



*Highlights of a*  
**FORUM**

*Convened by the*  
**Comptroller General of  
the United States**

**ENSURING  
OPPORTUNITIES  
FOR DISADVANTAGED  
CHILDREN AND  
FAMILIES**

**November 2008**  

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**GAO-09-18SP**



Highlights of [GAO-09-18SP](#), a GAO forum

## Why GAO Convened This Forum

Investments in the education and health of children are critical to the nation's future, as the nation's security and well-being depend on a productive citizenry. While families play the essential role in nurturing their children, the federal government has traditionally provided aid to disadvantaged children and families. However, federal spending on current health care and retirement programs—Medicaid, Medicare, and Social Security—is projected to grow dramatically and absorb an increasing share of the federal budget and economic output. Absent meaningful changes, little room will be left in the federal budget to address other priorities, including programs designed to assist and ensure opportunities for disadvantaged children and families.

GAO convened this forum on June 25, 2008, to identify key areas of concern related to disadvantaged children and their families and to discuss ideas to address these concerns within this fiscal environment.

Participants included budget experts; representatives from federal, state, and local governments; research and policy institutes; and philanthropic and nonprofit organizations. Comments expressed during the proceedings do not necessarily represent the views of all participants, the organizations they represent, or GAO. Participants reviewed a draft of this summary, and their comments were incorporated, as appropriate.

To view the full product, click on [GAO-09-18SP](#). For more information, contact Cynthia Fagnoni at (202) 512-7215 or [fagnonic@gao.gov](mailto:fagnonic@gao.gov).

## HIGHLIGHTS OF A FORUM

### Ensuring Opportunities for Disadvantaged Children and Families

#### What Participants Said

The following themes were highlighted by participants:

**Improve income supports to families:** Participants noted a range of issues facing some families and their children, including intermittent work, low-wage jobs, and deep poverty. This raised concerns that many children face significant instability in their lives, such as frequent moves, changing child care arrangements, and unstable family incomes. Some participants asserted that work and income supports to families help reduce the negative effects of poverty on children. However, it was noted that existing work and income supports don't help everyone, and that policymakers need to find ways to better assist the most vulnerable groups in order to stabilize their lives and reduce the harmful effects of these circumstances on children.

**Focus on health care services and prevention:** Participants noted the important role that health care services play in ensuring opportunities for all children. They raised concerns about the lack of health care coverage for a significant portion of people, citing health insurance costs as a growing burden for workers, businesses, and government. They also suggested the need to revamp the health care system, including payment policies, to ensure that health care professionals help prevent illness and disease.

**Expand educational opportunities:** Participants pointed to the need for increased opportunities for early, secondary, and postsecondary education to support the long-term success of disadvantaged children. Concerns were raised that low-income children are less likely to get quality early care and education services, stay in school, or acquire postsecondary education. This is due, in part, to challenges faced in affording quality child care, being English language learners, and navigating college application and financial assistance processes.

**Restore fiscal health to the federal budget:** A presentation by one participant suggested that slowly changing the allocation of federal resources from retirement programs to programs focused earlier in the life cycle of individuals, such as education, could yield brighter futures for individuals and less reliance on federal support in later years over the long run. This increased focus on prevention would help address projected deficits and improve well-being among some children and families, noting that child well-being in the United States ranks below that of several other rich countries.

**Use the federal budget process, research, and data to make federal investment decisions:** Some participants suggested that policymakers examine how to enable federal budget deliberations to discuss funding in terms of long-term investments versus current consumption so that policymakers can make explicit choices about the right mix of each. Others discussed the need for research and national indicators—and using the results of these—to direct federal investments to programs and interventions that work. Overall, the discussion highlighted that doing more to ensure all children have opportunities to become productive citizens—through income support, health care, and education policies—will require new thinking about federal investments with an increased focus on prevention and longer term investments.

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## Abbreviations

CCDF	Child Care Development Fund
EITC	Earned Income Tax Credit
FAFSA	Free Application for Federal Student Aid
NCLBA	No Child Left Behind Act
SCHIP	State Children's Health Insurance Program
SNAP	Supplemental Nutrition Assistance Program
TANF	Temporary Assistance for Needy Families
VAT	value-added tax

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United States Government Accountability Office  
Washington, DC 20548

## Introduction

Investments in the education and health of children are critical to the nation's future, as the nation's security and well-being depend on a productive citizenry. While families play the essential role in nurturing their children, the federal government has traditionally provided aid to disadvantaged children and families and helped to ensure they have opportunities to succeed. The federal government is on an unsustainable fiscal path, however, that could make it more difficult to aid the disadvantaged, as well as more broadly ensure a prosperous future for all children. Budget experts now agree that the growing gap between spending—driven largely by rising health care costs and an aging population—and revenues could result in an escalating cycle of deficits and debt. The growth in Social Security, Medicare, Medicaid, and interest on debt held by the public dwarfs the growth in all other types of spending. Without meaningful action, this fiscal course will lead to increasingly little room for other federal priorities. Yet, the nation faces a range of current and emerging problems that require attention: instability in financial markets, energy, environmental protection, and homeland security, to name a few. These long-term challenges have profound implications for our future economic growth, standard of living, and national security, and raise issues about the future prospects of all of the nation's children, including the disadvantaged.

GAO convened a forum on June 25, 2008, to examine future prospects for the nation's children. Participants were asked to identify any concerns about the current and future prospects for children, particularly the disadvantaged, as well as any actions that might address these concerns and to discuss the implications of current federal spending priorities for investments in children and families. (See app. I for the forum agenda.)

Policymakers will need to consider these and other issues facing the country in the context of the nation's long-term fiscal challenges. In view of the tough choices and trade-offs that are involved, GAO convened this forum, bringing together a diverse group, including budget and fiscal experts, and participants from federal, state, and local governments; research and policy institutes; and philanthropic and nonprofit organizations representing children, families, and communities; economic development; and social insurance. (See app. II for a list of participants.) The forum was structured so that participants could comment on issues openly, although not all participants commented on all topics.

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This summary attempts to capture the ideas and themes that emerged at the forum, the collective discussion of participants at the sessions, and participants' comments on a draft of this summary. This summary does not necessarily represent the views of the organizations whose representatives participated in the forum, including GAO. Participants reviewed a draft of this summary, and their comments were incorporated where appropriate.

I would like to thank the forum participants for taking time to share their knowledge, insights, and perspectives on this important topic. Others will benefit from these contributions. GAO looks forward to working with the participants on these and other issues of mutual interest and concern in the future.



Gene L. Dodaro  
Acting Comptroller General of the United States  
November 13, 2008

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## Background

Data show that, on some measures, some children and families are not faring well. In a 2007 report, GAO noted that the poverty rate was higher among children than for the total population, and higher than among the elderly. The poverty rates in 2006 for African-American and Hispanic children were 33 percent and 26.6 percent, respectively.<sup>1</sup> While most youth successfully transition to adulthood, a significant number of youth are disconnected from school and employment. These youth are more likely than others to engage in crime, become incarcerated, and rely on public systems of support.<sup>2</sup> Research shows that individuals living in poverty face

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<sup>1</sup>GAO, *Poverty in America: Economic Research Shows Adverse Impacts on Health Status and Other Social Conditions as well as the Economic Growth Rate*, [GAO-07-344](#) (Washington, D.C.: Jan. 24, 2007).

<sup>2</sup>GAO, *Disconnected Youth: Federal Action Could Address Some of the Challenges Faced by Local Programs That Reconnect Youth to Education and Employment*, [GAO-08-313](#) (Washington, D.C.: Feb. 28, 2008).

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an increased risk of adverse effects, such as poor educational outcomes, poor health, and criminal activity. Recent research reported by the Brookings Institution has also shed new light on the extent to which low-income children can escape this economic status. While most children improve their economic position compared with their parents, 42 percent of children born to parents in the bottom one-fifth of the income distribution will stay there. This research also found that 45 percent of African-American children whose parents were in the middle of the income distribution in the 1960s fell to the bottom of the income distribution, compared to 16 percent with white children.<sup>3</sup>

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## The Role of Government in Assisting Low-Income Families

The federal government has had a long history of efforts to improve the conditions of those living with limited income and resources. Federal and state governments are involved in the provision of supports for low-income families through an array of programs targeted at child care, medical, housing, food, and utility and other social services assistance.<sup>4</sup> On the federal side, these programs and benefits, many of which help support recipients' efforts in achieving self-sufficiency, assist tens of millions of low-income families nationwide at a cost of over \$100 billion annually.<sup>5</sup> Eligibility to participate in federal programs and benefits is typically predicated on whether a recipient's income is equal to, or at some percentage below or above a poverty threshold established by the U.S. Census Bureau (Census). Over the years, experts have debated whether or not the way in which the poverty threshold is calculated should be changed and the National Academy of Sciences has recommended alternatives.<sup>6</sup> In response, Census published experimental poverty

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<sup>3</sup>Julia Isaacs, Isabel Sawhill, and Ron Haskins, *Getting Ahead or Losing Ground: Economic Mobility in America*, Brookings Institution, Washington, D.C.: February 2008.

<sup>4</sup>[GAO-07-344](#), 7.

<sup>5</sup>GAO, *Supports for Low-Income Families: States Serve a Broad Range of Families through a Complex and Changing System*, [GAO-04-256](#) (Washington, D.C.: Jan. 26, 2004), 1.

<sup>6</sup>Currently the calculation only accounts for pretax income and does not include noncash benefits, such as Medicaid, which have comprised larger portions of the assistance package to those who are low-income. Other critiques note that it does not take into account key expenses that individuals and families typically incur. In 1995, a National Academy of Sciences panel recommended changes to the poverty calculation by counting noncash benefits and by deducting expenses, such as child care.

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measures in addition to its traditional one. However, Census has not yet changed the factors included in the official measure.<sup>7</sup>

The roles and responsibilities of the federal and state governments vary for the broad array of low-income programs. For example, supports for low-income families vary in terms of whether they are funded with federal funds, state funds, or a combination; whether funding is fixed; and the extent to which the federal government, state government, or a combination is responsible for determining eligibility rules, availability, and benefit structures. In addition, some supports, such as the Food Stamp Program (now the Supplemental Nutrition Assistance Program) and Medicaid, are entitlements, for which eligible applicants are guaranteed receipt.<sup>8</sup> For other supports, such as subsidized child care and transportation assistance, provision of the supports is not mandatory and receipt is not guaranteed.<sup>9</sup>

A key feature of the nation's set of low-income programs is its decentralized, patchwork nature. While this offers some flexibility to address various state and local needs, it has also raised some concerns. Numerous federal departments and agencies, state and local offices, community-based organizations, and other entities are responsible for administering these programs. Authorized by different congressional committees at different points in time, these programs were created to meet the various needs of different groups of low-income people. However, when viewed as a whole, they have given rise to long-standing concerns that the nation's assistance programs for low-income families are too difficult and costly to administer and too complicated for families to navigate.

## Income Supports and Low-Income Families

Supplementing the income of those who are economically disadvantaged is one approach used by some federal programs to help alleviate economic hardship and to support efforts toward self-sufficiency. Two key programs through which the federal government provides income supports to eligible low-income individuals and families are the Earned Income Tax

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<sup>7</sup>U.S. Census Bureau, *Poverty Among Working Families: Finding From Experimental Poverty Measures*. (Washington, D.C.: September 2000).

<sup>8</sup>Effective October 1, 2008, the Food Stamp Program name was changed to the Supplemental Nutrition Assistance Program (SNAP).

<sup>9</sup>[GAO-04-256](#), 5.



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Credit (EITC) and the Temporary Assistance for Needy Families (TANF) block grant.

The EITC provides a refundable tax credit to workers with and without children. The EITC is a percentage of the person's earnings, based on the number of children, up to a maximum earned income amount. Beginning at a certain income level (i.e., the phase-out income level), the EITC is reduced. Unlike most tax credits, the EITC is a "refundable" credit meaning that a person need not owe or pay any income tax to receive the EITC.<sup>10</sup>

The TANF block grant, created by the 1996 welfare reform law (Pub. L. No. 104-193), places a greater emphasis on moving parents into work and on personal responsibility than its predecessor program. TANF provides money to states to fund a wide range of benefits and services for economically disadvantaged families, including child care and job search activities, as well as cash welfare for low-income families with children. The monthly TANF cash welfare benefit, which is time-limited, is determined by the states and benefit amounts vary widely among the states. TANF also funds activities to help achieve the goals of reducing out-of-wedlock pregnancies and raising children in two-parent families.<sup>11</sup>

## Early Care and Education for Low-Income Children

Early care and education has long been recognized as a critical support to families' self-sufficiency in that it provides care to children so that parents can work. Emerging research in recent years has also shown that quality care can have a positive impact on children's development and on their chances for success in school and beyond. Early care and education in the United States is provided by a variety of individuals and organizations, including part-day or full-day centers and schools; nonrelated providers in the provider's home; neighbors or friends; or by au pairs, nannies, or sitters in the children's own homes. These services are known by different names, such as child care, prekindergarten or family child care, but they share the essential element of providing care for children.

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<sup>10</sup>Congressional Research Service, *Cash and Noncash Benefits for Persons with Limited Income: Eligibility Rules, Recipient and Expenditure Data, FY2002-FY2004* (Washington, D.C.: Mar. 27, 2006), 2, 72.

<sup>11</sup>Congressional Research Service, *Temporary Assistance for Needy Families (TANF): Issues for the 110th Congress* (Washington, D.C.: Jul.16, 2008), 1, 3.

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The bulk of expenditures on early care and education are paid by parents although government also contributes significant amounts of funding. The public financing structure for early care and education in the United States involves multiple funding streams at various levels of government—federal, state, and local. A significant portion of federal support for early care education is provided through the Child Care and Development Fund (CCDF), Head Start, TANF, and the Dependent Care Tax Credit. CCDF and TANF are funding streams to states that help provide subsidies to low-income families so that they are able to pay for child care.<sup>12</sup> Within the parameters of federal guidance and regulations, states determine their own specific policies concerning the administration of these monies, which include who is eligible to receive subsidies and the amount of the subsidy. Head Start is the federal government’s early care and education program for children ages birth through 5.<sup>13</sup> It also provides comprehensive health, nutritional, social, and other services to children and their families. Grants are directly awarded to various types of organizations to develop and run Head Start programs. The tax credit is a funding mechanism provided through the tax code. It allows taxpayers to claim a credit on their income tax form for some of the expenses of work-related child care. The credit may be claimed for any legal form of child care used so that parents can work, including: child care centers, nursery schools, family child care homes, in-home child care (such as nannies), paid care provided by relatives, and day camps. Low-income families who do not earn enough to pay taxes are not eligible.

## Education for Disadvantaged Children

The nation’s economic prosperity and global competitiveness depend in large part on the effective education of the 48 million students who attend public schools. While the mainstay of funding for K-12 education in the United States is from state and local sources, the federal government also contributes monetary support. The primary vehicle for federal aid for K-12 education is the Elementary and Secondary Education Act, particularly its Title I, Part A—Education for the Disadvantaged, known as the No Child Left Behind Act of 2001 (NCLBA).

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<sup>12</sup>Both CCDF and TANF provide funding for services other than subsidizing child care. For example, CCDF allows states to use a portion of their block grant funds to improve the quality of child care services while TANF provides funding to states for a broad range of services to eligible clients such as job search assistance and substance abuse counseling.

<sup>13</sup>In fiscal year 2007, 51 percent of the children enrolled in Head Start were 4 year olds, 36 percent were 3 year olds, and 10 percent were under the age of 3.

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## Health Care and Low-Income Children and Families

NCLBA increased the federal government's role in K-12 education by setting two key goals: to reach universal proficiency on state academic assessments whereby all students score at the proficient level of achievement—as defined by the states—by 2014, and to close achievement gaps between high- and low-performing students, especially those in designated groups: students who are economically disadvantaged, are members of major racial or ethnic groups, have learning disabilities, or have limited English proficiency.<sup>14</sup> To accomplish the goals set out under NCLB, states are required to (1) set academic standards for all students, (2) establish increasing annual targets for student performance, (3) provide suitable assistance to schools to enable improvement, and (4) offer educational alternatives for families with children in schools that have not shown adequate improvement despite assistance.

Some economic research points to health as a key variable in the productivity not only of individuals but the economy as a whole. Good health can enhance workers' productivity by increasing their physical and mental capacities and help them improve educational attainment through scholastic performance.<sup>15</sup> However, some data show that health outcomes are worse for individuals with low incomes than for their more affluent counterparts. This is due, in part, to limited access to health insurance and thus less access to health care, particularly preventive care.<sup>16</sup> Many low-income families and their children are covered through Medicaid and the State Children's Health Insurance Program (SCHIP), which are jointly financed by the federal and state governments.<sup>17</sup> While these programs are targeted to those who are low-income, eligibility varies among the states, and not everyone who is poor is covered.

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<sup>14</sup>GAO, *No Child Left Behind Act: States Face Challenges Measuring Academic Growth That Education's Initiatives May Help Address*, [GAO-06-661](#) (Washington, D.C.: Jul. 17, 2006), 1, 6.

<sup>15</sup>GAO, *Poverty in America*, 20.

<sup>16</sup>GAO, *Poverty in America*, 9, 10.

<sup>17</sup>Medicaid is a federal means-tested entitlement program that provides federal matching funds to states to finance the delivery of primary and acute medical services as well as long-term care. SCHIP offers federal matching funds for states and territories to provide health insurance to targeted low-income children. For more information on these programs, see GAO, *Medicaid and SCHIP: States Use Varying Approaches to Monitor Children's Access to Care*, [GAO-03-222](#) (Washington, D.C.: Jan. 14, 2003) and GAO, *Children's Health Insurance: States' SCHIP Enrollment and Spending Experiences and Considerations for Reauthorization*, [GAO-07-558T](#) (Washington, D.C.: Mar. 1, 2007).

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## The Federal Government Faces Long-term Fiscal Challenges

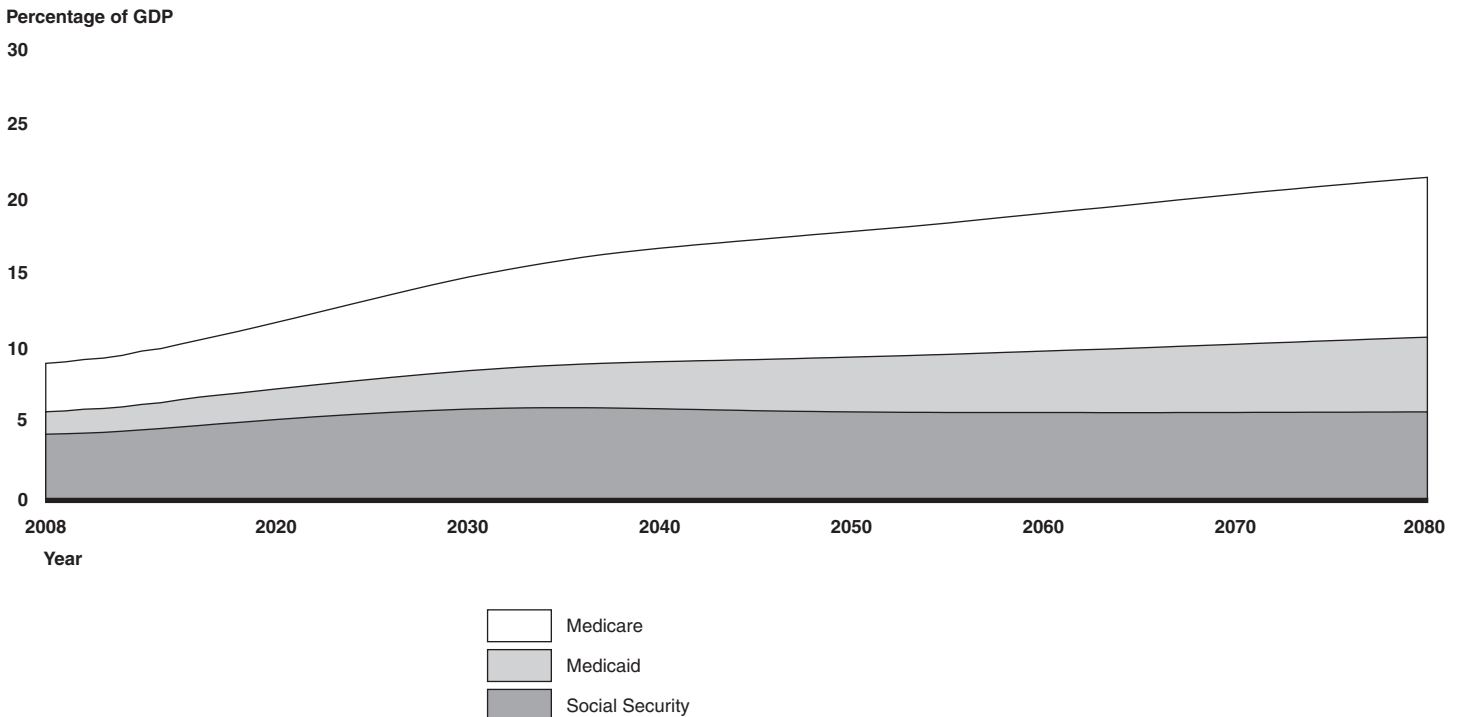
The United States is facing large and growing structural deficits driven largely by health care costs, demographics, and revenues. An increasing portion of the federal budget is on “autopilot.” As the baby boom generation ages and retires, federal spending on current health care and retirement programs—Medicaid, Medicare, and Social Security—is projected to grow dramatically and absorb an increasing share of economic output (see fig.1). In 1967, these programs accounted for about 16 percent of federal spending, but by 2007 they already accounted for more than 40 percent.<sup>18</sup> State and local governments will also face similar fiscal challenges over the next decade. As is the case for the federal government, rising health care costs will be the primary driver at the state and local level—both for Medicaid and for employee and retiree health coverage.<sup>19</sup> Absent change, this fiscal path will affect the federal and state governments’ roles in many areas, including providing assistance to disadvantaged families and children.

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<sup>18</sup>GAO, *Making Tough Budget Choices to Create a Better Future*, [GAO-08-604CG](#) (Washington, D.C.: Mar. 12, 2008). See also GAO, *A Call For Stewardship*, [GAO-08-93SP](#) (Washington, D.C.: Dec. 17, 2007), 7, 8.

<sup>19</sup>For more information on this topic, see GAO, *State and Local Governments: Growing Fiscal Challenges Will Emerge during the Next 10 Years*, [GAO-08-317](#) (Washington, D.C.: Jan. 22, 2008).

**Figure 1: Growth in Spending for Social Security, Medicare, and Medicaid Is Expected to Outpace Economic Growth (2008-2032)**



Source: GAO analysis of data from the Office of the Chief Actuary, Social Security Administration, Office of the Actuary, Centers for Medicare and Medicaid Services, and the Congressional Budget Office.

Note: Social Security and Medicare projections are based on the intermediate assumptions of the 2008 Trustees' Reports. Medicaid projections are based on CBO's January 2008 short-term Medicaid estimates and CBO's December 2007 long-term Medicaid projections adjusted to reflect excess cost growth consistent with the 2008 Trustees' intermediate assumptions.

## Participants Discussed Ways to Address Concerns About Income Supports, Health Care, and Education for Disadvantaged Children and Families

During the forum, participants were asked to discuss their key concerns about opportunities for disadvantaged children and families, as well as possible approaches to address these concerns. From this discussion, income supports, health care, and education emerged as areas the government needs to focus on to ensure that disadvantaged children and families have sufficient opportunities for healthy development and a prosperous future.

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**Income Supports:  
Participants Discussed the  
Importance of Income  
Supports to Alleviate the  
Adverse Effects of Poverty  
While Also Providing  
Incentives for Work**

Some participants noted the growth in income inequality and stagnant wages for younger individuals and families and suggested the importance of finding ways to broaden income supports and other means to help families alleviate the adverse effects of poverty and build self-sufficiency.

During a discussion recapping some of the poverty research and evaluations of intervention programs, one participant stated that earlier research illuminated the adverse effects of poverty on children's outcomes, but that less was known about how to address those effects. Several years of additional studies have helped the United States learn about how work and income supports assist in reducing the effects of poverty on families and lead to better cognitive and behavioral outcomes for children in these families. This work has led to support for an expanded EITC, for example.

Another participant commented on the expansion in recent years of important supports to low-income families that help promote and support parents' work efforts. However, this participant pointed out that none of these federal supports directly encourage family formation, specifically marriage, or help keep the family unit intact, in part because these supports often do not include low-income males. He suggested policymakers consider ways to include these men. Such policies would encourage more low-income males to work, which in turn could also encourage marriage and result in family stability. The participant noted that some proposals have been developed to expand EITC to help achieve these goals. Along the lines of policies that encourage work, another participant emphasized that policies should strive to maximize parents' own responsibility for their children.

One participant noted several concerns about vulnerable populations and the critical importance of addressing their needs. These concerns are as follows:

- While the increased emphasis on work and work supports has helped some families, the safety net has been weakened for others. Research shows that TANF provides cash assistance to about 40 percent of eligible families compared with 70 percent to 80 percent of eligible families under its predecessor program, Aid to Families with Dependent Children.
- An estimated 2-3 million children are in families who are in deep poverty, defined as having an annual income at or below 50 percent of the poverty line. This is related, to some extent, to fewer poor families receiving cash assistance.

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- These and other families, including some who are working at low-wage jobs and/or not working full-time or year-around, face significant instability in their lives, such as frequent moves, changing child care arrangements, and unstable incomes.
  - While it is important to have policies that encourage parents to work and to promote parental responsibility, greater focus is needed on reducing the instability in these families and its harmful effects on their children.

This participant also added that, while the safety net is generally stronger for the elderly than for some families with children, some of the elderly have high poverty rates. Based on calculations using the National Academy of Science's alternative poverty measure, poverty rates for some seniors are as high as for some children, after accounting for out-of-pocket medical expenses, even though the elderly have access to health care and income supports through Medicare and Social Security.

One theme that emerged in discussions of income supports is the complex nature of the nation's set of low-income programs that often pose challenges for families in need of services, as well as for program administrators, evaluators, and policymakers. These issues can make service delivery, program accountability, and program evaluation more difficult. More specifically:

- Many aid programs and services have different eligibility criteria and application procedures that make access difficult. One participant noted a local effort to address these issues by using information technology in order to share and connect program information.
- Tracking individuals' progress over time, and as they transition from one program or system to another, is difficult to accomplish, although it could be important in tracking outcomes and need.
- Data are sometimes not available in a useful form. For example, in databases used for research, data on an individual's status or condition is sometimes available while data for a household is not, even when that is the most useful unit for analysis.

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## Health Care: Participants Discussed the Need for Health Care Services for Disadvantaged Children and Families

Forum participants highlighted the importance of health care services for all families and children and discussed the importance of prevention—not just in individuals’ lives but in health policies as well—to ensure a healthy future for our nation’s children.

In conveying findings from some of the work of her organization, one participant stated that young families see the lack of access to affordable health insurance as one of their biggest hurdles in achieving “the American Dream.” Participants said that many families go without health care coverage for a variety of reasons. Some participants noted that the increasing cost of health care benefits is a growing burden to both individuals and companies. Some workers do not participate in health insurance programs offered by their employers because they can’t afford their share of the premiums. Other workers do not have health insurance because their company doesn’t offer it, typically because they can’t afford to do so, particularly if the company is a small business. In commenting about health insurance provided by the government to low-income families, one participant explained that parents with children who receive TANF also receive Medicaid; but, once they leave, the mother’s coverage, after a short transition period, will stop. The participant further added that, once the parent’s coverage has been terminated, data show that children are less likely to receive health care services even though the child continues to be covered by the government’s health insurance programs through Medicaid or SCHIP.

Another theme raised during the forum was the need to focus on health prevention services, which some asserted may offer a more cost-effective approach to providing health care. Two participants commented that preventable health conditions can be costly to treat, evidenced by the fact that the bulk of health care spending is for a small percentage of chronic diseases. Another added that addressing preventable health issues in children might be more cost-effective in the long run because these early investments benefit individuals later in life. Adding to these points, some others stated that transforming the nation’s health care system to a preventive one would require policymakers to rethink the way the system reimburses for medical services. As currently designed, the system focuses on paying doctors to treat diseases, not to educate their patients and the public about preventing them.



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## Education: Participants Discussed the Need to Expand Educational Opportunities to Disadvantaged Children

Forum participants discussed the need for increased educational opportunities—specifically prekindergarten and postsecondary education—and a focus on helping students stay in school as ways to support disadvantaged children.

Several participants noted that low-income children tend to receive lower quality early care and education services because they cannot afford the cost of quality child care. One participant said that many low-income families rely on federal and state child care subsidies, but these funds have not increased in a number of years, and substantial numbers of potentially eligible families do not receive assistance. It was also noted that some low-income families rely upon other low-income individuals to provide unlicensed child care, as allowed under current policies. These caregivers, in turn, then receive income through the child care subsidy system, although the care provided may not adequately prepare children for school.

According to one participant, concerns about the importance of preparing all children for success at school is the reason that the Gates Foundation decided that investing in an early learning system in Washington State was a good use of its foundation dollars. The foundation looked at the research, talked with other funders, and decided that providing support at both the community and state level to build an infrastructure for quality child care and other services for families were the supports necessary to help children succeed. In building this public/private partnership, a key challenge involved working with the multiple agencies at the state and local levels to come together with a common goal and implementation strategy. The pilot effort also includes an evaluation component so that they can learn what works—and what doesn't—before implementing efforts on a larger scale.

Other education themes that emerged during the forum discussions were helping disadvantaged children stay in school and gain entrance to postsecondary education opportunities. These challenges are due in part to the changing mix of student demographics. Several participants stated that educating children and preparing them for college is more challenging today, given the growing number of minority populations and children who are English language learners. Yet, others mentioned that our understanding is limited regarding the best ways to work with English language learner students of different age groups—preschoolers, elementary, secondary, and postsecondary. Some participants called for increased investments in public school systems with this population,

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including hiring more teachers specifically trained to work with English language learners.

One participant made several points concerning low-income families and the college and financial assistance process, some of which were echoed by other participants as well. These points include:

- Children from low-income families who apply for college often learn about the cost of a college education only months before college begins, or when they do find out the cost, fail to complete a Free Application for Federal Student Aid (FAFSA) form to apply for financial aid.<sup>20</sup>
- Because the parents of low-income children are less likely to know how to help their children apply to school or tap resources to pay for it, these children may not receive the kind of help or other support they need from home, and many low-income students with high test scores end up not attending college at all. It is the responsibility of secondary schools to do more to help ensure that low-income children are able to attend college. To that end, high school counselors could provide better information to students and their families to help them navigate the college process and, in doing so, perhaps help increase postsecondary enrollment numbers of students from low-income families.
- Related to this, a proposal has been developed to significantly simplify the student aid process, which would streamline eligibility, combine funding sources, and get information distributed to high school students about the amount of financial aid they are eligible to receive several years before they apply to college so they can plan accordingly.

On a different note, a participant noted that studies show that access to college is more likely affected by the type of preparation from an early age than by financial aid, even for minority students, highlighting again the importance of starting early to prepare children.

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<sup>20</sup>FAFSA is a form that students fill out to determine their eligibility for federal student financial aid. In addition, most states and schools use information from the FAFSA to award nonfederal aid.

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## Forum Participants Discussed the Need to Address Long-term Budget Issues And Information Gaps in Finding Ways to Assist Disadvantaged Children and Families

In addition to addressing specific programmatic issues related to income supports, health care, and education, forum participants also discussed the need to restore the fiscal health of the federal budget to help ensure support for disadvantaged children and families. Dr. Isabel Sawhill presented one approach, which calls for reassessing federal policies and programs for younger and older Americans. Participants also talked about ways to leverage current funding; the need to recognize investments in human capital during budget deliberations; and developing and using research and national indicators to determine what works and what doesn't, as well as to assess the well-being of children.

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## Forum Participants Discussed Budget Changes That Will Strengthen Children and Families and the Nation's Long-term Fiscal and Economic Future

Dr. Sawhill presented information about the fiscal challenges facing the country over the next few decades and echoed similar concerns raised by GAO in recent years. She said that budget experts predict the deficit will grow to almost \$700 billion by 2017. Although the deficit has partly been affected by health care spending, defense, and other initiatives, Dr. Sawhill noted that the growth in the deficit will accelerate when baby boomers retire and begin to use the benefits provided to them through Social Security, Medicare, and Medicaid, as they are currently constructed. Absent changes in spending on these programs, they will absorb an ever growing share of the budget, leaving less available for other domestic priorities, including programs for disadvantaged children and families. She also presented information that showed child well-being in the United States ranked below other developed countries on several measures, such as health, safety and education. (See app. IV for presentation slides.)

Dr. Sawhill outlined a proposal to change the timing of government assistance for such programs as income supports, health care, and education, so that resources are directed earlier in a person's life. Changing the allocation of federal resources to Social Security, Medicare, and Medicaid—gradually and over time—would rein in their costs and allow some of these monies to be directed to programs that support children and families. Dr. Sawhill's expectation is that the individuals who reaped the benefits of these early childhood and family support investments would, in turn, have brighter education and employment opportunities. In addition, the beneficiaries could exercise greater responsibility for investing in their own retirement and rely less on government programs as they age. Dr. Sawhill said that this approach essentially focuses on prevention and is based on the idea of investing in

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the young, especially in their education, to yield a higher return in future prospects for these individuals, and thus reduce their need for government support later on, as well as enhance productivity for the nation.<sup>21</sup>

Participants offered some suggestions and reactions to this presentation. One participant said that pitting the old against the young is not a productive approach to meeting the needs of children or other vulnerable Americans, cautioned against framing the issues as the “old versus the young,” and suggested that program benefits be based on need or income rather than on age. While acknowledging that targeting of benefits is appropriate, another participant discussed a strong preference for accomplishing targeting through progressively indexing benefits, as opposed to “means testing” them.<sup>22</sup>

Some noted the importance of addressing the rising costs of health care to make headway on the fiscal crisis. One participant pointed out that Social Security spending—which grows for a few years but then flattens—is a much smaller portion of the growing burden than Medicare and Medicaid. Regarding the importance of health in addressing the budget crisis, one participant said that “all roads lead to health,” while another noted that changing the spending trajectory really means reforming both the government and private health care systems.

Another participant cautioned against viewing America’s fiscal problems through only one “fiscal frame” and wanted to be sure that raising revenues, not just reducing spending, was considered for discussion. Building on this point, others offered ideas such as a value-added tax (VAT) earmarked for health care that could provide revenues to cover

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<sup>21</sup>For more information about Dr. Sawhill’s proposal, see Isabel Sawhill and Emily Monea, “Old News” *Democracy: Journal of Ideas*, Issue 9 (Washington, D.C.: *Democracy: A Journal of Ideas*, <http://www.democracyjournal.org/article.php?ID=6630> Summer, 2008), (accessed Oct. 28, 2008).

<sup>22</sup>Indexing is a way to link the growth of benefits and/or revenues to changes in economic or demographic variables. For example, initial benefits can be set to grow with changes in average wages or changes in prices. Modifications to indexing seek to slow the growth of benefits or increase the growth of revenues, see GAO, *Social Security Reform: Implications of Different Indexing Choices*, [GAO-06-804](http://www.gao.gov/products/GAO-06-804) (Washington, D.C.: Sept. 14, 2006).

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those without health care benefits.<sup>23</sup> The importance of paying more attention to tax expenditures' role in the federal budget was also raised; they should be considered when reviewing current and potential federal policies and investments.

One participant commented that, as budget solutions are considered in the future, there should be a reassessment of federal and state roles, including consideration of shifting some responsibilities between these entities. For example, in some areas, such as education, children move across state lines; that is, they are prepared for school in one state, start school in another, and use their education and skills to obtain employment in yet another state. The participant raised the question as to what the extent of the federal government's role should be in preparing children for school and helping them succeed, given that the benefits of that education accrue to not only the individual and their home state, but the nation at large.

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### Forum Participants Highlighted the Federal Budget Process, Research, and National Indicators as Important Tools in Making Decisions about Federal Investments

Participants advised that looking at the federal budget process, developing a solid research base, and compiling a set of national indicators from which to assess programs aimed at serving children and families would be valuable to policymakers and the public when making investment decisions on policies and programs. In summarizing the discussion, some key questions emerged: What are the nation's goals? What strategies and actions are needed to reach them? How well is the nation faring when measured against these goals? What changes or adjustments are needed?

Some participants noted that the country needed a federal budget process designed to allow consideration of long-term investments, such as for human capital or intangibles like productivity capacity. One participant suggested that policymakers should be provided information during budget deliberations that enables them to make explicit decisions about the appropriate mix of spending for current consumption and long-term

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<sup>23</sup>A VAT is a broad-based consumption tax. A VAT is a tax levied on the difference between a business's sales of goods and services to consumers or other businesses and its purchases of goods and services (excluding wages) from other businesses, therefore taxing the value added to purchased goods by each business. Today, the United States is the only member of the Organization for Economic Cooperation and Development (OECD) without a VAT. On average, VATs raise more than 18 percent of government revenue in OECD countries that have a VAT. For more information on VATs, see GAO, *Value-Added Taxes: Lessons Learned from Other Countries on Compliance Risks, Administrative Costs, Compliance Burden, and Transition*, [GAO-08-566](#) (Washington, D.C.: Apr. 4, 2008).

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investments.<sup>24</sup> The current budget process does not enable a discussion and understanding of investments in human capital, such as education, that can have a positive long-term impact on economic growth. Another stated that the federal budget has no way to measure intangibles like the capacity of its people to produce goods and services. Private firms face a similar problem accounting for research and development, which is measured as an expense rather than an investment.

Building a sound research base and using that information to make informed investment decisions about programs and approaches for disadvantaged children emerged as a key theme. One participant asserted that it takes a succession of studies to really know something about a program or approach. She felt that, as a nation, the United States has built a good research base over the years to show that outcomes for kids can be improved. She asserted that the country needs to continue conducting this type of research and using the resulting evidence to inform policymaking, similar to the way changes were made to welfare in the 1990s through our understanding of work support policies. Another comment was made about a “second generation” of newer programs, in which longitudinal data are being collected about their impact on children’s outcomes, although the window of time is shorter because the programs are newer. One participant added that, while it is important to base investment decisions on research, our data limitations should not paralyze us from acting on the available data at any given time.

In addition to more and better research, some participants said that the federal government needs to use the results of research it already has in hand. One participant expressed frustration with the fact that the federal government spends millions of dollars on evaluations but sometimes does not use them. Even when evaluations are used that show programs are not working, the federal government sometimes faces resistance in changing or terminating programs from constituents who are invested in keeping them unchanged. Another participant added that these groups are very worried about how evaluations and research on specific programs will be used.

Participants also discussed establishing a set of national indicators as one way to help policymakers determine where to invest federal dollars, as well

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<sup>24</sup>For the context of this forum, the contrast between health care spending as consumption and education spending as long-term investments were raised. For more information on this topic see, GAO, *Budget Structure: Providing an Investment Focus in the Federal Budget*, GAO/T-AIMD-95-178 (Washington, D.C.: Jun. 29, 1995).

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as to help track the outcomes of those investments. One participant discussed the State of the USA indicator project. State of the USA is a nonprofit organization that is working with the National Academy of Sciences to develop a set of key national indicators for issues facing this country. This will include, over the next 12-18 months, civic input on what the public wants to know about children, youth and families, among other issues. The participant noted the importance of widely available, quality data to motivate people to action and to reinforce accountability. Additionally, he thought that a key goal for national indicators is that they be relied on by everyone—policymakers and the public—similar to the nation’s key economic indicators. One participant noted a key indicator that the nation does track is the percentage of various population groups living in poverty (e.g., children and the elderly). However, he added that he thought the current poverty threshold is outdated and doesn’t reflect the level of support needed by individuals and families to move out of poverty, reach the middle class, and remain there. Some participants raised questions about whether more indicators are needed given data collection efforts by such groups as the Annie E. Casey Foundation through KIDS COUNT and interagency groups at the federal level.<sup>25</sup> Another participant called for local indicators to be developed, in addition to national ones because many of the issues related to supporting families and helping children succeed, such as education, need to be addressed at the local level.

Overall, the discussion highlighted that doing more to ensure all children have opportunities to become productive citizens—through revised income support, health care, and education policies—will require new thinking about federal investments. This would involve a shift away from budgetary and policy discussions focused solely on current spending to those more focused on prevention and longer term investments. In addition, one participant sensed among policymakers and the policy community a growing recognition of the importance of investing in children and hoped that it would lead to a national conversation about what the nation wants for children whose parents are not able to provide what their children need to become productive citizens.

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<sup>25</sup>KIDS COUNT is a national and state-by-state project of the Annie E. Casey Foundation to track the status of children in the United States. At the national level, the principal activity of the initiative is the publication of the annual KIDS COUNT Data Book, which uses the best available data to measure the educational, social, economic, and physical well-being of children state by state. The foundation also funds a national network of state-level KIDS COUNT projects that provide a more detailed, county-by-county picture of the condition of children.

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# Appendix I: Agenda

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- 8:30 a.m. Check-in/morning refreshments**
- 9:00 a.m. Opening session**  
Welcome  
Participant introductions  
Setting the stage
- 9:30 a.m. Session I: Understanding Future Prospects of the Nation’s Children**  
  
Participants will discuss their research and experiences regarding the current and future prospects for America’s children, particularly the disadvantaged.
- 10:30 a.m. Break**
- 10:45 a.m. Session II: Building Opportunities for All of the Nation’s Children**  
  
Participants will discuss their perspectives on what needs to be done to ensure opportunities for all children, including the disadvantaged. The discussion will include a range of approaches designed to provide opportunities for children’s future successes. It will encompass the role of the federal government, as well as the roles of state and local governments, businesses, nonprofits, and public/private partnerships.
- 12:00 p.m. Working lunch: Session II continues**  
  
Participants discuss the need for more evaluation, data, and key indicators to build a fact-based foundation for federal investment decisions in this area.
- 1:00 p.m. Session III: Identifying and Supporting Investments in Children in the Context of Overall Federal Budget Priorities**  
  
• Presentation by Isabel Sawhill  
  
Participants will discuss actions that might increase understanding of current federal spending priorities and the implications for investments in children. The overall goal is to identify steps to facilitate the examination and realignment of federal budget priorities to help ensure opportunities for future generations.
- 2:30 p.m. Wrap-up—final thoughts**  
  
Each participant offers one idea or recommendation that he or she would like to come out of this forum (1 minute each)
- 3:00 p.m. Adjournment**



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# Appendix II: Forum Participants

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<b>Gene Dodaro</b>	Acting Comptroller General U.S. Government Accountability Office
<b>Cynthia Fagnoni</b>	Managing Director Education, Workforce, and Income Security Issues U.S. Government Accountability Office
<b>Susan Aud</b>	Senior Advisor Office of Policy, Evaluation and Program Development U.S. Department of Education
<b>Dennis Campa</b>	Director Department of Community Initiatives City of San Antonio, Texas
<b>Nicole Duritz</b>	Senior Project Manager Health Strategy AARP
<b>Linda Gibbs</b>	Deputy Mayor New York City, New York
<b>Ron Haskins</b>	Senior Fellow, Economic Studies Program, and Co-Director, Center on Children and Families The Brookings Institution
<b>Chris Hoenig</b>	President and Chief Executive Officer State of the USA, Inc.
<b>Susan Irving</b>	Director for Federal Budget Issues Strategic Issues U.S. Government Accountability Office
<b>Graciela Italiano-Thomas</b>	President and CEO Thrive by Five Washington Washington State
<b>Rebecca Kilburn</b>	Senior Economist Director, Child Policy RAND
<b>Christine Kim</b>	Policy Analyst Domestic and Economic Policy Heritage Foundation

<b>Virginia Knox</b>	Director Family Well-Being and Child Development Policy Area MDRC
<b>Charles Kolb</b>	President Committee for Economic Development
<b>Tom McCool</b>	Director, Center for Economics Office of Applied Research and Methods U.S. Government Accountability Office
<b>Kristin Morse</b>	Director of Program Development and Evaluation The New York City Center for Economic Opportunity New York City, New York
<b>Susan Offutt</b>	Chief Economist U.S. Government Accountability Office
<b>Melissa Pardue</b>	Deputy Assistant Secretary for Human Services Policy Office of the Assistant Secretary for Planning and Evaluation U.S. Department of Health and Human Services
<b>Sharon Parrott</b>	Director Welfare Reform and Income Support Division Center on Budget and Policy Priorities
<b>Virginia Reno</b>	Vice President for Income Security Policy National Academy of Social Insurance
<b>Isabel Sawhill</b>	Senior Fellow, Economic Studies Program, and Co-Director, Center on Children and Families The Brookings Institution
<b>Christopher Swanson</b>	Director Research Center Editorial Projects in Education
<b>Albert Wat</b>	State Policy Analyst Pre-K Now
<b>Sara Watson</b>	Senior Officer Pew Charitable Trusts

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Appendix III: Presentation by Cynthia M. Fagnoni, Managing Director, Education, Workforce and Income Security Issues, GAO

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# Comptroller General's Forum

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**Investing in Children and Families to Ensure  
the Nation's Future**

**June 25, 2008**

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## Current Fiscal Policy Could Have Negative Consequences for Our Nation's Children

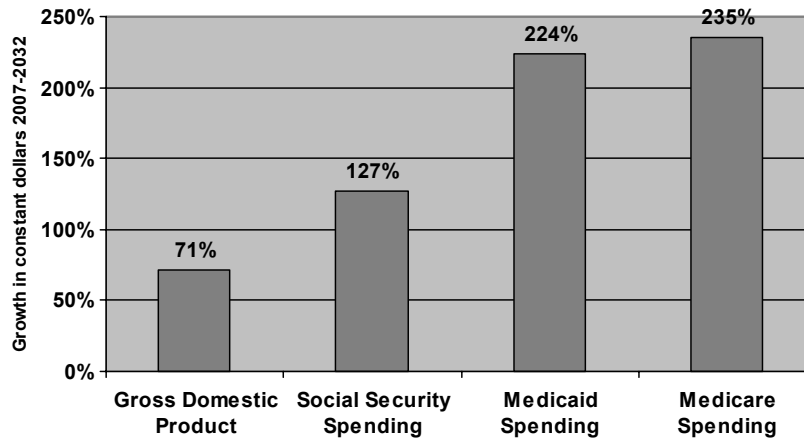
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- **The “Status Quo” Is Not an Option**
    - We face large and growing structural deficits largely due to an aging population and rising health care costs.
    - Budget experts agree that growing entitlement costs will, absent fundamental reform, put intense and increasing pressure on discretionary spending programs, tax levels or both.
  - These problems have profound implications for **future economic growth, standard of living, and national security**. They also raise issues about how we will invest in the **well-being of our nation's children, especially those who are disadvantaged**.
-



## Growth in Spending for Entitlements Expected to Outpace Economic Growth

- As the baby-boom generation retires, federal spending on current retirement and health care programs is projected to grow dramatically, significantly outpacing economic growth by 2032.

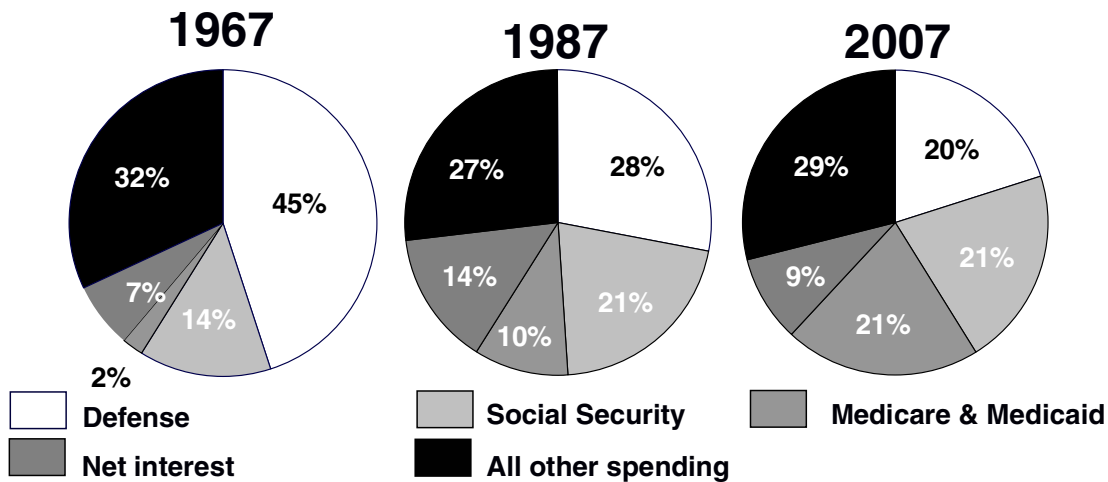


Source: GAO, *Making Tough Budget Choices to Create a Better Future*, GAO-08-604CG (Washington, D.C.: March 2008).



## Increasing Portion of Federal Budget on Autopilot

- While in 1967 retirement and health care programs accounted for about 16 percent of federal spending, by 2007, they already accounted for more than 40 percent.



Source: GAO, *Making Tough Budget Choices*, GAO-08-604CG (Washington, D.C.: March 12, 2008).



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## Entitlement Spending Could Lead to Future Budget Constraints

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- The present value of the federal government’s major long-term “fiscal exposures” in 2007 totaled almost \$53 trillion.
  - If we wanted to put aside enough money today to cover these entitlements, it would take about \$455,000 per American household, up from \$190,000 in 2000.
  - Without changes to this system, our federal budget will be significantly driven by spending on Medicare, Medicaid, and Social Security, with increasingly little room for other federal priorities, such as investments in children.
  - GAO’s recent work on state and local governments found that this sector also faces fiscal challenges that in many ways mirror those of the federal government.
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## Research Shows That Some Children and Families Not Faring as Well as Others

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- The federal government has a long tradition of efforts to improve the conditions of those living with severely limited resources and income, especially children. Currently, the federal government, often in partnership with the states, has an array of programs, such as Head Start, to assist low-income individuals and families.
  - Recently we noted that the poverty rate among children was higher than among the total population, and higher than among the elderly.
  - For African-American and Hispanic children, poverty rates in 2006 were 33 and 26.6 percent, respectively.
  - Individuals living in poverty face increased risk of adverse outcomes, such as poor educational outcomes, poor health, and criminal activity.
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## Recent Findings Shed Light on Economic Mobility of Low-Income Children

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- 42 percent of children born to parents in the bottom one-fifth of the income distribution stay there.
- 45 percent of African-American children whose parents were in the middle of the income distribution in the 1960s fell to the bottom of the income distribution, compared to 16 percent of white children.

Source: Julia Isaacs, Isabel Sawhill, and Ron Haskins, *Getting Ahead or Losing Ground: Economic Mobility in America*, Washington, D.C.: Brookings Institution, March 2008.

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## **These Data Raise Questions about Federal Policies for Assisting Individuals and Families**

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As currently configured, federal spending emphasizes support at the end of an individual's life rather than at other, earlier, intervention points, including

- early childhood education and care that helps a child start school ready to learn,
- K-12 policies that ensure a child leaves school on a path to successful employment or postsecondary education,
- access to postsecondary education, and
- aid to young families to enhance their own capacity to support their children.



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## Focus of Today's Discussion

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- Several researchers and policymakers have called for increased federal attention to programs and policies at these key intervention points.
  - However, calls for increased investment must take into account existing ongoing federal commitments that make new investments difficult.
  - Now is the time to start discussing these issues and the tough choices and trade-offs that are involved.
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**Appendix IV: Presentation by Dr. Isabel  
Sawhill, Brookings Institution**

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**The Intergenerational  
Balancing Act: Where Children  
Fit in an Aging Society**

**Isabel Sawhill, Senior Fellow  
Brookings Institution**

**June 25, 2008**

# Today's Children Face Unprecedented Challenges

- A Global War on Terror
- Global warming and other environmental challenges
- A less secure economic future
  - Globalization
  - Low savings rate in the U.S.

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## What We Should Do:

- Modify these trends where possible
- Equip children for  
the future

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# The Economic Challenge

- Globalization
- Low savings rate
  - Households
  - Federal government

## Deficits as Far as the Eye Can See

- The current deficit will explode once the baby boom retires, swelling to roughly \$700 billion
- Reasons:
  - Aging of the population
  - Rising health care costs per person



## How are Children Doing?

A comparison of children in the U.S. with children in other rich countries:

- Overall child well-being: 20 out of 21
- The U.S. ranks poorly on all 5 measures:
  - Health and safety: 20 out of 21
  - Family/peer relationships: 20 out of 21
  - Behavior and risks: 20 out of 21
  - Material well-being: 17 out of 21
  - Education: 12 out of 21

**Source: UNICEF Report Card No. 7, Child Well-Being in Rich Countries, 2007.**

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## Possible Solutions

- Encourage responsible parenting
- Invest in children's health,  
education, family environments
- Reframe the social contract between the  
generations

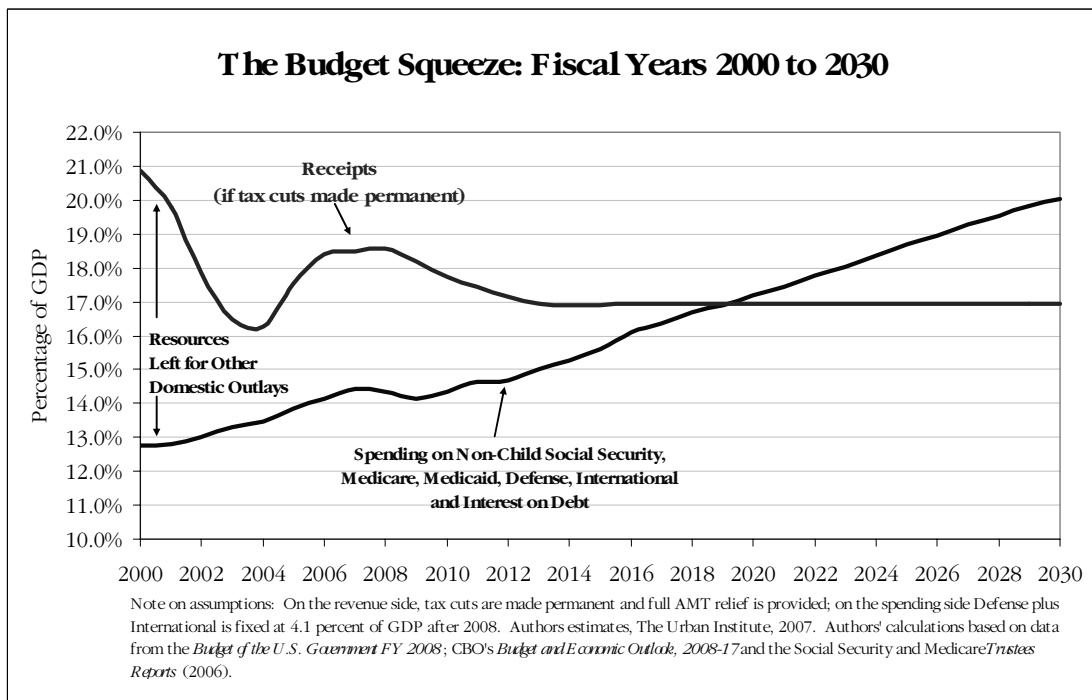
# Current Federal Priorities

(FY 2006)

- Total Federal Investments in Kids: \$207 Billion
- Cost of Tax Cuts Enacted Since 2001: \$233 Billion
  - Cost of Tax Cuts for Households with \$200,000 or More: \$87 Billion
- Projected Growth in Spending on Social Security and Medicare, 2006-2009: \$198 Billion
- Cost of the Operations in Iraq, Afghanistan, and for the War on Terrorism \$190 Billion

**Source: Author's Calculations from CBO, The Budget and Economic Outlook: Fiscal Years 2008 to 2017, Table 3-1, January 2007; Author's Calculations from CBO, The Budget and Economic Outlook: An Update, Box 1-1 and Table 1-6, August 2007; Brookings-Urban Tax Policy Center, Tables T07-0213 and T06-0273; Adam Carasso, C. Eugene Steuerle, and Gillian Reynolds, Investing in Children, 2007.**

# Spending on the Elderly will Crowd Out Spending on Kids



Source: Adam Carasso, C. Eugene Steuerle, and Gillian Reynolds, *Kids' Share 2007*, Urban Institute, 2007.

## The Choices We Face

- Raise tax burdens by 50% or more
- Dramatically reduce benefits to the elderly
  - 50% cut in Medicare
  - 20% cut in Social Security

**OR...**

- Revise the social contract
  - More investment in kids paid for by revenue increases
  - More individual responsibility on the part of this same generation to pay for their own retirement

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# Appendix V: GAO Contact and Staff Acknowledgments

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## GAO Contact

Cynthia M.Fagnoni, Managing Director, (202) 512-7215, [fagnonic@gao.gov](mailto:fagnonic@gao.gov)

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## Staff Acknowledgments

In addition to the contact named above, Gale Harris, Assistant Director; Janet Mascia; and Jaime Allentuck made significant contributions to the report. Other important contributors included Kate Van Gelder and Kathy Larin.

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# Related GAO Products

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*Healthy Marriage and Responsible Fatherhood Initiative: Further Progress Is Needed in Developing a Risk-Based Monitoring Approach to Help HHS Improve Program Oversight.* [GAO-08-1002](#). Washington, D.C.: September 26, 2008.

*Young Adults With Serious Mental Illness: Some States and Federal Agencies Are Taking Steps to Address Their Transition Challenges.* [GAO-08-678](#). Washington, D.C.: June 23, 2008.

*Long-Term Fiscal Outlook: Long-Term Federal Fiscal Challenge Driven Primarily by Health Care.* [GAO-08-912T](#). Washington, D.C.: June 17, 2008.

*Disconnected Youth: Federal Action Could Address Some of the Challenges Faced by Local Programs That Reconnect Youth to Education and Employment.* [GAO-08-313](#). Washington, D.C.: February 28, 2008.

*State Children's Health Insurance Program: Program Structure, Enrollment and Expenditure Experiences, and Outreach Approaches for States That Cover Adults.* [GAO-08-50](#). Washington, D.C.: November 26, 2007.

*Medicaid: Strategies to Help States Address Increased Expenditures during Economic Downturns.* [GAO-07-97](#). Washington, D.C.: October 18, 2006.

*Welfare Reform: Better Information Needed to Understand Trends in States' Uses of the TANF Block Grant.* [GAO-06-414](#). Washington, D.C.: March 3, 2006.

*Welfare Reform: More Information Needed to Assess Promising Strategies to Increase Parents' Incomes.* [GAO-06-108](#). Washington, D.C.: December 2, 2005.

*Child Care: Additional Information Is Needed on Working Families Receiving Subsidies.*, [GAO-05-667](#). Washington, D.C.: June 29, 2005.

*Means-Tested Programs: Information on Program Access Can Be an Important Management Tool.*, [GAO-05-221](#). Washington: D.C.: April 11, 2005.

*Supports For Low-Income Families: States Serve a Broad Range of Families through a Complex and Changing System.* [GAO-04-256](#). Washington, D.C.: January 26, 2004.



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**Related GAO Products**

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*No Child Left Behind Act: Improvements Needed in Education's Process for Tracking States' Implementation of Key Provisions.* [GAO-04-734](#). Washington, D.C.: September 30, 2004.

*No Child Left Behind Act: Assistance from Education Could Help States Better Measure Progress of Students with Limited English Proficiency.* [GAO-06-815](#). Washington, D.C.: July 26, 2006.

*Food Stamp Program: Steps Have Been Taken to Increase Participation of Working Families, but Better Tracking of Efforts Is Needed.* [GAO-04-346](#). Washington, D.C.: March 5, 2004.

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