U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES

The Administration For Children and Families

Outputs to Outcomes:

Using performance measures to produce results in the President's Management Agenda



Curt Coy
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Administration for Children and Families
U.S. Department of Health and Human Services
April 2005

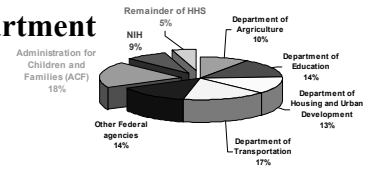
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U.S. Department of Health and Human Services

Government's principal agency for:

- **protecting health of all Americans**
- **providing essential human services**
- **annual budget $572B (24%)**
- **63,000+ employees**
- **largest grant-making Department**

FY 2003 Grant Outlays (provided by OMB) w/o Medicaid



U.S. Department of Health and Human Services

Composed of 300+ programs

- ✓ medical & social science research
- ✓ preventing outbreak of infectious diseases
- ✓ food & drug safety
- ✓ human/social services
- ✓ maternal & infant health
- ✓ substance abuse treatment & prevention
- ✓ services for older Americans
- ✓ comprehensive health services

Administration on Aging (AoA)
Administration for Children and Families (ACF)
Agency for Healthcare Research & Quality (AHRQ)
Agency for Toxic Substances & Disease Registry
Centers for Disease Control and Prevention (CDC)
Centers for Medicare and Medicaid (CMS)
Food and Drug Administration (FDA)
Health Resources & Services Administration (HRSA)
Indian Health Service (IHS)
National Institutes of Health (NIH)
Substance Abuse and Mental Health Services Administration (SAMHSA)

Administration for Children and Families

Composed of 60+ programs

- ✓ TANF (welfare)
- ✓ Head Start
- ✓ Foster Care
- ✓ Child Care
- ✓ Community Service Programs
- ✓ Child Support Enforcement
- ✓ Positive Youth Development
- ✓ Social Services Block Grants
- ✓ Low Income Heating & Energy Assistance
- ✓ Individual Development Accounts
- ✓ Refugee Resettlement
- ✓ Developmental Disabilities
- ✓ Native American/Tribal Economic Development



Wade F. Horn, Ph.D.
Assistant Secretary
Administration for Children and Families

Administration for Children and Families (ACF)
$49B in annual appropriations
Manages 6 of 8 largest HHS grant programs
6,200 Discretionary grants @ $14B
8,600 Mandatory grants @ $35B

Performance, Purpose, & Results

The PMA

"What matters in the end is completion. Performance. Results. Not just making promises, but making good on promises."

President George W. Bush

One HHS Purpose

To better integrate HHS management functions to ensure coordinated, seamless, and results-oriented management across all Operating and Staff Divisions of the Department

ACF Performance Record

In FY 2003 and FY 2004, ACF has successfully obtained "green" (the highest) progress ratings from HHS in all five of the PMA reform initiatives – the only operating division within HHS to sustain consistently high ratings in all five management areas.

The Five Initiatives of the PMA

Administration for Children and Families (ACF)
President's Management Agenda Scorecard

	FY 2002		FY 2003				FY 2004				FY 2005	
	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr
Human Capital	Y	Y	G	G	G	G	G	G	G	G	N/A	
Competitive Sourcing	Y	R	G	G	G	G	G	G	G	G	G	
E-Gov Initiatives	Y	G	G	G	G	G	G	G	G	G	N/A	
Financial Management	Y	Y	Y	G	G	G	G	G	G	G	N/A	
Budget/Performance	Y	Y	G	G	G	G	G	G	G	G	N/A	

Seven consecutive 'Clean Sweeps'

… before successes, there must be some substance



The ACF 'Clean Sweep' Broom

Performance Accountability System

Input	Activities and Outputs	Intermediate Outcomes	End Outcomes
$$ FTE $$ FTE $$ FTE $$ FTE	Performance Contracts (Agency Heads & SES) Representative of the One HHS strategic goals that apply to each Agency Head and subsequent Senior Executive Staff Employee Performance Plans A comprehensive representation of SES Performance Contracts cascaded down to mid-level and entry-level employees in the agency according to their respective functional units.	One HHS: **Management Objectives** Mission: To enhance the health and well-being of Americans by providing for effective health and human services and by fostering strong, sustained advances in the sciences underlying medicine, public health, and social services. **Program Objectives** Purpose: To better integrate HHS management functions to ensure coordinated, seamless, and results-oriented management across all Operating and Staff Divisions of the Department.	HHS Mission ***To enhance the health and well-being of Americans by providing for effective health and human services, and by fostering sound, sustained advances in the sciences underlying medicine, public, health, and social services.***

Strategic Links: Cascading Accountability & Outcomes

Targets & Measures: Linking Our Mission to Outcomes, Not Outputs	
Performance Targets	**Performance Measures**
President's Management Agenda	PMA Scorecard: Progress & Status ***Red, Yellow, Green***
One HHS Performance Contracts	Agency Assessments ***Exceptional - Unsatisfactory***
Employee Performance Plans	Performance Appraisals ***Outstanding – Minimally Successful***

Clear Objectives & Accountability

One HHS Management Goals

- **Implement *Results-Oriented Management***
- **Implement Strategic *Human Capital* Management**
- **Improve *Management* Operations and Oversight**
- **Complete the FY 2005 *Competitive Sourcing* Program**
- **Improve *Information Technology* Management**
- ***Consolidate* Management Functions and Achieve Administrative Efficiencies**
- **Improve *Financial Management***
- **Improve *Real Property* Asset Management**
- **Achieve Efficiencies through HHS-wide *Procurements***
- **Conduct *Program Evaluations* and Implement Strategies for Resolving Any Deficiencies Identified**
- **Conduct *Ethics***

Organizational Performance Assessment

Purpose: Assessment of All Performance Requirements in Agency Head's Performance Contract

OPM Required for Certification of the HHS SES Performance Management System

Assessment Supports the FY 2004-2009 HHS Strategic Plan

Rating: Exceptional (E),
Fully Successful (FS),
Minimally Successful (MS),
Unsatisfactory (U)

Standardization: Institutionalized Management Tool

Organizational Performance Assessment

"The Process"

HHS Executive Panel: created corporate approach to establishing organizational performance assessment based on One HHS management and program goals.

- ✓ Self-Assessment – each OPDIV Head is required to assess his/her organization's performance relative to the Department's Management Objectives and Program Objectives
- ✓ Panel Review – consists of SES members nominated from each OPDIV to review the self-assessments
- ✓ Final Assessment by Department – under the Assistant Secretary for Administration and Management (ASAM), the self-assessment, panel recommendation, and other assessment data as performance measurement, PAR, and Scorecard results determine final organizational rating

ACF's Performance Structure

Assistant Secretary for Children and Families

⇩

Deputy Assistant Secretary for Administration

⇩

President's Management Agenda Team
Chief of Staff, Team Lead
3 Management Analysts serve as Initiative Leads, complimented by ACF Senior Staff

Program Offices & Regional Offices
- •Workforce Planning
- •E- Grants
- •Erroneous Payments
- •PART

- Human Capital
- Competitive Sourcing
- E-Government
- Improve Financial Management
- Budget & Performance Integration

Management Subject Matter Experts:
- •HR Policy
- •Information Technology
- •Financial Services
- •Performance Management

Implementing the PMA to Achieve Management Results

Budget & Performance Scorecard Criteria

- **FY 2006 Performance Budget – submit on time and in compliance w/guidance**
- **Use performance and financial information**
- **PART Information – scores used to justify funding requests, management actions, and legislative proposals**
- **Strategic plans and performance documents – limited number of outcome oriented goals and objectives**
- **Performance Appraisal Plans – link to OPDIV mission, goals, and outcomes; cascade across the OPDIV**
- **Full Cost – accurately reported in budget and performance documents**
- **Efficiency Measures – one efficiency measure for at least 50% of programs PARTed**

Budget and Performance Integration Accomplishments

ACF Accomplishments:

- **Replaced four GPRA management objectives to one – Green in each PMA Initiative**
- **Active Program Assessment Rating Tool (PART) participation**
  - **14 ACF programs have been PARTed, more than doubled in the last FY**
  - **ACF Office of Child Support Enforcement received one of the highest scores in government at 90%**
  - **As a result… developed long-term outcome-oriented targets**
- **Continue to develop cost/budget and performance in an integrated manner**
- **Use of performance data to make informed management decisions**

Program & Regional Contributions:

- **Regional offices worked closely with the Program offices to assure projected targets for performance measures were realistic**

Budget and Performance Integration
ACF PART Scores: 20% of Programs PARTed

FY 2005 Budget		FY 2006 Budget Request	
PROGRAM	**RANKING & SCORE**	**PROGRAM**	**RANKING & SCORE**
CSE* Child Support Enforcement	**Effective 90%**	**Child Care***	**Moderately Effective 81%**
ADD Administration on Developmental Disabilities	**Adequate 60%**	**IDA/AFI** Asset for Independence	**Adequate 60%**
Refugee and Entrant Assistance	**Adequate 68%**	**CBCAP** Community-Based Child Abuse Prevention	**Results Not Demonstrated 49%**
Foster Care	**Adequate 54%**	**CAPTA** Child Abuse Prevention	**Results Not Demonstrated 48%**
Head Start	**Results Not Demonstrated 45%**	**VCR** Violent Crime Reduction	**Results Not Demonstrated 42%**
RHY Runaway and Homeless Youth	**Results Not Demonstrated 42%**	Independent Living	**Results Not Demonstrated 39%**
LIHEAP Low Income Home Energy Assistance Program	**Results Not Demonstrated 38%**		
CSBG Community Block Grant	**Results Not Demonstrated 35%**		

- **Child Support Enforcement (FY05) & Child Care (FY06) represent two of the highest PART scores in HHS**

Future PART Programs:
32 Planned for FY07 & FY08

FY 2007*	FY 2008*
Adoption Opportunities	**Early Learning Opportunities Program**
Adoption Assistance	**Native American Programs**
Adoption Incentives	**Compassion Capital Fund**
Social Services Block Grant	**Abstinence Education (mandatory and discretionary)**
Mentoring Children of Prisoners	**Child Abuse Discretionary Activities**
Refugee and Entrant Assistance (Transitional and Medical Services and Preventive Health)	**Promoting Safe and Stable Families (mandatory and discretionary)**
Victims of Trafficking	**Child Welfare Services**
Temporary Assistance for Needy Families (TANF)	**Child Welfare Training**
	Independent Living Education and Training Vouchers
	Voting Access for Individuals with Disabilities
	Social Services Research and Demonstration
	Promotion and Support of Responsible Fatherhood and Healthy Marriage
	Job Opportunities for Low-Income Individuals
	Community Economic Development
	Rural Community Facilities
	National Youth Sports
	Community Food and Nutrition
	Children's Research and Technical Assistance

Implementing the PMA to Achieve Management Results …*the rest of PMA*

Competitive Sourcing:

- First HHS Agency, and likely first federal Agency, to meet FY02 and FY03 competitive sourcing standards
- Evaluated 28% of commercial inventory through FY 2004
- Based on FY04 Green Plan - plans to evaluate 100% of commercial inventory by 2013
- Green Plan program rating and subsequent OMB "Green" status scorecard for Department
- Turned losses into lemonade for affected employees & budget; ROI = $5 million over 7 yrs
- Senior Agency management, buyout & union key to successes

Human Capital:

- Consolidated administrative functions in administrative management, grants, IT and facilities
- Re-deployed 70+ FTE's from administrative management/support to mission/program
- Developed senior executive performance contracts that link to Assistant Secretary's performance contract
- Standardized new performance plan used Agency-wide to cascade executive priorities to all employees
- 97% of all ACF staff have participated in a training opportunity directly related to increasing job skills
- Emphasis placed on succession planning
- Strategically hiring critical hires
- Reduced management layers, increased manager to employee ratios
- Implemented Q of L programs such as Tuition Assistance, Student Loan, Redeployment Training, etc.

Implementing the PMA to Achieve Management Results …*the rest of PMA*

E-Gov:

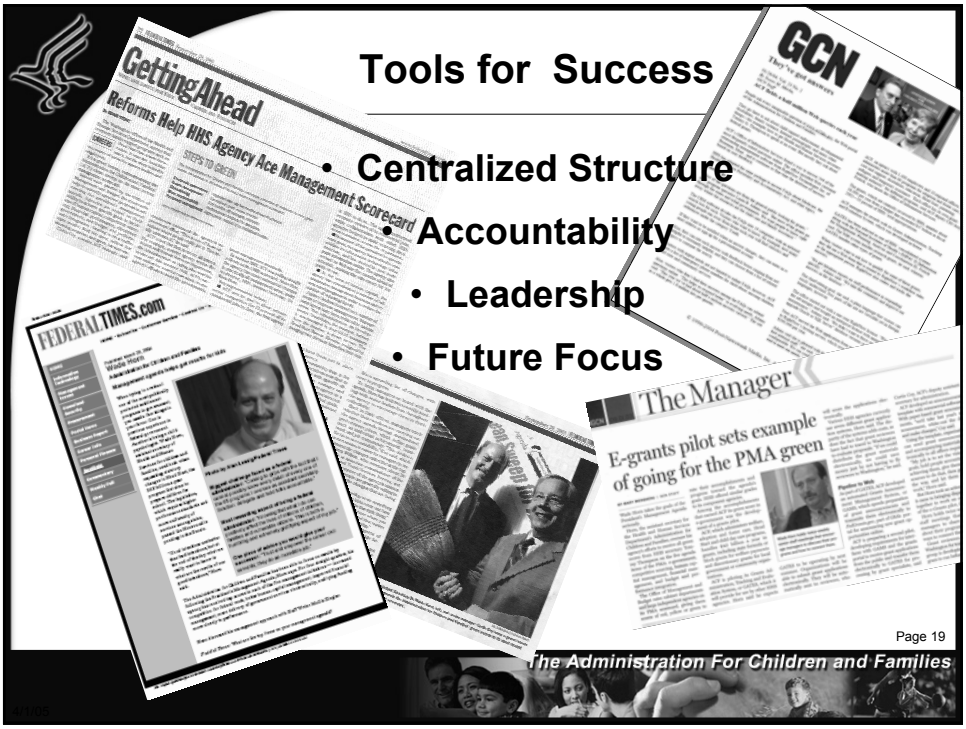
- Selected as Departmental Center of Excellence for grants processing – 9 systems to 2, *Success: OMB LoB proposal*
- ACF first in HHS to receive grant application from Grants.gov (only one other agency in Federal government has done so)
- Successfully implemented electronic transfer between Grants.gov and 'back office' system (GATES)
- Implemented ACF citizen centric web site five months ahead of schedule
- Estimated $5M in savings to staff resources with citizen centric RightNow web technology

Financial Management:

- With HHS, developed OMB accepted Erroneous Payment plans for Head Start, Foster Care, Child Care and TANF programs – ACF took leadership role with 4 of 7 HHS programs – *Success: more coming*
- Developed and implemented grant Program Announcement Template System – anticipated to be used Department-wide
- Closed out 9,000+ grants saving $40K/mo.
- Decreased ACF program TAPS for IT services by 41%
- Reduced outstanding FY03 debt balance by grantees by 85% ($100M)
- Received fifth consecutive clean audit opinion w/no material weaknesses and two reportable conditions

Tools for Success

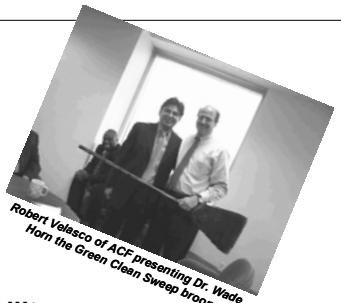
- Centralized Structure
- Accountability
- Leadership
- Future Focus



Tools for Success

Centralized Structure

- Created an ACF PMA Team
  - Key liaison with HHS PMA Desk Officers
- All efforts funneled through team
- Single face to Department & OMB
- Consistent reporting & follow-up
- Consistent, defined Department-wide goals



Robert Velasco of ACF presenting Dr. Wade Horn the Green Clean Sweep broom



Accountability

- Use of performance management system to drive accountability & outcomes –
  - ✓ PMA Objectives in Assistant Secretary's performance contract
  - ✓ Same objectives in each ACF SES performance contract – with DASA as principal player
  - ✓ Each ACF employee performance contract has Assistant Secretary's goals and objectives

Tools for Success

Leadership – *reinforcement from the top*

- PMA goals and objectives discussed twice weekly at ACF senior staff meetings
- Bi-weekly reports to Assistant Secretary
- Managing by results at ACF
- ACF Honor Awards Ceremony
- How we do it –
  - Don't micromanage, hold folks accountable
  - Keep the end in sight – Vision
  - Be proactive, take a leadership role





Future Focus... *what's next?*

- Employee Development
- New PMA objectives
  - Improper Payments
  - Real Property
- Next year's PMA objectives
- Strategic Linkage of 5 Initiatives