONAL STRATEGIC PLAN WITH INDICATORS AND TARGETS. THE REFUGEE PROGRAM INVOLVED BOTH STATE REFUGEE PROGRAMS AND COMMUNITY-BASED SERVICE ORGANIZATIONS IN THE DEVELOPMENT OF MEASURES AND TARGETS. IN SOME PROGRAMS, SUCH AS CHILD CARE, WHICH WERE NEW BUT HAD NO MANDATED REQUIREMENT FOR CONSULTATION LIKE TANF, A PRELIMINARY SET OF PROXY MEASURES WAS DEVELOPED FOR THE FIRST GPRA PLANNING YEARS, WHILE THE PROGRAM UNDERTOOK A CONSENSUS-BUILDING PROCESS WITH THE PARTNERSHIP CONSTITUENCIES.**

Partnerships within ACF: ACF has created an array of initiatives that cut across program boundaries and service areas. For example, ACF is integrating its performance systems relating to child care to include resources from the Child Care Bureau, TANF and SSBG, as well as activities under Head Start. ACF's Administration on Developmental Disabilities has developed results-based management systems relating to housing, health services, employment and education. And, the Assets for Independence program, which manages the Individual Development Accounts, collaborates with LIHEAP to ensure energy efficiency and a sound return on investment for low-income homeowners.

PARTNERSHIPS WITHIN HHS: ACROSS HHS, A LARGE NUMBER OF PROGRAMS SHARE RELATED OBJECTIVES. INTERAGENCY CONSULTATION HAS TAKEN PLACE ACROSS PROGRAMS WITHIN ACF, (E.G., CHILD CARE AND HEAD START, CHILD SUPPORT AND TANF) AND WITHIN HHS (E.G., BETWEEN TANF AND MEDICAID) THROUGH SEMINARS AND FORUMS CONVENED BY THE OFFICE OF THE ASSISTANT SECRETARY FOR BUDGET, TECHNOLOGY AND FINANCE (ASBTF) AND THE OFFICE OF THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION (ASPE).

Special efforts have been directed to assure that children have access to health and child development services. Head Start and the Child Care Bureau work with HHS health agencies e.g. the Maternal and Child Health Bureau, Community Health Centers, the Substance Abuse and Mental Health Services Administration (SAMSHA) and the Centers for Medicare and Medicaid Services (CMS) to achieve health targets. For example, Child Care and Head Start coordinate with the Health Resources and Services Administration's (HRSA) Maternal and Child Health program to improve health and safety in child care by creating strong links with health communities. Increasing the number of women who receive early and comprehensive prenatal care is among the salient goals of the Early Head Start program, which serves low-income families with infants and toddlers. ACF programs provide outreach for the State Child Health Insurance Program (SCHIP), which is administered by the Centers for Medicare and Medicaid Services. Head Start and Child Care jointly sponsor the QUILT (Quality in Linking Together) project that helps Head Start and child care grantees form program partnerships to provide high quality full-day, full-year early childhood services. Such coordination at the implementation and delivery level is producing significant results.

PARTNERSHIPS WITH OTHER FEDERAL AGENCIES: **GIVEN THAT ACF MEASURES HAVE BEEN DEVELOPED IN COLLABORATION WITH PARTNERS, THE CONSULTATION PROCESS OUTSIDE OF ACF HAS BEEN EXTENSIVE, THOUGH MORE SO WITH ACF'S PROGRAM PARTNERS, SUCH AS STATES AND GRANTEES, THAN WITH OTHER FEDERAL AGENCIES. ACF WORKS CLOSELY WITH FEDERAL DEPARTMENTS SUCH AS LABOR, TREASURY, HOUSING AND URBAN DEVELOPMENT, EDUCATION AND TRANSPORTATION IN IMPLEMENTING, OPERATING AND IMPROVING WELFARE REFORM, EARLY CHILD DEVELOPMENT, CHILD CARE, CHILD SUPPORT, AND OTHER PROGRAMS. CONSULTATION WITH FEDERAL AGENCIES OUTSIDE OF HHS ON SPECIFIC GPRA PERFORMANCE PLAN ISSUES HAS NOT BEEN A FORMAL PROCESS. PROGRAM-SPECIFIC DATA AND MEASUREMENT ISSUES, AS WELL AS DIFFERING STATUTES AND POPULATIONS SERVED, MAKE THE DEVELOPMENT OF COMMON MEASURES MORE CHALLENGING. HOWEVER, ACF HAS FOUND THAT INTENSIVE CONSULTATION AND COORDINATION ON PROGRAM DESIGN AND OBJECTIVES PROVIDE A CLIMATE FOR CLOSE ALIGNMENT AMONG PROGRAMS WITH SIMILAR GOALS. PERFORMANCE MEASUREMENT ISSUES ARE CENTRAL TO CROSS-AGENCY DISCUSSIONS, E.G., IDENTIFYING STATE UNEMPLOYMENT RECORDS AS A DATA SOURCE FOR TANF PERFORMANCE MEASURES. THERE HAS BEEN EXTENSIVE PROGRAMMATIC COLLABORATION, INCLUDING TANF AND WELFARE-TO-WORK GRANTS WITH THE DEPARTMENT OF LABOR; CHILD CARE AND HEAD START WITH THE DEPARTMENT OF EDUCATION; AND CHILD SUPPORT ENFORCEMENT WITH THE DEPARTMENTS OF JUSTICE, TREASURY AND DEFENSE. THESE COLLABORATIONS HAVE HELPED DEVELOP RESULTS-ORIENTED STRATEGIES THAT CONTRIBUTE TO THE SUCCESS OF PERFORMANCE GOALS.**

ACF has been an active participant in cross-program efforts to develop broader indicators of child well-being, e.g., *Trends in the Well-being of America's Children and Youth; America's Children: Key National Indicators of Well-being*; *Healthy People 2010* and the Children's Indicators Consortium study. ACF is committed to working collaboratively with its partners in

the refinement of these broader performance measures and the identification of annual performance targets.

A.4 DATA VERIFICATION AND VALIDATION

Grantees and partners, such as States, collect most data for ACF programs with collection schedules written into statutes and regulations. ACF uses considerable resources to verify and validate program data through automatic edit checks, manual reviews or audits, and other forms of quality control and assurance.

Specific data issues are discussed in the individual performance goal sections. ACF has developed a number of different strategies to deal with these issues. There are a number of broad data-related challenges affecting ACF's performance plan. Resolving these challenges (listed below) and other data issues is necessary, time-consuming, difficult, and costly.

- Quantitative and qualitative measurement of outcomes in social programs are experimental and still being validated;
- States, Tribes and non-profit grantees vary in their ability to collect, produce and report reliable data;
- Data validation and verification are highly complex and costly;
- Particularly for our numerous new or changed programs, baseline data are frequently unavailable and must be developed before progress can be measured;
- Data collection systems fully geared to State flexibility are still being implemented; and
- Investments in the design, development and implementation of data collection systems are costly and must be balanced against other priorities at all levels – Federal, State and local.

Many ACF grantees receive programmatic funds that the legislation either designates or permits to be used for data collection. Discretionary, formula, and entitlement grant awards generally carry reporting requirements directed at facilitating oversight and measuring performance. However, block grants and devolution of program authority to States have resulted in limitations on ACF's collection of data. ACF has worked with its partners to collect a reasonable amount of data from which to determine performance and assure program integrity.

For a number of major programs, ACF is largely dependent upon State administrative systems for collecting performance data, e.g., Temporary Assistance to Needy Families, Developmental Disabilities, Refugee Resettlement, Child Welfare, Child Support Enforcement, Child Care, and Low Income Home Energy Assistance Program. For these programs, performance results can be measured and validated through the administrative data.

Currently, ACF has the following major data system infrastructures in place: the National Directory of New Hires (Child Support and TANF), the Unemployment Insurance Wage data (UI), the TANF Data Reporting System, the TANF SSP-MOE Data Reporting System; and the Tribal TANF Data Reporting System; the Child Support Survey; the Residential Energy Consumption Survey; March Current Population Survey (CPS) Supplement (Census Bureau); the Refugee Resettlement Survey; Head Start Family and Child Experiences (FACES) Survey; and the National Child Welfare Longitudinal Study.

Other ACF programs, e.g., Head Start, Youth programs, CSBG, and Family Violence, rely on local community data systems. Native Americans programs use two internal data tracking systems (Project Information and Evaluation System and the Grant Award Tracking and Evaluation System). The Head Start information is collected at local grantee sites through Program Information Reports and the Family and Child Experiences Survey (FACES) which has rigorously defined collection procedures. Several programs use survey information to supplement the data.

As a result of many of the challenges listed above, there is some delay in the availability of administrative data. These delays limit knowledge of current program activity and hinder policy-making and program planning. Some delays are inherent in the goals and measures of the program, e.g., job retention and earnings gain in TANF. ACF reviewed the data reporting time frames for the performance measures in this plan. A chart summarizing the timetables for ACF programs using State and grantee administrative data is included in Appendix A-8.

A.5 PERFORMANCE MEASUREMENT LINKAGES

Information Technology Planning

During the past fiscal year, ACF actively utilized the ACF Information Technology Review Board (ITRB) in accordance with the intent of the Clinger-Cohen Act (also known as the Information Technology Management Reform Act [ITMRA]). The overall purpose of the ACF ITRB is to monitor (1) the performance of selected ongoing major ACF information technology investments or to consider proposed new major investments and (2) matters that concern ACF IT policies and issues. The ACF ITRB completed, or is implementing, 10 priority Investment Technology policies:

- IT procurements: ACF will implement annual, centralized replacement planning and purchasing for PC's and related equipment. Replacement budget plans will be presented annually to the ACF ITRB for approval.
- Standard desktop PC hardware: ACF implements a standard desktop PC hardware configuration.
- Standard PC software: ACF implements and maintains a standard desktop PC software configuration.
- IT training: ACF has centralized its plans and budgets for all technical training. Training for all ACF standard PC software is available in a classroom setting and through our Distance Learning initiative. Training in each software is provided through centralized budgets.
- Internet/Intranet technologies: ACF will provide enhanced support for Internet and Intranet publishing by operating state-of-the-art web servers and related technologies. Central Office/Regional Office Internet web page content is subject to Office of Public Affairs review to ensure compliance with applicable policies and procedures.
- ACF network remote access: ACF will expand and enhance its remote access services agency-wide to meet the 21st Century work environment. The results of feasibility studies and analyses of alternatives will be presented for review by the ITRB, when available.
- Desktop video conferencing: ACF will continue to improve capabilities for point-to-point video conferencing within ACF, and/or Internet-based video conferencing within ACF and/or with outside parties (within available budgets including, possibly, program funds). Future recommendations will be presented to the ITRB under the leadership of the videoconferencing team and Region VI.
- HHS-wide administrative systems: ACF working with the Department to create uniform administrative systems, which will begin with a new Web-based HR/Payroll system that will provide the Department with higher quality HR service and integrated functionality.
- On-line Data Collection (OLDC): ACF will implement a next generation of electronic grant-making through the OLDC capability to enable grantees and potential grantees to enter all grants information on-line over the Internet. Plans and designs presented to the ITRB are consistent with the new Government Paperwork Elimination Act.
- Electronic file storage: ACF is planning for efficient archiving of documents from paper and/or electronic originals through electronic document management technology. ACF will collaborate with the Department to accomplish this initiative.

In addition, ACF continues to monitor the following IT investments:

- IT support activities associated with the Expanded Federal Parent Locator Service mandated by Welfare Reform Legislation: the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA);
- Completion of Business Process Reengineering of the Grants Administration Process through the use of the Grants Administration Tracking and Evaluation Systems (GATES);
- Continued implementation of IT support activities associated with Temporary Assistance for Needy Families (TANF);
- ACF is working with the Department on several major IT initiatives to implement the Secretary's Five Year Strategic Plan for IT Consolidation and "One Department". ACF is leading the departmental initiative to consolidate the infrastructure of the small OPDIVs creating a uniform standardized configuration. Completion is planned for October 2003; and.
- In support of the "One Department" initiative, ACF is consolidating all IT activities and developing an Enterprise Architecture to guide and improve Capital Planning and Investment Control of IT and business processes across the OPDIV.

Cost Accounting

Beginning in FY 1998, all government reporting entities were required to implement, and be audited on, full cost accounting (also known as managerial cost accounting) as part of the annual financial statements audit process. Beginning with the FY 1998 audit process, ACF was required to present all costs directly associated with a program, as well as all costs indirectly supporting that program. Based on Federal law and OMB guidance, the programs against which these costs had to be reported were ACF's major program areas identified in the GPRA Annual Performance Plan.

To implement a credible and auditable method to fulfill the full cost accounting requirements for the FY 2001 audit, ACF allocated its Federal Administration budget indirect costs proportionately among the major program areas on the basis of direct FTE. (Indirect costs include salaries and benefits for staff not working *directly* on one of the 14 program activities; costs of training, personnel, budget, travel, systems, facilities, supplies, and rent.)

To accomplish this, ACF senior staff in headquarters and the regions completed a Staff Resource Survey providing the total number of staff working directly on program activities in one or more of the major program areas; and the total number of staff not working directly on program activities. Staff in this category included planning, administrative, and front office staff. Fractions of staff were indicated for those working in more than one major program area. Contractors and detailees *out* of an organization were excluded from a manager's count while detailees *into* an organization from another office were included.

Where an organization encompassed one entire major program area, e.g., Developmental Disabilities, Child Support and Native Americans Program, only the total number of on-board staff for that organization were indicated. Staff offices that provided cross-cutting activities reported on-board staff as "other staff not working directly on program activities." Offices where program distinctions could be made (e.g., ACYF, OCS) reported on both items.

Completed survey data were collated and analyzed in an automated spreadsheet and provided to the HHS Program Service Center (PSC) to allocate the indirect costs in proportion to the resulting direct staff ratio. These data support PSC's development of ACF's Statement of Net Cost. ACF managers were advised to retain documentation that explains how they arrived at their numbers in the event that auditors requested to review this process. ACF's cost accounting strategy was accepted by the auditing firm (Clifton Gunderson), PSC, ASBTF and the OIG. Other OPDIVs also requested copies of our methodology and survey instrument. ACF continues to use the same strategy for each audit cycle, adding new program areas as appropriate.

Work Force Analysis Plan

ACF is committed to being a customer-focused, citizen-centered organization. It is an organization that focuses on results, provides high quality, cost-effective and efficient services, meets customers' needs and expectations, and uses state-of-the-art information technology to improve management and data systems. ACF will continue to rely on its work force analysis plan to support the ACF work force restructuring plan. The ACF work force analysis provides a demographic summary of ACF's permanent work force, an evaluation of the skills of the work force, and an assessment of the organization's structure. In addition, ACF plans to engage in a progressive succession planning effort to address mission-critical activities and gaps in the ACF work force.

ACF analyzed information gathered for work force planning purposes in order to accurately gauge and project current agency workload, current employees' competencies, estimated future workloads and future competency needs for the next three to five years. ACF continues to make progress in implementing administrative consolidations and organizational realignments of some ACF offices.

Program Evaluation

While States have been given increasing latitude in administering programs, they depend on national leadership and partnership in developing reliable information, technical assistance, and the development and dissemination of proven or promising methods for achieving and measuring success. Extant research and early results of major studies under way have helped shape significant changes in Federal and State policy and legislation affecting low-income families and children.

Effective State decision-making requires timely and reliable information on the consequences of alternative policy and program choices and the experiences of other States. As policy and

program design has devolved to States and localities, it is vital that these levels of government have reliable information for decision-making and that the effects of different policy and program choices on quality and accessibility are understood. Documenting, understanding, interpreting and facilitating the exchange of information and experiences among States is essential to providing high quality services to promote the well-being of families and children.

As ACF continues to focus on results-oriented management, evaluations play an increasingly important role in program improvement. Program evaluations are directed at evaluating effectiveness, assessing the achievement of performance results, assessing the impacts of human services, and improving program management. Program evaluations are largely directed at assessing the effectiveness of individual projects within a program. The ACF performance measurement system is the primary mechanism used to monitor annual progress in achieving ACF's strategic and performance goals.

Specific Examples of Ongoing Evaluations that Support Goals and Objectives in ACF Performance Plan

In December 2001, five-year results from the National Evaluation of Welfare-to-Work Strategies (NEWWS) were released. This study evaluated 11 programs in seven sites, comparing education-focused with employment-focused approaches. Studies are currently ongoing to examine the effectiveness of strategies to help welfare recipients retain and advance in employment; strategies to help those who are hard-to-employ enter and succeed in employment; and strategies to help rural residents move from welfare to work. Research and evaluation studies of child care services assist in promoting effective practices and provide a better understanding of child care supply, demand, unmet need, quality and cost for those transitioning from welfare to work. ACF has also initiated research to develop and evaluate strategies to promote child well-being through healthy marriage.

There is evaluative evidence that demonstrates the success of working through programs such as Head Start to prepare children for school. Results from the Family and Child Experiences Survey, a longitudinal study of a nationally representative sample of Head Start children, are beginning to show positive trends for Head Start children in cognitive and social skills, indicting learning readiness for kindergarten. The Early Head Start evaluation, completed in May 2002, demonstrated that Early Head Start improves some of the early building blocks for the development of literacy and school readiness.

The national survey of child and adolescent well-being (NSCAW) will provide valuable descriptive information including risk factors, service needs and services received on children and families who come into contact with the welfare system. Additionally, State and program administrative data are particularly useful in assessing trends and establishing targets for child welfare, abuse and neglect, early learning (Head Start) and child care.

In June, 2002, ACF released three-year results of the Early Head Start Impact Study, a random-assignment evaluation comparing outcomes for children and families in 17 Early Head Start programs with outcomes for children not participating in Early Head Start. Evaluations currently

under way include the Head Start Impact Study, a nationwide random-assignment evaluation of Head Start; several partnerships between academic researchers and local Head Start programs to test program improvements; and an evaluation of child care subsidy strategies.

ONGOING EVALUATIONS THAT WILL INFORM PERFORMANCE MEASURES

Objective	Subject	Methodology
1.1 Increase Employment	Evaluation of Employment Retention and Advancement strategies; impact of welfare reform on child outcome measures; impact of rural welfare to work strategies; and the effectiveness of employment services for special populations Evaluation and demonstration of enhanced services for hard-to-employ parents	Impact Analyses (experimental design) Experimental
2.1 Increase Independent Living	Evaluation of impact of Individual Development Accounts	Non-experimental
3.1 Increase Parental Responsibility	Evaluation of the role of both parents in providing financial and emotional support to their children; evaluation of strategies to improve child well-being by strengthening parental relationships and healthy marriage Partners for Fragile Families evaluation	Impact analyses and non-experimental methods Process and impact evaluation
4.1 Increase affordable child care	Evaluation of Child Care Subsidy Strategies Multi-year, multi-site study evaluating effects of alternative State and community subsidy policies	Experimental
5.1 Healthy Development and Learning Readiness of Children	Continuation of National Study of Child Care for Low-Income Families; evaluation of child care subsidy strategies; grants to develop and test comprehensive school readiness strategies (joint with NICHD and Department of Education)	Surveys, site visits, impact analyses
5.2 Head Start	Continuing surveillance of the progress of Head Start children in social, cognitive and other domains (The Family and Child Experiences Survey) Head Start impact study examining the development and school-readiness of low-income children including language and literacy development. Early Head Start follow-up study examining Early Head Start and control group children's progress through pre-kindergarten. Early Childhood Longitudinal Studies with	Interviews, observations, assessments & surveys; impact analyses Experimental Experimental

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Objective	Subject	Methodology
	the Department of Education studying a cohort of Head Start children at kindergarten entry and continuing through the fifth grade.	Observations, interviews and data analysis
6.1 Safety, Permanency and Well-Being of Children and Youth	Continuation of national longitudinal study of child welfare that looks at the outcomes for families and children in areas of safety, permanency and child and family well-being.	Surveys, interviews, impact analyses
	Consortium for longitudinal studies of child maltreatment from time children are 4 years old until they reach adulthood.	Interviews and assessments Monitoring, State RO-CO partnership monitoring visits, pre-visit statewide assessments, analysis and use of existing data from NCANDS and AFCARS
	Systematic review of child welfare outcomes in areas of safety, permanency and child and family well-being.	Surveys, site visits, impact analyses
	Evaluation of technical assistance to grantees to improve local evaluations and encourage cross-site cooperation and consensus on data elements.	Contracts
	National evaluation of the impact of family preservation and support services	Meta-analysis of last 25 years of research and evaluation studies
6.5 Enhance child well-being by promoting healthy marriages and family formation and reducing out-of-wedlock pregnancies.	Develop evaluation design options for community marriage demonstrations.	Impact Study
	Evaluation of interventions for low-income unmarried parents	Experimental
	Multi-site evaluation and synthesis of Responsible Fatherhood Projects	Descriptive analysis using program and administration data and client interviews

A.6 FY 2001 PERFORMANCE DATA NOT REPORTED (PREVIOUSLY UNAVAILABLE)

Performance Goals	FY 01 Target	FY 01 Actual Performance	Reference
Developmental Disabilities-Employment			
1.3a. Achieve the targeted number of adults with developmental disabilities who obtain integrated jobs as a result of DD program intervention.	3,800	5,854	Pages 22-23
1.3b. Achieve the targeted number of businesses/employers that employ and support people with developmental disabilities as a result of DD program intervention.	1,350	1,813	
Refugee Resettlement			
1.4a. Increase the number of refugees entering employment through ACF-funded refugee employment services by at least five percent annually from FY 1997 actual performance.			
1.4b. Increase the number of entered employments with health benefits available as a subset of full-time job placements by five percent annually from the FY 1997 actual performance.	56,885	45,893	Pages 28-30
1.4c. Increase the number of refugee cash assistance cases closed due to employment by at least five percent annually as a subset of all entered employments from the FY 1997 actual performance.	30,613	27,270	
1.4d. Increase the number of 90-day job retentions as a subset of all entered			

employments by at least five percent annually from the FY 1997 actual performance.			
1.4e. Increase the number of refugees who enter employment through the Matching Grant program as a subset of all MG employable adults by at least five percent annually from the calendar year 1997 actual performance.	18,163	14,223	
1.4f. Increase the number of refugee families (cases) that are self-sufficient (not dependent on any cash assistance) within the first four months after arrival by at least four percent annually from the calendar year 1997 actual performance.	41,824	31,137	
Social Services Block Grant			
1.5a. Increase by one percent the number of child recipients of day care services funded wholly or in part by SSBG funds over the previous year's performance.	9,504	13,882	
1.5b. Increase by one percent the number of adult recipients of home based services funded wholly or in part by SSBG funds over the previous year's performance.			
1.5c. Increase by one percent the number of adult recipients of special services for the disabled funded wholly or in part by SSBG funds over the previous year's performance.	6,176	10,442	
1.5d. Maintain the number of recipients of child protective services funded wholly or in part by SSBG funds.			
1.5e. Increase by one percent the number of recipients of information and referral services funded wholly or in part by SSBG funds over the previous year's performance.	2,399,827	3,150,776	Pages 39-40
Developmental Disabilities-Housing			

2.1a. Achieve the targeted number of people with developmental disabilities owning or renting their own homes as a result of DD program intervention.	339,253	260,937	
Child Support 3.1a. Increase the paternity establishment percentage (PEP) 3.1b. Increase the percentage of IV-D cases having support orders. 3.1c. Increase the IV-D collection rate for current support. 3.1d. Increase the percentage of paying cases among IV-D arrearage cases. 3.1e. Increase the cost-effectiveness ratio (total dollars collected per $1 of expenditures.)	313,075 1,302,895	912,661 1,411,427	
Child Care 5.1a. Increase by one percent (95) the number of regulated child care centers and homes nationwide accredited by a nationally recognized early childhood development professional organization from the CY 2000 baseline. 5.1d. Maintain the number of States and Territories conducting unannounced inspections of regulated providers from the FY 2000 baseline.	1,321,736 7,500	1,439,530 4,013	Page 45
Head Start 5.2a. Achieve at least an average 34 percent gain (12 scale points) in word knowledge for children completing the Head Start program.			

5.2b. Achieve at least an average 52 percent gain (4 scale points) in mathematical skills for children completing the Head Start program.	96.5%	102%	Pages 53-54
5.2c. Achieve at least an average 70 percent gain (3.4 scale points) in letter identification for children completing the Head Start program.	62%	66%	
5.2d. Achieve at least an average 43 percent gain (1.24 scale points) in fine motor skills for children completing the Head Start program.	54%	57%	
5.2e. Achieve at least an average 14 percent gain (2 scale points) in social skills for children completing the Head Start program.	54.5%	59%	
5.2f. Achieve goal of at least 80 percent of children completing the Head Start program rated by parent as being in excellent or very good health.	$4.00	$4.18	
5.2g. Achieve goal of at least 70 percent the percentage of parents who report reading to child three times per week or more.	9,630	9,237	Pages 76-77
5.2k. Maintain the average lead teacher score on an observational measure of teacher-child interaction.	43	47	
Child Welfare			
6.1b Decrease the percentage of children with substantiated reports of maltreatment that have a repeated substantiated report of maltreatment within six months.			

6.1c. Maintain the percentage of children who exit the foster care system through reunification within one year of placement. 6.1d Increase the percentage of children who exit care through adoption within two years of placement.	10 (32%)	10 (32%)	Pages 82-85
6.1e. Maintain the percentage of children who exit foster care through guardianships within two years of placement. 6.1f. Increase the number of adoptions.	3 (43%)	3 (43%)	
6.1h. For those children who had been in care less than 12 months, increase the percentage that had no more than two placement settings.	3.4 (70%)	2 (38%)	
Developmental Disabilities-Education 6.2a. Increase the number of students with developmental disabilities who are served in more integrated/inclusive educational settings as a result of DD program intervention.	1.24 (43%)	1.05 (34%)	
Management 8.1a2. Each ACF staff member participates in at least one Distance Learning or other training opportunity directly related to increasing his/her job skills.	1.4 (10%)	1.9 (13%)	
10.1a Develop and implement GATES II, which will capture and validate grant information submitted by grantees using the web.	80%	79%	

	70%	69%	
	73	72	
	7%	9%	Pages 96-98
	67%	68%	
	28%	23%	
	67;%	57%	
	51,000	50,000	
	72%	60%	

	11,000	10,288	Page 106
	100%	96%	Page 160
	FY 01: Gates II	Completed	Page 163

A.7PERFORMANCE REPORT SUMMARY BY PROGRAM

Program	Total Measures	Measures Reported	Measures Met*	Unreported
TANF	FY 02: 5 FY 01: 5 FY 00: 5 FY 99: 2	FY 02: 0 FY 01: 2 FY 00: 5 FY 99: 2	FY 02: FY 01: 1 FY 00: 4 FY 99: 1	FY 02: 5 FY 01: 3 FY 00: 0 FY 99: 0
DD	FY 02: 6 FY 01: 6 FY 00: 6 FY 99: 6	FY 02: 1 FY 01: 6 FY 00: 6 FY 99: 6	FY 02: FY 01: 2 FY 00: 3 FY 99: 3	FY 02: 5 FY 01: 0 FY 00: 0 FY 99: 0
ORR	FY 02: 6 FY 01: 6 FY 00: 6 FY 99: 6	FY 02: 0 FY 01: 6 FY 00: 6 FY 99: 6	FY 02: FY 01: 2 FY 00: 0 FY 99: 5	FY 02: 6 FY 01: 0 FY 00: 0 FY 99: 0
SSBG	FY 02: 5 FY 01: 5	FY 02: 0 FY 01: 5	FY 02: FY 01: 4	FY 02: 5 FY 01: 0
OCSE	FY 02: 5 FY 01: 5 FY 00: 5 FY 99: 5	FY 02: 0 FY 01: 5 FY 00: 5 FY 99: 5	FY 02: FY 01: 5 FY 00: 2 FY 99: 2	FY 02: 5 FY 01: 0 FY 00: 0 FY 99: 0
CHILD CARE	FY 02: 8 FY 01: 8 FY 00: 2	FY 02: 0 FY 01: 2 FY 00: 2	FY 02: FY 01: 1 FY 00: 1	FY 02: 8 FY 01: 6 FY 00: 0
HEADSTART	FY 02: 14 FY 01: 13 FY 00: 5 FY 99: 6	FY 02: 14 FY 01: 13 FY 00: 5 FY 99: 6	FY 02: 4 FY 01: 3 FY 00: 3 FY 99: 3	FY 02: 0 FY 01: 0 FY 00: 0 FY 99: 0
CHILD WELFARE	FY 02: 6 FY 01: 6 FY 00: 10 FY 99: 9	FY 02: 0 FY 01: 6 FY 00: 10 FY 99: 9	FY 02: FY 01: 1 FY 00: 4 FY 99: 2	FY 02: 6 FY 01: 0 FY 00: 0 FY 99: 0
YOUTH	FY 02: 3 [3] FY 01: 1 [3]** FY 00: 4 FY 99: 4	FY 02: 3 [3] FY 01: 1 FY 00: 4 FY 99: 4	FY 02: 3 FY 01: 1 FY 00: 1 FY 99: 1	FY 02: 0 FY 01: 0 FY 00: 0 FY 99: 0
CSBG	FY 02: 2 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: 2 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: FY 01: 2 FY 00: 2 FY 99: 2	FY 02: 2 FY 01: 0 FY 00: 0 FY 99: 0
FVP	FY 02: 2 FY 01: 2 FY 00: 1 FY 99: 1	FY 02: 2 FY 01: 2 FY 00: 1 FY 99: 1	FY 02: 2 FY 01: 2 FY 00: 1 FY 99: 1	FY 02: 0 FY 01: 0 FY 00: 0 FY 99: 0
LIHEAP	FY 02: 2 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: 0 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: FY 01: 2 FY 00: 2 FY 99: 0	FY 02: 2 FY 01: 0 FY 00: 0 FY 99: 0

Program	Total Measures	Measures Reported	Measures Met*	Unreported
ANA	FY 02: 2 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: 2 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: 2 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: 0 FY 01: 0 FY 00: 0 FY 99: 0
ADMIN	FY 02: 4 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: 1 FY 01: 2 FY 00: 2 FY 99: 2	FY 02: 1 FY 01: 2 FY 00: 1 FY 99: 1	FY 02: 3 FY 01: 0 FY 00: 0 FY 99: 0

A.8 AVAILABILITY OF STATE AND GRANTEE ADMINISTRATIVE DATA

Program – Administrative Data System	Length of Time between end of Program Year and Submission of Data by State/Grantee	Length of Time between end of Program Year and Availability of Data	Reasons for Time Schedule	Strategy for Eliminating Tim Delays where Appropriate
TANF participation rates: TANF Administrative Data	3 months	12 months (September)	The TANF statute allows States three months to report data at the end of each quarter. The additional time (9-12 months) is needed to ensure complete and accurate data reporting as well as final compilation and analysis of data.	FY 2000 was the year of the new da reporting system. expect that the timeliness and qua of the data will improve. We will continue to closely monitor State data transmission and provide TA as necessary.
TANF High Performance Bonus Measures	11 months to provide data for each quarter	15 months (December)	The data source for the work performance measures is the State employment wage records. Timing of employer reporting determines the availability of these data.	Beginning with th 2002 bonus (performance year 2001), we will hav access to national records via the Of of Child Support Enforcement's new database and will match against thes records to compile work performance data. Since Child Support relies on reporting of these data, we do not be time delays can be

Program – Administrative Data System	Length of Time between end of Program Year and Submission of Data by State/Grantee	Length of Time between end of Program Year and Availability of Data	Reasons for Time Schedule	Strategy for Eliminating Tim Delays where Appropriate
				substantially redu
DD-Employment, Housing, and Education	3 months after end of fiscal year (January)	6 months (March)	All grantees submit their Program Performance Report (PPR) by January 1 of the next calendar year. The PPR's are reviewed by respective regions and then forwarded to ADD office, where PPR's are stored in central database and reports are compiled.	ADD provides on training and techn assistance to grant to ensure updated knowledge of electronic data submission and thorough understanding of collection method Ongoing training technical assistanc improves timeline and thoroughness reports and provid trained expert to respond to proble situations via ema phone.
DD – Health	3 months after end of fiscal year (January)	16 months (January)	Health data are collected by a technical assistance contract through manual system of reporting.	ADD plans to con the manual data collection to an electronic collecti system.
RR- State Administered	Fiscal Year – 45 days after each quarter	7 months (April)	Quarterly reporting allows ORR to provide timely responses to issues that arise in the refugee program, to develop refugee assistance and services budget and update forecasting methodologies for determining the number of months ORR can provide cash assistance and medical assistance based on the number of refugees receiving or eligible to receive cash assistance. After receipt of the	ORR State analyst will make a more aggressive effort t contact ORR State coordinators wher reports are past du written communic will be sent out fr the ORR Director when reports are extremely delinqu

Program – Administrative Data System	Length of Time between end of Program Year and Submission of Data by State/Grantee	Length of Time between end of Program Year and Availability of Data	Reasons for Time Schedule	Strategy for Eliminating Tim Delays where Appropriate
			final report, ORR verifies and validates the grantee information.	
RR – Matching Grant	Calendar Year – 4 month reporting cycles in May, September and January	7 months (July)	Statistical outcome reports are due at 4-month intervals. ORR uses these reports to provide managerial oversight of the program, develop policies for refugee assistance and services and direction and guidance to the States. The additional seven months after the end of the calendar year is necessary for ORR to validate and verify the data.	A written communication w sent out from the Director when rep are extremely delinquent.
SSBG	Within 6 months or when State submits its application for funding (which begins subsequent to the expiration of that 6-month period).	15 months (December)	Block Grant Regulations allow six months to report data at the end of the period covered by the report or at the time the State submits its application for funding which begins subsequent to the expiration of that 6 month period.	OCS is working to assure that the concerns expresse the past about lack information on the effectiveness of th SSBG in accomplishing its stated program go will decrease. Wo continues with Sta to improve reporti for services provi with these funds t improve the qualit and timeliness of program informati All States were contacted to resol any data question to confirm the Sta methods for count recipients, total

Program – Administrative Data System	Length of Time between end of Program Year and Submission of Data by State/Grantee	Length of Time between end of Program Year and Availability of Data	Reasons for Time Schedule	Strategy for Eliminating Tim Delays where Appropriate
				expenditures, and TANF transfers.
Child Support Enforcement	3 months (December)	12 months (September)	OCSE allows States three months to report data at the end of the fiscal year. The additional nine months is needed to compile and analyze the data to ensure they are complete and accurate.	FY 1999 was the f year using the nev reporting form. M States are transmi their data electron which will improv timeliness and qu of the data. OCSE continue to provid technical assistanc
Child Care – Fiscal Year Measures	3 months (December)	18 months (March)	The CCDBG statute allows States until 12/31 of any FY to submit their aggregate and final case level reports. Time is needed to verify and correct their submissions.	CCB continues to provide training a technical assistanc States experiencin reporting difficult improve timelines reduce errors, imp completeness, and encourage and facilitate developr of State data syste
Child Care – Calendar Year Measures	3 months (March)	12 months (December)	Data sources are external non-government agencies that report data on a calendar year basis.	NA
Head Start PIR measures	School Year - August	5 months (January)	Programs requested additional time. Time is needed to aggregate data.	NA
Head Start – FACES measures	Available on a 3-year cycle – data submitted by evaluation contractor, yielding longitudinal data on HS program period and follow-up.	2000/2001 cohort data will be available by December 2002	Available on a 3-year cycle – data submitted by evaluation contractor.	NA
Child Welfare – measure 6.1f	Substantial amount of data are still being reported in May of the following year because 3 reporting periods are	12 months (September)	Data are used to calculate adoption incentive awards, which are announced in the summer when	NA

Program – Administrative Data System	Length of Time between end of Program Year and Submission of Data by State/Grantee	Length of Time between end of Program Year and Availability of Data	Reasons for Time Schedule	Strategy for Eliminating Tim Delays where Appropriate
	required to get one year's worth of data.		total number of adoptions are announced. Data cannot be released until the announcement.	
Child Welfare – measure 6.1b	Voluntary reporting system – calendar year basis.	12 months (September)	Grantees submitting child abuse data require an extensive length of time to gather data.	NA
Child Welfare – remaining measures	November w/second submission due end of March for States penalized to submit for corrective actions.	9 months (June)	States have 2-1/2 months after end of year to submit data and until March 31 to submit corrective actions. It takes two months for data to get to analysts from MIS processing units and for actual analysis.	NA
Youth	3 months Baselines for new measures will be established using a new data system.	6 - 9 months. .	Community-based grantees do not always have the capacity and resources to submit data within 30 days, as required. Technical assistance is provided as needed. Additionally, see note at left.	Development of a system for collecti and processing da will result in more complete reportin target for proporti grantees reporting correctly is 95 per and above, in comparison with t 45-55 percent historical levels), well as more accu and timely nationa data.
CSBG	9 months (June)	15 months (December)	States are required to report the latest complete 12 months of CSBG data. The delay in reporting is the result of States and sub-grantees having different reporting	The form used to collect the data wa revised and has decreased the time required by States compile individua State CSBG repor This revised form

Program – Administrative Data System	Length of Time between end of Program Year and Submission of Data by State/Grantee	Length of Time between end of Program Year and Availability of Data	Reasons for Time Schedule	Strategy for Eliminating Tim Delays where Appropriate
			periods. Under the CSBG Program, the reporting period coincides with the State fiscal year instead of the Federal fiscal year. Fifteen months are required to obtain, analyze and aggregate a CSBG report from all States.	decreased the leng time between the of the program ye and the availabilit data by six month 15 months.
Native Americans	Grantees are on a 6-month reporting cycle from date of award. While ANA grants are awarded throughout the year, the majority are awarded at the end of the fiscal year making the final Progress Report & Financial Report (SF-269) due at the end of October of the following year. Grantees are allowed 30 days to prepare and submit their final report.	During the third quarter (April-June)	Office of Grants Management OGM-00-03 and the Grants Administration Manual (GAM) 3.09.413 allows for timely submission of these reports every six months. The additional time is required to aggregate, verify and analyze the data.	NA
LIHEAP		14 months (November 2002) for 2001 RECS and 2 months (November 2002) for the 2002 March CPS	OCS is using data from the Department of Energy's Residential Energy Consumption Survey (RECS) and the Bureau of Census March Current Population Survey (CPS) to track the LIHEAP measures. The March CPS is conducted annually and the RECS is conducted every four years.	NA

Program – Administrative Data System	Length of Time between end of Program Year and Submission of Data by State/Grantee	Length of Time between end of Program Year and Availability of Data	Reasons for Time Schedule	Strategy for Eliminating Tim Delays where Appropriate
Administration – Training	3 months (December)	4 months (January)	Necessary to aggregate prior year data from 24 ACF components and regional offices	NA
Administration – GATES II and On-Line Data Collection System (OLDC)	9 months (June)	All data submitted to ACF via the GATES II interface will be immediately available to ACF organizations. The OLDC system is being pilot tested.	Delivery of production version of GATES II began in June 2002. The Beta version is being implemented for selected grantees to use the Web to submit financial reports during the second quarter of FY 2003.	The GATES II pr a data storage solu that provides live reporting on all A data collections. A data are supplied l grantees, approve are then moved to storage areas whe report functions a capable of present the collection.