

**FY 2009 PERFORMANCE BUDGET SUBMISSION  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**PERFORMANCE DETAIL**

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# DISCRETIONARY PROGRAMS

## Low Income Home Energy Assistance Program

### 1. Low Income Home Energy Assistance Program (LIHEAP)

#	Key Outcomes	FY 2004	FY 2005	FY 2006		FY 2007		FY 2008	FY 2009	Out-Year
		Actual	Actual	Target	Actual	Target	Actual	Target	Target	Target
<b>Long-Term Objective 1.1:</b> Increase the availability of Low-Income Home Energy Assistance Program (LIHEAP) fuel assistance to low income, vulnerable households, with at least one member that is an elderly individual or a young child to 96 and 122 respectively, by FY 2010, as measured by the annual reciprocity targeting index. <sup>1</sup>										
1 A	Increase the reciprocity targeting index score of LIHEAP households having at least one member 60 years or older. <sup>2</sup> (outcome)	78	79	92	74	94	Aug-08	96	96	96 (FY 2010)
1 B	Maintain the reciprocity targeting index score of LIHEAP households having at least one member five years or younger. <sup>3</sup> (outcome)	115	113	122	115	122	Aug-08	122	122	122 (FY 2010)
1 C	Increase the ratio of LIHEAP households assisted (heating, cooling, crisis, and weatherization assistance) per \$100 of LIHEAP administrative costs. (OMB approved efficiency)	3.67	3.67 <sup>4</sup>	3.74	3.04	3.81	Aug-08	3.88	3.95	n/a

Long term goal 1.1 directly relates to the Low Income Home Energy Assistance Program (LIHEAP) statute, which mandates that LIHEAP assistance be targeted to those low income households with the highest home energy needs, i.e., vulnerable households and high-energy burden households. The reciprocity targeting index measures whether the program is serving each of these types of households at a higher rate than their prevalence in the low income target household population.

ACF implemented a federal LIHEAP outreach campaign in FY 2004 to improve the reciprocity targeting of LIHEAP vulnerable households. For example, ACF distributed a LIHEAP brochure nationwide. ACF worked with the Administration on Aging at the U.S. Department of Health and Human Services to reach low income households with an elderly member. In 2006, ACF collaborated with the Energy for Health Working Group led by the National Energy Assistance Directors' Association. Periodic teleconferences were held with experts from the public health and energy assistance fields.

ACF tracks LIHEAP's heating reciprocity annually through targeting index scores that can be used for multiple purposes.<sup>5</sup> The results of LIHEAP's outreach efforts need to be examined with respect to

<sup>1</sup> The language of this measure has been corrected to reflect the appropriate data source and to be consistent with the related annual measures.

<sup>2</sup> The reciprocity targeting index quantifies the extent to which such households are receiving LIHEAP assistance. The index is computed by dividing the percent of LIHEAP recipient households that are members of a target group by the percent of all LIHEAP income eligible households that are members of the target group and then multiplying by 100. For example, if 25 percent of LIHEAP recipients are elderly households, and 20 percent of all income eligible households are elderly households, the reciprocity targeting index for elderly recipient households is 125 (25/20 x 100). An index score above 100 indicates that LIHEAP is serving a target group of households at a rate higher than the prevalence of LIHEAP income eligible households that are members of that group.

<sup>3</sup> See previous footnote.

<sup>4</sup> This result has been updated based on final data for the LIHEAP Household Report to Congress for FY 2005.

<sup>5</sup> For example: 1) to enhance ACF's LIHEAP outreach activities campaign, the reciprocity targeting index scores can be analyzed geographically to determine if in some sections of the country vulnerable households are being underserved; 2) to focus future LIHEAP outreach activities to

external factors that may affect the final targeting index scores. For example, fluctuations in the national economy will generally affect the need for human services programs such as LIHEAP. In addition, the following factors can impact LIHEAP program performance in particular: (1) weather; (2) home energy prices; (3) utility deregulation; (4) utility arrearages; (5) welfare reform; (6) the availability and timing of additional energy assistance funding sources (such as public service benefit programs, state funds, and private fuel funds); (7) perceptions of the program (that may produce barriers to vulnerable households' applying for assistance); and, (8) the block grant design of LIHEAP.<sup>6</sup> ACF is investigating whether standard errors of measurement can be calculated for the targeting indexes to test for statistical significance in changes of targeting index scores over time.

Regarding annual measure 1A, the baseline index score for households with at least one member 60 years or older was 79 for FY 2003. Both the FY 2004 targeting index score of 78 and the FY 2005 targeting index score of 79 indicate that there was no apparent improvement in targeting the elderly, despite outreach efforts that began in FY 2004. The FY 2006 targeting index score of 74 indicates a decrease in targeting the elderly from the previous year and does not meet the target score of 92. The increase in the number of low income elderly households has affected the ability of the program to achieve its targets for elderly LIHEAP households. The FY 2006 score indicates that households with at least one member 60 years or older were underserved within the total eligible population of elderly households. ACF's target is to increase the index score to 96 by FY 2009. The ability to increase targeting of households is limited because states have considerable flexibility in determining which LIHEAP eligible households to target. Further ACF and state initiatives are necessary to reach more LIHEAP income eligible households with an elderly member. ACF is studying what effect the increase in the number of low income elderly households will have on achieving future targets for elderly LIHEAP households. ACF has not increased the target for FY 2009 (96) given that the data for FY 2006 is below the baseline targeting index score of 79.

Regarding annual measure 1B, the baseline targeting reciprocity index score for households with a young child was 122 for FY 2003. The FY 2004 targeting index score of 115, FY 2005 targeting index score of 113, and FY 2006 targeting index score of 115 represents a decrease in performance from FY 2003. The FY 2006 result of 115 falls short of the target of 122. However, with an index score of over 100, these scores indicate that the LIHEAP program is still providing effective outreach to eligible households with a child under the age of five, such that they are significantly more likely to receive LIHEAP support. Nonetheless, by not reaching the targeting index score of 122 in FY 2006, fewer households having at least one member five years or younger were assisted. In an effort to further improve outreach to such households, the program is studying the structure and outreach efforts of a range of federal programs, including the State Child Health Insurance Program and the Women, Infants and Children program to determine if similar strategies may be used, in order to reach a targeted index score of 122 in FY 2009.

Starting in 2007, Division of Energy Assistance (DEA) staff from ACF's Office of Community Services held meetings with ACF staff from the Office of Head Start (OHS) and the Temporary Assistance for Needy Families (TANF) programs to share reciprocity data and explore the extent to which similar trends can be seen regarding the number of households served with either an elderly member or a young child. DEA held teleconferences with its Regional Offices to further explore these trends and what some states or regions may already be doing to prevent further decline in the reciprocity numbers. DEA plans to maintain this communication and expand it to state LIHEAP grantees in order to support coordinated

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those underserved sections of the country; and 3) to evaluate the effectiveness of the LIHEAP outreach campaign in increasing the extent to which vulnerable households receive LIHEAP assistance.

<sup>6</sup> The Department has allowed states maximum flexibility under the block grant statutes to design and operate programs suited to each state's assessments of its citizens' needs. Consequently, the federal government has very limited control of a block grant program such as LIHEAP. For this reason, there will be variations in program performance due to how states design their program to reflect their own program goals which may differ from ACF's performance goals.

action on this issue. Furthermore, DEA has arranged with OHS to share resources and expand LIHEAP outreach through OHS points of contact. All of these discussions have already proved fruitful in that one new trend has been identified across several ACF programs concerning the rise in the number of grandparents raising grandchildren. DEA will continue to investigate this trend in more detail to determine the impact it may have on factors such as the diminished household need for assistance, and the effect of new or multiple barriers to applying for assistance faced by households with more than one category of “vulnerable” member.

ACF’s *LIHEAP Energy Burden Evaluation Study* (July 2005) examined the performance of LIHEAP in serving high-energy burden households in FY 2001. The study used data from the Energy Information Administration’s 2001 Residential Energy Consumption Survey (RECS). This survey is conducted every four years. ACF funded the LIHEAP RECS Supplemental Sample for 2001 and 2005. The 2001 LIHEAP RECS Supplemental Sample provided for the first time: (1) national data to compute the benefit targeting index<sup>7</sup> and the burden reduction targeting index<sup>8</sup>; (2) examination of the overlap between vulnerable eligible households and high-energy burden eligible households; and (3) the ability to develop an empirical definition of “high home energy burden”.

The study found the following:

- For FY 2001 the benefit targeting index score for high-energy burden households was 108. This indicates that these households received higher LIHEAP benefits than other types of LIHEAP recipients. The study also found that the burden reduction targeting index score for these households was 96. This indicates that these households have a somewhat smaller burden reduction than other types of LIHEAP recipient households.
- About 20 percent of low income households are both vulnerable and high-energy burden households. ACF needs to determine whether there is a practical way for LIHEAP grantees to identify LIHEAP eligible households that are both vulnerable and high-energy burden, especially for those states that rely on mail-in LIHEAP applications.

The study has led ACF to investigate whether the results will be replicated in the 2005 RECS, which included an improved sampling design and questions for the 2005 RECS LIHEAP Supplemental Sample.

Efficiency measure 1C focuses on increasing the ratio of the number of households receiving LIHEAP assistance (numerator) to state LIHEAP administrative costs (denominator)<sup>9</sup>. An increase in the ratio indicates an increase in program efficiency through a greater number of LIHEAP households being served at a lower administrative cost, regardless of its effects on the extent to which LIHEAP benefits increase the affordability of home energy costs. The LIHEAP statute limits LIHEAP grantees’ administrative costs to 10 percent of the funds payable. Trend data for FY 2000 through FY 2005 indicate that the ratio of LIHEAP households assisted per \$100 of LIHEAP administrative costs ranged from 3.61 to 3.75. However in FY 2006, the ratio declined to 3.04, missing the target of 3.74. This decline most likely reflects the unexpected increase in LIHEAP funding late in FY 2006. In March 2006, Congress

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<sup>7</sup> The benefit targeting index score is computed by dividing the mean LIHEAP benefit for a target group of recipient households by the percent of LIHEAP benefits for all LIHEAP recipient households times 100. For example, if high energy burden recipient households have a mean heating assistance benefit of \$250 and the mean heating assistance benefit for all households receiving heating assistance is \$200, then the benefit targeting index is 125 (\$250 divided by \$200 times 100). A benefit targeting index score above 100 indicates that LIHEAP is providing higher benefits to a target group of households than to all LIHEAP recipient households.

<sup>8</sup> The burden reduction targeting score is computed by dividing the percent reduction in the median home energy burden (i.e., home energy costs divided by household income) for a target group of LIHEAP households by the percent reduction in the median home energy burden for all LIHEAP households. For example, if high burden recipient households have their home energy burden reduced by 25 percent and all recipient households have their home energy reduced by 20 percent, the burden reduction index is 125 (25 percent divided by 20 percent times 100). An index score above 100 indicates that LIHEAP benefits are providing a target group of households a greater reduction in home energy burden than for all LIHEAP recipient households.

<sup>9</sup> This measure does not indicate whether the adequacy of LIHEAP services is impacted by the provision of more efficient services.

appropriated \$1 billion in supplemental LIHEAP funds that were then distributed to LIHEAP grantees. However, the appropriating legislation included a restriction that none of the funds could be used for administrative costs. For a number of states, this restriction prevented new outreach initiatives. Preliminary evidence suggests that a number of state LIHEAP grantees decided to use the additional funds to increase fuel assistance and crisis assistance benefits for the households that were assisted earlier in FY 2006. This limited the overall increase in the number of new assisted households, while avoiding incurring additional administrative costs to fund new households. Program efficiency is expected to return for FY 2007 given that no similar amount of additional LIHEAP funds was appropriated in FY 2007. By FY 2009, the program seeks to improve performance to reach a target ratio of 3.95.

## Child Care and Development Block Grant

### 2. Child Care and Development Block Grant

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 2.1:</b> Reduce the percentage of Temporary Assistance for Needy Families (TANF) families with children that are exempt from employment participation because child care is unavailable to 1 percent by FY 2009.										
2 A	Maintain the proportion of children served through Child Care and Development Fund (CCDF), Temporary Assistance for Needy Families (TANF), and Social Services Block Grant (SSBG) child care funding as compared to the number of children in families with income under 150 percent of the Federal Poverty Level. <sup>1</sup> (outcome)	32%	33% <sup>2</sup>	32%	34% <sup>3</sup>	32%	Mar-09	32%	32%	n/a
2 B	Increase the proportion of regulated centers and family child care homes that serve families and children receiving child care subsidies. (OMB approved efficiency)	64.0%	71.2%	66.0%	68.0% <sup>4</sup>	67.0%	Mar-09	68.0%	69.0%	n/a
<b>Long-Term Objective 2.2:</b> Increase the percentage of young children (ages three to five not yet in kindergarten) from families under 150 percent of poverty receiving non-parental care showing three or more school readiness skills from 32 percent in 2001 to 42 percent in 2011.										
2 C	Increase by 10 percent the number of regulated child care centers and homes nationwide accredited by a recognized early childhood development professional organization. <sup>5</sup> (outcome)	11,888 (13% over FY 2003 result)	13,101 (10% over FY 2004 result)	14,411 (10% over FY 2005 result)	13,834 (6% over FY 2005 result)	15,217 (10% over FY 2006 result)	Jun-08	10% over prev year	10% over prev year	n/a
2 D	Increase the number of states that have implemented state early learning guidelines in literacy, language, pre-reading, and numeracy for children ages three to five that align with state K-12 standards and are linked to the education and training of caregivers, preschool teachers, and administrators. <sup>6</sup> (outcome)	n/a	22	n/a	n/a	28	32	n/a	35	n/a

<sup>1</sup> This measure estimates the average monthly number of children receiving child care subsidies from all Federal sources (Temporary Assistance for Needy Families, Child Care Development Fund, and Social Services Block Grant), compared on an annual basis to an estimate of the average monthly number of children who may be eligible for child care subsidies. Specifically, the denominator includes the average monthly number of children ages 0 to 12 (including disabled teenagers) with family income under 150 percent of the Federal Poverty Level whose parents/guardians are working or in school (any number of hours). The denominator is computed by the Urban Institute's TRIM3 microsimulation model and is based on the Census Bureau's Current Population Survey data. Note: Under CCDF law, states have substantial flexibility to establish their own rules regarding eligibility for child care subsidies within broad federal guidelines. This estimate of potentially eligible children does not take into account state-specific eligibility thresholds and other requirements families must meet to receive child care subsidies.

<sup>2</sup> This figure has been revised to reflect finalized administrative data.

<sup>3</sup> The FY 2006 data for this measure is preliminary.

<sup>4</sup> FY 2006 data is not available to determine the denominator used to calculate this proportion. Therefore, ACF has used the FY 2005 denominator or "total number of regulated providers" to calculate the FY 2006 actual for this measure. Data for this measure is taken from an annual licensing study of child care programs conducted by the National Association for Regulatory Administration and the National Child Care Information Center. The study methodology was revised in 2006 and the survey was not conducted. The licensing study is expected to resume in 2007, therefore data to calculate an actual for FY 2007 will be available.

<sup>5</sup> This measure is based on data collected each calendar (not fiscal) year.

<sup>6</sup> This measure is biennially reported due to constraints on data availability, and is collected each calendar year rather than fiscal year.

The Child Care Bureau (CCB) has worked extensively with states for several years to develop appropriate and achievable program goals and measures. The above long-term and annual measures reflect the consensus-building and participatory process. Regarding annual measure 2A, CCB aims to maintain the proportion of children served by the Child Care and Development Fund (CCDF), Temporary Assistance for Needy Families (TANF), and Social Services Block Grant (SSBG) child care funding at 32 percent as compared to all potentially eligible children (whose families are under 150 percent of the Federal Poverty Level). CCB surpassed its target for FY 2006: preliminary data show 34 percent of potentially eligible children were served.<sup>7</sup> The total estimated number of children served has increased since FY 2003 by approximately 200,000, from 2.35 to 2.55 million in FY 2006. The total number of potentially eligible children under 150 percent of poverty increased by a lesser amount from 7.44 million in FY 2003 to 7.5 million. An increase in this measure indicates that a higher percentage of children from families at or near the poverty level are receiving federally-subsidized child care – enabling parents to work or participate in education and training programs. The goal of this measure is to maintain the proportion of children served at 32 percent through FY 2009. Because of the unknown number of families using unpaid child care arrangements or who may not need child care subsidies, these estimates are not estimates of “take-up rates” among families who are eligible and have expressed a need for child care assistance. Instead, they show the extent to which CCDF, TANF, and SSBG funds serve the broad pool of children and families whose age, income, and work status indicate a possible need for child care subsidies. Please see table on page 110 for more information.

The Deficit Reduction Act of 2005 increased funding for CCDF by \$200 million annually through FY 2010. According to preliminary FY 2006 CCDF administrative data and estimates of additional children served through TANF and SSBG, the number of children served increased slightly in FY 2006 by approximately 100,000. However, by law, CCDF affords states great flexibility in how they design their subsidy programs. As a result, states may use an increase in funding in a number of ways to serve their specific population needs, such as making adjustments to program eligibility requirements, child care provider reimbursement rates, or family co-payment amounts. Only some of these options would impact the number of families served (the numerator of the performance measure).

Efficiency measure 2B demonstrates the level of access low-income families have to different child care options. The rate compares the number of regulated providers who serve children receiving CCDF subsidies in a fiscal year to all regulated centers and family child care homes. In FY 2006, CCB exceeded its target of 66 percent; preliminary data show 68 percent of regulated centers and family care homes served families and children receiving child care subsidies. In the last few years, CCB has consistently exceeded its targets for this measure. This efficiency measure is an indicator of the extent to which CCDF is well administered and provides timely, stable funding for providers. Stable, affordable child care arrangements can lead to cost savings by reducing expenditures on cash assistance and other forms of government assistance as parents are able to find and keep employment – and become self-sufficient. Cost savings can also be achieved through reduced spending on efforts to recruit and retain providers, as well as training providers on how to navigate the subsidy system and comply with state health and safety regulations.

Measure 2B recognizes that lack of appropriate child care can be a barrier to employment and self-sufficiency for many families. The proportion of regulated centers and homes caring for subsidized families and children indicates how efficiently the program is being administered, and thus its effectiveness in supporting parental employment by bolstering access to child care. Individual child care providers are not obligated to serve families receiving subsidies through CCDF. For example, if the reimbursement rates paid by a state are too low or if providers have difficulty getting paid or collecting co-payments from families, providers may choose not to serve subsidized families. Increasing the

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<sup>7</sup> FY 2006 CCDF administrative data is expected to be finalized by summer of 2008.

number and type of providers accessible through the subsidy system enables recipient families to better select the child care that fits their work and family needs, especially families working non-traditional hours and rotating schedules. CCB hopes to broaden the base of this measure to include unregulated providers once there is adequate data available. By FY 2009, CCB aims to increase the percentage of regulated centers and family care homes serving family and children receiving child care subsidies to 69 percent. Please see table on page 110 for more information.

Annual measure 2C is an indicator of quality improvement. Accreditation of child care facilities has been linked to better outcomes for children, and is increasingly accepted as a marker of good quality care. Several states use CCDF quality improvement funds in various ways to support accreditation for child care centers and homes, and a growing number of states are developing Quality Rating Systems that assess the quality of providers for purposes such as consumer education and differential subsidy reimbursement, often based on national accreditation standards. The number of accredited child care centers has increased every year since CY 2001. In CY 2006, CCB did not meet its target of 10 percent improvement for measure 2C: 13,834 child care centers and homes were accredited – although the statistic does constitute a six percent improvement over the prior year result. While the rate of growth did not meet the target growth rate, the results of this measure indicate an increase in number of higher quality centers and family homes available to serve families seeking child care. In the past three years, the program has seen growth in this measure – from 11,888 in FY 2004 to 13,101 in FY 2005 to 13,384 in FY 2006. Please see table on page 110 for more information.

In September 2006, new NAEYC Early Childhood Program Standards and Accreditation Criteria became effective, which raised the standards for accreditation. While the number of accredited child care homes and centers continued to increase in CY 2006, the decelerated pace of growth may be attributable to the ability of providers to be responsive to the new criteria and increased workload associated with conducting assessments under the new system. The new system has had an impact on this performance measure because NAEYC accredits a larger proportion of child care facilities than do the other two national accrediting organizations. Additionally, states indicate that an increasing number of providers are now being accredited using state-recognized systems. CCB is exploring options for collecting this state-specific information. By FY 2009, CCB expects to increase the number of regulated child care centers and homes by at least 10 percent over the FY 2008 actual result.

Results for annual measure 2D reflect the federal government's ability to influence state policies related to school readiness. Under the Administration's *Good Start, Grow Smart* initiative,<sup>8</sup> ACF is using the biennial CCDF planning process to work with states toward the development and implementation of early learning guidelines related to the skills, knowledge, and behaviors children need when they enter kindergarten. Research indicates that learning, including early language acquisition, begins during infancy through nurturing relationships with parents and caregivers. In addition, preschool children who enter school with linguistic, cognitive, and social development are better prepared to succeed in kindergarten and beyond. This measure assesses the degree to which states have established guidelines to be used as the basis for caregiver education and training. Because the link between caregiver behaviors and outcomes for children is well established in research, this measure will serve as an indicator of child outcomes. In CY 2007, CCB exceeded its target (28 states) for this measure. A total of 32 states have implemented early learning guidelines linked to professional development and education of caregivers as part of the *Good Start, Grow Smart* initiative. Increasing the number of states that have implemented these guidelines, will help to ensure that young children enter kindergarten with the skills they need to succeed at reading and other early learning activities. Through continuing technical assistance, training, and guidance to states, CCB expects to increase this result to 35 by FY 2009. Please see table on page

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<sup>8</sup> *Good Start, Grow Smart* is a voluntary Presidential initiative to help states and local communities strengthen early learning for young children. The goal is to ensure that young children enter kindergarten with the skills they will need to succeed at reading and other early learning activities.



110 for more information.

## Children and Families Services Programs

### 3. Head Start

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 3.1:</b> Increase the percentage of programs in which children on average can identify 10 or more letters of the alphabet. <sup>1</sup>										
3 A	Increase the percentage of programs in which children on average can identify 10 or more letters of the alphabet as measured in the spring by the National Reporting System. <sup>1</sup> (outcome)	88.5%	91.8%	94.0%	93.5%	96.0%	94.8%	n/a	n/a	n/a
<b>Long-Term Objective 3.2:</b> Increase the percentage of programs that achieve average fall to spring gains of at least 12 months in word knowledge (PPVT). <sup>1,2</sup>										
<b>Long-Term Objective 3.3:</b> Increase the percentage of programs that achieve average fall to spring gains of at least four counting items. <sup>1,2</sup>										
<b>Long-Term Objective 3.4:</b> Increase the percentage of programs in which children make prescribed gains on a measure of social skills. <sup>1</sup>										
<b>Long-Term Objective 3.5:</b> Increase the percentage of children completing the Head Start program rated by parent as being in excellent or very good health to 83 percent by FY 2010. The baseline is 77 percent in FY 1998.										
<b>Long-Term Objective 3.6:</b> Increase the percentage of Early Head Start children completing all medical screenings to 91 percent by FY 2010.										
3 B	Increase the percentage of Early Head Start children completing all medical screenings. (outcome)	81.0%	82.1%	83.0%	82.8%	85.0%	91.0%	87.0%	89.0%	91.0% (FY 2010)
<b>Long-Term Objective 3.7:</b> Increase the percentage of parents of children in their pre-kindergarten Head Start year who report reading to child three times per week or more, as measured in the spring of their pre-kindergarten Head Start year, to 85 percent by FY 2013. The baseline is 68.4 percent in FY 1998.										
<b>Long-Term Objective 3.8:</b> Increase to 55 percent the percentage of classrooms with lead teachers scoring 73 or higher (unweighted) on an observational measure of teacher-child interaction by FY 2010. The baseline is 51 percent in FY 2004.										
3 C	Increase the percentage of teachers with AA, BA, Advanced Degree, or a degree in a field related to early childhood education. (outcome)	64.8%	69.0%	65.0%	71.6%	71.0%	74.2%	73.0%	75.0%	n/a
3 D	Reduce the percent of grantees with repeat deficiencies through the provision of targeted technical assistance. (outcome)	n/a	n/a	TBD	Jan-08	TBD	Jan-09	TBD	TBD	n/a
3 E	Decrease the number of grantees with deficiencies in early childhood development. (outcome)	n/a	n/a	n/a	26	23	Jan-08	21	19	n/a
3 F	Decrease under-enrollment in Head Start programs, thereby increasing the number of children served per dollar. (OMB approved efficiency)	4.4%	2.8%	3.6%	0.7%	2.8% <sup>3</sup>	1.5%	1.5% <sup>4</sup>	1.4%	n/a

<sup>1</sup> The National Reporting System (NRS) was operational in FY 2007, during the relevant period on which ACF is reporting. However, per the Improving Head Start Act of 2007, the NRS has been discontinued. For future years, ACF plans to develop new measures to replace current measures that rely on NRS data. Targets beyond FY 2007 are no longer relevant and have not been included.

<sup>2</sup> This long term objective is also a performance indicator in the FY 2007 – 2012 HHS Strategic Plan.

<sup>3</sup> The FY 2007 target was adjusted following the release of FY 2005 data, in order to maintain rigorous targets for this performance measure.

<sup>4</sup> The future year targets for this measure were adjusted following the availability of FY 2006 and FY 2007 data, to maintain rigorous performance targets.

Long term objectives 3.1 - 3.4 and annual measure 3A were developed to meet the goal established during Head Start's CY 2002 PART review of assessing the progress of individual grantees in improving children's school readiness. These measures are based on data from the National Reporting System (NRS). Following requirements in the Improving Head Start Act of 2007, the NRS has been discontinued. However, the NRS was operational through FY 2007, and FY 2007 results are presented here. These NRS-based Head Start performance measures assess Head Start program's progress in vocabulary, letter recognition, and early math skills. Head Start will revise its approach to measuring child outcomes consistent with requirements in the reauthorization language, including the use of the National Academy of Sciences report findings, to be issued in the summer of 2008.

These measures assess the extent to which individual programs show increases from fall to spring in standardized assessments of cognitive outcomes. Percentage increases across cohorts would demonstrate the success of the Office of Head Start in effectively targeting training and technical assistance to improve individual programs. Children's word knowledge (i.e., vocabulary), letter identification, and early numeracy skills at the end of Head Start have been shown to predict improved academic performance in school as evidenced by the Family and Child Experiences Survey (FACES). These skills are the precursors to learning to read, write, and do arithmetic; thus, these measures provide a direct and useful indication of how well the entire Head Start program, as well as individual Head Start grantees, are succeeding in promoting school readiness among low-income children. These measures are ambitious because they set the required achievement level higher than would be expected without intervention, require a high level of achievement in all three cognitive domains, and require continuous improvement over time by programs. These measures also require continual increases in the percentages of programs achieving these gains. Progress in these measures over time also helps to show how well Head Start is targeting training and technical assistance to improve program performance in these areas. These measures do not penalize already high performing grantees as long as they continue to achieve gains over time.

Long term objective 3.1 and annual measure 3A assess individual program performance toward meeting the objective of increasing the percentage of programs in which enrolled children are capable of identifying 10 or more letters of the alphabet when exiting the Head Start program. The threshold of 10 or more letters was determined based upon the Congressional mandate. In FY 2007, in 94.8 percent of programs, children on average identify 10 or more letters of the alphabet as measured in the spring by the National Reporting System (NRS). This figure represents continuing improvement upon results since FY 2004 (88.5 percent), but falls short of the FY 2007 target of 96 percent. Please see table on page 110 for more information. By increasing the total number of programs in which children can identify 10 or more letters of the alphabet, Head Start is improving the educational outcomes of more children being served by the program.

Regarding long term objective 3.2, data from the Head Start FACES Study have demonstrated that children completing Head Start make more progress than the typical child in vocabulary on the Peabody Picture Vocabulary Test (PPVT) during the Head Start year. Children's vocabulary scores at the end of the Head Start program are a strong predictor of their general knowledge scores at the end of kindergarten. Vocabulary knowledge is thought to measure the "outside-in" or comprehension domain, which is an important component of the development of early literacy skills, and is distinct from "inside-out" or decoding skills reflected in letter knowledge. To improve outcomes on this measure, significant resources have been targeted to train thousands of Head Start teachers in effective methods for implementing literacy curricula in Head Start programs across the country. This activity, *Project Step*, which was conducted in concert with a Presidential initiative, began in FY 2002.

Regarding long term objective 3.3, children completing Head Start need to improve their mathematical skills, which have been shown to be an important component of school readiness. The Head Start FACES Study has shown that while children completing Head Start make more gains than the typical child in vocabulary and early writing, in math they increase at the same rate as the typical child, or perform on par with the level of growth seen in the national sample. Therefore, they are not losing ground with respect to national norms, but they are not improving at a faster rate (as they do for vocabulary and early writing).

Regarding long term objective 3.4, a number of social skills have been shown to be essential for school success including, among others, paying attention, communication skills, and cooperation skills such as following directions. High scores on a measure of social skills are indicators of school adjustment and social competence and have been shown to be predictive of kindergarten behaviors that promote learning and those that impede learning.

Regarding long term objectives 3.5 and 3.6, an important part of the Head Start program's mission is the provision of comprehensive services, including educational services, social services, parent involvement activities, and health and mental health services. The long term measures gauge the performance of the Head Start program in both linking children to appropriate health services and educating parents about their children's health. The goal of long term objective 3.5 is to increase the percentage of children completing the Head Start program rated by parent as being in excellent or very good health to 83 percent by FY 2010. The goal of long term objective 3.6 is to increase the percentage of Early Head Start children completing all medical screenings to 91 percent by FY 2010.

Annual measure 3B was introduced in CY 2006 as a result of the Head Start PART reassessment. For the 2006-2007 program year, 91 percent of Early Head Start children completed all medical screenings expected for their age, which exceeded the target of 85 percent. Therefore a greater percentage of Early Head Start children are receiving medical screenings and potentially experiencing an improved quality of life. This result represents continued improvement upon the results from FY 2004 (81 percent), FY 2005 (82.1 percent), and FY 2006 (82.8 percent). The Office of Head Start will use data from the 2006-2007 Head Start Program Information Report (PIR) to identify Early Head Start programs with lower levels of medical screening completion and direct technical assistance to them to support their improvement in this area. These actions will contribute to overall performance improvement in order to achieve the FY 2009 target of 91 percent. Please see table on page 110 for more information.

Regarding long term objective 3.7, the Head Start FACES Study has demonstrated a link between frequency of parental reading and children's competence and improvement in early literacy activities. Therefore, setting a program goal of supporting parent reading helps take literacy activities from the classroom into the home learning environment and emphasizes the primary role of parents in children's learning. The baseline for this measure (68.4 percent of parents) was determined based upon data from the first FACES cohort in spring 1998. The target of 85 percent of parents by FY 2013 represents an ambitious yet feasible goal for Head Start parents' involvement in children's early literacy. The target for this measure was based upon a two percent improvement every three years, which corresponds to an additional 18,000 Head Start children being read to by their parents three or more times a week. Taken into consideration in setting these targets are two factors. First, Head Start parents are often experiencing literacy problems of their own—thus Head Start is working with the parents to improve their reading skills at the same time that they are educating parents about the importance of reading to their children and working with the children on early literacy skills in the classroom. Second, nationally, 85 percent of all parents from all income levels report reading to their child (age one to five) three or more times a week<sup>5</sup>, which may provide a realistic “ceiling” to what might be expected even under optimal circumstances.

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<sup>5</sup> Urban Institute, National Survey of America's Families  
Administration for Children and Families  
FY 2009 Performance Budget Submission

Regarding long term objective 3.8, the Head Start FACES Study indicates that teacher-child interaction is a demonstrated measure of classroom quality, and may be linked to children's school readiness outcomes. This measure requires that the program maintain a high average lead teacher score on an observational measure of teacher-child interaction, as determined by the FACES Study. The goal of this long term objective is to increase to 55 percent or higher the percentage of classrooms with lead teachers scoring 73 or higher (unweighted) on an observational measures of teacher-child interaction by FY 2010.

Regarding annual measure 3C, Head Start grantees are required to develop plans for using their allocation to increase the number of teachers with degrees. Head Start has shown a steady increase in the number of teachers with BA, AA, or advanced degrees in early childhood education and has met the present goal required by the Head Start Act. The Head Start Act requires that at least 50 percent of all teachers have an AA, BA, or degree in a field related to early childhood education. For FY 2007, 74.2 percent of Head Start's teachers had an AA degree or higher, exceeding the target of 71 percent. Therefore, more Head Start teachers have degrees than ever before, and are better equipped to deliver quality instruction to Head Start children. Of the 56,145 teachers, 19,300 have an AA degree, 19,447 have a BA degree, and 2,933 have a graduate degree. Not included in the percentage are an additional number of teachers with a Child Development Associate (CDA) or state credential (no degree): 10,698. An additional 964 teachers who do not have a degree are enrolled in Early Childhood Education (ECE) degree programs. The total FY 2007 figure represents an increase of 894 degreed teachers over the previous year. By FY 2009, the program expects to increase this percentage to 75 percent. Please see table on page 110 for more information.

Regarding annual measure 3D, this indicator shows the extent to which targeted technical assistance helps grantees make the systemic changes they need to prevent being cited for repeat deficiencies during their next onsite monitoring review. The Government Accountability Office (GAO) report, "Head Start: Comprehensive Approach to Identifying and Preventing Grantee Financial Management Weaknesses," found that 53 percent of grantees with financial management findings were again cited in the grantee's next review. Technical assistance providers work with grantees to correct deficiencies and to ensure that all management, financial, reporting, and programming systems comply with all applicable federal regulations. A baseline for annual measure 3D will be established in early 2008, based on FY 2006 data, from which ambitious targets will be set.

Regarding annual measure 3E, the Head Start education and early childhood development performance standards require that grantees provide for the development of each child's cognitive and language skills, including supporting emerging literacy and numeracy development (Section 1304.21(a)(4)(IV)). Additionally the standards require that the child development and education approach provide for the development of cognitive skills by encouraging each child to organize his or her experiences, to understand concepts, and to develop age appropriate literacy, numeracy, reasoning, problem solving and decision-making skills for a foundation for school readiness and later school success (1304.21(c)(ii)). Grantees are also required to conduct ongoing assessment of each enrolled child. Compliance with these requirements is examined during triennial Program Review Instrument for Systems Monitoring (PRISM) reviews. The FY 2006 baseline of 26 grantees with deficiencies in early childhood development was based upon the results of 481 triennial and first-year PRISM reviews completed in FY 2006. Proposed targets for subsequent years represent 10 percent reductions per year in the number of grantees with deficiencies in early childhood development services. By FY 2009, the program expects to decrease to 19 the number of grantees with deficiencies in early childhood development.

The goal of efficiency measure 3F is to decrease the national total of under-enrolled children to ensure the most appropriate use of federal funds and improve overall program efficiency by lowering the average

cost per child. Since Head Start grantees range in size from super-grantees with multiple delegate agencies serving 20,000 children to individual centers with enrollments as small as 15 children, a national under-enrollment rate is a better illustration of under enrollment as an efficiency measure than the proportion of grantees meeting enrollment targets. An un-enrolled space or “vacancy” in Head Start is defined as a funded space that is vacant for over 30 days. Using this definition, a vacancy of 31 days is counted the same as a vacancy of 250 days. This is important to understand in order not to misinterpret under-enrollment rates and overstate the cost to taxpayers of funding unfilled spaces. The reasons for under-enrollment vary. Sometimes a grantee’s under-enrollment problem is temporary in nature (e.g. children are being displaced from a particular facility), or more permanent (e.g. changing community demographics, inadequate outreach to new or changing populations of low-income families). By decreasing the national total of under-enrolled children, the Office of Head Start will ensure the most appropriate use of allocated funds.

ACF has undertaken specific efforts to improve and standardize how grantees report enrollment. Whereas prior to 2005, grantees reported enrollment data annually after the program year, ACF developed a website in 2005 that enabled grantees to report enrollment every three months. Per the reauthorization of the Head Start Act, ACF will now collect online enrollment data on a monthly basis from all Head Start grantees.

Head Start programs are required to maintain a waiting list to ensure that vacant positions can be rapidly filled. However, there are a number of reasons that this may not occur, or may not be implemented effectively. First, some Head Start programs may not be fully effective at enrolling certain populations, for example, Hispanic families. Additionally, low-income families often experience a great deal of mobility, and eligible families on the waiting list may have moved and are no longer in the Head Start service area. Furthermore, as state pre-kindergarten programs grow in some areas, parents may choose to send their children to those programs. Although Head Start programs do try to design services hours and locations to meet the needs of the community, some families may have work requirements that do not fit the hours of operation of Head Start (for example, shift work) and thus may not be able to take advantage of Head Start services. Regardless of the possible reasons, the Office of Head Start has consistently maintained that Head Start programs are required and expected to fill each funded space. Technical assistance is available to programs to help develop strategies for reducing chronic under-enrollment problems. The most recent data available indicate that, during the 2005-2006 program year, Head Start grantees had, on average, not enrolled 1.5 percent of the children which they had been funded to serve. This represents approximately 14,000 children who could have been served using the Head Start funds appropriated and awarded to grantees. Based on the consistent and significant improvements over the baseline (4.4 percent in FY 2004), future targets for FY 2008 and FY 2009 have been revised to remain ambitious. By FY 2009, the program expects to decrease under-enrollment in Head Start programs to 1.4 percent through continued program support and technical assistance.

#### 4. Runaway and Homeless Youth Programs

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 4.1:</b> Increase the percentage of youth served in the Runaway and Homeless Youth (RHY) Transitional Living Program (TLP) entering safe and appropriate settings after exiting ACF-funded TLP services to at least 85 percent and maintain this level through FY 2010.										
4 A	Increase the percentage of youth living in safe and appropriate settings after exiting ACF-funded Transitional Living Program (TLP) services. <i>(outcome)</i>	78%	82%	83%	82%	84%	86%	85%	85%	85% (FY 2010)
<b>Long-Term Objective 4.2:</b> By FY 2010, increase the percentage of youth who successfully complete the Transitional Living Program (TLP) by “graduating” or who leave ahead of schedule based upon a positive opportunity to at least 55 percent.										
4 B	Increase funding efficiency by increasing the percentage of youth who complete the Transitional Living Program (TLP) by graduating or who leave ahead of schedule based upon an opportunity. <i>(outcome and OMB approved efficiency)</i>	45.6%	47.9%	47.6%	50.0%	49.6%	57.5%	51.6%	53.6%	55.0% (FY 2010)
4 C	Increase the percentage of Transitional Living Program (TLP) youth who are engaged in community service and service learning activities while in the program. <i>(outcome)</i>	27.0%	31.0%	32.0%	32.3% <sup>1</sup>	33.0%	42.1%	34.0%	35.0%	n/a
4 D	Increase by two percent annually the percentage of youth who are prevented from running away through Basic Center Programs (BCP) in-home/off-site services as a percentage of all youth receiving such services, including those who must be fully admitted to shelter despite such preventive efforts. <i>(outcome)</i>	n/a	n/a	n/a	n/a	n/a	n/a	Baseline TBD	2% over prev year	2% over prev year (FY 2010)

Long term objective 4.1 and annual measure 4A address principle objectives of the Runaway and Homeless Youth (RHY) program: safety, security and successful placements. “Safe and appropriate exits” in the Transitional Living Program (TLP) include all exit situations (out of 28 specific placement settings including “other” identified in the National Extranet Optimized Runaway and Homeless Youth Management Information System [NEORHYMIS]) except discharges “into the street,” “unknown,” and “to a shelter.” (A shelter discharge from a Basic Center Program (BCP) may be an appropriate stage in family reunification or during the process of establishing an alternative placement in a child’s best interest. However, the TLP is designed to promote independent living in stable housing.) BCP has maintained a safe exit rate of approximately 90 percent over the past several fiscal years. TLP’s safe exit rate was only 78 percent in FY 2003 and 2004. For this reason, the Family and Youth Services Bureau (FYSB) has more intensely focused upon TLP, and TLP performance has improved in recent years, reaching 86 percent in FY 2007. This means that more homeless youth are entering living situations, such as permanent housing or their own apartments, where their transition to a healthy independent adulthood can continue, based upon the employment, skills, educational and other assets the program has helped them build. This indicator may continue at around 85 percent because of the stricter definition, in comparison to the BCP 90 percent rate. However, safe exits will always be a priority for both programs,

<sup>1</sup> This figure has been revised due to the submission of updated data.

and they hopefully will continue to improve or stabilize around 85 percent over the long term. (In FY 2007, the BCP rate remained stable at 90.5 percent, nearly half a percentage point higher than FY 2006.) Please see table on page 110 for more information.

Along with technical assistance, the RHY program has improved TLP performance through ongoing in-house caseload analysis of data from NEORHYMIS. This helps in identifying special risk factors, promising practices or areas where improvement is possible. The data have indicated the need to focus attention on youths' completions of their programs (i.e., "graduation" after achieving planned goals), effective exit care, discharge planning, and aftercare, as well as targeted in-service activities and treatment. Youth in RHY programs can be very hard to serve and may choose to end their program tenure at any time. TLP is for older youth who have little or no likelihood of reunification with their families, who already consider themselves completely independent and self-sufficient, and are more likely to return to street culture. Some of these youth face significant disadvantages, such as mental health, behavioral and/or substance abuse issues. NEORHYMIS has also recently collected more specific descriptions of services to each BCP and TLP youth at the point of discharge, including after care and referrals. (The appearance a few years ago of these new variables in NEORHYMIS may in itself have helped, since the measurement and reporting process naturally focuses attention on these variables. For every exiting youth, the system automatically presented staff with aftercare and follow-up options by displaying a range of both standard and innovative services to report.) FYSB has also utilized training and technical assistance resources, as well as extensive messaging, and FYSB out-stationed staff in the ten regional ACF offices<sup>2</sup> to focus on safe exits in both programs.

Long term objective 4.2 and efficiency measure 4B capture both program efficiency and service effectiveness by measuring the number of TLP youth who successfully complete their transitional plans and residential experiences, rather than dropping out or being expelled. ("Completion" refers to youth who graduate from the program as planned and those who voluntarily leave "ahead of schedule" to pursue positive opportunities). This measures efficiency since youth who complete their programs are using the skills and knowledge gained while dropouts or expellees may have encumbered resources that could have helped more committed youth. In addition, program completion and longer tenures, particularly after 60 days, improve educational and employment progress and also increase the likelihood of safe exits, compared with shorter residencies and premature closures. In FY 2007, 57.5 percent of youth successfully completed the TLP program by graduating or leaving ahead of schedule based on a positive opportunity, which exceeded the target of 49.6 percent. This rate has been increasing steadily over the last four years. Therefore more youth involved with the TLP program are graduating the program successfully per dollars invested in the program. They are also better equipped to make a successful transition to adulthood. The targets continue to be exceeded as a result of technical assistance, out-stationed regional staff activities, caseload analysis, and training. More careful assessment of youth at intake and opportunities to receive services while not in actual residence (e.g., during a respite or as follow-up services) are among the factors to be emphasized in coming years. By FY 2009, the program expects to continue performance improvements and exceed the target of 53.6 percent. Please see table on page 110 for more information.

Annual measure 4C addresses an important principle of positive youth development: giving a youth the sense that he or she can make a difference, that what they do matters. Moreover, "giving something back" to the community can be a powerful stimulant of self-efficacy and pro-social attitudes.<sup>3</sup> This measure focuses on TLP because community service learning programs may be impractical in BCP temporary shelters where stays are limited to 15 days. These kinds of activities potentially do the most

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<sup>2</sup> Beginning in FY 2007, regional staff have reported directly to Central Office. FYSB has made the TLP goals part of the individual performance plans for every FYSB staff outstationed in the ten regions and for the Director of Regional Operations.

<sup>3</sup> National Research Council and the Institute of Medicine, Committee on Community-Level Programs for Youth, November, 2004.



good in the long-term TLP, which affords more time and opportunity for providing service learning most effectively. These programs are most effective when youth participate in their design and when there is a reflective component, in addition to voluntary participation. Even so, these experiences are not always appropriate in every youth's treatment plan. The proportion of TLP youth involved in community service and service learning activities was 42.1 percent in FY 2007, which exceeded the target of 33 percent; this was the result of marketing community-oriented positive youth development programs and disseminating a variety of models applicable to a wide range of circumstances. Out-stationed FYSB staff played a major role in bringing service options to the attention of local programs. Performance for this measure has been steadily improving over the last few years. As a result, more TLP youth have had the opportunity to meaningfully experience the difference they can make in a larger, more positive context than problems and issues and can think of themselves as citizens as well as individuals. There may be a supportive effect upon the other measures, since RHYMIS data suggest that youth in these activities are more likely to complete their programs and exit safely (though this may also involve the bias of self-selection). The long term target for FY 2009 remains at about one third of the caseload, and FYSB will not necessarily continue trying to drive it higher, given the need to allow on-site judgment by caseworkers to govern how services are prescribed for each youth. Please see table on page 110 for more information.

Regarding annual measure 4D, the Runaway and Homeless Youth Act provides that qualified BCP programs can deliver services to youth and families on a non-residential, in-home, in-community or off-site basis to prevent first or chronic episodes of running away and other crises. They may also help families deal constructively with conflicts and other causes or side effects of risky or destructive behavior. Home-based services include: 24-hour service to respond to family crises, information, counseling for youth and families, services relating to basic life and interpersonal skills, educational advancement, employment, mental and physical health care, parenting, financial planning, and referral to sources of other needed services). Once youth run away, they are exposed to the dangers of the street and the outdoors. All too often they become attracted to street life, particularly as they become accustomed to it over an extended period, and develop survival habits that reinforce their alienation, may violate the law, and increase risk levels. Thus, focusing on prevention has life-saving and life-changing benefits.

ACF is enriching the data elements in NEORHYMIS for annual measure 4D and will have a more complete picture of in-home services by the end of FY 2008 in order to establish a baseline. The new measure will record how many youth receive "preventive services" in various modalities, how many remain with their families or are provided proper placement alternatives, how many nevertheless run away or must be sheltered in spite of such services, and how many youth enter the shelters directly before such interventions are offered. Programming of this measure into NEORHYMIS and dissemination to grantee systems are scheduled for FY 2007-2008. The BCP prevention measure will be included when it is fully in place. In FY 2009 and the future, the program expects to improve performance by two percent over each previous year. This improvement curve is ambitious since it will begin only one year after the baseline period when greater grantee attention is drawn to this factor through data collection, messaging and technical assistance.

In FY 2007, ACF designed an evaluation of long term outcomes in the TLP programs to be conducted at multiple sites by an independent research organization over the next several years. This study will teach us more about how youth fare within and for a period (six months, a year, and possibly beyond) after they exit from TLP. It should indicate which housing, services and program models appear to benefit their long-term well-being and maturation. Viable housing options are vital to youths' independence, but such opportunities are sustained only in the context of better connections to the workforce, education completion, risk reduction, good mental health, and positive youth development.

## 5. Abstinence Education

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 5.1:</b> Decrease the proportion of students in grades 9-12 that have ever had sexual intercourse to 44.5 percent by 2009.										
5 A	Decrease the proportion of students grades 9-12 that have ever had sexual intercourse. <sup>1</sup> (outcome)	n/a	46.8%	n/a	n/a	45.0%	Jun-09	n/a	0.5 perc point under prev year	44.5% (FY 2009)
<b>Long-Term Objective 5.2:</b> Decrease the rate of births to unmarried teenage girls (i.e. births per 1,000 women) ages 15-19 to 33.0 by 2008.										
5 B	Decrease the rate of births to unmarried teenage girls (i.e. births per 1,000 women) ages 15-19. <sup>2</sup> (outcome)	34.7	34.5	33.8	Jan-09	33.4	Jan-10	33.0	0.4 under prev year	n/a
5 C	Decrease the cost of program delivery per youth. (OMB approved efficiency)	n/a	\$54	n/a	Mar-08	n/a	Mar-09	2% under prev year	1% under prev year	n/a

Regarding annual measure 5A (sexual activity), the Youth Risk Behavior Surveillance Survey (YRBSS) data meaningfully reflect the program purpose which is to promote abstinence from sexual activity. Recent data from the YRBSS demonstrate a statistically significant decline in sexual activity among American youth from 1995 to 2003. Although estimates of the percentage of youth who had engaged in sexual intercourse from 2001 to 2003 rose slightly and remained essentially stable in 2005, these differences are not statistically significant. Decreasing adolescent sexual activity leads to less transmission of sexual diseases and their accompanying consequences, which can sometimes be life-long or even fatal. Less adolescent sexual activity also leads to less out of wedlock childbirths. When teens give birth, their future prospects decline. Teen mothers are less likely to complete high school, more likely to be single parents, and more likely to live in poverty than other teens. By FY 2009, the program expects to decrease the proportion of students grades 9-12 that have ever had sexual intercourse to 44.5 percent by increasing the number of abstinence education grants awarded from 167 to 222, awarding 10 contracts and/or cooperative agreements, and increasing the number of participants served with abstinence education intervention to 1.5 million. Please see table on page 110 for more information.

Regarding annual measure 5B (unmarried teen birth rate), the National Vital Statistics System (NVSS) data meaningfully reflect the purpose of the Abstinence Education program because the state grant program is required to focus on those groups that are most likely to bear children out-of-wedlock. Further, both the discretionary and state grant programs use a definition for abstinence education that includes teaching that abstinence is the only certain way to avoid out-of-wedlock pregnancy and teaching that bearing children out-of-wedlock is likely to have harmful consequences for the child, the child's parents, and society. Recent data from the Centers for Disease Control (CDC) reflect that the birth trends between 1995 and 2004 have steadily decreased from 43.8 per 1,000 unmarried girls ages 15-19 to 34.7, respectively. As previously stated, less adolescent sexual activity leads to less out of wedlock childbearing which in turn leads to greater likelihood for a positive future. Teen sexual abstinence improves preparation for stable marriage, especially when teens have a greater awareness of the psychological, emotional and relational context in which sexual relations take place. Overall, teenage childbearing has declined among all racial and/or Hispanic origin groups since 1991. By FY 2009, the

<sup>1</sup> This measure is based on data collected each calendar (not fiscal) year. Data are biennial.

<sup>2</sup> This measure is based on data collected each calendar (not fiscal) year.

program expects to decrease the rate of births to unmarried teenage girls by 0.4 from the previous year's result by continuing to award State Abstinence Education funding to at least 35 states, as well as award 10 contracts and/or cooperative agreements to provide support and technical assistance to Abstinence Education grant recipients. Please see table on page 110 for more information.

Regarding efficiency measure 5C, preliminary data reported by 40 states from 2005 suggests that the median cost per student served is \$54. Decreasing cost per student means greater funding efficiency and, ultimately, program reach and impact. There was wide variation in cost per student. Of those reporting, 40 percent of states spent \$30 dollars or less per student. In contrast to this, two states reported spending in excess of \$1000 per student. Given the distribution of the data, the median provides the best measure of central tendency. Future data will provide more detailed information about the number of hours of abstinence education provided to each student and the proportion of students that complete the program. By FY 2009, the program expects to decrease the cost of program delivery per youth by one percent under the previous year's result (adjusted for inflation).

## 6. Mentoring Children of Prisoners

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 6.1:</b> By FY 2008, 65 percent of children of prisoners receiving mentoring through Mentoring Children of Prisoners (MCP) will be or will have been in relationships lasting at least one year.										
6 A	Increase the percentage of mentees in active mentoring enduring at least 12 months. <sup>1</sup> (outcome)	n/a	20.0%	30.0%	28.4%	60.0%	34.0%	40.0% <sup>2</sup>	45.0% <sup>3</sup>	n/a
<b>Long-Term Objective 6.2:</b> Achieve the proportion of mentees in active mentoring relationships that have already lasted more than twelve months as a percentage of the entire caseload at 22 percent and maintain this level through FY 2010.										
6 B	Increase the percentage of mentees in active mentoring relationships that have already been sustained more than 12 months. <sup>4</sup> (outcome)	n/a	19.0%	18.0%	26.3%	20.0%	33.0%	22.0%	23.0%	22.0% (FY 2010)
6 C	Increase the number of children of prisoners in one-to-one matches with caring adults who have been trained and screened by the MCP program and its local and national partners. (outcome)	3,000	14,000	69,000	40,118	75,000	70,425	109,000	125,000	n/a
6 D	Increase the percentage of youth that consider their mentoring relationship to be of high quality. <sup>5</sup> (outcome)	n/a	n/a	n/a	85%	87%	90%	89%	90%	n/a
<b>Long-Term Objective 6.3:</b> By FY 2009, there will be preliminary data analyses from a national evaluation to measure relative risk reduction, academic commitment, and other developmental factors among a sample of children in the MCP program.										
6 E	Intermediate outcomes involving identity, psychological/cognitive/social/emotional development and relationship and longer term outcomes including risk reduction and academic performance. <sup>6</sup>	n/a	Devel. rsrch. design	Design survey instruments	Completed	Conduct training of survey admin.	Completed	Gain survey approval, select sample, admin. baseline	Conduct follow up surveys	Issue findings (FY 2011)
6 F	By FY 2007, reduce the percentage of matches that terminate at three months or less to 20 percent of all matches terminating in the year. (efficiency)	n/a	37.0%	25.0%	21.6%	20.0%	26.0% <sup>7</sup>	18.0%	17.0%	n/a

<sup>1</sup> Percentages are measured in the final quarter of the year among grantees who have received MCP funding for at least twelve months.

<sup>2</sup> Preliminary data early in the program was insufficient for setting appropriate targets for this measure. Targets have been reassessed based on several years of performance data collected by the program.

<sup>3</sup> See previous footnote.

<sup>4</sup> Percentages are measured in the final quarter of the year among grantees who have received MCP funding for at least twelve months.

<sup>5</sup> The rating scale is from 1 to 4 with 1 being least and 4 being most positive. See Rhodes J., Reddy, R., Roffman, J., and Grossman J.B. (March, 2005). Promoting Successful Youth Mentoring Relationships: A Preliminary Screening Questionnaire. The Journal of Primary Prevention, 26:2, 147-167.

<sup>6</sup> Key results will be benchmarked against similar or identical assessments in a comparable group of at-risk youth using consistent measures of change in each child's relationships with peers and adults, attitudes about school and performance there, and participation in risk behaviors.

<sup>7</sup> The premature terminations were only 1.3 percent of the 4th quarter active caseload of 17,752.

Regarding long term objectives 6.1 and 6.2 and related annual measures 6A and 6B, relationships that endure are evidence of a lasting bond and possibly a long term relationship. Research shows that relationships that last at least six months are associated with the most positive youth benefits.<sup>8</sup> This is a challenging goal because Mentoring Children of Prisoners (MCP) relationships involve volunteer mentors who have met their commitments after twelve months and may or may not seek to renew their relationships. Some mentees drop out of the program or are in transient or unstable families and move away or lose contact. This is a fairly new program, and the denominator (total caseload) is continually increased by new cases as the program expands, adding to the number of matches that are still on their way to twelve months. For this reason, the target is based upon the performance of agencies that have passed twelve months of operations since the inception of their MCP grant. Nevertheless, there has been steady growth in both “longevity measures,” both year by year and quarter by quarter. In FY 2007, annual measure 6A improved to 34 percent of mentees in active mentoring relationships lasting at least 12 months, missing the target of 60 percent. Preliminary data early in the management of the program was insufficient for setting appropriate outyear targets for this measure. Therefore targets for FY 2008 and FY 2009 have been reassessed and revised based on several years of performance data collected by the program. A key factor related to this measure is that more rapid and successful rates in forming new matches tend to diminish the proportion of longer lasting matches in the growing caseload. Thus there may be a counterbalance between longevity growth and caseload expansion at around one third of the caseload. By FY 2009, the program expects to increase this result to 36 percent.

Annual measure 6B also showed significant improvement, increasing to 33 percent the percentage of mentees in active mentoring relationships lasting more than 12 months. By FY 2009, the program expects to continue this high performance by exceeding the target of 23 percent. Performance in each of these measures has continually improved over the last several years. Because of improved performance, more mentees are involved in longer-term relationships with their mentors. ACF has established a national technical assistance system to help grantees with all aspects of improving services, including increasing the number of matches and improving skills in supporting and sustaining relationships. Please see table on page 110 for more information.

Annual measure 6C is based on the number of children of prisoners in relationships with caring adult mentors under conditions that conform to the evidence-based standards of the MCP program (e.g., screening and training of mentors, one-to-one relationship, regular contact). Creating and supporting these matches is the primary task of MCP grantees. The program continues to make matches at a rate due to increased technical assistance and support from Federal staff; further, the program continues to increase matches made per year despite the introduction of new, and often small, faith-based and community programs that must establish their infrastructure as a program in the first months of funding. (See following paragraph.) By the end of FY 2007, a total of 70,425 matches were established by the MCP program, just off the target of 75,000 matches. The number of matches have increased dramatically since the inception of the program. By increasing the overall number of MCP matches, a greater number of at-risk youth are building relationships with mentors who create positive examples for these children. However the program must work to increase this overall number to expand the number of youth being matched with mentees. In FY2008, the Voucher Demonstration Project will begin as part of the MCP program. The project, operating under a cooperative agreement with a national mentoring organization, will allow children in communities without an MCP grantee to use a voucher to receive MCP program services at a local, approved organization. By FY 2009, the program expects to achieve the goal of creating a total of 125,000 matches. Please see table on page 110 for more information.

In FY 2007, the program funded 238 faith-based and community organizations, as well as state and local,

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<sup>8</sup> Rhodes, J. (2002). *Stand by Me, The Risks and Rewards of Mentoring Today's Youth*. Cambridge: Harvard University Press. Dr. Rhodes is one of the pre-eminent researchers and evaluators of mentoring programs.

and tribal entities, many of which are new to the federal grant process and have required extended start-up times. Smaller organizations in particular have required considerable time and effort from program staff and technical assistance providers. Start-up requires building infrastructure, developing a strategic plan, and building partnerships within the community.

Regarding annual measure 6D, an objective of the MCP Program is to promote positive, healthy mentoring relationships. These relationships are expected to promote successful outcomes, based on mentoring research. A positive assessment of a mentoring experience is strongly associated with the duration of the relationship and positive youth outcomes. ACF trains grantees on a Relationship Quality Instrument. Grantees administered the survey to a subset of young people during the summer of 2006 and 2007 and submitted results through the ACF online data collection system. Survey respondents were youth aged nine years and older who have engaged in relationships with the same mentor lasting nine months or longer as of July 1 of the given year. MCP youth responded to fifteen statements like those below:

- 1) My mentor has lots of good ideas about how to solve a problem.
- 2) My mentor makes fun of me in ways I don't like.
- 3) My mentor helps me take my mind off things by doing something with me.

In FY 2007, 90 percent of mentees surveyed responded with an overall average score of three or above (on a scale of 1 to 4), an improvement of five percentage points over the previous year's preliminary survey results. The great majority of the youth involved in mentoring relations through the MCP program are satisfied with the program. By FY 2009, the program expects to maintain this increased performance at 90 percent by continuing to focus on training and support efforts at national and regional technical assistance conferences. Please see table on page 110 for more information.

Regarding long term objective 6.3 and related annual measure 6E, ACF has designed an independent comparison-based, difference-in-difference evaluation of the program's effect upon individual child outcomes, such as school attendance and performance, risk reduction and youth development. Children will be tracked over several years. Children in the MCP program will be compared with similarly at-risk controls in the concurrent PPV/Big Brothers Big Sisters school mentoring program using common data elements and compatible survey instruments. Contextual information about program design, demographics, and other factors will also enrich the findings. During FY 2009, the program expects to conduct follow-up surveys and ultimately issue research findings in FY 2011. The knowledge will be used to strengthen services to children of prisoners by promoting practices which appear to contribute to the success of relationships in fostering positive long term outcomes.

Regarding efficiency measure 6F, matches which end within the first three months represent a significant investment loss, because costs are associated to a large degree with outreach, recruiting, screening, training and preparing mentors before the initiation of matches. More importantly, premature cessations are potentially harmful to a child because he or she may lose trust or feel guilty or abandoned. In the MCP program, mentors are expected to commit to at least twelve month relationships. Some terminated matches end ahead of time by mutual agreement for neutral reasons and are not due to mentor desertion or failure, for example, if the mentor's job takes him or her out of the area. In addition, often children of prisoners are in families with impermanent or unstable living circumstances. Grantees must strive not only to build the commitment of mentors, but keep the children connected to the program and its positive benefits by maintaining connection with the family. This measure addresses both sides of the match. By effectively matching adults and children and providing supportive activities, grantees protect their investment and strengthen the odds of continuation by families and by mentors.

The current targets are ambitious. "One half of all volunteer [mentoring] relationships dissolve within a

few months.”<sup>9</sup> Effective screening, matching, training, and ongoing support of the mentor and the mentoring match help prevent relationships from dissolving unnecessarily. ACF provides considerable technical assistance to strengthen these practices. In the final quarter of FY 2007, there were only 227 cases that lasted three months or less. 873 cases terminated ahead of schedule during the same period in a total active caseload of 17,752 cases. In other words, the three-month cases were less than 1.3 percent of the active caseload. Please see table on page 110 for more information.

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<sup>9</sup> Rhodes, 2002, *op cit*.

## 7. Child Abuse Prevention and Child Welfare Programs

The child welfare programs are organized to reflect a continuum of services beginning from identification and prevention of abuse to permanency and child well-being. Please note that several performance measures are used for more than one program. Where appropriate, those programs are listed in parentheses following the measure language. A crosswalk of performance measures by program is also provided at the conclusion of this section for easy reference.

### THE CHILD ABUSE PREVENTION AND TREATMENT ACT (CAPTA) STATE GRANTS AND COMMUNITY-BASED CHILD ABUSE PREVENTION (CBCAP)

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 7.1:</b> Nine states or jurisdictions will be in substantial conformity with Safety Outcome Measure 1: "Children are first and foremost protected from abuse and neglect" by the end of FY 2010. To be in substantial conformity with this measure, states must achieve desired outcomes in 95 percent of reviewed cases as well as meet national standards for rates of maltreatment recurrence and the absence of abuse and/or neglect in foster care. <sup>1</sup> (CAPTA, Child Welfare Services, Foster Care)										
7 A	Decrease the rate of first-time victims per 1,000 children, based on National Child Abuse and Neglect Data System (NCANDS) reporting of the child maltreatment victims each year who had not been maltreatment victims in any prior year. (outcome, CBCAP)	7.12 <sup>2</sup>	7.25	6.46	7.39	6.26	Oct-08	0.20 under prev year	0.20 under prev year	n/a
7 B	Decrease the percentage of children with substantiated reports of maltreatment that have a repeated substantiated report of maltreatment within six months. (outcome, CAPTA)	8.1% <sup>2</sup>	8.7% <sup>2</sup>	7.0%	7.8%	7.0%	Oct-08	7.0%	7.0%	n/a
7 C	Improve states' average response time between maltreatment report and investigation, based on the median of states' reported average response time in hours from screened-in reports to the initiation of the investigation. (outcome and OMB approved efficiency, CAPTA)	48.00 hrs	67.00 hrs	63.65 hrs	65.50 hrs	62.23 hrs	Oct-08	5% under prev year	5% under prev year	n/a
7 D	Increase the percentage of Community-Based Child Abuse Prevention (CBCAP) total funding that supports evidence-based and evidence-informed child abuse prevention programs and practices. (OMB approved efficiency, CBCAP)	n/a	n/a	n/a	27%	30%	Feb-08	3 pctg pts over prev year	3 pctg pts over prev year	n/a

The Community-Based Child Abuse Prevention (CBCAP) Program assists states in their efforts to prevent child abuse and neglect and to promote healthy parent-child relationships by developing, operating, expanding, and enhancing community-based prevention-focused programs and activities designed to strengthen and support families. This federal program provides critical seed money used by states to leverage funding from other sources. ACF estimates that federal CBCAP funds comprise about

<sup>1</sup> The language of this measure was revised to be consistent with the structure of the larger grouping of CFSR measures.

<sup>2</sup> This figure has been revised due to submission of updated state data.



10 – 20 percent of the states’ total funds for child abuse and neglect prevention, based on the reported prevention expenditures the states submit as leveraged claims. Because each state co-mingles CBCAP funds and funds from many other sources in percentages that vary from state to state it is hard to identify precisely how much of the impact of these co-sponsored primary prevention efforts can be attributed specifically to CBCAP. Nevertheless, the federal leadership associated with the federal funding contributes significantly to primary prevention.

Annual measure 7A tracks the rate of first-time child maltreatment victims (maltreatment victims who have not been maltreatment victims in any prior year) per 1,000 children. The trend information shows a decrease from the FY 2001 rate of 7.18 to the FY 2003 baseline rate of 7.08. The annual targets for improvement are based on an annual reduction of 0.20 in the rate of first-time victims through FY 2009. It is important to note that continually achieving consistent reductions in the annual rate of first-time maltreatment victims will be difficult, though it remains the goal of the program to reduce this rate in order to protect more children from maltreatment. Furthermore, this measure is affected by an increase in the number of states reporting over time. At the present time, the reported performance information shows an increase in the rate of first time victims from 7.08 in FY 2003 to 7.39 in FY 2006. However, the number of states reporting the information has also increased each year, with 47 states (94 percent) reporting data for this measure in FY 2006, compared to only 37 states in FY 2003. As more states report this data and improve their ability to track unique children in their data systems over time, the information will become more accurate and reliable for national performance monitoring. Please see table on page 110 for more information.

Annual measure 7B (repeat child maltreatment) evaluates whether the program has been successful in decreasing the percent of children with substantiated reports of repeat maltreatment. From FY 2003 to FY 2006, the national rate of repeat maltreatment has fallen from 8.5 percent to 7.8 percent. By reducing the rate of repeat maltreatment, the Children’s Bureau is successfully protecting vulnerable children by preventing additional incidents of maltreatment. While that rate represents an improvement from the CY 2000 baseline repeat maltreatment rate of nine percent, it falls short of the target to reduce the percentage of victims who experience repeat maltreatment to seven percent. Progress is being made with many states that are undergoing Child and Family Services Reviews (CFSRs), with many states meeting the more stringent standard of performance (6.1 percent or less recurrence of maltreatment) that was used as a statewide data indicator in the first round of the CFSRs. In FY 2000, 29 percent of states met this standard, 33 percent in FY 2001, 38 percent in FY 2002 and FY 2003, and 42 percent in FY 2004. All states not meeting this standard at the time of their first CFSR put into place a CFSR Program Improvement Plan (PIP) identifying specific activities aimed at reducing maltreatment recurrence. Thus far, 48 out of 52 states/jurisdictions have either met the standard, or have met their official PIP goals. As the remaining states complete their PIPs to reduce repeat maltreatment, improvement is expected toward the seven percent national target by FY 2009. Please see table on page 110 for more information.

Long term objective 7.1 (state improvement in child welfare outcomes), assesses whether states have been successful in improving their performance as a result of state Program Improvement Plans (PIPs), which are created through the Child and Family Service Review (CFSR) process. Please see the following section (Child Welfare Services etc.) for a detailed discussion of the CFSR and PIPs.

Annual measure 7C (maltreatment report-to-investigation response time) is based on the median<sup>3</sup> of all states’ average “response time,” defined as the hours between the log-in call alleging maltreatment and the initial contact with the alleged victim or other person, where appropriate. This outcome/efficiency measure reflects the timeliness of state and local child protective services (CPS) agencies’ initiation of an

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<sup>3</sup> ACF is using the median of the all states’ average reported response times, as this measure of central tendency is less affected by any individual state’s reported response time which is an outlier (much higher or lower) compared to the other states’ reported average response times.

investigation in response to reports of child abuse or neglect. (The CAPTA state grant program is intended to improve CPS systems in areas including the screening, assessment and investigation of reports of abuse and neglect.) This measure is targeted to decrease by five percent each year through FY 2009. In FY 2006, the median response time decreased to 65.5 hours from 67 hours in FY 2005, narrowly missing the target of 63.65 hours. In FY 2006, 36 states reported data for this measure, up from 29 states in FY 2005, thereby improving the accuracy and reliability of the median response time data. ACF will continue to work with states to improve the accuracy and completeness of the data, as well as to improve actual performance in ensuring that states respond to reports of abuse and neglect in a timely manner. Reducing the response time between maltreatment report and investigation improves the likelihood of identifying children in need of services in a timely manner and preventing additional maltreatment. Please see table on page 110 for more information.

Recognizing that the use of evidence-based and evidence-informed practices often facilitates the efficiency and effectiveness of funding, CBCAP developed an efficiency measure (measure 7D) to reflect progress towards this goal. Currently, the Children's Bureau and its National Resource Center for CBCAP are working closely with the states to promote more rigorous evaluations of their funded programs. Over time, the program expects to increase the number of effective programs and practices that are implemented, thereby maximizing the impact and efficiency of CBCAP funds. Programs determined to fall within specified program parameters will be considered, for the purposes of this measure, to be implementing "evidence-informed" or "evidence-based" practices (EBP). The funding directed towards these types of programs (weighted by EBP level) will be calculated over the total amount of CBCAP funding used for direct service programs to determine the percentage of total funding that supports evidence-based and evidence-informed programs and practices. A baseline of 27 percent was established for this measure in FY 2006. The target of a three percentage point annual increase in the amount of funds devoted to evidence-based practice through FY 2009 was selected as a meaningful increment of improvement that takes into account the fact that this is the first time that the program has required programs to target their funding towards evidence-based and evidence-informed programs, and it will take time for states to adjust their funding priorities to meet these new requirements. In addition, because the development of evidence-based practice in child abuse prevention is still in the early stages, this target reflects a commitment to invest in known evidence-based practices, while continuing to promote evaluation and innovation, so as to expand the availability of evidence-informed and evidence-based practice over time.

CHILD WELFARE SERVICES, PROMOTING SAFE AND STABLE FAMILIES (PSSF), AND FOSTER CARE

#	Key Outcomes	FY 2004	FY 2005	FY 2006		FY 2007		FY 2008	FY 2009	Out-Year
		Actual	Actual	Target	Actual	Target	Actual	Target	Target	Target
	<b>Long-Term Objective 7.1:</b> Nine states or jurisdictions will be in substantial conformity with Safety Outcome Measure 1: “Children are first and foremost protected from abuse and neglect” by the end of FY 2010. To be in substantial conformity with this measure, states must achieve desired outcomes in 95 percent of reviewed cases as well as meet national standards for rates of maltreatment recurrence and the absence of abuse and/or neglect in foster care. <sup>4</sup> (CAPTA, Child Welfare Services, Foster Care)									
	<b>Long-Term Objective 7.2:</b> Five states or jurisdictions will be in substantial conformity with Permanency Outcome Measure 1: “Children have permanency and stability in their living situation” by the end of FY 2010. To be in substantial conformity with this measure, states must achieve desired outcomes in 95 percent of reviewed cases as well as meet national standards for: rates of timeliness and permanency of reunification, timeliness of adoptions, achieving permanency for children in foster care, and the rate of placement stability in foster care. <sup>4</sup> (Child Welfare Services, Foster Care)									
	<b>Long-Term Objective 7.3:</b> Twenty states or jurisdictions will be in substantial conformity with the systemic factor “Case Review System.” Systemic factors measure a state’s capacity to achieve safety and permanence for children and well-being for children and their families. This measure examines state effectiveness in five separate aspects of the Case Review System. <sup>4</sup> (Child Welfare Services, Foster Care)									
	<b>Long-Term Objective 7.4:</b> Nine states or jurisdictions will be in substantial conformity with Safety Outcome Measure 2: “Children are maintained in their homes whenever possible and appropriate” by the end of FY 2010. To be in substantial conformity with this measure, states must achieve desired outcomes in 95 percent of reviewed cases. <sup>4</sup> (PSSF)									
	<b>Long-Term Objective 7.5:</b> Ten states will be in substantial conformity with Permanency Outcome Measure 2: “The continuity of family relationships and connections is preserved for children” by the end of FY 2010. To be in substantial conformity with this measure, states must achieve desired outcomes in 95 percent of reviewed cases. <sup>4</sup> (PSSF, Foster Care)									
	<b>Long-Term Objective 7.6:</b> Three states will be in substantial conformity with Well-Being Outcome 1: “Families have enhanced capacity to provide for their children’s needs” by the end of FY 2010. To be in substantial conformity with this measure, states must achieve desired outcomes in 95 percent of reviewed cases. <sup>4</sup> (PSSF, Foster Care)									
	<b>Long-Term Objective 7.7:</b> Thirty-five states or jurisdictions will be in substantial conformity with the systemic factor “Service Array” by the end of FY 2010. Systemic factors measure a state’s capacity to achieve safety and permanence for children and well-being for children and their families. This measure examines whether states have in place throughout the state services to assess the strengths and needs of children and families and to provide an array of services that can be individualized to meet the unique needs of children and families served by the child welfare agency. <sup>4</sup> (PSSF)									
7 E	Each fiscal year, an increasing number of states with a closed out Program Improvement Plan (PIP) will be penalty free on Safety Outcome Measure 1: “Children are first and foremost protected from abuse and neglect.” In order for a state to be designated penalty free it must address all findings identified in its most recent Child and Family Service Review (CFSR) by completing all agreed to actions and meeting quantifiable outcomes within specified time frames. <sup>4</sup> (outcome, Child Welfare Services, Foster Care)	4 states	11 states	18 states	20 states	38 states	30 states	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	n/a

<sup>4</sup> The language of this measure was revised to be consistent with the structure of the larger grouping of CFSR measures.

<sup>5</sup> The FY 2008 and FY 2009 targets associated with the annual CFSR performance measures have been revised to more accurately reflect the Children’s Bureau’s success in penalty free PIP close outs.

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
7 F	Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on Permanency Outcome Measure 1: "Children have permanency and stability in their living situation." In order for a state to be designated penalty free it must address all findings identified in its most recent CFSR by completing all agreed to actions and meeting quantifiable outcomes within specified time frames. <sup>4</sup> ( <i>outcome, Child Welfare Services, Foster Care</i> )	4 states	11 states	18 states	20 states	38 states	29 states	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	n/a
7 G	Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on the systemic factor "Case Review System." In order for a state to be designated penalty free it must address all findings identified in its most recent CFSR by completing all agreed to actions and meeting quantifiable outcomes within specified time frames. <sup>4</sup> ( <i>outcome, Child Welfare Services</i> )	4 states	11 states	18 states	20 states	38 states	30 states	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	n/a
7 H	Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on Safety Outcome Measure 2: "Children are maintained in their homes whenever possible and appropriate." In order for a state to be designated penalty free it must address all findings identified in its most recent CFSR by completing all agreed to actions and meeting quantifiable outcomes within specified time frames. <sup>4</sup> ( <i>outcome, PSSF</i> )	4 states	11 states	18 states	20 states	38 states	30 states	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	n/a
7 I	Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on Permanency Outcome Measure 2: "The continuity of family relationships and connections is preserved for children." In order for a state to be designated penalty free it must address all findings identified in its most recent CFSR by completing all agreed to actions and meeting quantifiable outcomes within specified time frames. <sup>4</sup> ( <i>outcome, PSSF, Foster Care</i> )	4 states	11 states	18 states	20 states	38 states	30 states	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	n/a

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
7 J	Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on Well Being Outcome 1: "Families have enhanced capacity to provide for their children's needs." In order for a state to be designated penalty free it must address all findings identified in its most recent CFSR by completing all agreed to actions and meeting quantifiable outcomes within specified time frames. <sup>4</sup> (outcome, PSSF, Foster Care)	4 states	11 states	18 states	20 states	38 states	29 states	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	n/a
7 L	Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on the systemic factor "Staff Training." In order for a state to be designated penalty free it must address all findings identified in its most recent CFSR by completing all agreed to actions and meeting quantifiable outcomes within specified time frames. <sup>4</sup> (outcome, Foster Care)	4 states	11 states	18 states	20 states	38 states	30 states	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	n/a
7 M	Each fiscal year, an increasing number of states with a closed out PIP will be penalty free for the systemic factor "Foster and Adoptive Parent Licensing, Recruitment and Retention." In order for a state to be designated penalty free it must address all findings identified in its most recent CFSR by completing all agreed to actions and meeting quantifiable outcomes within specified time frames. <sup>4</sup> (outcome, Foster Care)	4 states	11 states	18 states	20 states	38 states	30 states	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	90% of states with a closed out PIP penalty free (XX states) <sup>5</sup>	n/a
7 N	Reduce the time needed to approve state Child and Family Service Review (CFSR) Program Improvement Plans (PIPs). (OMB approved efficiency, Child Welfare Services, PSSF)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	TBD	TBD
7 O	Increase the percentage of children who exit foster care within two years of placement either through guardianship or adoption. (outcome, PSSF)	36.1% <sup>6</sup>	38.8% <sup>6</sup>	35.0%	39.7%	35.0%	Oct-08	36.0%	38.0%	n/a
7 P	For those children who had been in care less than 12 months, maintain the percentage that has no more than two placement settings. (outcome, Child Welfare Services)	82.6%	82.8% <sup>6</sup>	80.0%	83.4%	80.0%	Oct-08	80.0%	80.0%	n/a

<sup>6</sup> This figure has been updated as a result of revised data submissions from states.

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
7 Q	Decrease the percent of foster children in care 12 or more months with no case plan goal (including case plan goal "Not Yet Determined"). (OMB approved efficiency, Child Welfare Services, PSSF, Foster Care)	8.8% <sup>6</sup>	8.3% <sup>6</sup>	6.9%	7.6%	6.4%	Oct-08	5.9%	5.4%	n/a
7 R	Decrease improper payments in the title IV-E foster care program by lowering the national error rate. (OMB approved efficiency, Foster Care)	10.33%	8.60%	8.49%	7.68%	7.57%	3.30%	3.25% <sup>7</sup>	3.10% <sup>7</sup>	n/a
<b>Long-Term Objective 7.8:</b> Increase the adoption rate from 9.19 percent in FY 2003 to 10.0 percent in FY 2008 and 10.5 percent in FY 2013. (Foster Care, Adoption Opportunities, Adoption Incentives, Adoption Assistance)										
7 S	Increase the adoption rate. <sup>8</sup> (outcome, Foster Care, Adoption Opportunities, Adoption Incentives, Adoption Assistance)	10.22% <sup>6</sup>	10.26% <sup>6</sup>	9.85%	9.91%	9.90%	Oct-08	10.00%	10.10%	10.50% (FY 2013)

The Child and Family Service Review (CFSR) is the comprehensive, results-focused process used to monitor state performance in delivering child welfare services. The CFSR was developed in response to the Social Security Amendments of 1994 which mandated the development of a review process to determine whether states are in "substantial conformity" with the requirements of titles IV-B and IV-E of the Social Security Act (which include the Child Welfare Services and Promoting Safe and Stable Families programs, as well as Foster Care and Adoption Assistance). The Act also required that any financial penalties or withholding of funds be commensurate with the degree of nonconformity and that states be given an opportunity for corrective action and access to assistance prior to the imposition of penalties. Given the comprehensive nature of the reviews, CFSR findings are critical to the performance measurement of many of the federal child welfare programs.

Reflecting the centrality of the CFSR process to assessing performance in child welfare, the Children's Bureau, through Program Assessment Rating Tool (PART) assessments of the Child Welfare Services Program (title IV-B, subpart 1), the Promoting Safe and Stable Families programs (title IV-B, subpart 2) in 2006, and reassessment of the Foster Care Program (title IV-E) in 2007, developed a series of long term and annual measures that are based on the performance of states on the CFSR. The CFSR assesses outcome achievement across three broad domains of safety, permanency, and well-being, divided into seven outcome measurements. The reviews assess state activities associated with protecting children from abuse and neglect; maintaining children safely in their own homes whenever possible and appropriate; ensuring that children who are placed in foster care have stability in their living arrangements and move to a permanent home in a timely manner; preserving family connections and relationships; providing families involved with child welfare an opportunity to enhance their capacity to provide for their children's needs; and ensuring that children involved with child welfare receive services to address their educational and health needs. The reviews also assess state performance on seven systemic factors (see Table 7.1).

<sup>7</sup> This target has been revised based on the most recent data.

<sup>8</sup> This measure formerly examined number of adoptions. This measure is also a performance indicator for the FY 2007-2012 HHS Strategic Plan.

<b>Table 7.1: Child and Family Service Review (CFSR) Outcomes and Systemic Factors</b>
<b>Safety, Permanency and Well Being Outcomes</b>
<b>Safety 1:</b> Children are first and foremost protected from abuse and neglect
<b>Safety 2:</b> Children are maintained in their homes whenever possible and appropriate
<b>Permanency 1:</b> Children have permanency and stability in their living situation
<b>Permanency 2:</b> The continuity of family relationships and connections is preserved for children
<b>Well-Being Outcome 1:</b> Families have enhanced capacity to provide for their children's needs
<b>Well-Being Outcome 2:</b> Children receive appropriate services to meet their educational needs
<b>Well-Being Outcome 3:</b> Children receive adequate services to meet their physical and health needs
<b>Systemic Factors</b>
Statewide Information System
Case Review System
Quality Assurance System
Staff Training
Service Array
Agency Responsiveness to the Community
Foster & Adoptive Parent Licensing, Recruitment and Retention

Through the CFSR, a determination is made on whether a state is in substantial conformity with each of the seven outcomes and seven systemic factors. Substantial conformity is determined separately for each outcome and systemic factor, therefore a state may be in substantial conformity with some, but not all, of the 14 areas that are assessed. Determinations of substantial conformity for systemic factors are based on information from statewide assessments and interviews with state and community stakeholders in order to determine whether the requirements of the state plan are in place and functioning. Determinations of substantial conformity for outcomes are based on case review findings and, for some outcomes, state performance on national data indicators.

During the first round of the CFSR (conducted from FY 2001- FY 2004), for a state to be found in substantial conformity on an outcome, 90 percent of cases reviewed onsite had to have that outcome rated as a "strength" and the state had to meet the national standard for any applicable national data indicators associated with the outcome (two of the seven outcomes - Safety 1 and Permanency 1 - have national data indicators associated with them). For example, in evaluating Safety Outcome 1, "Children are, first and foremost, protected from abuse and neglect," the reviewers examine a sample of cases onsite. As part of the evaluation of each case, reviewers determine whether the investigation of reports of child maltreatment were initiated in a timely manner and whether there were any instances of repeat maltreatment in the case. In addition, statewide data relating to recurrence of maltreatment and abuse or neglect of children in foster care are examined to determine if the state's performance meets national standards. During the second round CFSR (being conducted from FY 2007 – FY 2010), for a state to be found in substantial conformity on any of the seven outcomes, at least 95 percent of the cases reviewed must be rated a strength and the state must meet the standards for national data indicators.

Any outcome or systemic factor on which a state is found not in substantial conformity is required to be addressed through a Program Improvement Plan (PIP). At the conclusion of the PIP, a determination is made on whether all actions required by the PIP were completed and whether agreed upon improvements in quantifiable outcomes or goals were met. If actions are completed and quantifiable outcomes and goals achieved, then the state is determined to be "penalty free" for that outcome or systemic factor. However, if the state fails to improve in any of the required areas, a financial penalty is assessed. As of the end of

FY 2007, 50 states had completed program improvement plans.<sup>9</sup> Final decisions had been made for 30 of those states, 28 of which were determined to be “penalty-free” because the states had successfully reached their PIP goals on all seven outcomes and seven systemic factors.

Annual measures 7E – 7M focus on increasing the number of states which are found each year to be “penalty free” on specific outcomes and systemic factors assessed through the CFSR, with a goal of having at least 90 percent of states (47 out of 52 states and jurisdictions, including the District of Columbia and Puerto Rico) “penalty free” once all PIPs from the first round CFSRs are closed out. Performance on these measures through the end of FY 2007 has been impressive, with 100 percent of the 30 states that had final evaluations of closed-out PIPs being found penalty free on annual measures 7E, 7G, 7H, 7I, 7L, and 7M. In addition, 97 percent of the 30 states that had final evaluations of closed-out PIPs were found penalty free on annual measures 7F and 7J. ACF’s failure to meet its targets of 38 states with a closed out PIP remaining penalty free for annual measures 7E – 7M is due to the number of states with closed out PIPs being lower than expected.<sup>10</sup>

While annual measures 7E – 7M focus on the degree to which states have shown improvement through successful completion of PIPs, whether a state is in “substantial conformity” on the outcomes and systemic factors can only be determined upon the completion of the next full onsite review. Hence, to determine whether the first round of program improvement has resulted in an increased number of states being in substantial conformity, it is necessary to complete a second round of onsite CFSRs, projected to be completed by FY 2010. Long term objectives 7.2 – 7.7 will examine the degree to which there have been improvements in the number of states that are found in substantial conformity with specified outcomes and systemic factors, as measured through the second round of the CFSR process.

In setting targets for these long-term measures, ACF has taken into account the number of states that were in substantial conformity during the first round, progress that has been made through the PIPs, and the increase in the standards that will be in effect during the second round. As previously mentioned, during the second round of CFSRs the standard for achieving substantial conformity on outcomes during the onsite portion will be raised from 90 percent of cases needing to be rated a “strength” to 95 percent of cases. In addition, national standards for data indicators are being changed, with the standards of performance on safety being raised and new composite measures relating to permanency being used for the first time. So, for example, we have set a target that by the end of 2010, nine states or jurisdictions will be in substantial conformity on Safety Outcome Measure 1: “Children are first and foremost protected from abuse and neglect” (up from six states in round one) and five states or jurisdictions will be in substantial conformity with Permanency Outcome Measure 1 “Children have permanency and stability in their living situation” (up from zero states in round one). Given the high standards of the reviews, these are ambitious targets. The Children’s Bureau continues to provide extensive technical assistance to states through a network of National Child Welfare Resource Centers, national and regional trainings and meetings, and other methods to assist states in developing and implementing program improvement strategies. Technical assistance will continue to be provided as states prepare for and participate in the second round of the CFSR in order to reach the FY 2009 goal of 47 states being penalty-free on the areas defined by annual measures 7E – 7M.

In addition to the long term and annual measures assessing state performance on the CFSR, ACF has also developed an efficiency measure through the PART process that measures improvements in the timely

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<sup>9</sup> Compiled findings from the initial 52 CFSRs, reports of individual state reviews and copies of state Program Improvement Plans (PIPs) are posted on the Children’s Bureau website at: <http://www.acf.hhs.gov/programs/cb/cwmonitoring/index.htm>.

<sup>10</sup> The number of states with closed out PIPs was lower than expected due to the realized need for a one year non-overlapping data validation period to work with states to validate state data. Also, extensions were granted to a number of Gulf Coast states following the natural disasters that affected the region in 2005.



development and approval of CFSR PIPs (measure 7N). After the first round of onsite reviews, particularly in the first years, there was significant variability in the amount of time needed to negotiate and approve state PIPs. Overall, between FY 2001 and FY 2004, the approval time ranged from a low of five months from issuance of the final report to approval of the PIP to a high of 19.2 months. The median time from report issuance to PIP approval during the first round of reviews was 10 months. With both states and the federal government having the benefit of experience from the first round of reviews and with the ready availability of technical assistance to help the states in developing high quality PIPs, we expect that following the second round of reviews, we will be able to decrease the amount of time needed to develop and approve PIPs. By expediting the approval process, states, with guidance from ACF, will be able to more quickly implement systemic changes that will ultimately improve the safety, permanency, and well-being outcomes of children and families. Data for this measure will be collected beginning in FY 2008 (since the second round of onsite reviews commenced in FY 2007). Once the baseline is established, ambitious targets for future years will be developed.

Complementing the measures that draw on CFSR results are measures assessing national performance on a number of other key indicators. Annual measure 7O is a combination of two former measures of timely exits to permanency: exits via guardianship alone and exits via adoption alone. ACF believes that these two outcomes are comparable in their relationship to permanency; thus ACF now tracks both in one measure, i.e. exits from foster care to either guardianship or adoption within two years of placement. In FY 2007, 39.7 percent of children exited to either adoption or guardianship within two years of placement, exceeding the FY 2006 target of 35 percent. This increase shows marked improvement over the FY 2002 target of 31 percent. Therefore, a greater number of children are exiting care to a permanent living arrangement in shorter periods of time and not remaining in care for an extended period of time. Data for this measure have been revised significantly due to the re-submission of files by states. In addition, the Data Profile component of the Statewide Assessment used in the CFSR process emphasizes complete and accurate reporting of all discharge reasons. These factors, combined with re-submissions of data by states, have improved the accuracy and reliability of this measure, giving ACF a more precise representation of the permanency outcomes of children in foster care. By FY 2009, ACF expects to maintain the consistently improving performance for measure 7O by exceeding the target of 38 percent. Please see table on page 110 for more information.

Annual measure 7P relates to children who have been removed from their homes and placed in foster care; this trauma can be aggravated further when a child is moved from placement setting to placement setting while in care. It is, therefore, in the best interest of the child to keep the number of placement settings to a minimum. ACF expects that at least 80 percent (the 2006 actual is just over 83 percent) of the children in foster care will experience no more than two placement settings during their first year in care through FY 2009. ACF is providing technical assistance to the states to improve placement stability for children in care and states are employing a number of strategies, including increasing the use of relatives as placement resources and improving training and support for foster parents to improve retention and prevent placement disruptions. Please see table on page 110 for more information.

Regarding efficiency measure 7Q, federal law requires that every child in foster care have a case plan that specifies the permanency goal for the child (e.g., reunification or adoption) and details the types of services the child and parents will receive to facilitate achievement of that goal. Despite this requirement, a significant proportion of cases are reported as having no case goal or “case plan goal not yet determined” even when children have been in care for a year or more. Because identifying an appropriate goal is a crucial first step in moving a child to permanency, this efficiency measure seeks to decrease the percentage of cases reported as lacking a case plan goal. Specifically, the measure is computed from the number of children in foster care for 12 or more months with either a missing or “Not Yet Determined” case goal divided by the total number of children who were in foster care at least 12 months or more. In FY 2006, 7.6 percent of the children in care for one year or more lacked a case plan goal, missing the

target of 6.9 percent but improving over the previous year's result of 8.3 percent. By increasing the proportion of cases with a case plan goal developed in a timely manner, ACF is helping to ensure that there is a focus on moving children from foster care to a permanent home, whether through reunification, adoption or guardianship. Revised data submissions from states have resulted in updated data for FY 2003 through FY 2005, including a change in the baseline to 8.8 percent. Therefore ACF has shown improvement over time despite not achieving the annual targets, which were determined from the originally reported baseline of 7.5 percent. These changes in data reporting are the result of revised data submissions including some from states with large foster care populations. ACF will continue to work with states to improve data quality and to meet the FY 2009 goal of no more than 5.4 percent of children in care for more than 12 months with no case plan through closer oversight of state submission in the Adoption and Foster Care Analysis Reporting System (AFCARS). Please see table on page 110 for more information.

Efficiency measure 7R focuses on reducing erroneous payments in the title IV-E foster care program. The Children's Bureau calculates a national payment error rate and develops an improvement plan to strategically reduce, or eliminate where possible, improper payments under the program. State-level data generated from the title IV-E eligibility reviews are used to calculate the error rate. Eligibility reviews are routinely and systematically conducted by the Children's Bureau in each of the 50 states, the District of Columbia, and Puerto Rico to ensure that foster care maintenance payments are made only for program-eligible children. The eligibility review determines a state's level of compliance in meeting the federal eligibility requirements and validates the accuracy of a state's claim for reimbursements of foster care payments. Each eligibility review specifies the number of cases in error, underlying error causes and amount of payment in error determined from the examination of a sample drawn from the state's overall title IV-E caseload for an identified six-month period under review. The fiscal accountability promoted by these reviews leads to reductions in case errors and program improvements. Between fiscal years 2000-2007, 124 state reviews were conducted.

In early FY 2005, the Children's Bureau determined the baseline estimate of a national error rate as part of its ongoing efforts to ensure the proper use of title IV-E foster care maintenance funds and to assess the success of future efforts to reduce improper payments in the title IV-E Foster Care program. The national error rate is determined by using the data collected in the most recent foster care eligibility review conducted for each state during the review cycle and extrapolating from individual case-level data on errors and improper payments from each state review sample for a specified period under review. Due to the regulatory three-year cycle of title IV-E foster care eligibility reviews, the national error rate estimate is based on a three-year rolling estimate ("rolling" because as new state reviews are conducted, the new review data will replace the case improper payment data from the state's previous review). Using this methodology, the Children's Bureau annually establishes targets for future improper payment levels that incorporate the latest available review data on each state, develops strategies for reaching the targets and monitors progress in reducing improper payments. The estimated composite baseline IV-E payment error rate of 10.33 percent is based on data obtained from fiscal years 2002-2004. For FY 2005, the estimated national error rate (based on the three year average from fiscal years 2003-2005) was 8.6 percent, for FY 2006 the error rate was 7.68 percent, and for FY 2007 the error rate was 3.30 percent. This rate represents a reduction of over two-thirds since establishing the baseline for FY 2004. Estimated annual national improper payments were reduced by over \$70 million, reflecting improved stewardship of federal resources and greater adherence to statutory eligibility requirements, including provisions intended to protect children in care through timely judicial oversight and review of foster care cases. As a result of these significant performance improvements, future year targets for FY 2007 and FY 2008 have been revised. By FY 2009, the Children's Bureau expects to continue decreasing improper payments with a national error rate of 3.10 percent. Through ongoing reviews and work with states to develop program improvement plans when they are found not to be in substantial compliance, the Children's Bureau will continue to reduce improper payments and decrease the national error rate.

Long term objective 7.8 and related annual measure 7S (adoption rate) were developed through the PART review, to take into account the size of the pool of children in foster care from which those children for whom adoption is the appropriate permanency plan are identified. This change from number of adoptions to an adoption rate is particularly salient since the total number of children in foster care has declined from 567,000 in FY 1999 to 511,000<sup>11</sup> in FY 2006. As a result, while the annual number of adoptions from the public child welfare system continues at a high level of over 50,000 (as compared to the 26,000 adoptions reported in FY 1995), since FY 2002, the annual number of adoptions has leveled off. The number of adoptions in FY 2006 totaled approximately 51,000. In addition to the decrease in the foster care population, other trends continue to make it more challenging to increase adoptive placements, including the fact that the age of children waiting to be adopted continues to increase. Almost half of the waiting children are over the age of nine. Simultaneously, the proportion of children in foster care with a case plan goal of adoption has declined. Thus, a gradual increase in the adoption rate to 10.0 percent by FY 2008 and then to 10.5 percent by FY 2013 is ambitious, but also takes into account the aging of the foster care population, the decline in the number of children in foster care, and the decrease in the proportion of children with a goal of adoption. In FY 2006, the program achieved a result of 9.91 percent, exceeding its target of 9.85 percent, meaning that more children who are unable to return to their own families are exiting care to stable, permanent adoptive homes. Please see table on page 110 for more information.

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<sup>11</sup> The reported number of children in care on the last day of FY 2006 was revised based on revised data submissions from states.

## ADOPTION OPPORTUNITIES, ADOPTION INCENTIVES, AND ADOPTION ASSISTANCE

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out- Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 7.8:</b> Increase the adoption rate from 9.19 percent in FY 2003 to 10.0 percent in FY 2008 and 10.5 percent in FY 2013. <i>(Foster Care, Adoption Opportunities, Adoption Incentives, Adoption Assistance)</i>										
7 S	Increase the adoption rate. <sup>12</sup> <i>(outcome, Foster Care, Adoption Opportunities, Adoption Incentives, Adoption Assistance)</i>	10.22% <sup>15</sup>	10.26% <sup>15</sup>	9.85%	9.91%	9.90%	Oct-08	10.00%	10.10%	10.50% (FY 2013)
<b>Long-Term Objective 7.9:</b> By 2009, 75 percent of Adoption Opportunities grantees will have their findings applied to practice. The baseline is 60 percent in FY 2006. <i>(Adoption Opportunities)</i>										
<b>Long-Term Objective 7.10:</b> By 2009, 75 percent of Adoption Opportunities grantees will have their findings provide the impetus for policies being enacted or amended. The baseline is 67 percent in FY 2006. <i>(Adoption Opportunities)</i>										
<b>Long-Term Objective 7.11:</b> Decrease the number of children with Title IV-E Adoption Assistance who experience a displaced adoption. <sup>14</sup> <i>(Adoption Assistance)</i>										
<b>Long-Term Objective 7.12:</b> Decrease the gap between the percentage of children nine and older waiting to be adopted and those actually adopted by 15 percentage points between FY 2006 and FY 2015. <sup>15</sup> <i>(Adoption Incentives)</i>										
7 T	Decrease the gap between the percentage of children nine and older waiting to be adopted and those actually adopted. <i>(Adoption Incentives)</i>	14.3% <sup>13</sup>	15.7% <sup>13</sup>	16.7%	16.4%	15.2%	Oct-08	13.7%	12.2%	1.9% (FY 2015)
7 U	Maintain or decrease the average administrative claim per IV-E Adoption Assistance child. <i>(OMB approved efficiency, Adoption Assistance, Adoption Incentives)</i>	\$1,627	\$1,560	\$1,566	\$1,674 <sup>13</sup>	\$1,535	Oct-08	\$1,504	2% under prev year	n/a
7 V	Reduce the cost per adoptive placement for the Adoption Opportunities Program. <i>(OMB approved)</i>	n/a	n/a	n/a	\$12,493	\$11,868	\$13,698	\$13,013 <sup>16</sup>	5% under prev FY	n/a

Regarding long term objectives 7.9 and 7.10 (concerning Adoption Opportunities grantees), toward the end of every Adoption Opportunities grant project, each grantee will produce both a report of findings and a dissemination plan for these findings. Using the recently implemented performance measurement on-line tool (PM-OTOOL), grantees supply information for these two long term goals.

Regarding long term objective 7.9, Adoption Opportunities grantees report:

- follow up with individuals or organizations that requested materials (e.g., presentations, final report, training materials, protocols, etc.) from the grantee about a project;
- follow up with individuals or organizations that asked permission about or showed interest in replicating or piloting a project; and
- the application of their findings to practice at conferences, in the professional literature, in newsletters, in the media.

Regarding long term objective 7.10, Adoption Opportunities grantees report:

- speaking with advocacy groups it has worked with to enact policies;
- speaking with legislators or other policy-making bodies with which it has worked; and

<sup>12</sup> This measure formerly examined number of adoptions. This measure is also a performance indicator for the FY 2007-2012 HHS Strategic Plan.

<sup>13</sup> This figure has been updated as a result of revised data submissions from states.

<sup>14</sup> A displaced adoption occurs when an adopted child enters foster care.

<sup>15</sup> Based on data available as of September 2005.

<sup>16</sup> This figure may be revised in the future as grantees complete or revise data submissions for FY 2007.

- the application of its findings to practice at conferences, in the professional literature, in newsletters, in the media.

By FY 2009, the Children's Bureau expects to increase the percentage of Adoption Opportunities grantees with their findings applied to practice to 75 percent and increase the percentage of grantees with their findings providing the impetus for policies being enacted or amended to 75 percent as well.

Regarding long term objective 7.11 (displaced adoption), ACF created a developmental measure to assess the number of adoptions that fail, thus resulting in a child's re-entry into foster care. Adoptive displacement occurs when a child who has been previously adopted from foster care later re-enters foster care. The current AFCARS contains data on children entering the foster care system who have been previously adopted. However, a substantial amount of data are missing, and the data do not permit a distinction between those children who were receiving title IV-E adoption assistance and those who were not. The Children's Bureau is currently conducting an intensive and detailed review of AFCARS. Addressing the availability of data for this measure will be a high priority in the review, and ACF will implement a solution by FY 2009 to allow measurement against this long term goal.

Long term objective 7.12 and annual measure 7T (decreasing the gap between those waiting, and those actually adopted) was created to evaluate progress of the Adoption Incentives program in reducing the gap between the percentage of children nine and older waiting to be adopted and those actually adopted. The revised AFCARS data show an increase in the gap between the percentage of children age nine and older waiting to be adopted and those actually adopted between FY 2003 (14.6 percent) and FY 2006 (16.4 percent). Decreasing this gap means that a greater number of children age nine and older are being placed in permanent living arrangements. While the trend in performance thus far has not been in the desired direction, ACF has implemented a number of activities to target and encourage the adoption of older youth in foster care. In order to improve performance on this measure, ACF launched a national ad campaign, which produced a series of Public Service Announcements (PSA's) featuring strategic messages about adoption, particularly adoption of older children and teens. Thus far this initiative has resulted in more than 8 million visits to the AdoptUsKids website, 21,000 email inquiries, and 56,000 phone inquiries. In addition, ACF proposed FY 2009 legislation will double incentive funding for adoption of children age nine and older. By FY 2009, the Children's Bureau expects to decrease the gap between the percentage of children nine and older waiting to be adopted and those actually adopted to 12.2 percent. Please see table on page 110 for more information.

Efficiency measure 7U sets annual targets to demonstrate improved efficiency through a gradual reduction in the average administrative claim per IV-E Adoption Assistance child. This is calculated by total computable claims submitted by states on the IV-E-1 form for administrative costs divided by the average monthly number of children receiving Adoption Assistance maintenance payments. The annual targets reflect an ambitious decline of two percent from the prior year's average administrative cost per child. In light of the fact that more children are receiving IV-E adoption assistance each year, this measure captures the more efficient administration of the program through lower administrative costs per child. Following several years of declining administrative costs from FY 2001 – FY 2005, in FY 2006, the average administrative costs claimed per IV-E Adoption Assistance child increased. Five states reported significant increases in their adoption assistance administrative claims for FY 2006 that ranged from a minimum of \$5.5 million to a maximum of \$24 million. ACF will be looking into the reasons behind these increases and will continue to seek to reduce average claims in future years. By FY 2009, the Children's Bureau expects to decrease the average administrative claim per IV-E Adoption Assistance child by at least two percent under the previous year's results. Please see table on page 110 for more information.

Regarding efficiency measure 7V, the Adoption Opportunities Program funds state and local agencies, as well as national and community-based organizations, to undertake activities that eliminate barriers to the adoption of children in foster care. Projects funded through this program report program-specific data including the number of children served who receive adoptive placements. This measure is calculated by dividing the amount of funds appropriated for the Adoption Opportunities program by the number of adoptive placements for children served by the funded projects. In FY 2007, the estimated cost per adoptive placement was \$13,698, a slight increase from the FY 2006 baseline of \$12,493. The increase in cost per adoptive placement reflects the fact that fewer children were placed by Adoption Opportunities grantees relative to the total grant amount. Overall, the Adoption Opportunities grantees placed 2,167 children in permanent homes in FY 2006 and 1,960 children in FY 2007. In FY 2008, the Children's Bureau will work with Adoption Opportunities grantees to improve the placement rate of children by providing technical assistance to grantees and by continuing to promote the adoption of children in foster care through the AdoptUsKids initiative, which is also supported in part by the Adoption Opportunities program. By FY 2009, the Children's Bureau expects to reduce the cost per adoptive placement by at least five percent under the previous year's result. Please see table on page 110 for more information.

## THE CHAFEE FOSTER CARE INDEPENDENCE PROGRAM

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out- Year Target
				Target	Actual	Target	Actual			
7 W	Increase the percentages of Chafee Foster Care Independence Program (CFCIP) youth who avoid high-risk behaviors which might otherwise lead to criminal investigations and incarceration. <i>(outcome and OMB approved efficiency, CFCIP)</i>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	TBD
7 X 1	Promote efficient use of CFCIP funds by 1) increasing the number of jurisdictions that completely expend their allocations within the two-year expenditure period. <i>(outcome, OMB approved efficiency)</i>	42 of 52 states (81%)	44 of 52 states (85%)	n/a	Jan-08	7% over prev year	Jan-09	2% over prev year	2% over prev year	n/a
7 X 2	Promote efficiency use of CFCIP funds by 2) decreasing the total amount of funds that remain unexpended by states at the end of the prescribed period. <i>(outcome, OMB approved efficiency)</i>	\$935,861 <sup>17</sup>	\$1,458,758 <sup>18</sup>	n/a	Jan-08	20% under prev year	Jan-09	10% under prev year	10% under prev year	n/a

The Chafee Foster Care Independence Program (CFCIP) under section 477 of the Social Security Act will develop a full set of performance measures once the National Youth in Transition Database (NYTD) is implemented and finalized. A Notice of Public Rulemaking (NPRM) to implement the new data collection was issued on July 14, 2006. The NYTD is designed to meet statutory requirements for data collection and performance measurement. The statute requires the Secretary to develop outcome measures, identify data elements to track, and develop and implement a plan to collect the needed information. The NYTD will measure the following six outcomes: financial self-sufficiency, educational attainment, positive connections with adults, homelessness, high-risk behavior, and health insurance coverage. Although the program cannot develop outcome performance measures until the NYTD is implemented, the program has established an interim efficiency measure and a developmental efficiency measure to support the President's Management Agenda initiative on Budget-Performance Integration. The Children's Bureau expects to establish a baseline for measure 7W in FY 2012.

Efficiency measure 7X aims to increase the efficiency of the Chafee Foster Care Independence Program (CFCIP) operations through the timely and total expenditure of grant funds pursuant to section 477 (d)(3) of the Social Security Act (the Act). The Foster Care Independence Act (FCIA) authorized an increase in funds available to states from \$70 million to \$137.9 million. Under the new law, state allocations were increased by more than 100 percent in some cases. For example, prior to Chafee, Alaska received less than \$14,000 in independent living funds; under Chafee, the state's allocation is \$500,000, the small-state minimum. Early in the initial implementation of the CFCIP, some states experienced difficulties expending Chafee dollars. The resource infusion created challenges for states, specifically in the areas of enhancing their infrastructure and meeting the 20 percent match requirement.

<sup>17</sup> The baseline figure for FY 2004 was revised in July 2007 based on updated grant close-out information.

<sup>18</sup> The FY 2005 figure was revised in July 2007 based on updated grant close-out information.

In accordance with Section 477(d)(3) of the Act, states have two years within which to expend funds awarded for each fiscal year. Meeting this expenditure deadline is an important milestone to ensure that these funds reach the youth who need them. An analysis of close-out tables for fiscal years 2003 and 2004 prepared by the Office of Grants Management indicate that 10 states/jurisdictions did not expend their total allocations in FY 2003; and approximately \$935,861 was not expended within the required time period. Since the states have two years within which to expend their funds, final information on close-out status is not available until the second quarter of the second year after funds are awarded. For FY 2005, the number of states fully expending their grants improved (rising from 42 [81 percent] to 44 [85 percent] states and jurisdictions), but the dollar amount left unexpended by eight states was higher in FY 2005 (\$1,458,758) than the previous year's total of unexpended funds (\$935,861).

Increasing the number of states and jurisdictions expending their grants and decreasing the amount of funding left unexpended will ensure that more of the limited dollars allocated by state and federal funding are reaching and serving youth aging out of foster care who are in critical need of services. While some states may not be able to fully expend 100 percent of their Chafee allocation due to unforeseeable reasons (e.g., inability to meet matching requirements), ACF's goal is to maximize the amount of funds all states will expend within the allotted time period. The Children's Bureau employs several methods to encourage the timely expenditure of grant funds including providing technical assistance to states on allowable costs and services, and meeting match requirements under CFCIP. In February 2007, the Children's Bureau developed and implemented a technical assistance strategy to address issues states identified as inhibiting their ability totally to expend Chafee allocations. It should be noted the improvements and/or changes from the technical assistance provided will not be reflected until the FY 2006 closeout which will occur in early 2008. By FY 2009, the Children's Bureau expects to increase by two percent the number of states and jurisdictions fully expending allocations, and decrease by 10 percent the total amount of unexpended funds. Please see table on page 110 for more information.



The following chart displays the crosswalk of the performance measures for each child welfare program:

Performance Measures	Child Welfare Program								
	CAPTA	CBCAP	CW Services	PSSF	Foster Care	Adopt Opp	Adopt Incent	Adopt Assist	CFCIP
7.1 Long Term Objective: Nine states or jurisdictions will be in substantial conformity on Safety Outcome Measure 1: "Children are first and foremost protected from abuse and neglect" by the end of FY 2010.	X		X		X				
7A. Decrease the rate of first-time victims per 1,000 children, based on National Child Abuse and Neglect Data System (NCANDS) reporting of the child maltreatment victims each year who had not been maltreatment victims in any prior year. <i>(outcome)</i>		X							
7B. Decrease the percentage of children with substantiated reports of maltreatment that have a repeated substantiated report of maltreatment within 6 months. <i>(outcome)</i>	X								
7C. Improve states' average response time between maltreatment report and investigation, based on the median of states' reported average response time in hours from screened-in reports to the initiation of the investigation. <i>(outcome and OMB approved efficiency measure)</i>	X								
7D. Increase the percentage of CBCAP total funding that supports evidence-based and evidence-informed child abuse prevention programs and practices. <i>(OMB approved efficiency measure)</i>		X							
7.2 Long Term Objective: Five states or jurisdictions will be in substantial conformity with Permanency Outcome Measure 1: "Children have permanency and stability in their living situation" by the end of FY 2010.			X		X				
7.3 Long Term Objective: Twenty states or jurisdictions will be in substantial conformity with the systemic factor "Case Review System."			X		X				
7.4 Long Term Objective: Nine states or jurisdictions will be in substantial conformity on Safety Outcome Measure 2: "Children are maintained in their homes whenever possible and appropriate" by the end of FY 2010.				X					
7.5 Long Term Objective: Ten states will be in substantial conformity with Permanency Outcome Measure 2: "The continuity of family relationships and connections is preserved for children" by the end of FY 2010.				X	X				
7.6 Long Term Objective: Three states will be in substantial conformity with Well-Being Outcome 1: "Families have enhanced capacity to provide for their children's needs" by the end of FY 2010.				X	X				
7.7 Long Term Objective: Thirty-five states or jurisdictions will be in substantial conformity with the systemic factor "Service Array" by the end of FY 2010.				X					
7E. Each fiscal year, an increasing number of states with a closed out Program Improvement Plan (PIP) will be penalty free on Safety Outcome Measure 1: "Children are first and foremost protected from abuse and neglect." <i>(outcome)</i>			X		X				
7F. Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on Permanency Outcome Measure 1: "Children have permanency and stability in their living situation." <i>(outcome)</i>			X		X				
7G. Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on the systemic factor "Case Review System." <i>(outcome)</i>			X						
7H. Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on Safety Outcome 2: "Children are maintained in their homes whenever possible and appropriate." <i>(outcome)</i>				X					
7I. Each fiscal year, an increasing number of states with a closed out PIP will be penalty free for Permanency Outcome 2: "The continuity of family relationships and connections is preserved for children." <i>(outcome)</i>				X	X				

Performance Measures	Child Welfare Program								
	CAPTA	CBCAP	CW Services	PSSF	Foster Care	Adopt Opp	Adopt Incent	Adopt Assist	CFCIP
7J. Each FY, an increasing number of states with a closed out PIP will be penalty free for Well Being Outcome 1: "Families have enhanced capacity to provide for their children's needs." (outcome)				X	X				
7K. Each fiscal year, an increasing number of states with a closed out PIP will be penalty free for the systemic factor "Service Array." (outcome)				X					
7L. Each fiscal year, an increasing number of states with a closed out PIP will be penalty free on the systemic factor "Staff Training." (outcome)					X				
7M. Each fiscal year, an increasing number of states with a closed out PIP will be penalty free for the systemic factor "Foster and Adoptive Parent Licensing, Recruitment and Retention." (outcome)					X				
7N. Reduce the time needed to approve state Child and Family Service Review (CFSR) Program Improvement Plans (PIPs). (OMB approved efficiency measure)			X	X					
7O. Increase the percentage of children who exit foster care within two years of placement either through guardianship or adoption. (outcome)				X					
7P. For those children who had been in care less than 12 months, maintain the percentage that had no more than two placement settings. (outcome)			X						
7Q. Decrease the percentage of foster children in care 12 or more months with no case plan goal (including case plan goal "Not Yet Determined"). (OMB approved efficiency)			X	X	X				
7R. Decrease improper payments in the title IV-E foster care program by lowering the national error rate. (OMB approved efficiency)					X				
7.8 LT Long Term Goal: Increase the adoption rate from 9.19 percent in FY 2003 to 10.0 percent in FY 2008 and 10.5 percent in FY 2013.					X	X	X	X	
7S. Increase the adoption rate. (outcome)					X	X	X	X	
7.9 LT Long Term Goal: By 2009, 75 percentage of Adoption Opportunities grantees will have their findings applied to practice.						X			
7.10 LT Long Term Goal: By 2009, 75 percentage of Adoption Opportunities grantees will have their findings provide the impetus for policies being enacted or amended.						X			
7.11 LT Decrease the number of children with Title IV-E Adoption Assistance who experience a displaced adoption (target to be determined in October 2009)								X	
7.12 LT Long Term Goal: Decrease the gap between the percentage of children 9 and older waiting to be adopted and those actually adopted by 15 percentage points between FY 2006 and FY 2015.							X		
7T. Decrease the gap between the percentage of children nine and older waiting to be adopted and those actually adopted. (outcome)							X		
7U. Maintain or decrease the average administrative claim per IV-E Adoption Assistance child. (OMB approved efficiency)								X	
7V. Reduce the cost per adoptive placement for the Adoption Opportunities Program. (OMB approved efficiency)						X			
7W. Increase the percentages of CFCIP youth who avoid high risk behaviors which might otherwise lead to criminal investigations and incarceration. (OMB approved efficiency)									X
7X(1). Promote efficient use of Chafee Foster Care Independence Program (CFCIP) funds by (1) increasing the number of jurisdictions that completely expend their allocations within the 2-year expenditure period. (outcome)									X
7W(2). Promote efficient use of Chafee Foster Care Independence Program (CFCIP) funds by decreasing the total amount of funds that remain unexpended by states at the end of the prescribed period. (outcome)									X

## 8. Developmental Disabilities

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 8.1:</b> Continue a one tenth percentage point increase per year in individuals with developmental disabilities who are independent, self-sufficient, and integrated into the community beginning in FY 2007 through FY 2010.										
8 A	Increase the percentage of individuals with developmental disabilities reached by the Councils who are independent, self-sufficient and integrated into the community. <sup>1</sup> (outcome)	12.06%	11.27%	13.64%	12.05%	14.03%	Jun-08	0.10% over prev year	0.10% over prev year	12.12% <sup>2</sup> (FY 2012)
8 B	Increase the percentage of individuals who have their complaint of abuse, neglect, discrimination, or other human or civil rights corrected compared to the total assisted. (outcome)	88.7%	91.0%	92.0%	91.0%	93.0%	Jun-08	1% over prev year	1% over prev year	n/a
8 C	Increase the percentage of trained individuals actively working to improve access of individuals with developmental disabilities to services and supports. <sup>3</sup> (outcome)	58.0%	71.0%	93.5%	90.0%	94.1%	Jun-08	1% over prev year	1% over prev year	n/a
8 D	Increase the percentage of individuals with developmental disabilities receiving the benefit of services through activities in which professionals were involved who completed University Centers of Excellence in Developmental Disabilities (UCSEDD) state-of-the-art training within the past 10 years. <sup>4</sup> (outcome)	n/a	n/a	n/a	n/a	n/a	40%	40.4%	1% over prev year	n/a
8 E	Increase the number of individuals with developmental disabilities reached by the Councils who are independent, self-sufficient and integrated into the community per \$1,000 of federal funding to the Councils. (OMB approved efficiency)	7.53	7.09	7.16	7.58	7.66	Jun-08	1% over prev year	1% over prev year	n/a

Long-term goal 8.1 and related annual measure 8A comprise data from the State Councils on Developmental Disabilities (SCDDs)<sup>5</sup>. The State Councils do not provide services directly, but rather review and analyze the quantity and quality of services that are provided at the state and local level in order to ensure maximum impact and effectiveness for individuals with developmental disabilities. The

<sup>1</sup> This performance measure is also an indicator in the FY 2007 – 2012 HHS Strategic Plan.

<sup>2</sup> The FY 2012 target has been revised since the FY 2007 – 2012 HHS Strategic Plan based on the most recent results. Outyear targets for this measure are calculated by 0.1 percent increases over the prior year's result.

<sup>3</sup> The following will comprise the formula for determining performance: ratio of individuals with developmental disabilities and family members active in systems advocacy compared to individuals with developmental disabilities and family members trained in systems advocacy.

<sup>4</sup> The language of this developmental measure has been revised to better represent the expected outcomes of UCEDDs. Per the developmental nature of this measure, the language has been revised to more effectively represent the magnitude of the impact directly on persons with developmental disabilities.

<sup>5</sup> SCDDs are responsible for increasing the number of individuals with developmental disabilities receiving services and supports necessary for living in the community. This measure includes data in eight areas: employment, housing, transportation, health services, child care, recreation, quality assurance, and education. SCDDs focus on three approaches to promoting life in the community: (1) capacity building and improvements within service systems; (2) changing opinions and attitudes of the public, professionals, and the business world; and (3) empowering consumers to request and obtain the services that they need.

data for the measure are collected by the Councils from subgrantees, from collaborators, and from Council staff activities. The Administration on Developmental Disabilities (ADD) works in partnership with the Councils in pursuing data quality and consistency at the national level.

In FY 2006, ADD (in partnership with Councils) developed and published national standards for data definitions for all of its annual measures, and provided training to Councils on application of the definitions. As a result, in FY 2006, annual measure 8A benefited from greater uniformity of reporting by Councils and increased to 12.05 percent over the previous year's result of 11.27 percent, while narrowly missing the target of 13.64 percent. Therefore a greater number of individuals with developmental disabilities working with Councils are becoming independent and integrated into the wider community. Please see table on page 110 for more information. Although there are still a few Councils needing additional assistance in applying the standards, it is believed that much of the seven percent performance improvement from FY 2005 to FY 2006 is real. The ongoing data quality improvements are expected to be fully in effect for the FY 2009 results. ADD continues to analyze changes in performance in order to better understand the trends and to perfect ongoing technical assistance to Councils. This will result in more reliable data and data projections. Given the volatile nature of environmental conditions, e.g. funds, state systems, and the availability of placements, by FY 2009 the program expects to increase the percentage by at least 0.1 percent over the previous year's result.

Regarding annual measure 8B, Protection and Advocacy systems (P&As) have the lead in the effort to pursue the safety of individuals with developmental disabilities living in the community or in institutions. P&As use various strategies to protect and advocate for individuals with developmental disabilities, including individual advocacy.<sup>6</sup> Due to P&As' efforts, individuals with developmental disabilities continued to have their human and civil rights protected in FY 2006: 91 percent of individuals assisted by P&As had their complaint corrected, the same level as the previous year, missing the target by just one percentage point. Technical assistance is being provided to grantees on programmatic issues as well as encouraging them to interact more greatly with allied programs. By FY 2009, the program expects to increase the percentage of individuals who have their complaint corrected by at least one percent over the previous year's result. The measure for this goal is still being analyzed for possible future revision: ADD continues to analyze both the significance of changes in this measure as well as the appropriateness of this measure, especially in light of how the effectiveness of P&A systems is measured across the spectrum of different populations that are served by P&As. Please see table on page 110 for more information.

Regarding annual measure 8C, the target of 93.5 percent was nearly reached for FY 2006 and further, is an improvement of nineteen percentage points over FY 2005. In FY 2006, 90 percent of trained individuals actively worked to improve the access of individuals with disabilities to services and supports. Therefore a greater number of individuals trained by the Councils and their sub-grantees, the vast majority in fact, are actively working to improve the lives of individuals with developmental disabilities. This increase over the previous year continues an annual trend of improvement that is credited to technical assistance focusing on the need to push for actual efforts following up on training. This annual measure tracks community-based efforts to promote availability of services and supports necessary to individuals with developmental disabilities living in the community.<sup>7</sup> This measure comprises data from SCDDs, and the measure for this goal – ratio of individuals with developmental disabilities and family members active in systems advocacy, compared to individuals with developmental disabilities and family members trained in systems advocacy – is still being analyzed for possible future revision. For example, ADD has been working to make the definition of individuals “actively working” more uniform across states, and ADD is considering examination of number of persons trained over the past one, five, and

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<sup>6</sup> These strategies include negotiation and mediation, provision of technical assistance to other advocates and to self-advocates, attendance at administrative hearings, and finally, when necessary in a limited number of cases, pursuit of litigation.

<sup>7</sup> As required under the Olmstead Supreme Court decision.

10 years. Moreover, ADD continues to analyze changes in performance in order to better understand the trends. This will result in more reliable data and data projections. By FY 2009, the program expects to increase the percentage of individuals trained and actively working to improve access of individuals with developmental disabilities to services and supports by at least one percent over the previous year's result. Please see table on page 110 for more information.

Annual measure 8D was established during the PART review in CY 2003. In contrast with a previous measure on UCEDDs, ADD has broadened its information collection to more accurately reflect the work of the UCEDDs.<sup>8</sup> In FY 2007, baseline data for this measure was established at 40 percent. This measure is based on survey data collected by the UCEDDs from professionals they had trained one year ago, five years ago, and ten years ago, and the measure is calculated by establishing a best-fit model to estimate the data for each year over the ten year period. This measure will continue to be evaluated over time to determine its robustness as well as its accuracy. There is concern regarding the percent return on the survey (currently 17 percent). In FY 2008, ADD has already taken several steps to improve data collection methods for this measure to increase the amount of, and ensure the accuracy of the data being collected. ADD provided technical assistance to grantees that did not report data for this measure or had limited data to report. ADD will track these grantees to ensure that their data reports improve in the coming years. ADD provided feedback to the national network of UCEDDs on performance and discussed the need to improve the return rate on the surveys. Finally, ADD formed a working group that will examine the data collection methods for this measure. By FY 2009, the program expects to increase the percent of individuals with developmental disabilities receiving the benefit of services from professionals who completed UCEDD training by at least one percent over the previous year's result. To this end, ADD will continue to provide the UCEDD network with technical assistance to improve their performance through its technical assistance contract. There will be several targeted technical assistance events this year, including sessions that focus on marketing the UCEDD and developing research agendas.

Regarding efficiency measure 8E, the State Councils on Developmental Disabilities (Councils) program is a force within state governments for systems change and capacity building, as well as providing training to individuals with developmental disabilities and their family members to prepare them to participate in the process of policy making, since they often have a deeper appreciation of their own needs than do professionals in the field. Sitting on each State Council are individuals with developmental disabilities, family members, representatives of state agencies and service providers, and also representatives of the federally funded P&As and University Centers. At the end of each fiscal year, the Council reports on its achievements during the past 12 months which involved use of the federal funding provided by ADD. In order to maximize the efficacy and efficiency of these efforts, ADD provides policy support as well as technical assistance. This efficiency measure reflects performance data reported to ADD on existing annual reports from the states. ADD collected data for this efficiency measure from the Councils in FY 2005, finding 7.09 individuals with developmental disabilities reached per \$1,000 federal funding to the Councils. The target shown for each successive year is one percent increase over the previous year. Thus, the target for FY 2006 is one percent more than the FY 2005 actual: 7.16 individuals with developmental disabilities reached per \$1,000 federal funding to the Councils. ADD therefore met and exceeded the FY 2006 target with a result of 7.58 individuals with developmental disabilities were reached per \$1,000 federal funding to the Councils. Therefore ADD is showing success by increasing the number of individuals reached per dollar of federal funding to the Councils. As noted for measure 8A, the drop from FY 2004 to FY 2005 was due largely to efforts by ADD to reign in data quality, while the increase from FY 2005 to FY 2006 is believed to be mostly due to actual improvement,

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<sup>8</sup> The UCEDDs: 1) provide interdisciplinary pre-service preparation and continuing education to students and fellows in a variety of disciplines; and 2) provide training and technical assistance to individuals with developmental disabilities, their families, professionals, paraprofessionals, policymakers, students and others in the community.

since data quality in FY 2006 was already quite good due to implementation of data standards. ADD continues to analyze changes in performance in order to better understand the trends and to perfect ongoing technical assistance to the Councils. The ongoing data quality improvements are expected to be fully in effect by FY 2009, which will result in more reliable data and data projections. By FY 2009, the program expects to increase the number of individuals with developmental disabilities reached by the Councils per \$1,000 of federal funding by at least one percent over the previous year's result. Please see table on page 110 for more information.

## 9. Native American Programs

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 9.1:</b> Increase the number of jobs created through Administration for Native Americans (ANA) funding to five percent over the baseline by the year 2010.										
9 A	Increase the number of jobs created through ANA funding. <i>(outcome)</i>	n/a	n/a	n/a	660 <sup>1</sup>	n/a	Jan-08	1% over avg past 2yrs	1% over avg past 3yrs	693 (FY 2010)
9 B	Increase the number of projects involving youth in Native American communities. <i>(outcome)</i>	n/a	n/a	n/a	160	n/a	Jan-08	1% over avg past 2yrs	1% over avg past 3yrs	n/a
9 C	Increase the number of intergenerational projects in Native American communities. <i>(outcome)</i>	n/a	n/a	n/a	143	n/a	Jan-08	1% over avg past 2yrs	1% over avg past 3yrs	n/a
<b>Long-Term Objective 9.2:</b> Increase the number of community partnerships formed by ANA grantees to five percent over the baseline by the year 2010.										
9 D	Increase the number of community partnerships formed by ANA grantees. <i>(outcome)</i>	n/a	n/a	n/a	1,694 <sup>2</sup>	n/a	Jan-08	1% over avg past 2yrs	1% over avg past 3yrs	1,779 (FY 2010)
9 E	Increase the percentage of applicants who receive ANA Training/Technical Assistance (T/TA) and go on to score in the funding range. <i>(OMB approved efficiency)</i>	n/a	48% <sup>3</sup>	n/a	51% <sup>4</sup>	n/a	Nov-07	1% over avg past 2yrs	1% over avg past 3yrs	n/a

The Administration for Native Americans' (ANA) economic development strategy was created, in part, to address socio-economic trends which indicate that, when compared to all other groups of citizens in the United States, Native Americans living on reservations and in urban communities rank at the bottom of nearly every social, health, and economic indicator. ANA's discretionary grants provide project seed funding to assist communities in the planning, development, and implementation of short-term community-based projects (average one to three years) which result in jobs and long-term social and economic benefits supporting healthy children, families and communities.

Regarding annual measure 9A, ANA has developed an evaluation tool that includes a site visit at the end of a grant. Site visits to 87 projects ending in FY 2006 yielded an estimate of three jobs per project; extrapolated to ANA's total project portfolio, this rate translates to 660 jobs created. ANA will continue to explore data collection methods that reliably capture all of the jobs created, retained, and sustained as a result of ANA funding. By FY 2009, the program expects to increase the number of jobs created by one

<sup>1</sup> At the time of ANA's previous submission, the final data for the Impact Evaluations were not available. The numbers now reflect the total results of ANA's Impact Evaluations on the 87 projects that ended in FY 2006.

<sup>2</sup> Please see previous footnote regarding revised ANA data for FY 2006.

<sup>3</sup> This figure has been updated as a result of improved data analysis.

<sup>4</sup> Please see previous footnote regarding improved data analysis.

percent over the average of the last three years until a ceiling is reached, which will be defined once a data trend is developed through additional years of data. By expanding the number of jobs created through ANA funding, additional communities benefit from increased employment rates and bettering the lives of families and communities.

Regarding annual measure 9B (projects involving youth), meeting the needs of Native American youth is a component of many ANA projects and is reflected in ANA's Social and Economic Development Strategies (SEDS) program as well as its Native Language Preservation and Maintenance program. ANA has developed youth-specific impact/performance indicators to gauge the extent to which grantees are targeting – and meeting – the needs of today's Native youth. Examples of offerings under this measure include after-school projects, Native youth camps, mentoring programs, and conflict-resolution workshops for youth. Site visits to 87 projects ending in FY 2006 yielded an estimate of 73 percent of projects involving youth. Extrapolated to ANA's total grant portfolio, this translates to 160 projects involving youth. By FY 2009, ANA expects to increase these results by one percent over the average of the last three years until a ceiling is reached, which will be defined once trend data develops. Studies have found a direct correlation between the Native students who were exposed to a culturally-based curriculum and decreased drug use. Also, culturally-based curriculum increased the Native youths' problem-solving skills and positive self concepts. An increase in the number of projects involving youth in Native American communities will result in more Native youth that are exposed to culturally-based curricula, values and traditions.

Annual measure 9C (projects involving both elders and youth) relates to the heart of many ANA-funded projects. These projects facilitate the passing-on of cultural traditions from elders to youth and instill greater pride and self-worth. Many of these projects are supported through ANA's Native Language Preservation and Maintenance program although projects in the SEDS program are increasingly bridging the generational divide and bringing together youth and elders to promote and preserve Native American cultures. Site visits to 87 projects ending in FY 2006 yielded an estimate of 65 percent of projects offering intergenerational opportunities; extrapolated to ANA's total project portfolio, this translates to 143 intergenerational projects. By FY 2009, ANA expects to increase these results by one percent over the average of the last three years until a ceiling is reached, which will be defined once trend data develops. An increase in the number of Intergenerational projects will result increased opportunities to positively impact the lives of Native children and families by sharing traditions, cultures and Native languages.

Regarding long term objective 9.2 and annual measure 9D, ANA encourages grantees to partner with other tribes, organizations, and agencies to maximize ANA funds and further advance their project goals. ANA works with grantees to encourage partnership development and ensure that they are reaching their leveraging potential. Site visits to 87 projects ending in FY 2006 yielded an estimate of eight partnerships per project; extrapolated to ANA's total project portfolio, this translates to 1,694 projects. By FY 2009, ANA expects to increase these results by one percent over the average of the last three years until a ceiling is reached, which will be defined once trend data develops. In FY 2007, ANA analyzed the funding of the 87 projects and identified that the grantees leveraged \$11.71 million in federal and non-federal funds of which \$8.66 million, or 75 percent, was non-federal dollars. This demonstrates that ANA is meeting its mission of sustainability: non-federal sources and partners such as the tribe, the community, or businesses become important to achieve sustainability of a community-based project. ANA anticipates that by continuing to increase and promote partnerships in Native communities, economic and social sustainability will become a direct benefit of ANA funding.

Efficiency measure 9E tracks the effectiveness of ANA dollars that are spent on training and technical assistance (T/TA) services over the course of three years. ANA provides T/TA at no cost to potential applicants, with the goal of helping these applicants develop and submit projects that score in the



“funding range.” All project applications are scored on a scale of 0 through 100 by independent application reviewers from Native communities who are knowledgeable in ANA’s program areas. Projects scoring between 70 and 100 are considered to be in the “funding range.”

Previously, this measure was calculated based on single-year cohorts; now the calculation has changed to look at three-year cohorts. In FY 2004, ANA performed a post evaluation survey of those who attended the pre-application training and analyzed if their pre-application training was successful. Over half of the organizations that chose not to apply for funding felt their application “was not ready and they needed more time.” As a result, many of these applicants applied for funding one or two years after attending training. This demonstrates that T/TA helps communities refine their goals and objectives and increases community capacity. As a result, ANA now assesses if an organization received T/TA within the last three years and if that organization scored in the funding range. To do this, ANA counts the number of all organizations that received T/TA in the last three years and then proceeded to apply for a grant in the current FY. That number is the denominator and the numerator is the number of same organizations that then score above 70 percent. Additionally, in FY 2007, ANA awarded new T/TA contracts. As part of the Requests for Proposals development, ANA analyzed their current T/TA processes and methodologies. ANA found that one-on-one and group “cluster” trainings limit outreach activities to certain tribes and Native non-profit organizations that can afford to send people to the events. As a result, beginning in FY 2008, ANA significantly modified the number of one-on-one and cluster trainings that will occur and, rather, ANA will rely more heavily on electronic T/TA and three Business Development Guides that ANA produced. These modifications were done to provide the same opportunities to all potential grantees and to make ANA’s T/TA more efficient and cost effective.

ANA has set ambitious targets of an increase of one percentage point over the average of the last three years (with the exception of the target for 2007, which would be an increase of one percentage point over the average of the last two years). ANA believes that these new targets are quite ambitious given the nature of the modifications. In FY 2005, 48 percent of applicants who received T/TA in the past three years went on to score in the funding range. This number increased to 66 percent in FY 2007 demonstrating again that over the course of the last three years, ANA was able to build community capacity and assist communities in goal- and priority-setting.

## 10. Compassion Capital Fund

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 10.1:</b> Increase the proportion of Compassion Capital Fund (CCF) assisted faith-based and community organizations (FBCOs) awarded funding from federal, state, local, or private sources by 15 percent and 10 percent by FY 2011, for the Demonstration Program and Targeted Capacity Building (mini-grant) Program, respectively.										
10A	Increase the proportion of CCF-assisted FBCOs awarded funding from federal, state, local, or private sources for the Demonstration Program. <i>(outcome)</i>	n/a	n/a	n/a	22.34	23.01	Apr-08	23.68	24.35	25.69 (FY 2011)
10B	Increase the proportion of CCF-assisted FBCOs awarded funding from federal, state, local, or private sources for the Targeted Capacity Building Program. <i>(outcome)</i>	n/a	n/a	n/a	17.28	17.63	Apr-08	17.97	18.32	19.01 (FY 2011)
<b>Long-Term Objective 10.2:</b> Increase the ratio of capacity building activities achieved by CCF-assisted FBCOs to CCF Demonstration Program and Targeted Capacity Building (mini-grant) funding by 20 percent by FY 2011.										
10C	Increase the ratio of capacity building activities achieved by CCF-assisted FBCOs to CCF Demonstration Program and Targeted Capacity Building Program. <sup>1</sup> <i>(outcome)</i>	n/a	n/a	n/a	4.82	5.01	Apr-08	5.21	5.40	5.78 (FY 2011)
10D	Increase the ratio of the total number of FBCOs assisted with CCF funds annually to the number of direct CCF grants to intermediaries. <i>(OMB approved efficiency)</i>	n/a	n/a	n/a	32.4	33.7	Apr-08	35.0	36.3	38.8 (FY 2011)

The Compassion Capital Fund (CCF) has a primary purpose of enhancing the organizational capacity, service effectiveness, and funding opportunities for faith-based and community organizations (FBCOs). At least in part, the program can track its success by measuring the proportion of CCF-assisted FBCOs that are awarded funding from other sources and the capacity building activities achieved. Long term objectives 10.1 and 10.2, as well as annual measures 10A, 10B and 10C, track success in this area.

Regarding annual measures 10A and 10B, baseline data for FY 2006 indicate that 22.34 percent of FBCOs assisted through intermediaries and 17.28 percent of FBCOs assisted by direct grants reported obtaining funding from other sources during their grant period. Diversification of funding is a key factor in non-profit sustainability and in the provision of services to meet the diverse needs of individual, families and communities. By FY 2009, the program expects to increase performance on annual measures 10A and 10B to 24.35 and 18.32 percent, respectively, by providing guidance and resources related to grant seeking, grant writing, proposal and budget development, financial management and transparent financial reporting, and by increasing technical assistance and performance measurement guidance related to this measure. These targets were calculated based on the related long term objectives, which aim to increase these ratios by 15 and 10 percent, respectively, by FY 2011.

Regarding annual measure 10C, in order to increase their capacity, grassroots organizations may need to

<sup>1</sup> This ratio is calculated per \$100,000 in CCF funding.

focus on one or more target areas addressed under the CCF program: leadership development, organizational development, revenue development strategies, programs and services; or community engagement. Baseline data indicate that over 4,500 capacity building activities were achieved by FBCOs assisted through the CCF program, a ratio of 4.82 of capacity building activities per \$100,000 in CCF funding. Over time, increasing this proportion and boosting the total number of activities will result in more sustainable organizations. By FY 2009, the program expects to improve performance and achieve a ratio of 5.40 by increasing the collection and availability of shared resources and materials and guidance on promising practices, and by increasing and improving technical assistance related to data collection and standardizing reporting activities and accomplishments. This target was calculated based on the related long term objective 10.2 to increase the ratio by 20 percent over the baseline by FY 2011.

To address CCF program efficiency, annual measure 10D builds on the controls inherent in the CCF grant structure. This measure allows the program to determine efficiency by focusing on the ability to use CCF dollars to build capacity among thousands of FBCOs throughout the country by means of grants awarded to a small number of intermediaries through the CCF Demonstration Program. Baseline data demonstrate the efficiency of the CCF program. On average, over 680 FBCOs were served each year by the initial group of 21 CCF intermediary grantees, for an average of 32.4 FBCOs per intermediary. By FY 2009, the program expects to increase this ratio to 36.3 through targeted technical assistance.

## **11. Federal Administration (President's Management Agenda)**

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
1 1 A	Obtain ultimate 'Green' progress for each initiative under the President's Management Agenda (PMA). <i>(outcome)</i>	5 green scores	5 green scores	7 green scores <sup>1</sup>	7 green scores	8 green scores <sup>2</sup>	8 green scores	8 green scores	8 green scores	n/a

Eight initiatives comprise the President's Management Agenda (PMA): Strategic Management of Human Capital, Competitive Sourcing, Expanded Electronic Government, Improved Financial Performance, Improved Budget and Performance Integration, Eliminating Improper Payments, Real Property Asset Management and Faith-Based Initiatives. ACF is committed to achieving results through these eight PMA initiatives.

In FY 2007, ACF continued to serve in a leadership role in the strategic management of human capital. For this initiative, ACF received a green progress rating through the 4<sup>th</sup> quarter, for a total of now 17 consecutive quarters. This success is a direct result of ACF's commitment to its workforce and workforce programs. ACF's FY 2007 accomplishments include: transitioned 100 percent of its employees to a new performance management program (PMAP) that further linked employee performance to organizational mission and goals and improved accountability; closed competency gap in the Program and Management Analyst occupational series by funding trainings in communication (a targeted competency for Program and Management Analyst); established a new leadership development program (scheduled to launch in FY 2008) to build its leadership pipeline; implemented the Career Mentoring Program for the 4<sup>th</sup> consecutive year to facilitate an environment of learning; maintained the student tuition assistance and student loan repayment programs to retain the highest caliber talent within the agency; and continued to track data to ensure a diverse workforce.<sup>3</sup>

In FY 2007, ACF successfully maintained its green status rating for competitive sourcing activities, receiving green ratings in each quarter for now 20 consecutive quarters. In accordance with the ACF FY 2007 Competition Plan, ACF studied 12 positions located in its Washington, DC office. ACF continues to link its competitive sourcing program with human capital management initiatives, resulting in ACF exceeding goals in competitive sourcing. To date, ACF has studied approximately 90 percent of its commercial inventory. Within budgetary constraints, ACF continued to approve training requests for employees affected by competitive sourcing studies.

Regarding expanding electronic government, the Grants Center of Excellence (HHS/ACF COE) is an innovative Electronic Government initiative that supports multiple facets of the President's Management Agenda. ACF was selected by the Office of Management and Budget (OMB) to be one of only three government-wide agencies for providing e-business services to the entire federal government.

<sup>1</sup> The ACF progress rating for the seventh initiative, "Real Property," was introduced in FY 2006.

<sup>2</sup> The ACF progress rating for the eighth initiative, "Faith-Based Initiatives" was introduced in the third quarter of FY 2006.

<sup>3</sup> ACF uses data from the personnel system (managed by the HHS Program Support Center) to assess demographic, gender, and ethnic diversity across ACF and compare it within HHS and outside (federal-wide comparisons) to measure progress. ACF has recently also been able to overlay this information to mission critical occupations and average grade. Concerning privacy issues, these data are collected and computed without attribution to individuals and without inquiry of employees by ACF.

Due to the Center's innovation and accomplishments, ACF has been recognized with several awards including a 2007 E-Government Institute Enterprise Architecture Award and the 2006 Presidential Award for Management Excellence. The HHS/ACF COE is an important component for several partner agencies' financial and programmatic stewardship. Because of the partner success, several new agencies selected the HHS/ACF COE for their grants management services within the past two years, (USDA Food Safety and Inspection Service, HHS Health Resources and Services Administration, Treasury Community Development Financial Institutions and Denali Commission). As an HHS Grants Center of Excellence, ACF continues to support the Administration on Aging (AoA), the Indian Health Service (IHS) and the Centers for Medicare and Medicaid (CMS) in successfully deploying ACF's grants system. ACF posted all required competitive discretionary grant application packages on Grants.gov.

In improving financial performance, the Department received another clean opinion on its FY 2007 audit (the ninth consecutive clean audit opinion for ACF, with no ACF-specific material weaknesses in FY 2007). ACF management has proactively participated in the development of the Unified Financial Management System (UFMS) at all levels from project governance through the provision of subject matter experts. UFMS was implemented as scheduled on October 16, 2006. Financial statements were prepared through UFMS for all of FY 2007. In addition, ACF has successfully implemented the newly revised OMB Circular A-123, which requires a more rigorous testing of internal controls.

In improving budget-performance integration, ACF has instituted a comprehensive performance management system that links agency-wide mission and goals with program priorities and resources. The agency uses performance and efficiency data in managing programs and linking outcomes to investments. All ACF programs have developed logic models that link resources (such as staff and funding), activities, and outcomes, and many programs have developed new outcome and efficiency measures. ACF has completed OMB Program Assessment Rating Tool (PART) reviews on twenty-seven programs and received one of the highest PART ratings (90 percent) for any social service program (Child Support Enforcement).

Regarding Improper Payments, ACF continues to take a proactive role in OMB/HHS improper payment initiatives, negotiating plans and deliverables with HHS and OMB for ACF's four A-11 identified programs. ACF's contribution to Improper Payments is not only significant to us but also to the overall progress the Department makes towards full implementation of this initiative.

For FY 2007, HHS reported a national improper payment rate for Foster Care and Head Start. In concert with the HHS Office of the Inspector General (OIG) and based on agreements with OMB and based on agreements with OMB, ACF is using statistically valid sampling methodologies to establish national improper payment error rates for the Temporary Assistance for Needy Families (TANF) and Child Care Development Fund (CCDF) programs. HHS expects to report national error rates for TANF and CCDF for the first time in the FY 2008 Performance and Accountability Report (PAR). Specifically:

TANF: In FY 2007, HHS' OIG conducted a pilot review of TANF cash assistance payments in three states. The error rates for the pilots ranged from 11.5 percent to 40 percent. The OIG is currently completing improper payment case reviews in seven states (PA, MI, CA, ID, MN, OH, and VT). HHS expects to report a reasonable estimate of a national TANF error rate in the FY 2008 PAR and will finalize and report this rate in the FY 2009 PAR.

CCDF: In FY 2007, the Child Care Bureau (CCB) completed pilot projects measuring improper payments based on state eligibility criteria. The payment error rates for these pilots ranged from two percent to 18 percent. Also, in FY 2007, HHS issued a final regulation requiring states to measure improper payments in the CCDF program, based on eligibility, once every three years. HHS expects to report a national CCDF error rate in the FY 2008 PAR.

Foster Care: HHS developed a methodology for estimating a national payment error rate for the Title IV-E Foster Care Program using data gathered in the eligibility reviews, which are conducted in each state at least once every three years. For FY 2007, the Foster Care program reported an error rate of 3.3 percent, significantly down from the 10.33 percent first reported in FY 2004.

Head Start: In FY 2004, HHS developed a methodology for estimating a national Head Start payment error rate that built on the required review process. For FY 2007, Head Start reported an error rate of 1.3 percent, which is one-third of the 3.9 percent error rate reported in FY 2004.

Public Assistance Reporting Information System (PARIS): ACF continues to provide proactive leadership of PARIS. ACF sponsored a PARIS conference in March 2007 that drew significant attendance and interest from states, OMB, HHS and other federal agencies. Currently, 44 states and jurisdictions are members of PARIS and several others are in negotiations to join. ACF also issued 10 PARIS grants in February 2007 to assist states in modifying their IT systems to accommodate recent changes in the PARIS data input format.

Regarding real property asset management, since the establishment of the Real Property initiative in FY 2005, ACF has actively assisted HHS leadership in the establishment of metrics for HHS Leased Space program and in revisions to the PHS Facilities Manual and the HHS Real Property Human Capital Retention Study. All ACF program announcements and grants contain appropriate language regarding the requirements of the National Historic preservation Act (NHPA) to ensure proper stewardship of historic property.

Regarding faith-based initiatives, since its inception as a stand alone initiative in FY 2006, ACF has been a leader across the Administration for advancing the President's Faith-Based Initiatives of including faith-based and community groups in federally-funded human and social services delivery. Through its oversight and aggressive implementation of key elements of the Faith-Based Community Initiatives agenda, including the Compassion Capital Fund and the Mentoring Children of Prisoners program, ACF has dramatically expanded the number of Faith-Based and Community Organizations (FBCOs) partnering with HHS. ACF also has made significant progress in measuring the qualitative improvement in program performance by its FBCOs. An evaluation of Compassion Capital Fund grantees and sub-grantees shows significant increases in the capacity of participating organizations to meet the social and human services needs of the communities they serve.

## 12. Community Services Block Grant

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 12.1:</b> By 2010, reduce poverty conditions for low-income individuals, families and communities by 20 percent over the baseline.										
1 2 A	Reduce the number of conditions of poverty among low-income individuals, families and communities as a result of community action interventions. <sup>1</sup> (outcome)	19 million	27 million	28 million	27 million	28 million	Oct-08	4% over prev year	4% over prev year	20% over baseline (20m) (FY 2010)
1 2 B	Reduce total grantee and sub-grantee CSBG administrative expenditures per individual served. (OMB approved efficiency)	\$9.61	\$8.98	n/a	\$8.36	\$9.51	Oct-08	\$9.41	\$9.31	n/a

Long term goal 12.1 and annual measure 12A track the impact of seven of the twelve national Community Services Block Grant (CSBG) performance indicators on the lives of low-income individuals, families, and communities. Each indicator includes specific quantifiable achievements (subcategories) that can be directly related to reducing conditions of poverty, e.g. gainful employment, obtaining safe and stable housing, and the creation of accessible “living wage” jobs in the community. FY 2006 data indicate that 27 million conditions of poverty among low-income individuals, families, and communities were reduced or eliminated as a result of community action interventions. For example, in response to emergency and safety-net services, almost 15 million service units (e.g. shelter, emergency medical care, food distribution) were provided and five million service units were provided for employment and family stability, including obtainment of child care, transportation, food, or health care. In FY 2006, 27 million conditions of poverty were reduced or eliminated, just missing the target of 28 million. This shortfall likely reflects the elimination of the Community Food and Nutrition Program. By FY 2009, the program expects to accomplish the target of increasing the number of conditions of poverty reduced or eliminated by at least four percent over the previous year’s result. To accomplish future targets, the Office of Community Services (OCS) will continue its ongoing training and technical assistance efforts to states, tribes and territories. These efforts will include trainings at national conferences, grants to national associations and the community services network aimed at further the goals of community actions as well as continued oversight and monitoring of grantees to ensure the effective and efficient operation of the CSBG program. Please see table on page 110 for more information.

Efficiency measure 12B tracks administrative costs per individual served through the Community Services Block Grant. The Office of Management and Budget (OMB) has provisionally approved this efficiency measure. In FY 2006, the administrative expenditure per individual served was \$8.36, which improves over the previous two years of results, \$9.61 in FY 2004 and \$8.98 in FY 2005. Therefore the program is spending funding dollars more efficiently to serve more individuals per each dollar invested in administrative expenditures. By FY 2009, the program expects to maintain high performance on this measure in order to achieve the target of \$9.31. Should the most recent data trend for FY 2005 and FY

<sup>1</sup> This performance measure is intended to track the impact of seven of twelve national performance indicators on the lives of low-income individuals, families and communities. Each indicator includes specific quantifiable achievements (subcategories) that can be directly related to reducing conditions of poverty, e.g. gainful employment, obtaining safe and stable housing, and the creation of accessible “living wage” jobs in the community.

2006 continue with the FY 2007 results (available October 2008), the program will re-evaluate out-year targets in order to maintain ambitious performance goals. The program is continuing to explore options for improved measurement of outcomes and efficiency. Please see table on page 110 for more information.



**13. Individual Development Accounts (Assets for Independence)**

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Trgt
				Target	Actual	Target	Actual			
<b>Long-Term Objective 13.1:</b> Degree to which participants improve their economic situation, measured by income, net worth, and/or asset retention at two and five years after asset purchase.										
13A	Increase the annual amount of Assets for Independence (AFI) Individual Development Account (IDA) savings (earned income only) participants use for the three asset purchase goals. <i>(outcome)</i>	\$3,384,236	\$3,772,417	\$4,866,524	\$4,587,278	\$5,266,608	Feb-08	Avg of two prev years* gwth factor	Avg of two prev years* gwth factor	n/a
13B	Increase the number of participants who withdraw funds for the three asset purchase goals. <i>(outcome)</i>	890	2,925	2,594	3,738	4,198	Feb-08	Avg of two prev years* gwth factor	Avg of two prev years* gwth factor	n/a
13C	Maintain the ratio of total earned income saved in IDAs per grant dollar spent on programmatic and administrative activities at the end of year one of the five-year AFI project. <i>(OMB approved efficiency)</i>	\$0.88	\$1.57	\$0.88	\$2.89	\$0.88	Feb-08	\$0.88	\$0.88	n/a
13D	Maintain the ratio of total earned income saved in IDAs per grant dollar spend on programmatic and administrative activities at the end of the five-year AFI project. <i>(OMB approved efficiency)</i>	\$7.23 <sup>1</sup>	\$5.86	\$7.23	\$5.78	\$7.23	Feb-08	\$7.23	\$5.78	n/a

Annual measures 13A and 13B are two components of one outcome measure developed in coordination with Assets for Independence (AFI) Program grantees, in response to recommendations from the CY 2004 PART review. Annual measure 13A is the amount of savings (earned income) participants withdraw from their Individual Development Accounts (IDAs) for purchase of any of three assets (e.g., first home, small business or post-secondary education). Annual measure 13B tracks the number of participants who withdraw IDA funds to purchase these assets. FY 2005 serves as the baseline year. Annual measure 13A results for FY 2006 missed the outcome target by six percent (the target was \$4,866,524, while actual result was \$4,587,278). This result was despite the fact that there was a marginal increase of 52 percent in the cumulative<sup>2</sup> amount of saved income used for purchase in FY

<sup>1</sup> The baseline (FY 2004) may shift as ACF collects more data. The FY 2004 data show the results of the first grantee cohort. That cohort is anomalous because a large portion of the grantees in that group received supplemental grants in the second year of their project period. No other cohort has received supplemental grants in this way. Therefore, this cohort's results may differ from the results of later grantee groups. We will watch the data closely to determine whether it would be useful to adjust the baseline.

<sup>2</sup> The program began in FY 1999. Cumulative amounts begin in FY 1999.

2006, when compared with the prior year. Results for annual measure 13B for FY 2006 exceeded the target by a full 44 percent (the target was an annual increase of 2,594 participants who purchase an asset, while the actual result was 3,738). The program reported a marginal increase of 51 percent in the cumulative<sup>3</sup> number of participants who purchased assets, when compared with the prior year. HHS continues to award additional grants and provide training and technical assistance to grantees and their partners to ensure that they are able to improve this very high level of performance. Please see table on page 110 for more information.

ACF calculates the annual targets for each year through FY 2009 using results from the prior two years.<sup>4</sup> The targets are the average of Year 1 and Year 2 IDA savings deposits used for purchases multiplied by the percentage growth in the number of IDAs opened in Year 2. For example, for FY 2007, the target is the average of savings used for purchases in 2005 and 2006 multiplied by a 26 percent growth factor.<sup>5</sup> Annual targets for the number of participants who withdraw IDA funds are based on the same formula as above: average of the number of participants who made withdrawals in the prior two years multiplied by the annual percentage growth in IDAs. Participants access their IDA savings after regularly depositing earned income and graduating from training on purchasing and sustaining a long term asset. By the time they make a withdrawal, participants have attended general financial literacy education and asset-specific training that equips them for home ownership, business management, or education. ACF expects that participants who save in an IDA and purchase a long term asset will have better quality of life, greater amount of intergenerational economic well-being, higher educational performance, and more stable family life.

Long term objective 13.1 is a developmental measure. The program expects it will measure the overall impact of AFI IDAs on participants' economic standing and self-sufficiency. As currently planned, ACF will survey a sample of AFI Project participants at enrollment and at two and five years after they purchase an asset with IDA savings. Data elements may include income, credit score, net worth, and/or asset retention.

Efficiency measures 13C and 13D are components of one efficiency measure, developed with recommendations from the CY 2004 PART review. These measures track the ratio between program outputs (amount of earned income participant's deposit) and inputs (the maximum amount of AFI grant funds grantees may use for programmatic and administrative functions). The numerator is the sum of amounts deposited by participants in the grantee cohort.<sup>6</sup> The denominator is 13 percent of the sum of all federal grants drawn down by grantees in the cohort.<sup>7</sup> The measure shows the amount of savings produced for each dollar of federal grant used. The measure is calculated at two different points in time: at the end of the first and fifth years of each grantee cohort's project period. ACF uses two calculations because the AFI Projects have distinct phases. In the early phases, a typical grantee allocates a larger portion of grant funds for programmatic activities while participants save a relatively small amount. Later

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<sup>3</sup> The program began in FY 1999. Cumulative amounts begin in FY 1999.

<sup>4</sup> The baseline is an average of 2004 and 2005 because that period reflects the overall results of the first grantee cohort. These grantees received grants in 1999 for their five-year projects. Nearly one-half of those grantees completed their work in December 2004. The remainder received 12-month project period extensions and, therefore, continued through December 2005.

<sup>5</sup> The 26 percent is the growth rate in the number of IDAs between 2005 and 2006 (for the period 2004-2005, the growth rate was 26 percent). This is not the change in dollars saved or participants withdrawing funds; rather, it is rate of growth in the number of IDAs. As the number of IDAs increases, the potential savings (measure 14A) and withdrawals (measure 14B) will also increase.

<sup>6</sup> A cohort is the group of grantees that receive AFI grants in a particular fiscal year. For example, the 2001 cohort is made up of organizations that received AFI grants in FY 2001 and administered AFI Projects over the five year period 2001 – 2006.

<sup>7</sup> The 13 percent represents the portion of AFI grant funds and an equal amount of nonfederal cash contributions that grantees can manipulate to increase efficiencies. They may use these funds for programmatic and administrative functions including, for example, economic literacy training, credit counseling and repair, case management, asset purchase counseling, and access to other supportive services, staff, and so forth. The grantees have no discretion over the remaining 87 percent of the grant funds or of the equal amount of nonfederal cash required for this program. Those funds must be used to "match" participants' IDA savings and to support data collection for the program evaluation.

in the project period, grantees use fewer grant funds for programmatic activities, while the cumulative amount of participant savings has grown larger. The two calculations will serve as early- and end-of-project benchmarks for future cohorts. The target is to maintain the level of efficiency.

For measure 13C, program grantees in their first year exceeded the target by a substantial amount. The target efficiency measure for this group was \$.88 in savings for each dollar in federal funds used for program administration, while the amount achieved in FY 2006 was \$2.89 in savings for each federal grant dollar used. Based on the difference between the recent actual results and the maintenance target of \$.88, the program plans to revise future targets through FY 2009 once FY 2007 is finalized in February 2008. The program will continue to improve performance over the FY 2004 baseline by developing knowledge about how grantees can be more efficient and sharing that information with grantees. One strategy may be to encourage grantees to use more non-federal funds to support financial literacy training and other supports for participants and program administration. Grantees are allowed to use no more than 13 percent of their federal AFI grant funds for these purposes. ACF can increase the efficiency while continuing to produce strong results by encouraging grantees to use non-federal funds to support an even greater portion of these vital expenses. The program plans to continue monitoring the results of this measure and of other AFI performance indicators used to manage performance. As more stable data is accumulated and clear trends emerge, the program anticipates possible shifts in the baselines.

For measure 13D, program grantees at the end of their fifth year again slightly missed their target. The FY 2006 target efficiency measure calculation for this cohort was \$7.23 in savings for each federal dollar spent on program administration. The group actually produced \$5.78 in savings for each dollar spent in FY 2006. It is interesting to note that the efficiency measure reported this year is roughly equivalent to that reported last year. Based on trend data, the FY 2009 target was revised to \$5.78 in order to maintain a realistic yet ambitious goal. Please see table on page 110 for more information.

### **14. Family Violence Prevention and Services**

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 14.1:</b> By FY 2010, maintain the number of federally recognized Indian Tribes that have family violence prevention programs at 205.										
1 4 A	Maintain the number of federally recognized Indian Tribes that have family violence prevention programs. <i>(output)</i>	184	188	190	188	205	199	200	200	205 (FY 2010)
<b>Long-Term Objective 14.2:</b> By CY 2010, the average number of calls per month to which the National Domestic Violence Hotline responds to reaches 17,000.										
1 4 B	Increase through training the capacity of the National Domestic Violence Hotline to respond to an increase in the average number of calls per month (as measured by average number of calls per month to which the hotline responds). <sup>1</sup> <i>(outcome)</i>	16,000 calls	16,500 calls	15,000 calls	17,000 calls	15,500 calls <sup>2</sup>	Mar-08	16,000 calls	500 calls over prev year	17,500 (CY 2010)
1 4 C	Shorten the average “wait time” (on calls to the National Domestic Violence Hotline), until the maintenance rate of 17 second is achieved, in order to increase the number of calls that are responded to and that provide needed information to callers. <sup>1, 3</sup>	0:34 seconds	0:26 seconds	0:25 seconds	0:18 seconds	0:17 seconds	Mar-08	3% under prev year until 0:17	3% under prev year until 0:17	n/a
1 4 D	Reduce the Family Violence Prevention Services Act (FVPSA) dollars spent per “bed night.” <sup>4</sup> <i>(OMB approved efficiency)</i>	n/a	Mar-08	n/a	Mar-09	n/a	Mar-10	TBD	TBD	n/a

The Family Violence Prevention and Services Act (FVPSA) program provides technical assistance<sup>5</sup> and information to the states and Indian Tribes, in order to increase the number of Indian Tribes that sponsor family violence prevention programs. Over the past decade, the number of grants to Indian Tribes for preventing family violence has increased marginally, as measured by long term objective 14.1 and annual measure 14A. In FY 2007 the FVPSA program awarded grants to 199 Indian Tribes and Alaskan Native Villages; however the program did not meet the goal of 205 for tribal communities participating in the FVPSA program. The shortfall in the number of grantees for this program continues to be partly a function of staff turnover and inexperience of the program staff in tribal social service programs, and disinterest on the part of some eligible tribes and villages that opt not to apply for formula grants that are small because of the size of the tribal population. Nevertheless, the program has demonstrated a steady

<sup>1</sup> This measure is based on data collected each calendar (not fiscal) year.

<sup>2</sup> FY 2006 and FY 2007 targets continue historical trends for this measure. Note that calls spiked in FY 2004 and FY 2005 due to heavy hurricane activity in multiple states. Nevertheless, in the absence of such catastrophes, ACF still expects to meet targets for FY 2006 and FY 2007.

<sup>3</sup> The language of this measure has been modified slightly to include the phrase “until the maintenance rate of 17 seconds is achieved.” Data for this measure is collected each calendar year.

<sup>4</sup> “Bed night” refers to nights spent in a domestic violence shelter, whether the nights are spent by an adult female, adult male, or child; this term will also be used as a proxy for the core set of services in support of a bed night.

<sup>5</sup> A collaborative effort among the national resource center network and selected state domestic violence coalitions provides this technical assistance.

increase of tribal programs over the last few years. By FY 2009, the program expects to increase the number of tribes with family violence prevention programs to 200 by increasing technical assistance support and the monitoring of tribal grantees through increased telephonic and on-site monitoring. Please see table on page 110 for more information.

Regarding annual measure 14B, staff and volunteers on the National Domestic Violence Hotline (NDVH) provide victims of domestic violence, and those calling on their behalf, crisis intervention, information about domestic violence, and referrals to local service providers. Each year, both the number of incoming calls and the number of calls responded to by advocates have increased. ACF's target to increase the capacity of the NDVH to respond to more calls-per-month was met and exceeded in CY 2005 and in CY 2006; in CY 2006 the NDVH responded to an average of 17,000 calls per month, exceeding its target of 15,000 by 12 percent. As a result of ongoing efforts to increase public awareness and improve access for vulnerable populations, including those with limited English proficiency, each year, thousands more domestic violence victims are linked with the shelter and support services they need to increase their safety. By CY 2009, the program expects to increase the number of calls responded to per month by 500 calls over the previous year's result. Surpassing the CY 2006 target continued to be accomplished by inculcating technological improvements, increasing attention to staffing patterns, and the addition of "Wellness Training" for advocacy staff. Please see table on page 110 for more information.

Efficiency measure 14C focuses on "wait time" on the National Domestic Violence Hotline (NDVH). From January to December of 2006, the Hotline received 224,322 calls and answered 213,983 – meaning that 10,339 calls were abandoned before they were able to be answered. Although these 10,339 abandoned calls constitute 4.5 percent of all calls received, the rate reflects the continuing improvement over the 2004 percentage of abandoned calls – 17 percent. By CY 2009, the program expects to reduce the previous year's result by three percent until the maintenance rate of 17 seconds is reached. The NDVH will continue to utilize the technological improvements that may be available to it, as well as consider current staffing patterns<sup>6</sup> as they implement efforts to reduce the "wait time" for individuals that have placed calls to the Hotline. The addition of improved technology enabling the advocates to multi-task as they communicate with callers, and the ability to incorporate a mapping technique as advocates respond to the caller's needs, are factors that increase the efficiency of the Hotline. As part of the capacity building effort to increase the advocates' ability to respond to sexual assault and crisis calls, in-service training is continually provided to the advocates to ensure that all advocates have up-to-date knowledge and skills. Please see table on page 110 for more information.

Efficiency measure 14D originally considered the cost of "bed nights," or nights spent in a domestic violence shelter by adult females, adult males, or children. This measure will require some modification as it will change in the upcoming months. The program is seeking to concentrate on the maintenance of the quality of services, the cost of core services in battered women's shelters compared to the cost in other publicly funded shelters (if possible), and the impact of extensive volunteer commitments to any efficiency measure. The Family Violence Prevention Services Act (FVPSA) program in ACF believes that this measure will more adequately track shelter efficiency than simpler unit-cost measures. At present, the program intends to narrow the universe of shelters to 100 shelters which have federal dollars as a significant portion of income, thereby enabling ACF to focus on FVPSA funding; nevertheless, the 100 shelters will represent a number of shelter models and will therefore be typical of all shelters funded by FVPSA monies.

A cost-efficiency workshop, with participants representing state agencies, domestic violence coalitions, domestic violence resource centers, and researchers from institutes of higher education, was convened on

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<sup>6</sup> Staff are arrayed when there are spikes in the number of incoming calls generated by external organizations, such as television program, public service announcements, and other non-Hotline outreach activities.

April 4, 2006 and took many steps to implement this efficiency measure. The term “core services” was substituted for “bed nights” as it more adequately reflects the universe of what domestic violence programs provide; the participants affirmed that quality assurance measures are as important as cost efficiency; and the participants identified service definitions and program standards, as well as quality assurance standards to include in the model to calculate this measure. Workshop participants agreed that this issue is of such importance that with the establishment of a baseline for the efficiency measure, an interim report of the workshop’s findings and results will be provided in March 2008. Once a baseline has been established with information from FY 2005, rigorous targets will be established for outyears.

## Refugee and Entrant Assistance

### 15. Transitional and Medical Services

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 15.1:</b> Increase the percent of cash assistance terminations due to earned income from employment for those refugee clients receiving cash assistance at employment entry to 62.29 percent by FY 2010.										
1 5 A	Increase the percent of cash assistance terminations due to earned income from employment for those clients receiving cash assistance at employment entry. <i>(outcome)</i>	60.57%	56.42%	57.55%	62.23%	58.70%	Dec-08	59.87%	61.07%	62.29% (FY 2010)
<b>Long-Term Objective 15.2:</b> Increase the average hourly wage of refugees at placement (employment entry) to \$8.45/hour by FY 2010.										
1 5 B	Increase the average hourly wage of refugees at placement (employment entry). <i>(outcome)</i>	\$7.94	\$8.04	\$8.12	\$8.24	\$8.20	Dec-08	\$8.29	\$8.37	\$8.45 (FY 2010)
1 5 C	For refugees receiving Temporary Assistance for Needy Families (TANF) or other forms of federal cash assistance, shorten the length of time from arrival in the U.S. to achievement of self-sufficiency. <i>(OMB approved efficiency)</i>	n/a	n/a	n/a	n/a	n/a	Dec-08	TBD	TBD	n/a

Regarding annual measure 15A and related long term objective 15.1, a cash assistance 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 from employment on family size, rendering the case ineligible for cash assistance. In FY 2006, over 62 percent of cash assistance terminations were due to earned income from employment for those clients who received cash assistance at employment entry, exceeding the target of 57.55 percent. Future targets for this measure may be revised if future results continue this at this level, and thus show a data trend. Success on this measure indicates that the Refugee Cash and Medical Assistance (CMA) program is meeting its goal of promoting economic self-sufficiency through cash and medical assistance to newly arriving refugees (who are eligible for this assistance for only up to eight months after arrival in the U.S.). By FY 2009, the Office of Refugee Resettlement (ORR) expects to exceed the goal of 61.07 percent of terminations due to earned income from employment. Please see table on page 110 for more information.

Annual measure 15B and the related long term objective 15.2 examine the quality of jobs obtained by refugees who have received assistance under the CMA program. FY 2006 saw a \$0.20 increase in the aggregate average wage from the FY 2005 baseline, besting the target by \$0.12. In FY 2006 twenty-nine states, seven California counties and the San Diego Wilson-Fish program reported higher wages in than the average aggregate wage for all states (\$8.24). Success under this measure indicates that the CMA program is meeting its goal of promoting economic self-sufficiency to newly arriving refugees; by providing cash and medical assistance for a limited period of up to eight months, ORR provides assistance and incentives such as training bonuses, early employment bonuses, and job retention bonuses that help refugees move quickly into good-quality jobs. By FY 2009, ORR expects to continue success on this measure to achieve an average wage of \$8.37 for refugees at placement. Please see table on page 110 for more information.

Efficiency measure 15C reflects ORR's efforts to improve grantees' efficiency in helping refugees and entrants terminate federal cash assistance by obtaining unsubsidized employment. ORR is currently working to revise its reporting tools to gather appropriate data to effectively measure this length of time. Baseline data for FY 2007 data will be established by late 2008.



## 16. Matching Grants

#	Key Outcomes	CY 2004 Actual	CY 2005 Actual	CY 2006		CY 2007		CY 2008 Target	CY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 16.1:</b> Increase the percentage of clients enrolled in the Matching Grants program who achieve economic self-sufficiency by the 180 <sup>th</sup> day to 80.5 percent by CY 2009.										
16A	Increase the percentage of refugees who enter employment through the Matching Grant (MG) program as a subset of all MG employable adults by a percent of the prior year's actual percentage outcome. <i>(outcome)</i>	72.00%	74.24%	76.47%	72.14%	72.86%	Dec-08	1% over prev year	1% over prev year	n/a
16B	Increase the percentage of refugees who are self-sufficient (not dependent on any cash assistance) within the first four months (120 days) after arrival by a percent of the prior year's actual percentage outcome. <i>(outcome)</i>	73.00% <sup>1</sup>	77.50%	79.82%	75.54%	76.30%	Dec-08	1% over prev year	1% over prev year	n/a
16C	Increase the percentage of refugees who are self-sufficient (not dependent on any cash assistance) within the first six months (180 days) after arrival by a percent of the prior year's actual percentage outcome. <i>(outcome)</i>	78.00%	80.54%	79.00%	83.12%	79.50%	Dec-08	80.00%	81.00%	n/a
16D	Increase the number of Matching Grant program refugees who are self-sufficient (not dependent on any cash assistance) within the first six months (180 days after arrival), per million federal dollars awarded to grantees (adjusted for inflation). <i>(OMB approved efficiency)</i>	385	405	400	415	410	Dec-08	420	390 <sup>2</sup>	n/a

Annual measure 16A measures the number of employable adults that find jobs by the 120<sup>th</sup> day after they become eligible for services. In CY 2006, this measure fell short of the target of 76.47 percent with a result of 72.14 percent of refugees entering employment, and fewer refugees than expected entered employment through the Matching Grant program in CY 2006. This decrease is likely due to the change in case composition for the program overall, specifically, fewer singles and more family cases and delays in clients obtaining employment authorization documents from Department of Homeland Security (DHS) service centers. By CY 2009, the program expects to increase by at least one percent over the previous year's result with improvements in processing time of employment authorization documents by DHS. The Office of Refugee Resettlement (ORR) has brought DHS's attention to the impact of delays in processing on the refugee program. DHS is working on reducing the processing time. The reduction in processing time will once again afford the resettlement agencies time to meet the objectives by the 120th day. Please see table on page 110 for more information.

Annual measure 16B is the preliminary measure of achieving self-sufficiency by 120 days, while 16C measures again at 180 days. A lower percentage of cases achieved self-sufficiency at 120 days than targeted (79.82 percent), with a CY 2006 result of 75.54 percent. This result is due to changes in the processing of essential documents such as social security cards and employment authorization documents

<sup>1</sup> This figure has been updated from the previously reported data as a result of updated program information.

<sup>2</sup> The target for this measure appears to decline in CY 2009; however this decrease is simply the result of an increase in per capita amount.

by our federal partner agencies. The changes in processing times means that agencies have less time in which to find jobs for clients since clients are ineligible to work for much of the 120 day period without these documents. Agencies continue to work with clients beyond the 120 day marker (16B) and were able to meet and exceed the long term objective of self-sufficiency at 180 days (16C). ORR is working with federal partners to reduce the lag time in issuing essential documents. The program does not expect the timeframes to be decreased significantly though, since the extended processing time is attributed to enhanced security measures.<sup>3</sup> The Matching Grant Program also implemented, starting in CY 2004, a performance-based award system whereby grantees receive increases or cuts in their funding (and, consequently, their caseload) based on their ability to achieve overall refugee self-sufficiency at 180 days. By FY 2009, the program expects to increase the percentage of refugees who are self-sufficient (not dependent on any cash assistance) within 120 days by at least one percent over the previous year's result. Please see table on page 110 for more information.

Long term objective 16.1 and annual measure 16C are focused on self-sufficiency at 180 days, due to the Matching Grant Program's recent increased emphasis on this timeline. In CY 2006, the program exceeded its target of 79 percent with over 83 percent of refugees self-sufficient (not dependent on any cash assistance) within 180 days. By FY 2009, the program expects to reach a goal of 81 percent of refugees self-sufficient and maintain that level of performance for the foreseeable future, as a result of continued high quality service provision and emphasis on early self-sufficiency. With regard to the long term targets for long term objective 16.1 and annual measure 16C, ORR believes that these targets are also ambitious considering the diversity of refugees currently served. Performance on all Matching Grant Program measures is dependent upon the size of the families that arrive in the U.S. and subsequently enroll in the Matching Grant Program. Unlike in the past 25 years when the U.S. brought in huge numbers of refugees from a limited number of countries, current refugee populations are coming from a far greater number of countries than ever before and are therefore increasingly diverse in language, culture, and the nature of their barriers to employment. Matching Grant Program affiliates throughout the country have accepted the challenge of working with this increasingly diverse and hard-to-employ group of clients. Please see table on page 110 for more information.

Regarding efficiency measure 16D, this measure focuses on the 180-day (six-month) self-sufficiency of refugees in the Matching Grant Program. The 180<sup>th</sup> day is, by far, the best measure of the program and results in the best accountability measure of what we get for the money. ORR went to performance based awards beginning in 2005. The performance based award is calculated with a formula that weighs 120-day and final 180-day self-sufficiency markers for each agency against the overall performance for the program. This has led to a dramatic improvement in performance of the weakest performer and improved outcomes for the program overall.

To calculate performance on this measure, the number of refugees who are self-sufficient at 180 days is divided by the federal award (in millions of dollars) to grantees for that year. ORR continued to meet and exceed its goals for efficiency measure 16D in both CY 2005 (target 390) and CY 2006 (target 400) with results of 405 and 415, respectively. By FY 2009, ORR expects that 390 Matching Grant program refugees will be self-sufficient within 180 days after arrival per million federal dollars awarded to grantees. Over the past few years, ending with CY 2006, the Matching Grant Program awarded \$50 million in federal funding to grantees each calendar year, serving approximately 25,000 refugees annually. The number of refugees served was directly linked to the amount of federal money awarded by ORR to grantees, since the program provides \$2,000 in federal funds for each refugee served (and grantees must match that federal money when providing services). Despite rising costs in housing and

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<sup>3</sup> Though these targets were met for CY 2004, the Office of Refugee Resettlement (ORR), in ACF, believes that the target of increasing outcomes by three percent each year is unsustainable. ORR proposes an increase of one percent per year starting in CY 2007; this target is more sustainable, though still ambitious.

other basic living costs, ORR had not increased the per capita since 1999. For CY 2007, ORR increased funding for the Matching Grant program to \$60 million increasing both the per capita and the number of clients to be served. With a corresponding increase in the per capita amount to \$2,200, a 10 percent increase, the program is now funded to serve 27,272 clients. For this reason, the efficiency measure appears to decline. The decrease is simply the result of the increase in per capita. Please see table on page 110 for more information.

## 17. Victims of Trafficking

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 17.1:</b> Increase the number of victims of trafficking certified to 500 per year by FY 2011. <sup>4</sup>										
17 A	Increase the number of victims of trafficking certified per year. <i>(outcome)</i>	163	230	300	234	400	303	5% over prev year <sup>1</sup>	5% over prev year	500 (FY 2011)
17 B	Increase the number of victims certified and served by whole network of grantees per million dollars invested. <i>(OMB approved efficiency)</i>	16.0	23.1	30.0	23.8	40.0	30.6	5% over prev year <sup>1</sup>	5% over prev year	n/a
17 C1	Increase media impressions per thousand dollars invested. <i>(OMB approved efficiency)</i>	23,000 <sup>5</sup>	104,600 <sub>6</sub>	29,750	4,429	50,570	Jun-08	3% over prev year	3% over prev year	n/a
17 C2	Increase hotline calls per thousand dollars invested. <i>(OMB approved efficiency)</i>	0.54	1.81	0.890	7.63 <sup>7</sup>	1.80	Jun-08	3% over prev year	3% over prev year	n/a
17 C3	Increase website visits per thousand dollars invested. <i>(OMB approved efficiency)</i>	15	17	33	6,556	69	Jun-08	3% over prev year	3% over prev year	n/a

The Office of Refugee Resettlement's (ORR's) primary responsibility under the TVPA is to certify victims of trafficking and provide benefits and services to them. ORR's long term goal by FY 2011 is to achieve 500 victims' certification per year, which has been revised from the previous goal of 800 victims per year. This target has been revised in light of the trend in data for the past three years, and is a reflection of the certification process, which by statute, involves several federal agencies.<sup>8</sup> In FY 2005, 230 victims were certified – which exceeded the target of 200. In FY 2006 and FY 2007, 234 and 303 victims were certified, respectively, which fell short of the target of 300 and 400, respectively, but improved on the previous year's total. Therefore the program has served more victims of trafficking through certification. The number certified represents all victims that the Human Trafficking program was able to certify in accordance with the legislative requirements of the law. Further, the program serves a larger number of victims than those who are certified – services are additionally provided to pre-certification victims and victims who may have already been certified in prior years. Of the pre-certification victims served, some may ultimately pursue an alternative type of certification other than trafficking certification, such as a U-Visa. The program is continuing to examine ways by which additional victims may be identified and certified, including increased cooperative efforts with law

<sup>4</sup> This target has been revised based on recent data. The new target maintains rigor while taking into account the most recent data trend.

<sup>5</sup> The first phase of the "Rescue and Restore" campaign began in April 2004. Therefore these results represent a partial year of data collection on media impressions.

<sup>6</sup> In FY 2005, there were ten "Rescue and Restore" campaign launches, which represents a significant increase over the six launches in FY 2004 and one launch in FY 2006. Therefore the media impressions result for this year of data is also significantly higher.

<sup>7</sup> Hotline data result is based on improved data collection from contractor following a performance review of the contract by the program. As a result, improvements in the tracking of calls received combined with improved analysis of contract costs, resulted in a much higher than expected outcome.

<sup>8</sup> Additionally, this measure does not adequately show the numbers of victims identified via HHS' public awareness and education efforts for several reasons. First, victims may choose not to cooperate with Federal law enforcement which is a requirement for certification. Second, many identified victims have applied for U-visas; however, U-visas have no bearing or influence upon certification. Finally, many of the victims identified via HHS efforts are not eligible for certification because they are either Lawful Permanent Residents or U.S. Citizens and cannot meet the CP- or T-visa requirements for certification.

enforcement entities responsible for investigating cases. In light of the most recent actual data, the targets have been revised to reflect a more realistic yet rigorous performance goal. By FY 2009, the program expects to increase the number of victims certified by at least five percent over the previous year's result. From FY 2004 to FY 2005, the number of victims certified increased by four percent, followed by a two percent gain in FY 2006; therefore the program felt that a target of five percent was rigorous. This measure serves as a proxy for the program's desired outcome of rescuing victims of trafficking. Due to changes in the structure of the Human Trafficking Program, such as awareness campaigns, a set of new grants to expand existing outreach activities to identify trafficking victims, and the acquisition of a nationwide contractor to target services to victims as needed, ORR anticipates that it will be able to meet future targets.

Efficiency measure 17B relates to certification, which is an outcome in and of itself but is also the link to providing victims with the opportunity to obtain services and receive benefits. Since the "Rescue and Restore" campaign was instituted in April 2004, the program has already seen major efficiency gains on this measure (as seen in the above table). From FY 2004 to FY 2005, ACF saw an increase in victims certified per million dollars from 16 to 23.1. The FY 2005 actual exceeded the target of 20 in FY 2005, and then improved over the previous year's result in FY 2006 at 23.8. In FY 2006, the program again improved performance to 30.6, though it missed the target of 40.6. It is expected that these overall gains in efficiency will persist with increased communication and collaboration with our federal partners, increased leveraging of HHS-wide resources, and continued outreach, training, and technical assistance to the anti-trafficking movement. By FY 2009, the program expects to increase the number of victims certified and served per million dollars invested by at least five percent over the previous year's result. As mentioned under measure 17A, future targets for this measure were also revised in light of recent data trends. The program will continue to closely monitor the results of these measures to ensure ambitious targets are maintained.

Regarding efficiency measure 17C, the Human Trafficking program is aggressively managed from both a performance and cost-efficiency standpoint. In response to the inadequate rate of victim identification and rescue experienced under the initial grant-based strategy, the program implemented the "Rescue and Restore" public awareness campaign and a new category of grants supporting specific, direct, on-the-street, one-on-one contact with populations among which victims of trafficking are likely to be found, while disinvesting in generic "community outreach" grants.

The program has improved the precision of data and calculation methods for this efficiency measure beginning with the FY 2006 results. The media impressions component of the efficiency measure was calculated using the total number of media impressions during FY 2006 (4,921,256) per FY 2006 funding obligated specifically to the public awareness contract. This result fell short of the target because contracting negotiations delayed the second phase of the "Rescue and Restore" campaign media efforts until late in FY 2006, causing a lower than expected result. The hotline calls component of the efficiency measure component was calculated as calls received during FY 2006 (2,670) per FY 2006 funding obligated specifically for the hotline operations. This result exceeded the target, though some of the increase in this result may be due to data collection improvements. The website visitors component was calculated by dividing the total number of website visitors (198,000) by the actual FY 2006 funds invested in the website by the program. This result exceeded the target, though some of the increase in this result may also be due to more precise data collection; website data for FY 2004 and FY 2005 were estimated as a proportion of total website hits for ORR. The program instituted improved website tracking in FY 2006, allowing more precise measurement of website hits specifically related to the Human Trafficking program. For each of these components, these data and calculations represent improvements over previous years. The increases in media impressions, hotline calls, and website visits demonstrate a greater awareness of the issue of human trafficking, and thus increase the likelihood that potential victims may be identified and connect to program services. By FY 2009, the program expects to

increase each of these public awareness areas by at least three percent over the previous year's result as a result of funding awards to local Rescue and Restore coalitions throughout the country. Please see table on page 110 for more information.

## 18. Social Services/Targeted Assistance

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 18.1:</b> By FY 2012, grantees will achieve a 60 percent entered employment rate. <sup>1</sup>										
18A	Increase the percentage of refugees entering employment through ACF-funded refugee employment services. <sup>2</sup> (outcome)	50.00%	53.49%	56.49%	54.01%	54.55%	Dec-08	1% over prev year	1% over prev year	60.00% (FY 2012)
18B	Increase the percentage of entered employment with health benefits available as a subset of full-time job placements. (outcome)	56.00%	64.24%	67.24%	61.58%	62.20%	Dec-08	1% over prev year	1% over prev year	n/a
18C	Increase the percentage of 90-day job retention as a subset of all entered employment. (outcome)	74.00%	74.29%	77.29%	71.58%	72.32%	Dec-08	1% over prev year	1% over prev year	n/a

Long term objective 18.1 reflects the emphasis of the Office of Refugee Resettlement (ORR) on improving grantees' ability to assist refugees in entering employment. States (including states providing services under the Wilson-Fish program) with an entered employment rate (EER) of less than 50 percent are expected to achieve an annual increase of at least five percent of the prior year's actual percentage outcome. States with an EER greater than 50 percent are expected to achieve an annual increase of at least three percent of the prior year's performance. Average national EER's are 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.<sup>3</sup> States that reach a high employment and self-sufficiency rate of 85 percent among employable refugees may choose to maintain their target levels rather than increase them. Although there are no monetary punishments or rewards, ORR has implemented a number of strategies and incentives aimed at challenging states to improve performance for targets that were not achieved. ORR publishes state 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 teams negotiate the targets and provide technical assistance and monitoring to the states to achieve mutually acceptable goals.

Annual measures 18A through 18C reflect states' annual progress toward refugee and entrant self-sufficiency, including entered employment, job retention, and job quality. Though these measures are used to gauge performance for the entire program, each state is also expected to set individual targets toward these measures. When setting targets, states are asked to aim to improve upon the previous year's actual performance. While there are no national performance requirements or formal-comparison of states, each state's actual annual performance is compared with that state's projected targets to calculate the level of achievement and to ensure that states strive for continuous improvement in their goal-setting process from year to year. Starting in FY 1996, states (and California counties) have submitted an end-of-year report to ORR comparing projected annual targets with actual outcomes achieved for each of the 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

<sup>1</sup> This is a technical correction from the former FY 2012 target of 85 percent.

<sup>2</sup> This measure is calculated by dividing the total number of entered employments in a year by the total national refugee and entrant caseload for employment services. This measure is also a performance indicator for the FY 2007 – 2012 HHS Strategic Plan.

<sup>3</sup> The two cohorts are those states with an entered employment rate of less than 50 percent and those with more than 50 percent

other factors, such as unanticipated reduction in refugee arrivals.

For 2006, the three performance targets were not met, lowering the targets for succeeding years. The changing demographics of the U.S. Resettlement Program present new challenges and many populations require extended employment services in order to enter the U.S. labor market and integrate into U.S. society. Many recent arrivals have spent protracted periods of time in refugee camps in countries of first asylum, have experienced intense trauma, and they have limited work skills. Many of the African refugees cannot read and write in their own language and require intensive English as a Second Language (ESL) prior to employment.

The first target of increasing the percent of refugees entering employment through ACF-funded refugee employment services fell short of the FY 2006 target by two percentage points at 54 percent. However, twenty-three states, three California counties and the San Diego Wilson-Fish program exceeded their entered employment rates from FY 2005. By FY 2009, the program expects to increase performance by at least one percent over the previous year's result by improving ORR's collaboration with states and Wilson-Fish agencies to better communicate ORR priorities and to share knowledge of best practices that can be transferred across programs. This endeavor includes increasing ORR monitoring activities in which program challenges are followed up with technical assistance and further monitoring. ORR is also intending to work more closely with technical assistance providers to ensure effective guidance to states and Wilson-Fish agencies. ORR plans to work with states and Wilson-Fish agencies to improve data collection procedures and reporting processes. Please see table on page 110 for more information.

The second target of increasing the percent of entered employment with health benefits available as a subset of full-time placements fell short of the FY 2006 target by almost six percentage points at 61.58 percent. One of the key factors in determining a refugee's ability to become self-sufficient is their level of proficiency in English. The degree to which refugees improve their English proficiency has a direct correlation to their success in obtaining employment and ultimately becoming self-sufficient through earned income. Many of the activities funded by ORR focus on providing English Language Training (ELT), including occupational and vocational English language training, to refugees in conjunction with employment and employment services. ORR is striving to improve the level of full-time jobs attained by refugees by providing ELT, specialized job training, on-the-job training, and short-term skills training targeted to local job markets, as well as supportive services such as transportation, interpretation, and child care services. Attainment of these services will more strongly position the refugees for improved job placements and upgrades, therefore increasing the percentage of those jobs which offer health benefits. By FY 2009, the program expects to increase performance by at least one percent over the previous year's result by communicating the importance of integration activities, including English language training, to states and Wilson-Fish agencies so that quality employment is more attainable for refugees. Please see table on page 110 for more information.

The third target of increasing the percentage of refugees retaining employment after 90 days fell short of the FY 2006 target by almost five percentage points at 71.58 percent. Overall performance fell short due to underperformance by a few states that have a large refugee population. Of the 48 states and 12 California counties with retention data for 2006, 21 states and five California counties improved their job retention rates over the previous year. By FY 2009, the program expects to increase performance by at least one percent over the previous year's result by promoting integration activities and sharing knowledge of best practices with states and Wilson-Fish agencies so that refugees will be better equipped to reach self-sufficiency. Please see table on page 110 for more information.



## 19. Unaccompanied Alien Children

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 19.1:</b> Reduce time between Department of Homeland Security/Immigration and Customs Enforcement (DHS/ICE) notification to Office of Refugee Resettlement (ORR) of Unaccompanied Alien Child (UAC) apprehension and ORR placement designation in a care provider facility by [X] hours over the baseline by FY 2011.										
19A	Reduce time between DHS/ICE notification to ORR of UAC apprehension and ORR placement designation in a care provider facility by [X] hours. <i>(outcome)</i>	n/a	6.0 hours <sup>1</sup>	n/a	3.1 hours	2.9 hours	Mar-08	5% under prev year	5% under prev year	TBD
<b>Long-Term Objective 19.2:</b> Increase the percentage of UAC that receive medical care screening or examination within 48 hours by [X] percent over the baseline by FY 2011.										
19B	Increase the percentage of UAC that receive medical screening or examination within 48 hours by [X] percent. <i>(outcome)</i>	n/a	n/a	n/a	60.4%	n/a	Mar-08	TBD	TBD	TBD
19C	Maintain the percentage of runaways from UAC shelters at 1.5 percent. <i>(outcome)</i>	n/a	n/a	n/a	1.7%	1.5%	Mar-08	1.5%	1.5%	n/a
19D	Increase the percentage of "closed" corrective actions. <i>(OMB approved efficiency)</i>	n/a	n/a	n/a	53.0%	55.7%	Mar-08	2% over prev year	2% over prev year	n/a

The goal of this measure 19A is to reduce the amount of time from Department of Homeland Security (DHS) referral to the Division of Unaccompanied Children's Services (DUCS) placement designation. This measure is representative of the "placement" aspect of the Unaccompanied Alien Children (UAC) program. The Office of Refugee Resettlement (ORR) makes placement designations to care provider facilities for UAC referred by DHS officials. Timeliness of this designation is crucial to allow DHS to arrange transportation to the designated placement facilities, which may be located outside of the district of initial apprehension, and to ensure DHS has personnel ready to escort the UAC during transport. For much of the year, placement designations are made within several hours of notification by DHS. This time increases on the weekend and non-regular business hours. The most significant delays occur during periods of high migration influx, natural disasters, or an emergency decrease in capacity at another facility. This measure directly correlates to DUCS' bed space capacity – timely designations cannot be made unless bed space is available. Reducing the time between DHS referral and DUCS' placement designation, especially during influx periods, will reflect DUCS' improved strategic planning, capacity development, and ability to respond during emergency situations. A baseline of 3.1 hours was established in FY 2006, which improved over the previous year's result of six hours. By FY 2009, the program expects that improvement in these areas will allow the program to achieve the target of reducing time between referral and designation by at least five percent from the previous year.

The goal of annual measure 19B is to increase the access of UAC to needed health care services. Via this measure, DUCS proposes to measure the percentage of UAC who receive medical screening/examination within 48 business hours after admission to a DUCS-funded care provider facility.<sup>2</sup> This measure is a

<sup>1</sup> This figure has been revised due to updated reporting capabilities, which allow for more accurate data collection.

<sup>2</sup> UAC that have received a medical screening at another DUCS-funded facility (i.e. transfers) are not required to have a second screening done upon admission to the new DUCS-funded facility.

response to the Flores Settlement Agreement minimum standards, which state that UAC are to be medically examined within 48 business hours of admission, excluding weekends and holidays. A goal of 48 hours represents a realistic performance goal for all DUCS-funded facilities. Because of the need for facilities to use private medical providers, 48-hours from admission is a reasonable period of time within which to complete a medical screening without delaying medical care.<sup>3</sup> Currently, not all facilities are achieving the 48-hour goal. In response to this, DUCS TMS was expanded in the 4<sup>th</sup> Quarter of FY 2006 to capture medical screening date and time. In addition, DUCS provides ongoing targeted technical assistance to support the care providers' compliance with this measure. Lastly, DUCS encourages facilities to be innovative in identifying means to achieve this goal. Baseline data for this measure will be established in March 2008 based on FY 2007 data, from which ambitious targets will be set.

The goal of annual measure 19C is to maintain a low percentage of runaways from the UAC program, which reflects the success of care providers to provide programs with engaging programs, nurturing environments, quality programmatic services, highly trained staff, and appropriate security measures. A baseline of 1.7 percent was established based on FY 2006 data. As stated in the language of the measure, the target percentage of runaways from the program is 1.5 percent through FY 2009. DUCS is focusing on improving the quality of services at the shelters, on improving physical security ("no climb" fences) and improved staffing and staffing oversight at the shelters, and timely approvals of reunification requests with family and other sponsors.

The goal of annual measure 19D is to increase the efficiency of DUCS to improve the overall quality of UAC shelters through monitoring, guidance, training, and technical assistance. DUCS avails itself to facilities as needed and particularly during and directly after monitoring with an effort to reduce the number of corrective actions, or to respond as promptly as possible to the corrective actions issued. Therefore, this measure allows DUCS to monitor its efficiency in using training, technical assistance, and guidance/monitoring activities to improve program performance as measured by the length of time facilities needed to close corrective actions. After monitoring a DUCS-funded facility, DUCS prepares a report, citing program deficiencies that require a corrective action. Beginning in FY 2007, the facility is given 30 days in which to respond to the report and inform DUCS which deficiencies and non-compliance areas have been corrected. It is expected that as the UAC program grows and DUCS staff carries out more monitoring visits and becomes more skilled in program evaluation and technical assistance, there will be an increase in the percentage of corrective actions that are "closed" within 30 days. A baseline of 53 percent was established for FY 2006; it is expected that by FY 2009, the program will increase the percentage of "closed" corrective actions by at least two percent over the prior year's result.

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<sup>3</sup> Including prior to the initial medical examination, anytime there is a medical emergency or another need for immediate care, DUCS-funded facilities take UAC to an emergency room immediately.

# MANDATORY PROGRAMS

## *Child Support Enforcement and Family Support Programs*

### **20. Child Support Enforcement**

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 20.1:</b> Increase annual child support distributed collections up to \$26 billion by FY 2008 and up to \$33 billion by FY 2013.										
20A	Maintain the paternity establishment percentage (PEP) <sup>1</sup> among children born out-of-wedlock. <sup>2</sup> (outcome)	99%	98%	98%	98% <sup>3</sup>	95%	Nov-08	95%	94%	n/a
20B	Increase the percentage of IV-D cases having support orders. <sup>4</sup> (outcome)	74%	76%	72%	77% <sup>3</sup>	73%	Nov-08	75%	77%	n/a
20C	Maintain the IV-D (child support) collection rate <sup>5</sup> for current support. <sup>6</sup> (outcome)	59%	60%	62%	60% <sup>3</sup>	61%	Nov-08	61%	62%	63% (FY 2012)
20D	Maintain the percentage of paying cases among IV-D (child support) arrearage cases. <sup>7</sup> (outcome)	60%	60%	64%	61% <sup>3</sup>	61%	Nov-08	61%	62%	n/a
<b>Long-Term Objective 20.2:</b> Increase the Child Support Performance and Incentive Act (CSPIA) cost-effectiveness ratio up to \$4.63 by FY 2008 and up to \$5.00 by FY 2013.										
20E	Increase the cost-effectiveness ratio (total dollars collected per \$1 of expenditures). (OMB approved efficiency)	\$4.38	\$4.58	\$4.49	\$4.58	\$4.56	Nov-08	\$4.63	\$4.70	\$5.00 (FY 2013)

The Deficit Reduction Act of 2005 (DRA) included a series of provisions which affect the Child Support Enforcement (CSE) program. These provisions prioritize collection of medical child support, strengthen existing collection and enforcement tools, reduce federal expenditures, and allow states the option to provide additional support to the families who need it most. The DRA sought to increase collections by expanding passport denial, improving processes for identifying proceeds from insurance settlements and requiring mandatory review and adjustment of support orders

Additionally, as of FY 2008, the DRA eliminates federal match for state expenditure of incentive payments, reduces the federal match rate for genetic testing from 90 percent to 66 percent and adds an annual user fee of \$25 for child support cases with collections who have never received Temporary Assistance for Needy Families (TANF) assistance. These provisions are expected to reduce overall

<sup>1</sup> Number of children in state with paternity established or acknowledged during the fiscal year, divided by number of child in state born out-of-wedlock in the preceding fiscal year.

<sup>2</sup> This includes not only current paternity established cases but also completion of backlogs of older IV-D cases.

<sup>3</sup> This figure is preliminary pending the finalizing of Deficit Reduction Act (DRA) requirements.

<sup>4</sup> Number of IV-D cases with support orders established, divided by the number of IV-D cases.

<sup>5</sup> Collections of current support in IV-D cases divided by current support amount owed in IV-D cases.

<sup>6</sup> This measure is a performance indicator for the FY 2007 – 2012 HHS Strategic Plan.

<sup>7</sup> Number of IV-D cases paying toward arrears, divided by number of IV-D cases with arrears due.

program expenditures and reduce the rate of growth of collections. In developing the FY 2009 performance measure targets, the Office of Child Support Enforcement (OCSE) assumed that while states will increase their state contributions to cover some of the lost federal funds available for matching, they will not completely make up the shortfall and overall expenditures will be reduced.

Annual measure 20A (paternity establishment) compares paternities established during the fiscal year with the number of non-marital births during the preceding fiscal year. The statute allows states to measure a state-wide Parentage Establishment Percentage (PEP). The rates above include paternities established by both the IV-D program and hospital-based programs. In FY 2006, OCSE met its target of 98 percent. In June 2005, OCSE held a two day meeting with approximately 80 state representatives to share ideas and strategies about the PEP measure. Achieving the target rate of 98 percent in FY 2006 required states to increase paternity establishment for new out-of-wedlock births, since states have already been so successful at establishing paternity in backlogged cases. ACF implemented early interventions to increase the PEP rate through expanding hospital-based paternity establishment programs and partnering with birth record agencies, pre-natal clinics, and other entities, and through encouraging voluntary acknowledgments, in accordance with the requirements of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). In collaboration with partners and stakeholders, OCSE will also explore a variety of activities to help individuals better understand their parental responsibilities, including distributing brochures about the child support program.

The DRA reduced the federal financial participation (FFP) for paternity laboratory costs from 90 percent to 66 percent in FY 2007. In FY 2006, federal and state combined spent \$31 million on laboratory genetic tests for paternity establishment. The federal share of administrative costs for paternity establishment will decrease by approximately \$6 million per year beginning in FY 2007 based upon reported data for most states for the first two quarters of FY 2007.

The PEP targets for FY 2007 and FY 2008 were reduced to 95 percent and the target for FY 2009 to 94 percent. These targets have been lowered for several reasons. First, states have already cleaned up their caseloads by establishing paternity orders for older children, which led several states to have PEPs above 100 percent in past years. Second, states may be likely to focus more on other performance measures to increase their incentive payments and avoid penalties, rather than focusing on the PEP where states have done very well in the past. Third, states that do not make up the lost federal match funds will have less money and may lose staff, which may lessen the efforts put into establishing paternity. This may also cause states to reduce the scope of voluntary acknowledgment programs.

Annual measure 20B (child support orders) compares the number of IV-D cases with support orders established (which are required to collect child support) with the total number of IV-D cases. In FY 2006, over 12 million cases had support orders established out of a total 15.8 million IV-D cases (77 percent), which is five percentage points above the target for FY 2006. Please see table on page 110 for more information. Approximately 1.2 million of these 12 million cases were new child support orders. The child support order establishment rate of 77 percent reflects an increase of two percentage points over the previous year, when approximately 12.2 million support orders were established out of 15.8 million IV-D cases. The target for fiscal year 2007 increased by one percentage point each year and the targets for fiscal years 2008 and 2009 increase by two percentage points each year, to reach a target rate of 77 percent in FY 2009.

State staffing levels have decreased slightly while IV-D caseloads with support orders continue to increase slightly; thus, increasing performance requires more effort. PRWORA provided states with new tools to establish an order more quickly, such as administrative authority to require genetic testing, ability or authority to subpoena financial and other information, and the ability to access a wide array of records. More states are voluntarily shifting from establishing court-based orders to establishing administrative-

based orders.<sup>8</sup> PRWORA required expedited administrative procedures for establishing orders, expanded paternity acknowledgment programs to birth record agencies (for order establishment), and required that all states enact the Uniform Interstate Family Support Act. This Act granted states expansive long-arm jurisdiction, allowing them to establish support orders against non-residents, thus avoiding the lengthy two-state process.

Annual measure 20C (child support collection rate), a proxy for the regular and timely payment of support, compares total dollars collected for current support in IV-D cases with total dollars owed for current support in IV-D cases. The total amount of child support distributed as current support in FY 2006 was \$18 billion, approximately a four percent increase over FY 2005. The total amount of current support due in FY 2006 was \$30 billion, which was approximately a three percent increase over FY 2005. This provided a collection rate for current support of 60 percent, which missed the target for FY 2006 by two percentage points. Please see table on page 110 for more information. OCSE reduced the FY 2007 and FY 2008 targets to 61 percent in anticipation of DRA impacts and set the target for FY 2009 at 62 percent. OCSE expects the DRA to reduce overall expenditures due to provisions such as the elimination of federal match on incentives payments. Expenditures and collections are closely related in child support, and OCSE expects that this will result in current support collections increasing at a decreasing rate compared to pre-DRA levels. Nevertheless, OCSE will work to eliminate the gap between the current support collection target and the actual performance by focusing on new and improved enforcement techniques, such as the expanded passport denial program. In addition, OCSE launched a new national initiative in FY 2007 called PAID: Project to Avoid Increasing Delinquencies. This initiative placed special emphasis on activities that result in increasing collections of current support and reducing arrears.

Since the creation of the child support program, collections within the program have grown annually. States have increased collections by using a wide variety of approaches such as income withholding, offset of income tax refunds, and reporting to credit bureaus. In addition, new collection tools and program improvements, such as new hire reporting and increasing statewide automation, have increased collections and reliability of collections data and will continue to do so as these tools become fully implemented in all states.

Annual measure 20D (child support arrears payment rate) compares the total number of IV-D cases paying any amount toward arrears to the total number of IV-D cases with arrears due. There were 11.1 million cases with arrearages due in FY 2006, a one percent increase over FY 2005. The total number of cases paying toward arrearages was 7 million in FY 2006, a two percentage point increase over FY 2005. This figure represents 61 percent of paying cases among IV-D arrearage cases, which is slightly lower than the target of 64 percent. Please see table on page 110 for more information. OCSE decreased the FY 2007 and FY 2008 targets to 61 percent, based on the actual performance in FY 2005 and, as above, due to anticipated impacts of the DRA. The target for FY 2009 has been set at 62 percent. Obtaining payment of arrears is often difficult, which makes achieving these targets all the more challenging. States must collect both current support and any accrued arrearages. Some non-custodial parents cannot keep up with both current support and arrears, hence arrears payments suffer. Moreover, trend data indicate that cases with arrears due are increasing which makes achieving these targets all the more challenging. Nevertheless OCSE will focus on improved enforcement techniques emphasizing automated mechanisms for enforcement, collections, and payments to families. Again, as mentioned above, the PAID initiative will focus on activities to increase current collections and reduce arrears. These activities include:

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<sup>8</sup> Administrative procedure is a method by which support orders are made and enforced by an executive agency rather than by courts and judges as in the court procedure.

- Focusing federal technical assistance on efforts that address root causes of nonpayment of support (e.g., establishing appropriate orders and early intervention upon nonpayment).
- Capitalizing on state best practices through training, technical assistance, and cross-regional meetings.
- Increasing awareness and encouraging use of data findings in program and policy decisions.
- Targeting automation opportunities such as electronic Income Withholding Orders (e-IWO), Level of Automation Guidance through technical assistance site visits and other outreach efforts.
- Implementing new centralized and/or standardized locate and enforcement remedies such as increasing the priority of child support cases for federal offset and working on the exchange of data with cell phone companies.

In addition, child support enforcement agencies are systematically utilizing tools other than wage withholding to enforce these orders. Arrears management involves setting appropriate orders initially, modifying orders promptly when family circumstances change, and immediately intervening when current support is not paid. Another approach is to target certain groups of debtors who are low income and are most likely to accumulate the debt, for interest amnesty or debt compromise programs. The child support program wants this support to be a reliable source of income for children, and since arrears may impede payment of current support, they must be successfully addressed.

Preliminary research by the Urban Institute to understand child support arrears indicates that the key factors contributing to arrears are assessing interest on a routine basis, incomplete enforcement, and setting support orders too high for low-income obligors. About one-third of states do not assess interest on arrears and two-thirds of states assess interest on arrears either routinely or intermittently.

Efficiency measure 20E calculates efficiency by comparing total IV-D dollars collected by states with total IV-D dollars expended by states for administrative purposes; this is the Child Support Performance and Incentive Act (CSPIA) cost-effectiveness ratio (CER). In FY 2006, the national ratio was \$4.58 which exceeded the target of \$4.49. Please see table on page 110 for more information. The formula for determining the CER is the total collections distributed (\$23.9 billion), plus the collections forwarded to other states for distribution (\$1.4 billion), and fees retained by other states (\$1.5 million) divided by the administrative expenditures (\$5.5 billion), less the non-IV-D administrative costs (\$20 million). Preliminary data from FY 2006 show that a record high of \$23.9 billion was collected for child support, representing a 26 percent increase since FY 2001 and a four percent increase from the previous fiscal year, benefiting 15.8 million families in FY 2006. A tool that states have used to increase collections is the tax refund and administrative offset, from which \$1.7 billion in delinquent child support was collected in calendar year 2007. More than 1.5 million families benefited from these tax collections. Tax offsets are based on intercepts of federal tax refunds while administrative offsets are based on intercepts of certain federal payments such as vendor and miscellaneous payments<sup>9</sup> and federal retirement payments.

States slightly increased administrative investments in automated data processes (up five percent in FY 2006). OCSE expects the annual amount on automated data processes to increase between five and six percent in future years, which will improve the efficiency of state programs. Increasing the target rate for fiscal years 2006 to 2009 by \$.07 per year requires greater effort because the total amount of child support owed increases each year. For example, in FY 2005, the IV-D caseload increased slightly but the total

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<sup>9</sup> Administrative offset include both recurring and one-time payments. Types of payments that can be intercepted include payments to private vendors who perform work for a government agency and relocation and travel reimbursements owed to federal employees.

amount of arrearages due for all fiscal years increased by 4.1 percent. ACF will focus 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. By FY 2009, OCSE expects to reach the target of \$4.70 collected per \$1 of expenditures.

### *Foster Care and Adoption Assistance*

Please see “Child Abuse Prevention and Child Welfare Programs” for performance measures and analysis.

*Social Services Block Grant*

**21. Social Services Block Grant**

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
21A	Decrease administrative costs as a percent of total costs. ( <i>OMB approved efficiency</i> )	10%	7%	n/a	5%	9%	Oct-08	9%	9%	n/a

Efficiency measure 21A encourages effective administration of the Social Services Block Grant (SSBG) by tracking total state administrative expenditures as a proportion of total SSBG expenditures. SSBG reporting rules require that states submit post-expenditure reports detailing the types of activities and services funded with SSBG funds, and characteristics of the recipients of services. In the reports submitted by states for FY 2006, the average of 50 states, the District of Columbia, and the Commonwealth of Puerto Rico showed that five percent of SSBG funds were spent for administrative costs. Each year, a state determines how funds are used. There were 10 states reporting no expenditures in the administrative costs category for FY 2006. Some states (16) reported more than nine percent of their SSBG expenditures for administrative costs ranging from 10 percent to 58 percent. The Office of Community Services (OCS) will continue technical assistance efforts that target administrative costs to no more than nine percent, as well as appropriately identifying expenditures that may be miscategorized as administrative costs to other activities and services.

OCS has worked hard to bring down the overall percent of administrative costs through such means as increased technical assistance and reviewing post-expenditure reports. Thus, in FY 2006, the program decreased administrative costs as a percent of total costs to five percent, a significant improvement over the previous years' results of 10 percent (FY 2004) and seven percent (FY 2005). This reduction in administrative costs in FY 2006 means that a greater percentage of funding was expended for direct services, as well as a greater number of recipients. By FY 2009, the program expects to do better than the target of nine percent. Should the most recent result of five percent prove to be a data trend, the program will evaluate out-year targets in order to maintain ambitious performance targets. States are more cognizant of reporting expenditures by specific SSBG service category, rather than combining expenditures associated with providing a specific service into the "administrative" spending category. This measure identifies the sum effort of all states to reduce administrative costs in order to assure that SSBG funds social services for children and adults to as great an extent as possible.

ACF has been re-examining measurement of success for SSBG based on recommendations from the CY 2005 PART review. In previous fiscal years, SSBG had multiple output measures: these included counts of children receiving support for day care, adults receiving special services for the disabled, and adults receiving home care, all supported with SSBG funds.



## Promoting Safe and Stable Families

Please see “Child Abuse Prevention and Child Welfare Programs” for performance measures and analysis.

### Temporary Assistance for Needy Families (TANF)

#### 22. Temporary Assistance for Needy Families (TANF)

#	Key Outcomes	FY 2004 Actual	FY 2005 Actual	FY 2006		FY 2007		FY 2008 Target	FY 2009 Target	Out-Year Target
				Target	Actual	Target	Actual			
<b>Long-Term Objective 22.1:</b> By FY 2010, at least 50 percent of all cases receiving TANF that are headed by adults will participate in work-related activities.										
2 2 A	All states meet the TANF all-families work participation rate: FY 2002 – 2005. All families work participation rate = 50% work participation ( <i>outcome</i> )	100%	98%	100%	98%	80%	Oct-08	85%	90%	n/a
<b>Long-Term Objective 22.2:</b> Increase (from the baseline year FY 1999) the percentage of adult TANF recipients who become newly employed to 38 percent by FY 2009.										
2 2 B	Increase the percentage of adult TANF recipients who become newly employed. <sup>1</sup> ( <i>outcome</i> )	35.0%	34.3%	35.0%	35.6%	36.0%	Oct-08	37.0%	38.0%	39.0% (FY 2012)
2 2 C	Increase the percentage of adult TANF recipients/former recipients employed in one quarter that were still employed in the next two consecutive quarters. ( <i>outcome</i> )	59.0%	64.4%	61.0%	64.7%	62.0%	Oct-08	63.0%	65.0%	n/a
2 2 D	Increase the percentage rate of earnings gained by employed adult TANF recipients/former recipients between a base quarter and a second subsequent quarter. ( <i>outcome</i> )	37.0%	35.5%	38.8%	33.8%	40.7%	Oct-08	40.8% <sup>2</sup>	40.9%	n/a
2 2 E	Increase the rate of case closures related to employment, child support collected, and marriage. ( <i>outcome</i> )	19.6%	20.1%	20.3%	21.6%	20.4%	Jul-08	20.8%	21.0%	n/a
2 2 F	Decrease the annual cost per recipient. ( <i>OMB approved efficiency</i> )	\$2,516	\$2,619	n/a	\$3,055	n/a	Oct-08	2% under prev year	2% under prev year	n/a
<b>Long-Term Objective 22.3:</b> By FY 2010, increase the number of children living in married couple households as a percentage of all children living in households to 74 percent.										
2 2 G	Increase the number of children living in married couple households as a percentage of all children living in households. <sup>1,3</sup> ( <i>outcome</i> )	69%	69%	70%	68%	71%	Oct-08	72%	73%	74% (FY 2010)

<sup>1</sup> This measure is a performance indicator for the FY 2007 – 2012 HHS Strategic Plan.

<sup>2</sup> The targets for FY 2006 and FY 2007 reflect an ACF ten percent improvement goal by FY 2007 from the 37 percent base for this measure. ACF has increased the target for FY 2008 and FY 2009 by one tenth of one percent each because the FY 2007 target is rigorous.

<sup>3</sup> This measure is based on data collected each calendar (not fiscal) year.

Annual measure 22A reports on whether states have achieved the Temporary Assistance for Needy Families (TANF) all-families work participation rate. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) established the TANF work participation rate targets for states for FY 1997 through FY 2002. These targets remained at the FY 2002 level until reauthorization occurred in FY 2006, when the future targets were revised. From FY 1998 through FY 2002, all states met the all-families work participation rates. For FY 2004, two states, Indiana and Mississippi, were initially cited for failure to meet their target rates. In the appeal of the proposed penalties, there were adjustments in the rates and/or caseload reduction credits which resulted in both states meeting their FY 2004 target rates. For FY 2005 and FY 2006, only the state of Indiana failed to meet its target participation rate; Indiana's work participation rate has declined in both the last two years. This means that less than the required number of recipients were engaged in work activities for the necessary number of hours, and therefore that fewer individuals were likely to achieve self-sufficiency than if the state had met their required rate. Therefore, 98 percent of states met the all-families work participation rate in FY 2005 and FY 2006, narrowly missing the target of 100 percent. Please see table on page 110 for more information. In August 2007, the state was cited for a work participation penalty of nearly \$20 million for failure to meet its FY 2005 and FY 2006 work participation rate targets. (It is noted that Indiana has one of the smallest caseload reduction credit offsets of any state.)

The TANF program was reauthorized under the Deficit Reduction Act of 2005 (DRA) in February 2006. The performance targets for subsequent years remain unchanged, i.e., all states must meet the all-family statutory work participation rate of 50 percent. However, this performance target will be more difficult to meet beginning in FY 2007. Under DRA, the work participation rate calculation includes adults in families that were previously excluded from the rate, i.e., families in the Separate State Maintenance of Effort Programs and some "Child Only Families." In addition, individual state performance targets are more rigorous given the recalibration of the caseload reduction credit.<sup>4</sup> The FY 2007 performance target has been adjusted based on the caseload decline between FY 2005 and FY 2006, as well as future targets through the FY 2009 goal of 90 percent. Note that states that fail to meet the 50 percent requirement of the all-family work rate (adjusted by the caseload reduction credit) are subject to a work participation penalty. A state that fails to meet a participation rate has 60 days to submit a request for a reasonable cause exception, and HHS has defined a limited number of circumstances under which states may demonstrate reasonable cause. States may also submit a corrective compliance plan to correct the violation and insure continued compliance with the participation requirements. If a state achieves compliance with work participation rates in the time frame that the plan specifies, then we do not impose the penalty. To improve performance on this measure, TANF will continue to work with states that fail participation requirements to ensure that they achieve compliance and that they meet their required rate.

Regarding annual measure 22B (job entry), states have had considerable success in moving TANF recipients to work; in FY 2006, 35.6 percent of recipients became employed. This success is attributed to several factors including the employment focus of PRWORA, ACF's commitment to finding innovative and effective employment tools through research, the identification and dissemination of information on the effects of alternative employment strategies, a range of targeted technical assistance efforts, and a strong economy. Exceeding the target for this measure means that more adult TANF recipients or former recipients became employed and began working toward self-sufficiency than the program anticipated. The employment targets for FY 2001 through FY 2003 reflect performance estimates before ACF implemented the use of a single data source, National Directory of New Hires (NDNH), for the work performance measures. Of the three employment measures presented here (22B, 22C, and 22D), only measure 22B – job entry – appears to be significantly affected by the use of the NDNH. This is now a long-term outcome measure as well, 22.2, with a goal to reach 38 percent by FY 2009. New targets for

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<sup>4</sup> State work participation rate targets are adjusted downward by the percent that the state TANF caseload declines from the base year of FY 2005.

2006 and 2007 were set during the PART review in CY 2005. As a result of DRA and because participation rates will be more difficult to meet, the program expects that states will ensure that more recipients are working and placed in work activities. The TANF regulations resulting from DRA defined each of the countable work activities for the first time, and the definitions were created to ensure that all activities enhance the job readiness of clients. As a result, ACF anticipates that more adult TANF recipients will enter the workforce. Please see table on page 110 for more information.

Regarding annual measure 22C (job retention), the retention rate was nearly 65 percent in FY 2006, which exceeded the target of 61 percent. This means that more current and former TANF adult recipients retained jobs and therefore that more individuals were likely to achieve self-sufficiency. When setting targets previous to FY 2006, ACF did not take into consideration the dampening effect of the caseload reduction credit, which significantly reduced state work participation rate targets and thus reduced state incentives for moving TANF recipients into employment. For FY 2002 through FY 2006, an average of 57 percent of adult TANF recipients have not been reported as engaging in any work or work preparation activities. The TANF reauthorization in the DRA strengthens current work requirements to ensure adult TANF recipients are engaged in work or activities leading to employment. One factor to consider in relation to performance is the time it will take states to fully implement the new work requirements. New targets for 2006 and 2007 were set during the CY 2005 PART review. The FY 2008 and FY 2009 targets of 63 and 65 percent, respectively, reflect increases from those levels as states fully implement DRA. As mentioned above, the TANF regulations resulting from DRA defined each of the countable work activities and the definitions were created to refocus the countable work activities toward helping improve the job readiness of clients. As a result, the program anticipates that those entering the workforce will be better prepared to retain employment. Please see table on page 110 for more information.

Regarding annual measure 22D, the earnings gain rate is calculated via dividing the earnings of employed TANF recipients (and former recipients<sup>5</sup>) in a third quarter by the earnings of TANF recipients in a first quarter, provided they were employed in the first and third quarters.<sup>6,7</sup> Since converting to the NDNH, ACF has exceeded its performance targets; in FY 2006, TANF recipients and former recipients showed an increase in earnings of 34 percent between two successive quarters, missing the target of 39 percent. This means that current and former TANF recipients increased earnings significantly over time, but that the increase over two successive quarters grew at a slower rate than set for our target. Please see table on page 110 for more information. The target established for FY 2007 was based on the FY 2004 baseline performance using the existing earnings gain measure. The FY 2006 and 2007 targets are based on a 10 percent improvement goal set by ACF. ACF believes that these goals are ambitious and thus show only small incremental gains for FY 2008 and FY 2009 to reach a goal of 40.9 percent by FY 2009. To achieve the FY 2007 target of 40.7 percent, we would need to improve 5.2 percentage points from the FY 2005 rate of 35.5 percent. Because participation rates will be more difficult to meet, states will work to ensure that more recipients are working and placed in work activities that lead to employment. As a result, the program expects that the earnings gain will improve and that our goals will be met in the future.

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. Annual measure 22E tracks the rate of case closures related to employment, as well as

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<sup>5</sup> “Former recipients” includes only those that received TANF in the first quarter but left the rolls in either the second or third quarter.

<sup>6</sup> This rate is calculated for all quarters: thus, employed recipient earnings in quarter one are compared with employed earnings in quarter three, employed recipient earnings in quarter two are compared with employed earnings in quarter four, employed recipient earnings in quarter three are compared with employed earnings in quarter one of the following year, etc.

<sup>7</sup> The rate is compiled for each year by averaging the gains by quarters one, two, three and four from the previous year’s quarters three and four and the current year’s quarters one and two.

marriage and the receipt of child support, which generally reflect the earnings of others. The baseline for this measure is 18.8 percent in FY 2003. ACF projects that the rate of closures will level off in FY 2007 before increasing in fiscal years 2008 and 2009 as result of states implementing DRA. Therefore ACF has set an increase in the target between FY 2006 and FY 2007 of .1 percentage point and a target of 21 percent for FY 2009. As mentioned above, participation rates will be more difficult to meet and states will work to ensure that more recipients are working and placed in work activities that lead to employment. This will result in more cases being closed due to employment than previously. The TANF regulations resulting from DRA also specify the type and frequency of documentation needed to verify participation, and this will result in an improvement in the data reported on this measure and may reveal that a higher proportion of case closures are due to employment than previously thought. States have also been encouraged to gain access to the NDNH to uncover employment that was previously unknown to the agency, and this may result in more cases being closed due to employment. Caseload closures data provide information on the number of families leaving TANF, but do not indicate the number of families that are more self-sufficient as a result of employment or other income. Please see table on page 110 for more information.

Efficiency measure 22F tracks TANF costs per recipient. The numerator is total federal TANF and state maintenance of effort expenditures on work-related activities/expenses, transportation, and a proportional amount on administration and systems. The denominator is number of adult TANF recipients. In FY 2006, the cost per recipient was \$3,055; by FY 2009, the program expects to decrease this cost by at least two percent from the previous year's result. This means that states spent more of their funds on work activities and administration than anticipated by the goal, which may have resulted in states spending fewer funds in other areas of the program that could lead to self-sufficiency. Spending on work activities and administration in FY 2006 likely increased as states anticipated effects from the DRA. This increase is expected to be transitory, and these expenditures should decline in future years.

Regarding annual measure 22G, research indicates that children who grow up with their own two parents in healthy marriage have a more solid foundation for success. They are less likely to experience poverty, engage in high-risk behavior, or suffer from emotional or developmental problems. Over time, these children have higher levels of educational attainment, employment opportunity and earning potential. ACF is exploring the development of measures to capture other aspects of healthy marriage and responsible fatherhood in addition to the marital status of the families in which children live, as captured by measure 22G. The baseline for measure 22G is 69 percent. The targets for this population measure in the out years are rigorous; the movement in this population measure has only changed within a very narrow percent band since data on this measure started to be collected in 2002. ACF anticipates that the Healthy Marriage Initiative funded under DRA, which was passed in FY 2005, will eventually have a positive impact on this performance measure, and help to achieve the FY 2009 target of 73 percent. In FY 2006, 68 percent of children lived in married couple households, narrowly missing the target of 70 percent. The program faces several challenges in meeting this target. Many are related to the fact that the data for this measure is for the entire population and not just those served by TANF, and also that states have flexibility in serving clients under the TANF program and the healthy marriage and responsible fatherhood grant programs. This makes it difficult for ACF to directly influence the number of children living in married couple households. ACF is developing measures to capture other aspects of healthy marriage and responsible fatherhood in addition to the marital status of families in which children live, and these measures will be used by our grantees. This will allow us to better target our measure to those we serve as well as yield data directly relating to participants. Please see table on page 110 for more information.

## *Child Care Entitlement*

Please see “Child Care and Development Block Grant” for performance measures and analysis.