

EXECUTIVE SUMMARY

INTRODUCTION AND MISSION

The mission of the Administration for Children and Families (ACF), within the U.S. Department of Health and Human Services (HHS) is to promote the economic and social well-being of children, youth, families, and communities, focusing particular attention on vulnerable populations such as children in low-income families, refugees, Native Americans, and people with developmental disabilities. ACF administers programs carried out by state, territorial, county, city, and tribal governments as well as by private, non-profit, and community- and faith-based organizations designed to meet the needs of a diverse cross-section of society.

ACF programs aim to achieve the following: (1) families and individuals empowered to increase their own economic independence and productivity; (2) strong, healthy, supportive communities that have a positive impact on the quality of life and the development of children; (3) partnerships with individuals, service providers, communities, American Indian tribes, Native communities, states, and Congress that enable solutions transcending traditional agency boundaries; (4) services planned, reformed, and integrated to improve needed access; and (5) a strong commitment to working with people with developmental disabilities and refugees to address their needs, strengths, and abilities.

ACF's performance supports four strategic goals associated with HHS Strategic Goal 3, Human Services: Promote the economic and social well-being of individuals, families and communities. Each ACF Strategic Goal is briefly discussed below:

ACF Strategic Goal 1 – Increase economic independence and productivity for families

This goal focuses on increasing employment, independent living, and parental responsibility. ACF programs that support this goal include Temporary Assistance for Needy Families (TANF), Refugee and Entrant Assistance, Assets for Independence, Child Support Enforcement, Healthy Marriage and Responsible Fatherhood, and Child Care.

ACF 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. ACF programs that support this goal include Head Start, Child Care, Child Welfare, Runaway and Homeless Youth, Mentoring Children of Prisoners, Healthy Marriage and Responsible Fatherhood, Abstinence Education, and TANF.

ACF 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 works to strengthen local community partnerships, improve civic participation, and work with tribes and Native American communities to build capacity and infrastructure for social and economic development. ACF programs that support this goal include Native American programs and Developmental Disabilities programs.

ACF Strategic Goal 4 – Manage resources to improve performance

ACF is committed to being a customer-focused, citizen-centered organization in providing 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 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.

FY 2009 BUDGET OVERVIEW

The FY 2009 President's Budget request for the Administration for Children and Families, including both mandatory (pre-appropriated and entitlement) and discretionary programs, is \$45.6 billion in budget authority – a reduction of \$1.8 billion below the FY 2008 enacted level. The discretionary portion of the budget, including the Low Income Home Energy Assistance Program (LIHEAP), the Child Care and Development Block Grant (CCDBG), Head Start, and Refugee and Entrant Assistance, is \$13.2 billion, \$1.1 billion below the FY 2008 enacted level. In addition, the ACF request would support 1,299 full-time equivalent (FTE) positions. The request for mandatory spending – which accounts for approximately 71 percent of the FY 2009 budget – is \$32.3 billion, a reduction of \$720 million below FY 2008. Mandatory programs include Temporary Assistance for Needy Families (TANF), Child Care Entitlement, Child Support Enforcement, and Foster Care and Adoption Assistance.

The discretionary budget request proposes: (1) targeted increases for Head Start, Community-Based Abstinence Education, Compassion Capital Fund, Adoption Incentives, and Mentoring Children of Prisoners; (2) funding for a new initiative to develop a disaster human services case management in the event of a natural disaster; and, (3) a funding reduction for LIHEAP from the FY 2008 enacted level, but a significant increase above the President's FY 2008 request. The mandatory budget maintains funding for all key entitlement programs, while proposing reductions in the Social Services Block Grant, a program without measurable performance outcomes, to redirect funds to programs that demonstrate results. This budget request reflects the goals and objectives in the Department's FY 2007-2012 Strategic Plan, and continues reliance on the PART process as a critical tool for evaluating program effectiveness and developing budget and legislative strategies.

Program Increases:

- **Head Start (+\$149 million)** – The FY 2009 request for the Head Start program is \$7 billion, an increase of \$149 million from the FY 2008 enacted level. This increased funding will be used to provide programs a cost-of-living increase of approximately 1.9 percent and to increase enrollment in Indian and Migrant Head Start programs by approximately 1,900 children, as required by the newly reauthorized Head Start Act.
- **Community-Based Abstinence Education (+\$28 million)** – The FY 2009 budget request for Community-Based Abstinence Education is \$141 million, an increase of \$28 million from the FY 2008 enacted level. This increased funding will support approximately 50 new grants. Since abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems, the program will continue the important work of supporting abstinence-until-marriage education programs through various service delivery methods.
- **Compassion Capital Fund (+\$22 million)** – The FY 2009 budget request for the Compassion Capital Fund is \$75 million, an increase of \$22 million from the FY 2008 enacted level. This increased funding will support 136 new grants to help faith-based and community organizations increase their effectiveness and enhance their ability to provide social services to those most in need.
- **Adoption Incentives (+\$15 million)** – The FY 2009 request is \$20 million, an increase of \$15 million above the FY 2008 enacted level. The request level will fund the estimated incentives earned by states under the new incentive structure proposed in the reauthorization. Since FY 2000, the total number of adoptions has been virtually flat, and the number of bonus earning adoptions in

the states fell from FY 2005 to FY 2006, as states have had difficulty exceeding their baselines. ACF is proposing in the reauthorization to revise the baseline year used to calculate incentives, as well as the amount which would be awarded to states for each adoption over the baselines for older children and children with special needs. Modifications to the adoption incentive program structure are proposed in concert with reauthorization to strengthen the focus on adoption and address the erosion of the basic value and fiscal incentive of the current structure.

- **Federal Administration (+\$11 million)** – The FY 2009 budget request is \$197 million, an increase of \$11 million from the FY 2008 enacted level. This funding level supports the Department’s Center for Faith-Based and Community Initiatives as well as key Departmental management initiatives and 1,299 FTE, the same level as FY 2008. In addition, these funds support expanded programmatic responsibilities required by the recent reauthorization of the Head Start program and Improper Payments Improvement Act (IPIA) efforts. At this funding level, ACF is committed to managing these new responsibilities without increasing FTE.
- **Disaster Human Services Case Management (+\$10 million)** – The FY 2009 request for this new initiative designed to develop a Disaster Human Services Case Management system is \$10 million. It became apparent after Hurricanes Katrina and Rita – which affected over 1 million people and caused extensive damage – that for these kinds of large-scale displacements a human services case management system is essential. Specifically, a system is needed that assesses individual and family needs and assists with connections to public and private supports to address both immediate circumstances and to help with long-term integration or relocation requirements. In FY 2008, ACF is conducting a pilot project in collaboration with the Federal Emergency Management Agency and the Department to determine and demonstrate the feasibility of developing, creating, and maintaining an integrated disaster case management program.
- **Mentoring Children of Prisoners (+\$1 million)** – The FY 2009 request for Mentoring Children of Prisoners is \$50 million, an increase of \$1 million from the FY 2008 enacted level. These funds support establishment of mentoring relationships for children of arrested and/or incarcerated parents. This additional funding will support approximately six new grants, 182 other continuation grants and new starts, and an expanded voucher demonstration program.

Program Decreases:

- **Community Services Block Grant/Community Services Programs (-\$698 million)** – The FY 2009 budget does not request funds for the Community Services Block Grant because the program does not award grants on a competitive basis and states cannot hold their grantees accountable for program results as reflected in the program’s PART assessment of Results Not Demonstrated. While states and local agencies track indicators for national goals, the program lacks adequate national performance measures and associated targets to demonstrate its role in reducing poverty and increasing self-sufficiency. In addition, this budget does not request funding for the smaller Community Services programs, which are redundant with programs operating in other agencies.
- **Low Income Home Energy Assistance Program (LIHEAP) (-\$570 million)** – The FY 2009 request is \$2 billion, a \$570 million decrease from the FY 2008 enacted level, but \$200 million higher than the President’s FY 2008 request. LIHEAP Block Grant funding will help enable states to meet the demands for LIHEAP assistance, ensure that low-income households are not without heating or cooling, and provide protection to our most vulnerable populations, including the elderly, households with small children, and persons with disabilities. Funding requested for the LIHEAP Contingency Fund will be available to cover anticipated state energy emergencies. Recognizing that

energy emergencies may not occur every year, this budget also proposes appropriations bill language that would authorize LIHEAP Contingency Funds to remain available until expended.

- **Social Services Block Grant (-\$500 million)** – The FY 2009 request for SSBG is \$1.2 billion, a decrease of \$500 million from the FY 2008 enacted level. In light of the key program weaknesses identified in the PART, this request proposes a significant reduction in the SSBG program in FY 2009, and instead directs funding to programs that can demonstrate results. Legislation will be proposed in FY 2010 to eliminate the SSBG program in order to contribute to the President’s commitment to deficit reduction.
- **Social Services Research and Demonstration (-\$15 million)** – The FY 2009 budget request for Social Services Research and Demonstration is \$5.8 million, a decrease of \$15 million from the FY 2008 enacted level. This amount, which will be made available through PHS Evaluation Funds, will support cutting-edge research and evaluation projects in areas of critical national interest. The reduction from the FY 2008 enacted level is associated with one-year Congressional projects included in FY 2008 report language.

An All-Purpose Table showing the FY 2007 and 2008 enacted levels and the FY 2009 President’s Budget request for all ACF programs is shown on the following pages.

ADMINISTRATION FOR CHILDREN AND FAMILIES
All-Purpose Table – FY 2007-2009

Budget Line-Item	FY 2007 Enacted	FY 2008 Enacted	FY 2009 Estimate	Increase or Decrease
<u>DISCRETIONARY PROGRAMS:</u>				
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM:				
LIHEAP Block Grant	1,980,000,000	1,980,000,000	1,700,000,000	(280,000,000)
Contingency Fund.....	181,170,000	590,328,000	300,000,000	(290,328,000)
Total, LIHEAP, B.A.....	2,161,170,000	2,570,328,000	2,000,000,000	(570,328,000)
CHILD CARE & DEVELOPMENT BLOCK GRANT:				
Child Care & Development Block Grant	2,052,260,000	2,052,432,000	2,052,432,000	-
Research and Evaluation Fund	9,821,000	9,649,000	9,649,000	-
Total, Child Care & Development Block Grant, B.A.....	2,062,081,000	2,062,081,000	2,062,081,000	-
PROMOTING SAFE & STABLE FAMILIES, B.A.	89,100,000	63,311,000	63,311,000	-
CHILDREN AND FAMILIES SERVICES PROGRAMS:				
Head Start				
Current Funding.....	5,499,771,000	5,513,437,000	5,637,771,000	124,334,000
Advance Funding.....	1,388,800,000	1,364,538,000	1,388,800,000	24,262,000
Advance Funding Enacted/Requested.....	[1,388,800,000]	[1,388,800,000]	[1,388,800,000]	-
Subtotal, Head Start.....	6,888,571,000	6,877,975,000	7,026,571,000	148,596,000
Runaway and Homeless Youth Programs				
Basic Center Program.....	48,298,000	52,860,000	52,860,000	-
Transitional Living Program	39,539,000	43,268,000	43,268,000	-
Subtotal, Runaway and Homeless Youth Programs	87,837,000	96,128,000	96,128,000	-
Education & Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless and Street Youth	15,027,000	17,221,000	17,221,000	-
Community-Based Abstinence Education (Discretionary), B.A.....				
PHS Evaluation Funds	108,900,000	108,900,000	136,664,000	27,764,000
Abstinence Education Program (Pre- Appropriated Mandatory).....	4,500,000	4,500,000	4,410,000	(90,000)
Subtotal, Abstinence Education, Program Level	50,000,000	50,000,000 ¹	50,000,000	-
Mentoring Children of Prisoners	163,400,000	163,400,000	191,074,000	27,674,000
Mentoring Children of Prisoners	49,493,000	48,628,000	50,000,000	1,372,000
Child Abuse Programs				
CAPTA State Grants	27,007,000	26,535,000	26,535,000	-
Child Abuse Discretionary Activities, including the Home Visitation Initiative	25,780,000	37,135,000	37,135,000	-
Community-Based Child Abuse Prevention	42,430,000	41,689,000	41,689,000	-
Subtotal, Child Abuse Programs	95,217,000	105,359,000	105,359,000	-
Child Welfare Programs				
Child Welfare Services.....	286,754,000	281,744,000	281,744,000	-
Child Welfare Training.....	7,335,000	7,207,000	7,207,000	-
Adoption Opportunities	26,848,000	26,379,000	26,379,000	-
Abandoned Infants Assistance Programs.....	11,835,000	11,628,000	11,628,000	-

¹ This program has been reauthorized through June 30, 2008.

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All-Purpose Table — FY 2007-2009

Budget Line-Item	FY 2007 Enacted	FY 2008 Enacted	FY 2009 Estimate	Increase or Decrease
Subtotal, Child Welfare Programs.....	332,772,000	326,958,000	326,958,000	-
Independent Living Education and Training Vouchers.....	46,157,000	45,351,000	45,351,000	-
Adoption Incentives.....	5,000,000	4,323,000	19,674,000	15,351,000
Children's Health Act Programs				
Infant Adoption Awareness.....	9,728,000	9,558,000	9,558,000	-
Special Needs Adoption Programs.....	2,946,000	2,895,000	2,895,000	-
Subtotal, Child Health Act Programs.....	12,674,000	12,453,000	12,453,000	-
Developmental Disabilities				
State Councils.....	71,771,000	72,482,000	72,482,000	-
Protection and Advocacy.....	38,718,000	39,024,000	39,024,000	-
Projects of National Significance.....	11,414,000	14,162,000	14,162,000	-
University Centers for Excellence.....	33,212,000	36,943,000	36,943,000	-
Subtotal, Developmental Disabilities.....	155,115,000	162,611,000	162,611,000	-
Voting Access for Individuals with Disabilities	15,720,000	17,410,000	17,410,000	-
Native American Programs	44,332,000	45,523,000	45,523,000	-
Social Services Research & Demonstration, B.A.....	5,868,000	15,193,000	-	(15,193,000)
PHS Evaluation Funds.....	6,000,000	6,000,000	5,762,000	(238,000)
Subtotal, Social Services Research & Demonstration, Program Level.....	11,868,000	21,193,000	5,762,000	(15,431,000)
Compassion Capital Fund.....	64,350,000	52,688,000	75,000,000	22,312,000
Federal Administration	187,760,000	184,496,000	195,430,000	10,934,000
Center for Faith-Based and Community Initiatives	1,386,000	1,362,000	1,362,000	-
Subtotal, Federal Administration	189,146,000	185,858,000	196,792,000	10,934,000
Disaster Human Services Case Management.....	-	-	10,000,000	10,000,000
Community Services Programs				
Community Services Block Grant.....	630,425,000	653,800,000	-	(653,800,000)
Community Services Discretionary Activities.....				
Community Economic Development.....	27,022,000	31,467,000	-	(31,467,000)
Rural Community Facilities	7,293,000	7,860,000	-	(7,860,000)
Job Opportunities for Low Income				
Individuals (JOLI)	5,382,000	5,288,000	-	(5,288,000)
Assets for Independence.....	24,452,000	24,025,000	24,025,000	-
Subtotal, Community Services Programs	694,574,000	722,440,000	24,025,000	(698,415,000)
Violent Crime Reduction				
Family Violence Prevention and Services/Battered Women's Shelters.....	124,731,000	122,552,000	122,552,000	-
Domestic Violence Hotline	2,970,000	2,918,000	2,918,000	-
Subtotal, Violent Crime Reduction	127,701,000	125,470,000	125,470,000	-
Total, Children & Families Services Programs, B.A.....	8,938,454,000	8,970,489,000	8,493,210,000	(477,279,000)
REFUGEE AND ENTRANT ASSISTANCE:				
Transitional and Medical Services	265,546,000	296,057,000	287,000,000	(9,057,000)
Victims of Trafficking	9,823,000	9,814,000	9,814,000	-
Social Services.....	154,005,000	154,005,000	154,005,000	-
Victims of Torture	9,817,000	9,817,000	9,817,000	-
Preventive Health	4,748,000	4,748,000	4,748,000	-

ADMINISTRATION FOR CHILDREN AND FAMILIES
All-Purpose Table — FY 2007-2009

Budget Line-Item	FY 2007 Enacted	FY 2008 Enacted	FY 2009 Estimate	Increase or Decrease
Targeted Assistance	48,590,000	48,590,000	48,590,000	-
Unaccompanied Alien Children	95,318,000	132,600,000	114,070,000	(18,530,000)
Total, Refugee and Entrant Assistance, B.A.	587,847,000	655,631,000	628,044,000	(27,587,000)
Total, Discretionary Programs, B.A.	13,838,652,000	14,321,840,000	13,246,646,000	(1,075,194,000)
Total, Mandatory Programs, B.A.	50,000,000	50,000,000	50,000,000	-
PHS Evaluation Funds, Program Level.....	10,500,000	10,500,000	10,172,000	(328,000)
Total, Program Level.....	13,899,152,000	14,382,340,000	13,306,81,8000	(1,075,522,000)
<u>MANDATORY PROGRAMS:</u>				
PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT & FAMILY SUPPORT PROGRAMS:				
State Child Support Administrative Costs	3,924,600,000	3,718,182,000	3,327,078,000	(391,104,000)
Federal Incentive Payments to States.....	471,000,000	483,000,000	498,000,000	15,000,000
Access and Visitation Grants	10,000,000	10,000,000	12,000,000	2,000,000
Subtotal, Child Support Enforcement	4,405,600,000	4,211,182,000	3,837,078,000	(374,104,000)
Payments to territories	32,808,000	35,000,000	35,000,000	-
Repatriation.....	900,000	1,000,000	1,300,000	300,000
Subtotal, other payments	33,708,000	36,000,000	36,300,000	300,000
Total, Payments to States for CSE & FS Programs, Obligations.....	4,439,308,000	4,247,182,000	3,873,378,000	(373,804,000)
Payments to States for CSE & FS Programs, Net B.A.	4,399,104,000	3,997,970,000	3,766,378,000	(231,592,000)
PAYMENTS TO STATES FOR FOSTER CARE & ADOPTION ASSISTANCE:				
Foster Care.....	4,773,000,000	4,581,000,000	4,463,000,000	(118,000,000)
Independent Living.....	140,000,000	140,000,000	140,000,000	-
Adoption Assistance	1,942,000,000	2,156,000,000	2,286,000,000	130,000,000
Total, Payments to States for Foster Care and Adoption Assistance, B.A.....	6,855,000,000	6,877,000,000	6,889,000,000	12,000,000
SOCIAL SERVICES BLOCK GRANT:				
B.A.	1,700,000,000	1,700,000,000	1,200,000,000	(500,000,000)
PROMOTING SAFE & STABLE FAMILIES:				
B.A.	345,000,000	345,000,000	345,000,000	-
State Court Improvement Program (Pre- Appropriated).....	20,000,000	20,000,000	20,000,000	-
Total, Promoting Safe and Stable Families.....	365,000,000	365,000,000	365,000,000	-
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF):				
State Family Assistance Grant	16,488,667,000	16,488,667,000	16,488,667,000	-
Territories -- Family Assistance Grants	77,875,000	77,875,000	77,875,000	-
Matching Grants to Territories	15,000,000	15,000,000	15,000,000	-
Supplemental Grants for Population Increases	319,450,000	319,450,000	319,450,000	-
Healthy Marriage and Responsible Fatherhood.....	150,000,000	150,000,000	150,000,000	-
Tribal Work Programs	7,633,000,000	7,633,000	7,633,000	-
Contingency Fund.....	[1,792,915,000]	[1,747,489,000]	[1,489,636,000]	[(257,853,000)]
Total, TANF, B.A.	17,058,625,000	17,058,625,000	17,058,625,000	-
CHILDREN'S RESEARCH & TECHNICAL ASSISTANCE:				
Training & Technical Assistance	12,318,000	12,318,000	12,318,000	-
Federal Parent Locator Service	24,635,000	24,635,000	24,635,000	-
Child Welfare Study	6,000,000	6,000,000	6,000,000	-
Children's Welfare Research	15,000,000	15,000,000	15,000,000	-
Total, Children's Research & Technical Assistance, B.A.	57,953,000	57,953,000	57,953,000	-

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Budget Line-Item	FY 2007 Enacted	FY 2008 Enacted	FY 2009 Estimate	Increase or Decrease
CHILD CARE ENTITLEMENT:				
Mandatory	1,177,525,000	1,177,525,000	1,177,525,000	-
Matching	1,673,843,000	1,673,843,000	1,673,843,000	-
Training & Technical Assistance	7,292,000	7,292,000	7,292,000	-
Tribal Mandatory Funds	58,340,000	58,340,000	58,340,000	-
Total, Child Care Entitlement, B.A.	2,917,000,000	2,917,000,000	2,917,000,000	-
TOTAL, DISCRETIONARY PROGRAMS, B.A.	13,838,652,000	14,321,840,000	13,246,646,000	(1,075,194,000)
TOTAL, MANDATORY PROGRAMS, B.A.	33,402,682,000	33,023,548,000	32,303,956,000	(719,592,000)
TOTAL, B.A.	47,241,334,000	47,345,388,000	45,550,602,000	(1,794,786,000)
<i>PHS EVALUATION FUNDS, PROGRAM</i>				
<i>LEVEL</i>	<i>10,500,000</i>	<i>10,500,000</i>	<i>10,172,000</i>	<i>(328,000)</i>
<i>TOTAL, PROGRAM LEVEL</i>	<i>47,251,834,000</i>	<i>47,355,888,000</i>	<i>45,560,774,000</i>	<i>(1,795,114,000)</i>