



Highlights of [GAO-03-09](#), a report to the Chairman, Subcommittee on Government Efficiency, Financial Management, and Intergovernmental Relations, Committee on Government Reform, House of Representatives

## Why GAO Did This Study

Encouraging a clearer and closer link between budgeting, planning, and performance is essential to improving federal management and instilling a greater focus on results. Through work at various levels within the organization, this report on the Administration for Children and Families (ACF)—and its two companion studies on the Nuclear Regulatory Commission (GAO-03-258) and the Veterans Health Administration (GAO-03-10)—records (1) what managers considered successful efforts at creating linkages between planning and performance information to influence resource choices and (2) the challenges managers face in creating these linkages.

[www.gao.gov/cgi-bin/getrpt?GAO-03-09](http://www.gao.gov/cgi-bin/getrpt?GAO-03-09).

To view the full report, including the scope and methodology, click on the link above. For more information, contact Paul Posner at (202) 512-9573 or Denise Fantone at (202) 512-4997.

## MANAGING FOR RESULTS

# Efforts to Strengthen the Link Between Resources and Results at the Administration for Children and Families

## What GAO Found

The Administration for Children and Families' (ACF) budget and performance planning processes are clearly related but are not fully integrated. Budget and planning align more closely after ACF sends the budget request and performance plan to the Department of Health and Human Services for review. Finally, unlike budget formulation, budget execution largely occurs in the regional offices, where resource allocation is often driven by program performance.

Officials in ACF's Head Start, Child Support Enforcement, and Community Services Block Grant programs described three general ways in which decisions at the programmatic level are influenced by performance: (1) training and technical assistance money is often allocated based on needs and grantee performance, (2) partnerships and collaboration help ACF work with grantees towards common goals and further the administration's agenda, and (3) organizing and allocating regional staff around agency goals allow employees to link their day-to-day activities to longer-term results and outcomes.

While ACF must overcome some difficult barriers to further budget and performance integration, it has begun to identify and implement mitigation strategies for some of these issues. For example,

- ACF conducts much of its work through nonfederal service providers, which often limits the extent to which ACF can influence national performance goals and can seriously complicate data collection. To address this, ACF has successfully collaborated with providers to develop national performance goals and build data collection capacity. This has also raised awareness of the importance of collecting and reporting performance data uniformly.
- Since ACF programs are often only part of a network of long-term federal, state, and local efforts to address serious health and social concerns, attributing a particular outcome to a particular program can be difficult. ACF has addressed this issue by using program evaluations to help isolate the effects of a particular program, strengthening the link between outputs and outcomes, and identifying intermediate outputs and outcomes to help measure program performance.
- The organizational culture change necessary to support the linkages between resources and results takes time, but change is beginning to take root. Some managers and staff reported a noticeable difference in the use and understanding of outcomes versus outputs, and outcome-based performance agreements for managers and staff are becoming more common.