

# Part I: Performance Plan and Report

Since the creation of GPRA, ACF has developed a measurement system that emphasizes substantive outcomes. For FY 2005, ACF has strengthened performance management under GPRA. Efforts to link activities in each program area to objectives, 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 does not exist, programs have been encouraged to increase targets with the understanding that shortfalls in achievement will help determine 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 2005, 43 of the 60 measures (74 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 2005, all ACF measures align 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.

## **Organization and Programs**

The operation of ACF programs is carried out through central office headquarters (eight program and five staff offices) and through ten Regional Offices. ACF programs are administered 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 improvement, and discover better ways to deliver effective services. By providing over \$47 billion in grants to governmental jurisdictions and nonprofit organizations and approximately 1,425 FTEs that provide technical assistance and oversight, ACF enables its partners to achieve results (ACF partnerships are described in Appendix A.3).

ACF is responsible for implementing twenty-two acts of legislation (which authorize more than sixty different

## ***Part I: Performance Plan and Report***

---

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 provides support to needy families and helps parents move into the workforce and gain self-sufficiency (administered by the Office of Family Assistance and Tribal TANF administered by the Office of Community Services).
- **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 the 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 the 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 the 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 the 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 the Head Start Bureau).
- **Child Welfare Programs** fund state programs that assist at-risk children and their families in achieving safety, permanency, 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 the Children's Bureau).

## ***Part I: Performance Plan and Report***

---

- **Youth Programs** support local agencies that provide shelter, improve life prospects, encourage and teach abstinence, 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 the 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 the 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 the 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 the 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 the Administration for Native Americans).
- **Developmental Disabilities Programs** enhance the ability of persons with developmental disabilities to live, work and thrive in their communities through supporting state and other efforts. These efforts 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 the Administration on Developmental Disabilities).

## ***Part I: Performance Plan and Report***

---

### **Summary of Measures**

ACF continues to make improvements in the performance measurement of its programs. Measures are being refined, added, dropped and replaced. As of February 2004, ACF is able to report on all 62 FY 2001 targets, 64 of the 71 FY 2002 targets and 19 of the 53 FY 2003 targets.

In an effort to have a more outcome-focused approach, ACF dropped 23 measures from its initial submission of 68 measures in the FY 2004 plan, revised 5 measures, and added 15 for a total of 60 measures for FY 2004-2005. The table below illustrates ACF performance measurement for FY 2000-2005.

#### **SUMMARY OF MEASURES**

<b>Year</b>	<b>Total Measures</b>	<b>Outcome Measures</b>	<b>Output Measures</b>	<b>Efficiency Measures</b>	<b>Results Reported</b>	<b>Results Met*</b>	<b>Results Not Met</b>
<b>2005</b>	43[17]	<b>45</b>	<b>16</b>	<b>15</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
2004	43[17] <sup>1</sup>	45	16	15	NA	NA	NA
2003	53	33	20	6	19	10	9
2002	71[3]	35	37	5	64	38	26
2001	62[5]	31	30	4	62[2]	36[2]	26
2000	52[2]	24	28	7	52	30	22

Note: "Results Met" includes performance within five percent of estimated target. Bracketed numbers indicate that measures are developmental; baselines will be established during the year indicated and will not be included in the report for that year.

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

---

<sup>1</sup> Initially, ACF had 68 measures in the FY 2004 plan.

## ***Part I: Performance Plan and Report***

---

### **Reader's Guide to Plan and Report**

Performance measures have been stated under the program sections that support the strategic program objectives and management improvement objectives in this plan. This framework encourages individual programs to collaborate and direct their efforts to achieve crosscutting program goals. It also enables ACF partners to use ACF program resources 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.

Combining the FY 2005 Performance Plan and FY 2003 Performance Report allows us to integrate future projections with the analysis of past performance. To help us gauge our progress, we have included sixty performance measures for FY 2005. These measures will provide tracking information for 28 of our budget line-item programs.

The Performance Plan and Report cover several areas. The Executive Summary provides general information describing the mission of ACF, highlights of accomplishments, a program performance scorecard for key measures and a performance report summary table. Part I provides an overview of performance measurement, description of the organization and major program areas, a guide to the plan and report as well as information on strategic goals and objectives, key priorities and linkage with the budget.

Part II includes a goal-by-goal section of each program activity. The FY 2005 performance plan and the FY 2003 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, legislative intent, program description and context including activities, strategies and resources and (2) a summary table of measures, targets and performance information for FY 1999 – 2005. 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. (a). The total program-funding column in the summary table reflects the President's Budget for FY 2004, the requested FY 2005 Budget, and appropriated funds (aggregated by program area) for FY 1999 – 2003. (See Detailed Budget Linkage Table in Appendix A.12 for line items included in each program total.) The summary table is followed by a full performance presentation, measure by measure. The program sections also include a table linking investments to activities, outputs and outcomes.

The Appendices include sections on linkage to HHS Strategic Plan; changes and improvements from the previous year including status of FY 2003 data and detailed changes in the FY 2004 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 2002; a listing of FY 2004-2005 measures; an annotated listing of efficiency measures; a chart on the timetable for reporting state and grantee administrative data and a detailed budget linkage table.

## ***Part I: Performance Plan and Report***

---

### **Strategic Goals**

#### ***Strategic Goal 1 – Increase economic independence and productivity for families***

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 needed to ensure that children are not living in poverty and that they are adequately cared for while their parents work.

Four key performance objectives support this strategic goal: (1) increase employment, (2) increase independent living, (3) increase parental responsibility, and (4) increase affordable child care. ACF programs that contribute to this effort include Temporary Assistance for Needy Families, Refugee Resettlement, Social Services Block Grant, Assets for Independence, Child Support, Child Care and Youth.

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

America's future – its civil society, economy and social fabric – depends upon how well the nation protects and nurtures its children. In ACF, Head Start, child care, child welfare, youth and TANF programs together provide a broad range of services that contribute to the cognitive and social

development, school readiness, health and safety of children and youth.

Two key performance objectives support this strategic goal: (1) increase the quality of child care to promote childhood development and (2) increase safety, permanency, and well-being of children and youth. ACF programs that contribute to this effort include Child Care, Head Start, Child Welfare, Youth Programs, and TANF: Child Well-Being.

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

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.

One key performance objective supports this strategic goal: build healthy, safe and supportive communities and Tribes. The following programs contribute to this effort: Community Services Block Grant, Family Violence Prevention, Low-Income Home Energy Assistance, Native Americans Programs and Developmental Disabilities.

#### ***Strategic Goal 4 – Manage resources to improve performance***

ACF is committed to being a customer-focused, citizen-centered organization as it provides assistance to America's most vulnerable populations. ACF is responsible for managing a wide array of discretionary and mandatory programs. It is essential that the organization manage resources to

## ***Part I: Performance Plan and Report***

---

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.

One key performance objective supports this strategic goal: "getting to green" on the President's Management Agenda.

### **Key Priorities**

ACF's leadership has identified the following key priorities for FY 2005:

- **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 enhance 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.

### **Special Initiatives**

#### **President's Management Agenda**

The President's Management Agenda challenges Federal Executive agencies to meet specific goals in the areas of human capital, competitive sourcing, financial performance improvement, E-government expansion and budget and performance integration in order to substantially reform and improve Federal government management. ACF has responded to this challenge by placing the PMA as the primary management goal, institutionalizing and building capacity of staff dedicated to the accomplishment of the PMA. These efforts, coupled with a commitment to utilize a results-oriented approach in management reform, have resulted in ACF's

## ***Part I: Performance Plan and Report***

---

noteworthy progress on the PMA. In FY 2003, ACF was the first HHS component to complete its FY 2003 competitive sourcing plan. This is significant in light of the fact that ACF met this goal while simultaneously meeting the Secretary's commitment of not involuntarily separating any employees. ACF is working with the Department to improve financial performance in the five strategic areas that support the PMA: erroneous payments, financial management improvement, financial systems, accountability, and integrating financial and performance management systems. ACF continues to encourage 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.

### **Linkage with Budget**

ACF has aggregated and consolidated more than 60 line-item programs into 14 broad program activity areas. Twenty-eight of these line item programs have selected performance measures. 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 activity line items are aligned with corresponding strategic goals and objectives, enabling ACF to associate investments with specific achievements.

ACF faces a number of challenges as it moves toward fuller integration with the budget. Among the most pressing challenges are: linking budget with program outcomes; developing alternative budget scenarios and selecting performance measures that drive

programs toward improved performance; developing efficiency measures for social service programs; and providing timely performance data for the budget planning cycle.

In an effort to tighten the budget and performance management integration over the coming years, ACF and the Department are in the initial stages of an extensive review which will result in a reorganization and revision of the FY 2006 Performance Plan. This effort will strengthen our focus on results by improving our outcome-based performance measurement system to increase its usefulness as a strategic management tool. Our intention is to assure this plan more clearly reflects the agency's vision, mission and strategic goals. The revised plan will include outcome and efficiency measures and will link the program dollars being requested to outcomes.

### **Efficiency measures**

ACF has developed efficiency measures for all GPRA programs. An annotated listing of these measures is in Appendix 10. ACF has included a number of developmental efficiency measures which we will be refining over the next several months. We will be working closely with the Department and OMB in this effort.

### **Full Cost Accounting Methodology**

The methodology used to calculate the indirect ratios for the years FY 2003-2005: the ACF Office of Administration (OA) compared the total number of staff per program to the overall total staff working directly on a program. Using the resulting percentage, OA allocated staff not working directly on programs to the various GPRA programs. OA compared the total ACF-wide staff working on programs to the total ACF-wide staff allocated to programs. The

## ***Part I: Performance Plan and Report***

---

resulting percentage of was used to distribute administrative costs to the various GPRA programs by applying those percentages by GPRA goal to Federal Administration account funding. Full costs were then calculated using the new full cost dollar amount multiplied by the percentage of full costs that the set of performance measures represent collectively, i.e., how much of the total program costs (including administrative) are “accounted for” by the measures for each program.

ACF identified outcome goals as the basis for its measurement system. TANF common performance measures and Head Start FACES measures exemplify this approach. This approach has limited our ability to link a percentage of full program costs to a single measure. In most cases, ACF has associated aggregation of budget line-item activities with clusters of measures.

### **Budget Crosswalk**

The budget crosswalk is a program-based account structure that displays resource investments linked to the agency's strategic goals and program line item activities. 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 purposes, not for budgeting or performance analysis. The selected measures are representative and not intended to define the

performance associated with the budget under that category. The table includes a column that identifies the budget program account number. Budget and other dollar figures are in millions.