I am enclosing the first edition of the Health and Human Services Performance Update! This bi-monthly e-newsletter will keep you and your agency up to speed on recent news and innovations in performance management reforms in social service and public health programs. It will also provide useful information about research and best practice models in key social services and public health program areas.

If your social services or public health program has been implementing performance management, budgeting reforms and other innovations, and you want to share the results, please send me an email with some of the details and I can have my research staff get in touch with you. We need to highlight and share management innovations in all areas of government!

Please forward this update to your colleagues!

-Carl DeMaio



January 2004

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Results-based Management in Social Services & Public Health

ETA Releases New Common Performance Measures

In developing a single comprehensive system to collect, record, and report program performance for workforce programs, the Employment and Training Administration (ETA) recently released a Common Measures Policy in the form of a guidance letter (TEGL 15-03). Its purpose is to inform states and grantees of ETA's policy on common performance measures for federal job training and employment programs, including guidelines on program participation and exit. To view this policy go to: http://wdr.doleta.gov/directives/attach/TEGL15-03.pdf

HHS Secretary Recognized for Transforming the Department

The Secretary of the Department of Health and Human Services (HHS), Tommy Thompson, has transformed the department. HHS has gone from having forty personnel offices to having four, and hopefully will consolidate down to one. From having nearly 200 different computer systems, HHS is on the verge of having one uniform system. In the past, HHS had 12 isolated sectors, each with their individual budgets, lawyers, public relations teams, and human resources departments. Now, the department operates successfully like an integrated whole, instead of operating as 12 separate entities. The outcome of integration is a stronger more efficient department. To view Secretary Thompson's interview go to: http://www.govexec.com/dailyfed/1203/120503lj1.htm

HHS Releases its Performance and Accountability Report: Fifth Consecutive Clean Opinion on Its Audited Financial Statements

HHS Secretary Tommy G. Thompson recently announced the release of the HHS Performance and Accountability Report for fiscal year 2003. The report, similar to private sector annual reports to stockholders, describes the department's progress toward program and management goals, and reflects a detailed review of HHS financial accountability. For the fifth consecutive year, HHS achieved a "clean" audit opinion from the HHS Office of Inspector General on its consolidated financial statements. HHS has been preparing audited financial statements as prescribed by the CFO Act since 1996. With each successive year, HHS has further improved its audit opinion by reducing the number of audit findings, and reducing the time required to

complete the audit. Two key factors led to the achievement of a clean opinion for the fifth year in a row: the close cooperation of the HHS finance office with the department's independent Office of Inspector General; and the re-engineering and streamlining of reporting and auditing processes and the elimination of redundancies. For more information go to:
http://www.hhs.gov/of/reports/account/acct03/

2004 National Conference on Performance Measurement and Performance-based Contracting for Social Services (March 29-31, San Diego, CA)

One of the most important challenges facing social services agencies today is the need to implement performance-based service acquisition to meet mission goals. Efforts to improve government contracting now require a more results-oriented approach, which can confuse all those involved in the contract and grant process. To improve contracting for your social services program, we invite you to attend this conference. Join leaders from federal, state and local social services agencies from across the nation as they share best practices, lessons learned and innovative strategies for outcome-oriented management and performance-based contracting for social services. Learn to create and win performance-based contracts to increase the effectiveness of your services and improve your ability to report outcomes. Identify how to develop the framework for a performance-based contract that actually defines the goals of the contract and provides for better accountability and communication among all players in the contracting process. Develop an internal system to collect and monitor contractor performance to best manage contracts for results. Contractors will learn how to best establish an internal performance evaluation capacity to accurately report performance. For more information go to:
http://www.performanceweb.org/social/S144/s144.htm

Workforce Development & Self-Sufficiency Innovations

Taking Workforce Investment Boards to the Next Level

Chicago takes an innovative regional approach to coordinate efforts of 9 metro area workforce investment boards. Linda J. Kaiser, of the Chicago Workforce Board, and Mary Pepperl, of the Workforce Board of Northern Cook County recently provided a presentation on the partnership of the Chicago Metro area workforce investment boards at the Performance Institute's Workforce Excellence Summit. The Workforce Boards of Metropolitan Chicago link regional workforce investment activities with economic development organizations in order to support a workforce system that provides quality employees for employers and develops real career opportunities for job seekers. The developing system is intended to make it easy for business to make connections with qualified applicants and to access other vital workforce development services. To view this presentation go to:
http://www.performanceweb.org/pi/research/newsletters/hhs/wbsmetrochicago2003.pdf

Self-Sufficiency Standards in the Nation's Workforce Development System

The AFL-CIO Workforce for America Institute (WAI) recently released a report on the policies and best practices related to self-sufficiency standards for the nation's workforce development system. The two main goals of the workforce development system are to provide the talent and skills employers need, and to raise the living standards of working families in the country. To achieve these goals, job seekers need effective counseling and access to appropriate training. This is the responsibility of Workforce Investment Boards (WIBs), empowered by the Workforce Investment Act (WIA). The report analyses the use of self-sufficiency

standards as performance measures to evaluate how WIA programs and services are actually working, including setting useful performance benchmarks, conducting strategic labor market analysis, and establishing job quality standards for publicly-subsidized training. To view this report go to: http://www.workingforamerica.org/documents/PDF/SSS_SurveyReport.pdf

Assessing One-Stop Center Quality & Service

At the 2003 Workforce Excellence Summit, Ed Strong, Senior Partner for the Corporation for a Skilled Workforce, identified the critical success factors needed for quality one-stop centers. He focused on introducing the "benchmarking" project, linking other one-stop quality efforts to share results, critical success factors for one-stop centers as well as project findings and exploring self-assessment potential. To view this presentation go to: http://www.performanceweb.org/social/presentations/03-12_strong.ppt

Outstanding Youth Workforce Programs Named for PEPNet 2003 Recognition

In 2003, the National Youth Employment Coalition (NYEC) recognized 27 initiatives, from which 20 are new, for their effectiveness in building quality programs for America's youth. This is the largest group of new Awardees and the largest group of total recognized programs in the eight years since PEPNet, a system for identifying and promoting what works in youth employment and development, began. These programs are awarded for their continued effectiveness in the field. Awardees are operated by diverse organizations and have different specific missions. But in these times of high unemployment, there is an increasing need to link young people to the workforce while helping them develop into responsible adults. For these initiatives, this means that youth have access to academic instruction, as well as to work experience or vocational training. It also means that youth are exposed to the world of work through job shadowing, internships and other work experience activities while they receive academic support to help them graduate. For more information go to: http://www.nyec.org/pepnet/awardees03.htm

2004 National Summit on Designing and Managing Youth Workforce Development Programs (January 21-22, San Diego, CA)

This summit, designed for all youth workforce professionals, will highlight innovations for aiding the employment and economic independence of the young workforce. Attendees will: learn how to measure performance of programs and report outcomes consistent with federal regulation and mandates, hear best practices from leading youth programs from around the nation, gain the training to forge effective partnerships and access funding sources, and discover ways to integrate programs for seamless service delivery. The post conference workshop entitled "Securing Resources to Sustain and Expand Your Youth Workforce Development Program" will provide all the necessary tools to secure financial and in-kind resources by applying successful fundraising strategies. For more information go to: http://www.performanceweb.org/social/s142/s142.htm

2004 National Conference on Managing and Marketing One-Stop Career Centers (March 29-30, Miami, FL)

This event will detail to both State and Local Workforce Professionals the best ways to operate One-Stop Centers that balance the needs of individuals with those of local employers. Establish effective partnerships to provide seamless delivery of services. Discover best practices in cost allocation for One-Stop Centers and provide case management services that get results. Special sessions are dedicated to service delivery for the disabled and for youth. Attend the application workshop "Developing Innovative Sources of Funding and Human Capital to Sustain and Enhance Your One-Stop Career Center" and learn the best ways to improve

your One-Stop Center through this extensive training session. For more information go to: http://www.performanceweb.org/social/S148/s148.htm

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Child & Family Services Innovations

Child & Family Services Reviews Demonstrate Poor Performance in Many States

In the most recent round of reviews, which started in 2001 and will be completed this year, all states including the District of Columbia and Puerto Rico, are being evaluated to assess their compliance with standards in 14 areas directly related to the care and protection of our nation's children. Results will be tabulated in overview after all reviews have been completed and published. So far, however, no state has "passed" the audit. Out of the 14 indicators, no state has passed on more than 9, and of the 7 outcomes (dealing with child safety, permanency, and well-being) no state has passed on more than 2. To view the individual state results of reviews published to date go to: http://adoption.about.com/library/cfs/blcfsr-index.htm

Unique Training Program for Recruitment and Retention of Adoptive Families

One Church One Child (OCOC) has been a leader in special needs adoption for 23 years. The program was created in the state of Illinois in 1980 with leadership provided by Father George Clements, along with a group of ministers, the Illinois Department of Children and Family Services, and other governmental officials. To date, it is estimated that over 15,000 Illinois children have been adopted as a direct result of the recruitment and community outreach efforts of OCOC. Over 20,000 presentations have been made in churches, schools and programs, and thousands of community members have been made aware of the need to adopt children. Since its inception in Illinois, thirty-eight states and the District of Columbia have formed One Church One Child organizations. An estimated 60,000 children have been adopted nationally because of the program. OCOC has a unique training program for its recruiters, most of whom are foster or adoptive parents. Each recruiter is linked to an OCOC member church and has direct and personal contact with church members. In addition, OCOC has led the state in developing sound follow-up and tracking practices from family inquiry to the placement of children and adoption finalization. For more information about OCOC and other awardees go to: http://www.state.il.us/dcfs/library/com_communications_pr_nov72003.shtml

Better Data and Processes Needed to Monitor Underenrolled in Head Start Programs

According to a recent GAO report, Head Start programs have enrolled fewer children than they are funded to serve. However, the exact number is unknown because the Administration for Children and Families (ACF) does not collect accurate national data. In addition, it does not monitor underenrollment in a uniform or timely manner. Regional offices had differing definitions of unacceptable underenrollment, and the approaches they used to identify it were either not timely or not systematic. As a result, grantees with similar levels of underenrollment may be treated differently across regions. A mixture of factors made it difficult to achieve full enrollment, including increased parental demand for full-day child care, a decrease in the number of eligible children, facilities-related problems, and more parents seeking openings with other sponsors of early education and care. ACF national and regional offices and grantees all report taking action to address underenrollment through the issuance of guidance, increased monitoring by regional offices, and more aggressive outreach attempts by grantees. However, some grantees still cited continuing problems. To view this report go to: http://www.gao.gov/new.items/d0417.pdf

Strategies for Measuring the Quality of Head Start Programs

At the 2003 National Symposium on Head Start Programs, in New Orleans, Dr. Richard Lambert of UNC Charlotte presented the strategies for measuring the quality of Head Start programs. His presentation focused on the work of the Quality Research Consortium--through the Head Start Bureau--validating child outcomes measures, assessment for instructional planning, measuring classroom as well as program quality. To view this presentation go to:
http://www.performanceweb.org/social/presentations/03-12_lambert.ppt

2004 Family Services Summit on Performance Measures, Outcomes and Program Evaluation Strategies for Foster Care and Child Care (February 9-11, Washington, DC)

This two-track summit will highlight the most recent program innovations and lessons learned to improve child welfare services for low income families and foster children. It also features two post-conference workshops to help you recruit and retain qualified child welfare case managers and procure grants for family services programs. In the first track, identify program strategies and innovations to achieve program outcomes and comply with performance-based results and accountability mandates. In the second track, identify innovative ways to deliver effective child care services by forging community and faith-based partnerships to improve services, identifying and implementing performance-based contracts to ensure cost-effective child care program services, and exploring innovations in providing child care to low-income families. Leading best practices for strategic implementation of child and family services programs are waiting for your review. For more information go to:
http://www.performanceweb.org/social/S137/S137.htm

Behavioral & Public Health Services Innovations

State Public Health Systems seek to use Results to Improve System Performance

The National Public Health Performance Standards Program enables communities to assess, understand and improve public health system performance, and ensure delivery of public health services. The Performance Improvement (PI) Resource Guide (October 2003) is intended to help state public health systems (SPHS) that have completed the National Public Health Performance Standards Program (NPHPSP) and seek to use the results to improve their system's performance. States that complete NPHPSP receive a report from the Centers for Disease Control and Prevention (CDC) that details their performance. SPHS can use the NPHPSP report in conjunction with this guide to develop strategies for improving public health system performance. States (as well as local and governance bodies) that have yet to conduct the NPHPSP, can also improve their performance by using the resources in this guide. To view the complete resource guide go to:
http://www.phf.org/PerformanceTools/NPHPSP_State_PI.htm#Introduction

Centers for Disease Control and Prevention (CDC) Releases First State of CDC Report

As an agency within the Department of Health and Human Services, Centers for Disease Control and Prevention (CDC) plays a key role in promoting the safety and health of people in all of America's communities and around the world. CDC aims to provide a strong return on the American people's investment, acting to control infectious disease outbreaks, prevent infections and antimicrobial resistance, prevent illness and death from chronic conditions such as heart disease and diabetes, and protect children

and adults from injuries and disabilities. In CDC's Director Dr. Julie Gerberding recently released the first State of CDC report. The report chronicles the agency's accomplishments during Fiscal Year 2003 and provides a snapshot of plans to meet future public health challenges. The report contains details about how CDC invested $7 billion in public health programs, both at home and abroad, that impact people's lives each day. The release of this report brings much needed transparency and accountability in regards to the CDC's spending activities. To view this report go to:
http://www.cdc.gov/CDC.pdf

Grants, Contracts, & Partnerships News

HHS Completes Grants Website

The Health and Human Services Department (HHS) announced last December the completion of Grants.gov, a site providing "one-stop" grants shopping and view listings of available funding. The site includes information about more than 800 grant opportunities at 26 agencies. Organizations interested in federal grants can now visit this website to find application materials and other related information. Once a grants program is selected, agencies can download applications and submit the forms online. By putting relevant information in one place, levels the playing field for organizations less familiar with federal grant programs so that they too can identify and apply for appropriate grants. Grants.gov is one of 24 e-government initiatives designed to give the public better access to federal services and to enhance coordination and efficiency within the government. To view this website go to:
http://www.grants.gov/

Contracting Out Social Services

States and municipalities have contracted out services in an effort to improve their cost-effectiveness and quality. Competition provides the logical foundation for an expectation of cost savings and quality improvements, but competition does not exist in many local marketplaces, especially in the social services, where governments contract primarily with nonprofit organizations. As government increases its use of contracting, it simultaneously reduces its own public-management capacity, imperiling its ability to be a smart buyer of contracted goods and services. There are two key questions about contracting in social services: Does social services contracting exist in a competitive environment? And do county governments have enough public-management capacity to contract effectively for social services? A study found that there is an absence of competition and public-management capacity, raising the question of why governments contract when these conditions are not met. To view this article go to:
http://www.blackwell-synergy.com/links/doi/10.1111/1540-6210.00291/abs/

Cost Principles for Non-Profit Organizations: An Operational Look at OMB's Circular A-122 (January 26, Arlington, VA)

As many non-profit executives are aware, their organization must comply with cost accounting rules stipulated in the OMB A-122 and A-133. Grant recipients should feature razor-sharp accounting structures that provide accurate and complete information about all financial transactions related to any government-funded project. Since federal and state funds are tied to budget allocations, your organization should rigorously follow the general terms and conditions of the grant. More specifically, record your expenditures per correct cost category. Plus, as per OMB's Circular A-133, all grantees are expected to maintain a status of "audit readiness", regardless whether this audit is tied to a specific amount or not. Join this extremely

hands-on practicum on OMB´s Circular A-122 and engage in class exercises that will allow you to incorporate the provisions of OMB Circular A-122 to your indirect cost rate plan, link performance-based budgeting to performance-based contracting, comply with the latest federal and state regulations as well as provide services under principles of transparency and accountability. For more information go to: http://www.performanceweb.org/social/s150/s150.htm

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Program Spotlight: Connecticut School Readiness Initiative

The Connecticut School Readiness Initiative (CSRI), a partnership between the State Departments of Education and Social Services, seeks to increase the availability of high quality full-day, full-year child care programs for low-income families and to help bridge the school readiness gap between urban students (primarily minority) and their more affluent suburban peers.

The initiative primarily targets low-income three to five-year-olds and provides funding for up to two years of services. Local school readiness councils allocate funding to individual programs. Besides providing funding for early childhood education, the School Readiness program has provisions to ensure that programs are of high quality, that the number of children served by the program grows to meet the needs of Connecticut's 3- and 4-year-olds, that government agencies work together to ensure the well-being of children, that local communities are involved in defining their needs and designing solutions, and that there are ample safe, secure facilities to house early childhood education programs.

The state is implementing a performance assessment system linked to the Preschool Curriculum Framework and Benchmarks for Children in Preschool Programs so that the outcomes of individual children can be evaluated in relation to the state standards. Five communities are also participating in a longitudinal evaluation of the school readiness system that will assess design effectiveness in terms of fourth grade scores on Connecticut's state test.

The School Readiness Program has developed a program self-evaluation tool for childcare providers that is based on the Standards for Preschool and School Readiness Programs and asks providers to examine their programs and practices in the areas of health, nutrition, family literacy, parent education, professional development, transition to kindergarten, accreditation, continuous quality improvement and inclusion of students with disabilities as well as staff qualifications, program quality improvement, and parent satisfaction.

Since its inception, the number of positions available for children to attend early childhood education programs has increased by almost 200 percent. The state department of education estimates, however, that almost 15,000 more three- and four-year-olds could benefit from participation, and they have completed an operation and capital needs assessment that includes concrete suggestions and funding requirements for meeting the needs of all children needing preschool placements within the next decade.

In an effort to implement the Connecticut School Readiness Initiative (CSRI) at the highest possible level of quality, four cities initiated an ongoing coordinated project consisting of objective evaluations of classroom level quality and continuous program improvement. Quality and improvement measures were obtained on all 123 classrooms across four south-central Connecticut school districts then implementing CSRI, using the Early Childhood Environment Rating Scale-Revised (ECERS-R) and the Arnett Caregiver Interaction Scale (CIS).

For more information go to: http://www.nasbe.org/Educational_Issues/New_Information/SII/7_5.html

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The Performance Institute is a private think tank that serves as the nation's leading authority and repository on performance-based management practices for government organizations. Its mission is to identify, study and disseminate the leading management innovations pioneered by "best-in-class" government programs at federal, state and local levels. Through its national conferences on pressing issues, interactive executive training programs, and best practice research projects, the Institute provides cutting-edge expertise in the design, implementation and evaluation of strategies to solve operational challenges and enhance government performance.