

TABLE 1: GOALS AND MEASURES TO HAVE POOR AND DISADVANTAGED FAMILIES AND INDIVIDUALS BECOME SELF-SUFFICIENT AND THEIR FY 1999 STATUS, AS REPORTED BY HHS

Goal/measure	FY 1999 status
1. Increase employment (Administration for Children and Families)	
Temporary Assistance for Needy Families program	
<i>All states meet TANF work participation rates for both all families (35% participation) and two-parent families (90% participation).</i>	Data not available; expected Dec. 2000
<i>Increase from FY 1998 baseline year the number of adult TANF recipients who become newly employed (no target set).</i>	Data not available; expected Dec. 2000
<i>Increase from FY 1998 baseline year the number of adult TANF recipients/former recipients employed in one quarter of the year who continue to be employed in the subsequent quarter (no target set).</i>	Data not available; expected Dec. 2000
<i>Increase from FY 1998 baseline year the average quarterly earnings received by employed TANF recipients/former recipients over a previous quarter (no target set).</i>	Data not available; expected Dec. 2000
Developmental Disabilities (Employment) program	
<i>Increase to 9,517 the number of adults with developmental disabilities who obtain integrated jobs as a result of Developmental Disabilities program intervention.</i>	Data not available; expected Mar. 2000
<i>Increase to 4,353 the number of businesses/employers that employ and support people with developmental disabilities as a result of Developmental Disabilities program intervention.</i>	Data not available; expected Mar. 2000
<i>Increase to \$4 million the dollars leveraged from ADD's federal partners in support of positive outcomes for people with developmental disabilities in terms of employment, housing, education, health, and community support as a result of ADD intervention</i>	Target not met (\$2.1 million leveraged)
Refugee Resettlement program	
<i>employment services by at least 5% annually to 51,597 in FY 1999.</i>	expected Apr. 2000
<i>Increase the number of entered employments with health benefits available as a subset of full-time job placements by 5% annually to 27,767 in FY 1999.</i>	Data not available; expected Apr. 2000
<i>Increase the number of refugee cash assistance cases closed due to employment by at least 5% annually as a subset of all entered employments to 16,480 in FY 1999.</i>	Data not available; expected Apr. 2000
<i>Increase the number of 90-day job retentions as a subset of all entered employments by at least 5% annually to 37,936 in FY 1999.</i>	Data not available; expected Apr. 2000
<i>Increase the number of refugees who enter employment through the Matching Grant program as a percentage of all Matching Grant employable adults by at least 5% annually to 8,620 in CY 1999.</i>	Data not available; expected May 2000
<i>Increase the number of refugee families (cases) that are self-sufficient (not dependent on any cash assistance) within the first 4 months after arrival by at least 4% annually to 5,710 in CY 1999.</i>	Data not available; expected May 2000

TABLE 2: CONTINUATION OF GOALS AND MEASURES TO HAVE POOR AND DISADVANTAGED FAMILIES AND INDIVIDUALS BECOME SELF-SUFFICIENT AND THEIR FY 1999 STATUS, AS REPORTED BY HHS

Goal/measure	FY 1999 status
Developmental Disabilities (Employment) program <i>Increase to 2,079 the number of people with developmental disabilities owning or renting their own homes as a result of Developmental Disabilities program Intervention.</i>	Data not available; expected Mar. 2000
3. Increase parental responsibility (Administration for Children and Families) Child Support Enforcement program (title IV-D of the Social Security Act) <i>Increase the paternity-establishment percentage among children born out-of-wedlock to 96%.</i>	Data not available; expected Mar. 2000
<i>Increase the percentage of IV-D cases having support orders to 74%.</i>	Data not available; expected Mar. 2000
<i>Increase the IV-D collection rate for current support to 70%.</i>	Data not available; expected Mar. 2000
<i>Increase the percentage of paying cases among IV-D arrearage cases to 46%.</i>	Data not available; expected Mar. 2000
<i>Increase the cost-effectiveness ratio—total dollars collected per \$1 of expenditures—to \$5.</i>	Data not available; expected Mar. 2000
4. Increase affordable child care (Administration for Children and Families) <i>Increase the number of children receiving subsidized child care from 1997 baseline average of 1.25 million served per month (no target set).</i>	Data not available; expected Apr. 2000 for revised goal
<i>Annually increase the number of states that establish family copayment at 10% or less of family income (no target set).</i>	Data not available; expected Apr. 2000 for revised goal
5. Increase nondiscriminatory access to and participation in HHS programs(Office for Civil Rights) <i>Increase the number of HHS grantees and providers found to be in compliance with title VI in limited English proficient reviews/investigations.</i>	
<i>Increase the number of corrective actions and no violation findings to 125.</i>	Target met (146)
<i>Increase the number of limited English Proficient reviews to 117.</i>	Target met (132)
<i>Increase the number of state and local TANF agencies and service providers found to be in compliance with title VI, sec. 504, and the Americans With Disabilities Act.</i>	
<i>Increase the number of corrective actions and no violation findings to 16.</i>	Target met (23)
<i>Increase the number of TANF reviews to 14.</i>	Target met (19)

TABLE 3: GAO OBSERVATIONS ON HHS' FY 1999 GOALS AND MEASURES TO HAVE POOR AND DISADVANTAGED FAMILIES AND INDIVIDUALS BECOME SELF-SUFFICIENT AND HHS' PERFORMANCE REPORT ON THIS KEY OUTCOME

Observation
<p>HHS' FY 1999 performance goals and measures are generally objective; measurable; quantifiable; and, where plausible, outcome-oriented. However, 5 of the 25 performance measures had no targets for FY 1999 (3 in the TANF program and 2 in the child care program). HHS indicated in its FY 1999 performance plan that these measures did not have targets because the agency was still consulting with state partners on these. HHS remedied this shortcoming almost completely in its FY 2000 revised final performance plan.</p> <p>The extent to which HHS accomplished its FY 1999 goals cannot be determined because data generally are not available for the performance measures associated with these goals. FY 1999 data are available for only 5 of the 20 performance measures that had targets (and for none of the measures without targets). HHS met the targets for four of these five performance measures—the measures under the goal of increasing nondiscriminatory access to and participation in HHS programs. HHS did not meet the target for increasing the dollars leveraged from federal partners in support of positive outcomes for people with developmental disabilities.</p> <p>HHS' summary of its performance success in the FY 1999 performance report acknowledges that time lags in receiving and validating data reports make it difficult to provide a comprehensive summary of FY 1999 performance until later in FY 2000. The summary notes that HHS relies on state administrative data systems for performance reporting and that final reports are due 90 to 120 days after the fiscal year ends. HHS' FY 1999 performance report does provide the approximate dates by which FY 1999 data will be available for the performance measures that lack data. Data for TANF-related performance measures are expected to be available by December 2000, and data for the other performance measures are expected by dates ranging from March to May 2000. Time lags in obtaining data for measures pertaining to helping individuals and families become self-sufficient will likely present a problem every year in assessing HHS' performance in achieving this outcome. However, HHS' performance report does not indicate how the agency plans to address this problem.</p> <p>In its comments on our report, HHS acknowledged that FY 1999 data were not available for a significant number of performance measures but cited several measures for which the FY 1999 performance report included data for earlier years and maintained that these data indicate progress in achieving objectives. For example, HHS cited FY 1997 and 1998 data on the number of 90-day job retentions for refugees that indicate that FY 1998 performance exceeded the target for FY 1999.</p> <p>HHS' FY 1999 performance report notes that program evaluations are playing an increasingly important role in program improvement as the agency continues to focus on results-oriented management. However, the report does not list the program evaluations completed, or scheduled to have been completed, in FY 1999 or summarize the findings of these evaluations in assessing the agency's FY 1999 performance.</p>

TABLE 4: UNMET FY 1999 PERFORMANCE GOALS AND MEASURES FOR THIS KEY OUTCOME

Observation
<p>HHS' performance fell short of its target for one goal: Increase to \$4 million the dollars leveraged from ADD federal partners in support of positive outcomes for people with developmental disabilities in terms of employment, housing, education, health, and community support as a result of ADD intervention. The dollars leveraged increased to only \$2.1 million. HHS did not provide a clear explanation of the reasons for not achieving this target. The FY 1999 performance report explains that unforeseen challenges in identifying mutual opportunities with federal partners delayed achievement of the target. However, the performance report neither specifies these challenges nor agency actions and time frames for achieving this performance measure in the future. In its comments, HHS noted that it has efforts under way to work more closely with various grantee partners to assist them in identifying and leveraging other federal resources.</p>

TABLE 5: HHS' FY 2000 PERFORMANCE GOALS AND MEASURES TO HAVE POOR AND DISADVANTAGED FAMILIES AND INDIVIDUALS BECOME SELF-SUFFICIENT – GOALS AND MEASURES ADDED

Fiscal Year 2000 Goals and Measures
<p>Goals and Measures Added</p> <p>Four new goals and measures were added for FY 2000 that replace the goals for ACF to increase affordable child care:</p> <p><i>Increase the number of children served by Child Care and Development Fund (CCDF) subsidies from FY 1998 baseline average of 1.5 million served per month to 1.92 million.</i></p> <p><i>Increase the percentage of potentially eligible children who receive CCDF subsidies from FY 1998 baseline of 10% to 11%.</i></p> <p><i>Decrease the average percentage of family income spent in assessed child care copay among families receiving CCDF subsidies from FY 1998 baseline of 6.2% to 5.8%.</i></p> <p><i>Increase the number of families working and/or pursuing training/education with support of CCDF subsidies from FY 1998 baseline of 802,000 to 1 million.</i></p> <p>Goals and Measures Changed</p> <p><i>Goals to increase from FY 1998 baseline year (1) the number of adult TANF recipients who become newly employed, (2) the number of adult TANF recipients/former recipients employed in one quarter of the year who continue to be employed in the subsequent quarter, and (3) the average quarterly earnings received by employed TANF recipients/former recipients over a previous quarter were revised slightly and expressed in terms of percentages rather than numeric changes; targets have been established.</i></p> <p><i>Goal to increase to \$4.5 million the dollars leveraged from ADD federal partners in support of positive outcomes for people with developmental disabilities was lowered to \$2.4 million.</i></p> <p><i>Targets under the goal of increasing nondiscriminatory access to and participation in HHS programs were revised: the number of corrective actions and no violation findings was increased to 151 (from 140); the number of limited English proficient reviews was increased to 136 (from 131); the number of corrective actions and no violation findings was increased to 29 (from 18); and the number of TANF reviews was increased to 24 (from 16).</i></p>

TABLE 6: HHS' FY 2000 PERFORMANCE GOALS AND MEASURES TO HAVE POOR AND DISADVANTAGED FAMILIES AND INDIVIDUALS BECOME SELF-SUFFICIENT – GAO OBSERVATIONS

Observations
<p><i>HHS provided reasonable explanations of the changes in performance measures from FY 1999. The agency explained that the TANF performance measures were revised because (1) given the continuing decline in the size of the TANF caseload, it would be unrealistic to use numeric changes for these measures, and (2) in light of evidence that the remaining TANF population has more barriers to employment, it is not clear that substantial increased performance is achievable. HHS explained that new performance measures for child care were established as a result of completing the process of building consensus with the states on appropriate measures. We believe that these new measures should provide a more precise and comprehensive indication of HHS' progress in increasing affordable child care than the measures contained in the FY 1999 performance plan.</i></p>
<p><i>HHS lowered the target level for the goal in the Developmental Disabilities program of increasing the dollars leveraged from federal partners in response to challenges it experienced in working with federal partners. However, the FY 1999 performance report does not discuss any revisions to the means and strategies section of the FY 2000 performance plan to better achieve this target.</i></p>
<p><i>HHS increased the FY 2000 target levels for each of the four measures under the goal of increasing nondiscriminatory access to and participation in HHS programs in response to its performance in exceeding the FY 1999 targets for each of these measures. As a result of this revision, the targets in the revised FY 2000 plan for each measure are now higher than those achieved in FY 1999.</i></p>

TABLE 7: HHS' FY 2001 PERFORMANCE GOALS AND MEASURES TO HAVE POOR AND DISADVANTAGED FAMILIES AND INDIVIDUALS BECOME SELF-SUFFICIENT – GOALS AND MEASURES ADDED

Goals and Measures Added
<p><i>HHS added five goals and measures for FY 2001 for the Social Services Block Grant (SSBG):</i></p>
<p><i>Maintain the number of child recipients of day care services that are funded in whole or in part by SSBG funds at FY 1998 baseline of 2,364,852.</i></p>
<p><i>Maintain the number of adult recipients of home-based services that are funded in whole or part by SSBG funds at FY 1998 baseline of 252,275.</i></p>
<p><i>Increase the number of adult recipients of special services for the disabled that are funded in whole or part by SSBG funds by 5% annually from FY 1998 baseline to 338,200.</i></p>
<p><i>Maintain the number of recipients of child protective services that are funded in whole or part by SSBG funds at FY 1998 baseline of 1,264,365.</i></p>
<p><i>Increase the number of recipients of information and referral services funded in whole or part by SSBG funds by 2% annually from FY 1998 baseline to 1,223,545.</i></p>
<p><i>HHS added one goal and measure for the child care program:</i></p>
<p><i>Increase the number of slots in state-regulated child care settings from FY 2000 baseline.</i></p>

TABLE 8: GAO OBSERVATIONS ON THE FY 2001 PERFORMANCE PLAN FOR THIS KEY OUTCOME

Observations

States have considerable flexibility to use SSBG funds for a broad array of services. The FY 1999 and FY 2000 performance plans included a section on SSBG but had no Performance goals or measures for this program. Citing congressional intent that SSBG funding be directed at one or more of five national goals, HHS developed SSBG Performance goals and measures in the FY 2001 plan that address the national goals. Each of the five performance measures provides a succinct and concrete statement of expected performance for subsequent comparison with actual performance. However, since the FY 2001 performance plan contains no discussion of strategies the agency will use for meeting these performance targets, such as coordination with other agencies, it is unclear whether HHS plans to take any steps to facilitate meeting these targets. In its comments on this letter, HHS said it will continue to review and assess shifts in funding priorities to project accomplishments of performance targets as well as discuss with states problems that arise and provide technical assistance where practical. HHS added a new child care performance measure for FY 2001 as a result of the completion of the consensus-building process with states mentioned above. However, no target has been established for this measure.

HHS' FY 2001 performance plan reflects progress in addressing key weaknesses GAO previously identified in the agency's FY 2000 plan. For example, while several performance measures in the FY 2000 plan associated with helping families become self-sufficient had no targets, all but one of the related performance measures in the FY 2001 plan have targets. In addition, our assessment of HHS' FY 2000 plan noted that the agency had not established baseline data for three performance measures pertaining to the employment progress of TANF recipients; this shortcoming has been remedied in the FY 2001 plan.

However, not all of the problems we previously identified have been addressed. Our assessment of HHS' FY 2000 performance plan noted that the plan did not adequately identify actions to compensate for unavailable or poor quality data in the area of child support enforcement. In particular, our assessment highlighted the statement in HHS' plan that not all states have certified statewide automated systems and that some states still maintain data manually. Our assessment also cited a report from the agency's Office of Child Support Enforcement (OCSE) that noted that where automated systems are not in place, problems of duplication and missing information could result. As was the case with the FY 2000 plan, the FY 2001 plan does not discuss the actions HHS will take to compensate for possibly unreliable data in this area or the implications of these data Limitations.

TABLE 9: MAJOR MANAGEMENT CHALLENGES AND RISKS : A GAO REPORT

The current national context regarding the question of “do outcomes matter” is further reflected in the February 1999 GAO report “Performance and Accountability Series, Major Management Challenges and Risks: An Executive Summary” (GAO/OCG –99-ES). Some quotes follow.

This report outlines actions needed to improve the performance and accountability of, and manage the risks relating to, our national government. It summarizes the findings of a new set of reports, entitled Performance and Accountability Series: Major Management Challenges and Program Risks, we issued last month. This document also incorporates a summary of our latest High-Risk Series update that was also issued last month. This latter series includes government operations that GAO has designated “high risk” because of their greater vulnerabilities to waste, fraud, abuse, and mismanagement.

GAO has been working with the Congress and the executive branch to promote effective implementation of much needed government wide management reforms. They include strengthening financial management, improving information technology practices, and producing a more results-oriented government. Important activities have begun but more effort is needed to produce tangible, lasting improvements and instill a sharper focus on performance and accountability. Greater attention also is needed on human capital strategies to support meaningful and sustainable management reforms across government.

Performance-based management seeks to

- shift the focus of government performance and accountability away from a preoccupation with activities—such as grants or inspections.***
- focus on the results or outcomes of those activities -- such as real gains in safety, health, and living standards.***
- systematically integrate thinking about the results the government intends to achieve, giving consideration to:***
 - organizational structures,***
 - program and service delivery strategies,***
 - the use of technology, and***
 - human capital strategies and practices.***

**TABLE 10: MAJOR MANAGEMENT CHALLENGES AND RISKS : A GAO REPORT
(CONTINUED FROM TABLE 9)**

Comments continued from table 9

Adopting an Effective Results Orientation

The cornerstone of efforts to implement performance-based management is the adoption of a results orientation. Many agencies continue to struggle to implement basic tenets of performance-based management. The uneven pace of progress across government is not surprising; agencies are in the early years of undertaking the changes that performance-based management entails.

Defining Goals and Measures

Too often, the government has failed to manage on the basis of a clear understanding of the results expected to be achieved and how performance will be gauged. These understandings are vital because programs are designed and implemented in dynamic environments; competing program priorities and stakeholders' needs must continuously be balanced and new needs addressed.

Creating a Performance-Oriented Culture

Moving successfully to a more performance-based approach requires that organizations better align their human capital policies and practices with their missions and goals. New ways of thinking must be adopted about the goals to be achieved; the organizational arrangements, program strategies, and partnerships needed to achieve those goals; and how progress will be measured. Likewise, employee incentive and accountability mechanisms need to be aligned with the goals of the organization. The failure to constructively involve staff in an organization's efforts to become more performance-based means running the risk that the changes will be more difficult and protracted than necessary.

Developing and Using Performance Information

An environment that focuses on results needs different information from that traditionally collected. Obtaining more credible results-oriented performance information is essential for (1) accurately assessing agencies' progress in achieving goals and (2) in cases where sufficient progress is not being made, for identifying opportunities for improvement.