# STEER, ROW OR ABANDON SHIP?

***RETHINKING THE FEDERAL ROLE FOR CHILDREN, YOUTH & FAMILIES***

*Special Report #8*

by
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(Note that the pagination and format differ somewhat from the printed version.)

# INTRODUCTION

This special report from the IEL Policy Exchange encourages us to rethink the federal role for children, youth and families. It calls for the federal government to steer more and row less. It examines the current array of federal programs and identifies important "details" that often make it complicated for communities to benefit fully from federal programs and policies. Finally, it describes promising approaches to make government more results-driven and accountable to the public----from using "benchmarks" (or indicators) to implementing the Government Performance and Results Act.

This report is based on 1996 testimony by Margaret Dunkle, Director of the IEL Policy Exchange, before the U.S. House of Representatives. The Subcommittee on Early Childhood, Youth and Families of the Committee on Education and the Workforce (formerly the Economic and Educational Opportunities Committee) invited her to testify on federally funded youth programs and initiatives, with an emphasis on the Youth Development Community Block Grant Bill that Congress was then considering.

Although IEL is not a membership organization and does not take positions either for or against specific legislative proposals, IEL staff members have often been invited to testify before the U.S. Congress to share perspectives from our ongoing work. Since the Policy Exchange began in 1992, its Director has testified three times before Congress.

This report continues the Institute for Educational Leadership's proud and unique history as a nonpartisan nonprofit organization that aims to improve society by strengthening educational opportunities for young people. Founded in 1964, IEL works at the national, state and local levels to connect education to the other public and private entities that provide the foundation for a strong society.

Many issues----from welfare reform to mounting pressure to balance the federal budget----make it important for policy makers to think sooner rather than later about changing public and private roles to assure that children, especially those with the fewest resources, grow up to be fully productive members of our society. I encourage you to use this report as a valuable resource as you explore these hard questions in the months and years ahead.

Michael D. Usdan
*President*
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## YOUTH DEVELOPMENT AND THE IEL POLICY EXCHANGE

> *The testimony that IEL Policy Exchange Director Margaret Dunkle delivered on September 19, 1996 focused on two areas that the Committee on Education and the Workforce (formerly the Economic and Educational Opportunities Committee) emphasized in its letter of invitation:*
>
> *The federal role in assuring that our country's young people grow up to be strong and productive members of our society; and*
>
> *How the current federal structure of programs for children and youth might be improved.*

The IEL Policy Exchange promotes policies and programs that foster effective and collaborative policies on issues affecting children, youth, families and communities. The Policy Exchange conducts seminars and site visits, researches policy issues and develops publications that bridge agency and disciplinary boundaries. It has a special interest in intergovernmental initiatives----the changing roles of government at the federal, state and local levels. *The focus of the IEL Policy Exchange is on the forest, not the individual trees.*

The concept of *youth development*----that is, assuring that our young people grow up to have strong social, moral, emotional, physical and cognitive competencies----fits with the focus of the IEL Policy Exchange on the broad range of issues affecting children and families. The Policy Exchange looks at how education, training, health, employment, social services, nutrition, income, housing, and welfare programs and policies fit together (or, too often, *fail to fit together*) to form a sensible whole that works for real people in real communities.

Youth development is not a new program or system. Instead, it is a way of thinking about young people and their needs, their assets and their competencies----emphasizing the positive rather than the negative. A problem-free youth is not necessarily a fully prepared youth. This concept used to be called "prevention." But that term was too limited: the goal is not only preventing bad things from happening, but more importantly giving good things a needed nudge.[1]

The youth development approach focuses on what it takes to help children and youth successfully navigate their way through this tricky time of their lives----and to assure that some*one* or some*thing* provides the "stitch in time" to build on a potential strength or prevent a little problem from becoming a big one that can quickly become almost impossible to fix. Youth development is analogous to the concept of communities coming together----and working hand-in-hand with police and other community resources----to avoid or resolve "little problems" (such as abandoned buildings, graffiti and piles of trash in the alley) before they escalate into crack houses, gangs and prowling armies of rats.

There is an emerging consensus that this comprehensive approach makes sense. But this common-sense approach also requires that government at all levels do business differently. Unfortunately, "common sense" does not necessarily mean "quick fix." This approach takes time and requires looking past the next budget cycle or next election. Taking a longer view means that we take seriously the recent lament of one state legislative leader: "Legislators are too worried about the next election and not the next generation."[2]

A youth-development approach requires finding new ways to reward long-term benefits to society, even if the savings appear in some other agency's (or some other committee's) budget ten years from now. For example, successful education and training efforts that build strong skills and work habits increase the tax base, decrease public health care costs and make it unnecessary to build more prisons. But these savings do not show up in the school budget, the program-by-program cost estimates by the Congressional Budget Office, or budget projections from the Office of Management and Budget.

The American public seems to increasingly understand this concept. For example, a recent *Washington Post* poll of American voters found that their top three worries were that schools would get worse, crime would increase, and AIDS would become more widespread.[3] Similarly, the 1996 Phi Delta Kappa/Gallup Poll found that the public identified the top three problems facing schools as drug abuse, lack of discipline, and violence and gangs.[4]

*When it works, youth development creates a plethora of non-events*----young people *not* using drugs, *not* dropping out of school, *not* breaking the law, *not* pregnant and *not* illiterate. As much as we say these are the results we want, such non-events rarely make the six o'clock news or appear in banner headlines. Historically, it has been hard for political leaders to take credit for something that *doesn't* happen, especially since tidy cause-and-effect conclusions about human behavior are at best elusive.

## WHAT IS THE FEDERAL ROLE WHEN IT COMES TO CHILDREN AND YOUTH?

The main question about the role of the federal government on policies regarding children and youth boils down to this: ***"Should the government steer, row or abandon ship?"***

The word "govern" comes from a Latin word meaning "to steer," as a captain steers a ship.[5]

> ***Steering organizations set the course,*** spell out priorities, provide direction, evaluate performance, serve as a catalyst for innovation, often cut across traditional bureaucratic lines, deliver funds to public and private operational bodies, and (perhaps most importantly) hold individual programs and people accountable for producing results that matter.
>
> ***Rowing organizations deliver services or dictate exactly how they should be delivered*****----**that is, they play a direct operational role. Much of the current crazy quilt of federal policies and programs regarding children and youth makes the federal government look like a rowing organization. This rowing is well-intentioned, and it would be neither fair nor accurate to call all (or even most) of these programs failures. But government, especially at the federal level, is often a clumsy oarsman at best.
>
> ***Abandoning ship is devolution in the extreme*****----**that is, leaving all important decisions to states and localities, on the assumption that there are no larger national interests concerning children, youth and communities that cross county, city and state lines.

The following pages explore these concepts.

## FIRST THINGS FIRST
### *ABANDONING SHIP IS NOT AN OPTION*

All of us want children to grow up to become responsible parents, workers and citizens. The simple demographic reality----often overlooked in the stovepipes of public policy----is that the four-year-old in Head Start today will be a 16-year-old a dozen years from now. What happens to that four-year-old is a major predictor of whether the 16-year-old will be in school or behind bars, pregnant or not, using drugs or not, violent or not, healthy or not.

Assuring that today's young people become well-educated and productive adults will determine the future economic prosperity of our country. And, just as important, it will determine whether or not we have the civil society that Americans from all walks of life want----a society of strong families, safe neighborhoods, good schools and cohesive communities.

With respect to the future economic success of our country, the Carnegie Council on Adolescent Development's thoughtful 1995 report, *Great Transitions: Preparing Adolescents for a New Century*, makes the case:

> Remaining in school is the single most important action adolescents can take to improve their future economic prospects.
>
> Women who become mothers as teenagers are more likely to find themselves in poverty later in their lives than women who delay childbearing.
>
> Substance abuse costs the United States more than $238 billion a year.
>
> Violence among adolescents carries tremendous economic as well as social costs---- more than $400 million in 1993 and rising each year.

(See Appendix I for additional details about the "Economic Consequences of Preventable Problems.")

Further, in order to meet the looming economic challenge of the aging of the Baby Boom generation, our country needs every potential worker to be qualified for a job and, indeed, working and paying taxes. In 1950 there were 16.5 workers making contributions to the Social Security system for every retiree drawing a Social Security pension. By 1990 this proportion had dropped to 3.4 to 1. And the proportion is expected to decline to 2.4 to 1 by the year 2020.[6]

In the context of a civil society and assuring a strong democracy, the Carnegie *Great Transitions* report concludes:

> Early adolescence, encompassing the sexual awakenings of puberty as well as new

social and educational demands, is an age of particular vulnerability. . . .

> Many adolescents manage to negotiate their way through this critical transition with relative success. With caring families, good schools, and supportive community institutions, they grow up reasonably well educated, committed to families and friends, and prepared for the workplace and for the responsibilities of citizenship....
>
> For many others, however, the obstacles in their path can impair their physical and emotional health, destroy their motivation and ability to succeed in school and jobs, and damage their personal relationships. Many reach adulthood ill-equipped to participate responsibly in our democratic society.[7]

*Clearly, abandoning ship is not an option.* If we want a vibrant national economy and a strong social fabric to hold our country together from town to town, county to county, and state to state, we must conclude that there is a federal role when it comes to children and youth, just as there are roles for states, localities, communities and families.

*At the same time, our country needs to do a better job of defining that federal role*----separating the wheat from the chaff since the federal government neither can nor should do everything. Our country needs to find more effective ways to make policies and programs across government complement rather than confound each other.

Increased clarity about just what results deserve federal expenditures----rather than the current hodge-podge of policies that vary from program to program, Congressional committee to Congressional committee, and Executive Branch department to Executive Branch department----could go a long way towards meeting the goal of making government work better and cost less.[8]

## MOSTLY ROWING
### *A LOOK AT CURRENT FEDERAL PROGRAMS*

> *Rowing organizations deliver services or dictate exactly how they should be delivered----that is, they play a direct operational role.*

Many, if not most, current federal programs for children and families are exercises in rowing. Some row well. Some don't.

Our country has a long tradition of creating a new program for every new crisis----and there is always some new crisis, somewhere. We also have a long tradition of finding it difficult to end a program, even one that is ineffective or has outlived its usefulness, once it has begun. Consequently, there are a lot of federal oars in the policy waters. In fact, the complexity of our current set of federal programs for children and families makes Rube Goldberg look like an amateur.[9]

Of course, it is the American way to identify problems, then forge ahead to fix them. And it is also the American way to do things in a complicated manner----whether we are talking about programs for children and youth, or our national defense. As a democracy created in reaction to a monarchy, we have an aversion to centralized power and control. Our system of government is filled with checks and balances. And we seem to like it that way.

But, as the Youth Development Community Block Grant Bill (H.R. 2807) notes:

> . . . in most local communities, youth development efforts are so fragmented that millions of youth nationwide go unserved, and no process exists through which key groups regularly come together to develop a comprehensive approach to youth development. *Without a mechanism for coordination, narrowly focused Federal programs are unable to meet the comprehensive needs of the youth of the Nation.* (Section (2)(10), emphasis added)

**Trickle-Down Fragmentation**

The fragmentation that makes it so hard to put the pieces together starts in the halls of Congress. The Congressional committee structure creates many Maalox moments as it trickles down to states, localities and community organizations, who then struggle to understand and comply with different and sometimes conflicting eligibility requirements, definitions, funding calendars, reporting guidelines, planning requirements and other rules for each program----even when the various programs are doing the same things for the same people.

To map the maze of federal programs for children and families, the IEL Policy Exchange studied all federal programs with 1993 funding levels of $100 million or more listed in the Congressional Research Service (CRS) report for Congress on *Federal Programs for Children and Their Families*.[10] In all, the Policy Exchange found 76 programs that accounted for $343 billion in federal funding ($228 billion if the Dependent Tax Exemption were excluded).

Most of the money was concentrated in just a few programs. The largest eight or nine programs accounted for 60 to 70 percent of all funding.[11] Surprisingly, adding the many under-$100 million programs listed in the CRS report increased these totals ($343 billion and $228 billion) by less than one percent ($1.9 billion).

*Having many small programs with minimal funding, as we do, creates the illusion of serving just about every need*. In these times of tight money, however, it makes more sense to fund larger programs that address critical national needs effectively, rather than to keep inventing new programs with lofty (but unrealistic) goals that then limp along without adequate resources.

Sometimes a picture is worth a thousand words. To understand the pictures on the following pages, remember that each figure represents a different Congressional committee or Executive Branch department:

> The heads of the figures represent full Congressional *committees* and Executive Branch *departments*; and
>
> The arms, legs and "pocketbooks" represent Congressional *subcommittees* and *agencies* within Executive Branch departments.

As the charts on the following two pages illustrate, there is a chaotic spaghetti-like web of connections among the House and Senate committees and subcommittees----and the Executive Branch departments and agencies----that have primary responsibility for large federal programs for children and families.

All told, even with all of the Congressional reforms and Executive Branch reinventing government initiatives in the past several years, **82 separate federal entities had primary responsibility for the 76 largest federal programs for children and families that the Policy Exchange studied.** These include:

> 19 Congressional committees and 26 subcommittees,[12] and
>
> 12 Executive Branch departments or independent agencies and 25 assistant secretary or under secretary-level agencies within departments.[13]

As complicated as these pictures are, they dramatically *underestimate* the complexity of these relationships. For example, they do *not* include:

> *Many important Congressional players*----from the Appropriations, Budget and Rules Committees, to the Leadership of both the House and Senate;[14] and
>
> *Many who play important roles in the Executive Branch*----from the White House Domestic Policy Council, to departmental assistant secretaries for budget and

planning.[15]

Attention: This document includes two graphics that illustrate the funding and legislative relationships among All Major Federal Programs. These graphics may be downloaded as separate Portable Document Format (PDF) files. Please refer to the "Steer, Row, or Abandon Ship?" web page on the Policy Exchange web site.

When it comes to funding for children and families, the Committee on Economic and Educational Opportunities (formerly the Education and Labor Committee, and renamed the Committee on Education and the Workforce in January 1997) is a significant player----responsible for authorizing 10 to 15 percent of all funding for the 76 large federal programs studied. If one looks at funding levels, it is the second largest House of Representatives committee for children and families. The 800 pound gorilla is the Ways and Means Committee, which controls half to two-thirds of all funding for children and families.

The following chart shows these funding breakdowns in more detail and includes the figures for other Congressional committees as well as Executive Branch departments.

**CONGRESSIONAL COMMITTEES/SUBCOMMITTEES & EXECUTIVE BRANCH DEPARTMENTS/AGENCIES THAT CONTROL MAJOR FEDERAL PROGRAMS FOR CHILDREN & FAMILIES**[16]

| | % 1993 $$ *INCLUDING* | % 1993 $$ *EXCLUDING* |
|---|---|---|
| **SENATE** | | |
| **Finance Committee** | **67%** | **50%** |
| Labor & Human Resources Committee | 9% | 14% |
| Agriculture, Nutrition & Forestry | 9% | 13% |
| Banking, Housing & Urban Affairs | 3-6% | 5-9% |
| Armed Services Committee, *and* Governmental Affairs Committee | Each | Each |
| **HOUSE OF REPRESENTATIVES**[17] | | |
| **Ways & Means Committee** | **64%** | **45%** |
| Education & Labor Committee[18] | 10% | 15% |
| Banking, Finance & Urban Affairs | 3-6% | 5-9% |
| Agriculture Committee, Energy & Commerce Committee, Armed Services Committee, *and* Post Office & Civil Service | Each | Each |
| **EXECUTIVE BRANCH** | | |
| **Health & Human Services Department** | **23%** | **35%** |
| **Treasury Department** | **38%** | **7%** |
| Labor Department | 13% | 17% |
| Agriculture Department, Housing & | 3-9% | 5-14% |
| Development Department, Defense Department, Education Department, *and* Office of Personnel Management | Each | Each |

**Coordination in Congress?**

These issues----and their solutions----are bigger than any one committee. Many committees and departments are involved with programs and policies that affect the same people and the same communities, and provide similar services and benefits. Yet each committee and agency writes its own rules, often without realizing that it is adding to the complexity for states, communities and families. Such important issues as program goals, eligibility requirements, funding formulas, reporting guidelines, planning requirements, definitions of even the most basic terms, performance standards and evaluation measures are rarely if ever coordinated.

Despite the real-world effect of this lack of coordination, there is currently no systematic mechanism within Congress to make these programmatic pieces fit together sensibly, so that there is some coherence to federal programs and policies when the rubber hits the road in states and communities. (This is a nonpartisan condition: there was no such mechanism in the 103rd Congress either, when Democrats controlled Congress.)

It may not be coincidental that poll after poll shows increasing apathy, even hostility, to government at all levels----federal, state and local. A 1996 survey conducted by *The Washington Post*, Harvard University and the Kaiser Family Foundation found that three out of four Americans mistrust government.[19] And only two out of five eligible voters actually cast ballots in the November 1994 election.[20]

Even though some of the specifics have changed since 1993, the pattern is the same----many programs spread across many committees, subcommittees, departments and agencies. The box below summarizes how the situation changed between the 103rd Congress and 104th Congress.

**Have Federal Reform Efforts Reduced the Complexity for Communities & Customers?**

***Judge for Yourself . . .***

Comparing ~~1993-94 (THE 103RD CONGRESS)~~ TO

| | # Committees/ Departments/ | # Subcommittees/ | Total |
|---|---|---|---|
| House | 10 | ~~20~~ 15 | ~~30~~ 25 |
| Senate | 9 | ~~13~~ 11 | ~~22~~ 20 |
| Executive Branch | ~~11~~ 12 | 25 | ~~36~~ 37 |
| **Total** | **~~30~~ 31** | **~~58~~ 51** | **~~88~~ 82** |

**Results from Other Studies**

Other reports confirm our findings. A March 1996 General Accounting Office analysis identified 131 federal programs providing services or benefits to at-risk or delinquent youth.[21]

These programs were housed in 16 different federal entities----10 Cabinet-level departments, three independent agencies, one federal commission, one presidential council and one "quasi-official" agency.[22]

In all, these youth-focused programs accounted for a little over $4 billion in 1995 funding, with more than 80 percent of the money going to three departments: Labor (37 percent), Health and Human Services (24 percent) and Education (20 percent). The Justice Department accounted for six percent of funding and all other departments and agencies accounted for 12 percent.

Similarly, *Targeting Youth: The Sourcebook for Federal Policies and Programs*, by Janet Reingold and Beverly Frank, provides several hundred pages of information about federal programs for adolescents and young adults. Published in 1993 by IEL and the Charles Stewart Mott Foundation, *Targeting Youth* examines youth-serving initiatives in nine federal departments as well as ACTION[23] and the Commission on National and Community Service.[24]

**Something for Everyone?**

Looking at the spaghetti charts and these other studies, one might draw the conclusion that there is a federal program to solve just about any problem. ***That would be an erroneous conclusion.*** In fact, governmental programs often hold out more promise than reality for providing a helping hand.

The work at the Policy Exchange provides a clear example of this. In March of 1995, the Policy Exchange had the pleasure of working with the Subcommittee on Oversight and Investigations to conduct a *Simulation Hearing* that put members of Congress and others into the shoes of a hypothetical but typical low-income working family in San Diego applying for aid from more than 20 different federal, state and local programs----from AFDC to health, child care, school lunches and housing.[25] [26]

***The family qualified for almost every program.***

But, in reality, the family would most likely not have had the wherewithal or tenacity to track down needed help: the many program offices were scattered across the city in different departments and agencies.

And, even if the family had found all of the programs, it would have had a tough time successfully navigating all of the forms and procedures necessary to qualify for aid. To illustrate, one need only look at the *Workbook of Application Packets for San Diego Assistance Programs* that, with much effort, the IEL Policy Exchange compiled for the March 1995 *Simulation Hearing.*

This *Workbook* is a what-you-see-is-what-the-family-would-get publication. *Even though the*

Workbook *is more than 800 pages long, it would have been more than 1,400 pages if it had included all federal, state and local forms, instructions and other materials that the family would confront.*[27] In fact, when IEL conducted the *Simulation Hearing*, none of the Ph.D.'s, lawyers, elected officials, program administrators or assorted policy wonks participating in the exercise could deal competently with the mounds of forms and other paperwork that would face the barely literate family in the case study.[28]

*Finally, even if the family found all of the right offices and filled out all of the right forms in the right way, **it would actually receive assistance from less than half of the programs**.* Some programs for which they qualified (such as child care) were already full. Some (such as housing) had three- to five-year waiting lists. And some (such as GAIN, the AFDC job training program) limited enrollment to special target groups that excluded the case-study family.

The Policy Exchange worked in partnership with San Diego on this *Simulation Hearing*, building on a 1994 site visit that explored the many things that county was doing right in the area of children, youth and families. The Policy Exchange is very grateful for the cooperation and leadership of top-level officials in San Diego as well as the very able assistance provided by staff from the involved agencies.

In a March 1996 systematic study of programs, the U.S. General Accounting Office drew similar conclusions:

[B]ecause two programs cover the same service/target-group combination does not necessarily mean that both programs actually do provide that service to that target group. As noted earlier, most programs can fund multiple services and many have multiple target groups, but in a given year a program might focus its efforts on a subset of those services and target groups. Thus, two programs that are authorized to fund the same service and that share the same target group might actually provide the same service to different groups, different services to the same group, or different services to different groups.[29]

Rowing is an important function. Without a team of oarsmen pulling together and evenly, the boat won't move.

But steering is even more critical: it is the helmsman's job to look forward, navigate around obstacles and chart the course.

## THE DEVIL IS IN THE DETAILS

### *ELEVEN QUESTIONS TO ASK OF EVERY PROGRAM OR POLICY AFFECTING CHILDREN AND YOUTH*

Ironically, moving from rowing to steering requires knowing more, not less, about the nitty-gritty details of how programs work. To steer well requires knowing how deep the water is and what lies under its surface.

Structure certainly isn't everything, but it is something. Ready answers to the following eleven questions would help policy makers make programs and policies----from block grants to entitlements and categorical programs----fit together more sensibly for children, families, communities and states.[30] And the answers across programs would illustrate why, as well as how, the federal government rows more often than it steers.

The questions sound simple, but the answers certainly are not.

What is the name of the program?

*Even the name of a program can cause confusion. For example:*

Title I *of the Elementary and Secondary Education Act is also called Chapter 1;*

*the* Individuals with Disabilities Education Act *is also called IDEA, Special Education and Public Law 94-142;*

*the* Medicaid *program is also called Title XIX, EPSDT and Medical Assistance;*

*the* Section 8 Rental Housing Program *is also called Tenant-Based Housing;*

Child Welfare Services *are also referred to as Foster Care and Adoption Assistance, and Title IV-B and IV-E; and*

*the* Social Services Block Grant *is also called Title XX.*

What are the goals of the program and how does it measure success?

*Program goals and measures of success may differ dramatically among programs, even those that fund similar activities for similar populations. And sometimes the connections between stated goals, measures of success, and the services and benefits a program provides are tenuous at best.*

What services and benefits does the program provide?

*Services and benefits typically overlap from program to program, but rarely are exactly the same.*

Who or what is eligible for services and benefits?

*Who can get services and benefits also overlaps, usually imperfectly, from program to program. Basic terms (such as "low-income," "child" and "youth") are often defined differently from one program to another. And the percentage of eligible people who actually receive services and benefits varies dramatically from program to program, depending on how the program is funded and administered.*

What federal funding is there?

*The form of funding (a categorical grant, a formula grant, an open-ended or capped entitlement, a tax expenditure, etc.) and funding year often differ from program to program, even when services, benefits and participants are essentially the same.*

What state, local and other funding is there?

*Some federal programs require states or communities to "match" a percentage of federal funding, to maintain state and/or local funding in order to receive federal funding ("maintenance of effort"), or to assure that they use federal funding to supplement rather than take the place of state and local funds ("supplement, not supplant"). Sometimes states and communities provide supplemental funding even though no formal "match" is required.*

How are funds distributed? What is important to know about applying to the federal government for funding?

*How funding flows from the federal level, through intermediary agencies (such as state and local governments and nonprofit organizations), and ultimately to the customer/client/program participant differs dramatically from program to program. Who can apply to the federal government for funding in the first place, the dates applications are due, and the federal agencies that process applications also vary.*

How do participants----customers, clients----get benefits and services?

*Participants ("customers," "clients") actually get benefits and services in very different ways from program to program----often applicants must apply to different state or local agencies and fill out different forms.*

What is important to know about how the program is administered?

*Many programs that affect the same people and communities (from housing to education and social services) are administered by different agencies, each with its own set of reporting requirements and due dates, confidentiality provisions, and auditing requirements.*

What requirements or incentives are there for more flexibility, coordination and partnerships, and less red tape?

*Some programs allow the federal government to "waive" program requirements. And some require or encourage a broad planning process, or have other provisions that encourage more flexibility and less red tape.*

What Congressional committees are responsible for the program?

*Many different Congressional committees have responsibility for authorizing, funding or overseeing important programs affecting the same children, families and communities. Yet there are few mechanisms to coordinate programs and policies across Congressional committees.*

These devilish details are often embedded in legislation, not administrative whim.

## ROW LESS, STEER MORE

*Steering organizations set the course, spell out priorities, provide direction, evaluate performance, serve as a catalyst for innovation, often cut across traditional bureaucratic lines, deliver funds to operational bodies (both public and private), and (perhaps most importantly) hold individual programs and people accountable for producing results that matter.*

In an era of tight money at all levels, it makes sense for the federal government to row less and steer more. Skillful steering gets you to where you want to go. It sets a clear direction and produces results.

Steering doesn't mean changing one's beliefs or priorities. But it does require being clear about just what your goals are. Most likely, it will also require changing service delivery, using innovative and nontraditional methods (such as public-private partnerships, catalyzing non-governmental efforts, technical assistance and seed money) as well as the more traditional methods of regulations, grants and contracts.[31] And steering also means using data, research and evaluation to show what works and what doesn't.

There is also the issue of who steers and who rows. In a more results-focused environment, it is not always government----and certainly not always the federal government----who steers. New types of partnerships of private, community and public partners----each working in his or her own way----to reach common goals are beginning to emerge.

Barbara Dyer (founder of the Alliance for Redesigning Government and a veteran of social policy issues) proposes an apt middle ground in the current debate about downsizing, deregulating and devolving by posing the question: *What results do Americans want and expect from government and how do we support the proper intergovernmental alignment to achieve these results, effectively and affordably?*[32]

In her scheme of things, federal, state and local governments negotiate as equals to reach an agreement on the results they want to achieve. And all levels of government are held accountable for progress on results that are systematically measured and reported.

Dyer compares current intergovernmental relationships to a classical symphony orchestra----where every note is written, every instrument has its part and any departure from the score is problematic. In contrast, the system she advocates is more fluid and would more closely resemble a jazz ensemble----where the musicians share a common key and a basic tempo, but the details emerge from the actual playing.

When used effectively, data and performance measures are like the odometer on your car. They let you know how far you have to go and how close you are to reaching your destination. They can help communities make mid-course corrections before they inadvertently find themselves in a place where they never intended to be.

**Results-Driven Experiments at the**
**Federal, State and Local Levels----*A Few Examples***

Experiments to clearly define the mission and desired results of government, to measure performance in a way that accurately gauges progress, and to use performance information for decision-making are popping up at all levels of government----federal, state and local. One reason is the budget crunch: government at all levels is trying to do more, better, with less. Another is the need to dispel public cynicism and explain to the American people just what their taxes are buying.

For example, more than **100 communities and at least 13 states** are engaged in serious "benchmarking" projects, according to Redefining Progress, a California-based group that is tracking the development of indicators of social, economic and environmental well-being.

**Three-quarters of 780 cities reported being involved in collaborative activities to benefit children and families**, according to a 1996 study by the National League of Cities. And city officials reported that collaboration between local governments and school officials had the greatest impact on improving results for children and families, followed by collaboration with non-profit agencies and town officials.[33]

At the federal level, an important but little noticed 1993 law, the **Government Performance and Results Act (GPRA)**, shifts the focus of federal agencies from such traditional concerns as staffing and activity levels towards a single overriding issue----results. Enacted under the leadership of Senator William V. Roth, Jr. (R-Delaware), it aims to put Congress more clearly than ever in a steering role----setting priorities and then evaluating results. (See Appendix II for a summary of the requirements of the Government Performance and Results Act.)[34]

GPRA requires federal agencies to set goals, measure performance and report on their accomplishments.

By fiscal 1999, GPRA requires the Executive Branch to prepare an overall performance plan as well as individual agency plans, complete with performance indicators. FY 1999 seems in the distant future until one realizes that, by the fall of 1997 the federal agencies and the President's Office of Management and Budget will be hammering out the details of the fiscal 1999 budget.

The **Local Empowerment and Flexibility Act** (S. 88 and H.R. 2086) proposed another, related approach.[35] This bill, if enacted, would have allowed local communities that have a federally approved "Local Flexibility Plan" to be excused from complying with federal laws and regulations that get in the way of meeting the goals of their plan. Major sponsors of this bill, which mirrored an already-enacted provision ("EdFlex") for education programs, included Senator Mark Hatfield (R-Oregon) and Congressmen Christopher Shays (R-Connecticut) and William F. Clinger, Jr. (R-Pennsylvania).

The Clinton Administration is pursuing a strategy of **"performance partnerships"** with states and local governments that treats results and outputs, not processes and inputs, as the basic measure of success. The goal of these partnerships is to consolidate funding streams, eliminate overlapping authorities, create funding incentives to reward desirable results, and reduce micromanagement and wasteful paperwork.

Finally, the **Oregon Option**, signed in December 1994 with bipartisan support, is a unique performance-based agreement among federal, state and local officials to test a results-oriented approach to intergovernmental service delivery.

The Oregon Option focuses on three human investment areas----work force development (with a dual emphasis on youth in-school and out-of-school, and adults who are unemployed or under-employed), healthy children (with an initial focus on immunization), and family stability (with a first goal of moving recipients off welfare into the paid work force).

Groups organized around each of these three areas aim to reach specific benchmarks/results/targets/goals----and to judge their success by measurable indicators.

To give a few examples of benchmarks used by the Oregon Option:

The *work force* group's benchmarks include increasing the percentages of students completing high school and workers employed full-time.

The group focusing on *healthy children* chose such benchmarks as the percentage of two-year-olds with complete immunizations, and the rates of teenage pregnancy, child abuse, and child neglect.

The benchmarks for the *family stability* group include cutting the AFDC caseload from 30,000 to 20,000 within two years through self-sufficiency efforts (made possible by a Welfare waiver from the Department of Health and Human Services). (Between 1994 and the fall of 1996, Oregon had already cut the AFDC caseload from 40,000 to 30,000.) Another goal of the family stability group is to reduce the percentage of children living in poverty from 11 percent to nine percent by the year 2000.

Although initial results are promising, it is too soon to know just how successful the Oregon Option initiative will be over time----or how the lessons learned from this experiment can be applied to other states.[36]

## Performance Measures----*Risks and Rewards*

An increased focus on accountability by using specific performance measures or indicators carries both risks and rewards. While this approach has refreshing content compared to the current process-driven system, performance measures are admittedly imperfect proxies to measure success.

Potential risks center around the real difficulty of linking cause and effect, especially when the effects may be evident only years later. Risks include picking the wrong indicator or performance measure, using data irresponsibly or manipulating it for political purposes, or letting the indicator assume an importance greater than the larger goals (analogous to "teaching to the test"). Finally, the tools for collecting and reporting meaningful information are more primitive than we would like. And the best "indicator" data, especially for areas smaller than states, where individual programs typically operate, often simply are not now collected.

On the other hand, potential rewards include less red tape from top to bottom, more meaningful accountability and the ability to show that taxes are supporting agreed-upon public goals. When they work, specific performance measures can allow states and communities to start from where they are and experiment with solutions that would work for them, although these activities might not make sense for the neighboring town or state. And they can be useful in "telling the important story" (by race, gender, ethnicity, disability or income) when overall things may look fine, but one group or another is falling behind.

## Possible Indicators for Youth Development

Given these trends towards accountability and benchmarks that measure progress, the Policy Exchange reviewed the Findings and Purposes sections of the Youth Development Community Block Grant Bill (H.R. 2807) to identify what some benchmarks or indicators for youth development might look like.

The following six statistics are already collected nationally. Using them as performance indicators would require working with states and localities to collect comparable information at those levels as well, so that communities could know if specific policies and programs were having the results that they want.

In the area of crime, look at the number of arrests for violent crime per 1,000 youths, both under age 15 and from ages 15 to 17.[37]

Or look at the number of teens who are *victims* of crime.[38]

To get a handle on substance abuse, look at the percent of teens who report drinking alcohol regularly or using a controlled substance in the last 30 days.[39]

For teenage pregnancy rates, look at the birth rate to unmarried girls under age 18.[40]

To know how many youth are in, or out of, the mainstream, one could use the percent of "detached youth" (that is, the percent of 16- to 19-year-olds who are not either in school or in the labor force).[41]

And, finally----since the earlier the intervention, the greater the impact----one might track whether or not someone reads daily to a young child, age three to five. Perhaps not surprisingly, this statistic is one of the best predictors of later success in school.[42]

Two excellent sources of data about how well our country is doing for its children and youth are *Kids Count* and *Trends in the Well-Being of America's Children and Youth: 1996*.[43]

Groups and providers concerned with young people are currently struggling with the issue of indicators. While identifying a sensible set of national youth development goals and ways to measure them will not be easy, it could provide an important context to understand the broad array of competencies and strengths that youth need to become successful adults----and then to design strategies to get from here to there.[44] Some very useful work in this area has been done by the National Youth Employment Coalition, including identifying characteristics of successful youth development programs.[45]

A major challenge is identifying reliable as well as valid measures that highlight the positive as well as the negative. Our national statistical systems certainly do not focus on positive information----and they certainly do not collect much data at the community level, where programs and policies are implemented.

The Center for Youth Development and Policy Research of the Academy for Educational Development is currently developing a list of indicators that emphasizes positive results. For example, they would ask whether or not a young person is:

Able to identify three recent accomplishments?

A member of an organization or club----or involved in community volunteer activities?

Able to identify a book he or she has read for pleasure in the last two months?

Consistently in school or training?

Consistently connected to at least one caring adult?

The AED Center also asks parallel questions of communities, recognizing that young people are unlikely to do these things unless the community----families, religious and private organizations, and public entities----provide young people with these opportunities in the first place.[46]

*     *     *     *     *

Refining the Youth Development Community Block Grant Bill to assure that it produces *results* that work for communities and are in the national interest would be consistent with the purposes and structure already outlined in the bill. While writing specific indicators into law is a too-rigid approach, being very clear in the legislation about goals and results that are sufficiently in the national interest to require federal expenditures would help set priorities at a time when funding is becoming more, not less, scarce.

One further step to make the Youth Development Community Block Grant Bill more effective would be to put the concept of indicators or performance measures into the funding formula----rewarding strategies that work and/or targeting areas most in need. This approach could free up local initiative and creativity, cut red tape and produce the kind of results that we would all like to see.

Finally, it is important to remember that having clear goals without the resources to make them a reality is a sham. If there are national goals that are worth pursuing, we as a country need to fund (as well as design) strategies that have at least some hope of meeting them.

Steering well requires hard choices, especially in a balanced-budget climate that is asking, even demanding, more of social policies and programs. The challenge before the Congress and the country is for the federal government to row less, steer more----and steer in a direction that builds strong families and communities.

***Steering organizations set the course,*** *spell out priorities, provide direction, evaluate performance, serve as a catalyst for innovation, often cut across traditional bureaucratic lines, deliver funds to public and private operational bodies, and (perhaps most importantly) hold individual programs and people accountable for producing results that matter.*

## *ENDNOTES*

[1] For a more detailed definition of the term "youth development," see *Youth Development: A Primer*, by the Center for Youth Development and Policy Research of the Academy for Educational Development, September 1996.

[2] From *State Legislative Leaders: Keys to Effective Legislation for Children and Families*, published by the State Legislative Leaders Foundation, 1995, page 15.

[3] From "American Voters Focus on Worries Close to Home," by Mario Brossard and Richard Morin, *The Washington Post*, September 15, 1996, pages A1 and A18.

[4] See "The 28th Phi Delta Kappa/Gallup Poll of the Public's Attitudes Toward the Public Schools," by Stanley Elam, Lowell Rose and Alec Gallup, in the September 1996 issue of *Phi Delta Kappan*, page 49.

[5] See *Reinventing Government: How the Entrepreneurial Spirit Is Transforming the Public Sector from Schoolhouse to Statehouse, City Hall to the Pentagon*, by David Osborne and Ted Gaebler, Addison-Wesley Publishing Company, 1992.

[6] See "Comparison of OASDI Covered Workers and Beneficiaries by Alternative, Calendar Years 1945-2070," from the *1996 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds*, U.S. Social Security Administration, 1996, Table II.F19.

[7] From *Great Transitions: Preparing Adolescents for a New Century*, by the Carnegie Council on Adolescent Development, 1995, page 9.

[8] See *From Red Tape to Results: Creating a Government That Works Better & Costs Less* (Report of the National Performance Review), by Vice President Al Gore, 1993, as well as subsequent reports of the National Performance Review.

[9] Rube Goldberg, born in 1883, was an American cartoonist, sculptor and creator of diagrams of extremely intricate contraptions designed to effect relatively simple results.

[10] The funding figures used for this analysis by the IEL Policy Exchange came primarily from Table 3 (as updated on March 2, 1993 and published separately from the larger CRS report). When possible, CRS adjusted these figures to include only funding for children or children and families: consequently, many are lower than the total appropriation, obligation, outlay/expenditure, tax expenditure or program level expenditure that is used in other contexts. For a more detailed explanation and program-by-program numbers, see Appendix E of *Who Controls Major Federal Programs for Children & Families?Rube Goldberg Revisited*, by Margaret Dunkle, Institute for Educational Leadership Policy Exchange, 1995.

[11] Specifically, nine programs accounted for more than 70 percent of funding in the 76 programs the Policy Exchange studied: the Earned Income Credit, Aid to Families with Dependent Children (AFDC, now replaced by Temporary Assistance to Needy Families, TANF), Supplemental Security Income, the Dependent Allowance for Unemployment Compensation, the Dependent Tax Exemption, Dependent Benefits under Social Security, Medicaid, Section 8 Leased Housing Assistance, and Food Stamps. If the Dependent Tax Exemption were excluded, the other eight programs still accounted for 60 percent of funding.

[12] The 104th Congress had the same number of *full committees* dealing with these major programs for children and families as the previous Congress?19 in all, 10 in the House and 9 in the Senate. The number of *subcommittees* with responsibility for major federal programs affecting children and families went down by only seven (from 33 to 26) from the 103rd to the 104th Congress?from 13 to 11 in the Senate and from 20 to 15 in the House.

[13] The Executive Branch has actually become *more structurally fragmented* since 1993. Making the Social Security Administration an independent agency increased the number of Executive Branch departments/agencies responsible for major child and family programs from 11 to 12. The number of lower-level agencies within departments remained the same.

[14] The number of Congressional players quickly goes up when these other important entities are added. For example, including the Appropriations and Budget Committees in this analysis would increase the number of Congressional committees by four and the number of subcommittees by at least 12. Other Congressional players omitted from this analysis include: joint referrals of legislation to multiple committees, committees and subcommittees with oversight but not authorizing responsibility, committees and subcommittees that only have authority over programs of less than $100 million, and Congressional support offices such as the Congressional Budget Office and General Accounting Office.

[15] Other Executive Branch players not included in this analysis are, for example, the White House Office of Management and Budget, departments or agencies that are only responsible for child and family programs of less than $100 million, and important research and evaluation agencies such as the National Institutes of Health, the Census Bureau and the National Center for Education Statistics.

[16] From *Who Controls Major Federal Programs for Children & Families?Rube Goldberg Revisited*, by Margaret Dunkle, Institute for Educational Leadership Policy Exchange, 1995, page 13.

[17] Many of these committees were re-named in the 104th Congress, even though their legislative jurisdiction did not change substantially. For example, the Education and Labor Committee became the Economic and Educational Opportunities Committee; the Banking, Finance and Urban Affairs Committee became the Banking and Financial Services Committee; the Energy and Commerce Committee became the Commerce Committee; the Armed Services Committee became the National Security Committee; the Natural Resources Committee became the Resources Committee; and the relevant jurisdiction of the Post Office and Civil Service Committee was assigned to the Government Reform and Oversight Committee. In the 105th Congress, the Economic and Educational Opportunities Committee was *again* renamed: it is now called the Committee on Education and the Workforce.

[18] In the 105th Congress, which began in January 1997, this committee was renamed: it is now called the Committee on Education and the Workforce.

[19]From "Fading American Dream Haunts the Civic Generation," by Paul Taylor, *The Washington Post*, February 1, 1996, page A12.

[20] From "Highlights from the November 1994 Voting Survey," by the U.S. Census Bureau, as revised September 23, 1996. As typically happens when there is a Presidential election, the percentage of eligible voters that actually cast a ballot increased to 50 percent in 1996. (From a chart, "November, 1996 Registration and Turnout, by State," compiled by Election Data Services, Inc., Washington, DC, April 3, 1997.)

[21] See *At-Risk and Delinquent Youth: Multiple Federal Programs Raise Efficiency Questions*, by the U.S. General Accounting Office, March 1996. For this analysis, the term "at-risk" was defined broadly to refer to "youth who, due to certain characteristics or experiences, are statistically more likely than other youth to encounter certain problems? legal, social, financial, educational, emotional and health? in the future."

[22] The 10 departments are:

| | |
|---|---|
| Health and Human Services | 58 programs |
| Justice | 22 programs |
| Education | 10 programs |
| Labor | 9 programs |
| Agriculture | 8 programs |
| Housing and Urban Development (HUD) | 5 programs |
| Transportation and Defense (3 programs each) | 6 programs |
| Interior and Treasury (1 program each) | 2 programs |
| The 6 other entities are: | 11 programs |

National Foundation on the Arts and Humanities (4 programs), Corporation for National Service (3 programs), Appalachian Regional Commission (1 program), Environmental Protection Agency (1 program), President's Crime Prevention Council (1 program), and State Justice Institute (1 program).

[23] ACTION has since been replaced by the Corporation for National Service as the umbrella agency for domestic volunteer programs.

[24] The nine federal departments were the Departments of Health and Human Services, Education, Justice, Labor, Agriculture, Interior, Housing and Urban Development, Defense and Commerce.

[25] See *Simulation Hearing on Obtaining Federal and State Assistance*, Hearing Before the Subcommittee on Oversight and Investigations of the Committee on Economic and Educational Opportunities, U.S. House of Representatives, March 27, 1995. The exercise that comprised the substance of this hearing included more than 20 federal, state *and* local programs that might provide social services, income, health, job training, housing, school or tax assistance to the composite working poor San Diego family that was the focus of this exercise, including: (* denotes primarily a state or local program)

AFDC (Aid to Families with Dependent Children),
CCS (California Children Services),*
CHDP & CHDP-TR (Child Health & Disability Prevention & Treatment Program),*
Child Care,* (some federal, some state and local)
CMS (County Medical Services),*
EIC (Earned Income Credit),
Food Stamps,
Free and reduced-price school meals,
General Relief,*
GAIN (Greater Avenues for Independence) Program (for AFDC recipients),
Head Start,
IDEA (the Individuals with Disabilities Education Act),
JTPA (the Job Training Partnership Act),
Medi-Cal (Medicaid in California),

Public Health Services,*
Public School and Preschool,*
Section 8 Rental Assistance and Public Housing,
State Rental Housing,*
SSI (Supplemental Security Income Program), and
WIC (Special Supplemental Food Program for Women, Infants & Children).

[26] For an overview of lessons we learned from the *Simulation Hearing* see (1) "A Bottom-Up Look at Welfare Reform: What Happens When Policymakers Apply for Assistance from the Programs They Created?," by Margaret Dunkle, *Education Week*, November 13, 1995, page B7; and (2) "An Exercise in Lying and Cheating," by Margaret Dunkle, *The San Diego Union Tribune*, February 9, 1996, page 21.

[27] For example:
In many instances, duplicate copies of the same forms were included in the application packets. While we noted where these duplicates, triplicates and quadruplicates occurred, we did not reproduce those forms a second, third or fourth time in the *Workbook*. Doing so would have added an estimated **150 pages** to the *Workbook*.

We included only the front page of some of the informational booklets included in the application materials. Including all of the pages of these booklets would have added approximately **100 pages** to the *Workbook*.

We included only application materials for programs operated by the ***city*** of San Diego. We did not include application materials for housing programs operated by the ***county*** of San Diego, where the family in the exercise's case study could also apply for housing assistance. Adding the county forms would have added another **95 pages** to the *Workbook*.

In the spirit of conservation and because the information is readily available, the instructions for the 1040A form (76 pages), the 1040EZ form (36 pages), the 1040 form (85 pages) and the Earned Income Credit form (40 pages) were not included in the packet of materials. If all of these sets of instructions had been included, they would have added **237 pages** to the *Workbook*.

Adding the separate application for "Food Stamps only" would have added approximately another **50 pages**. We did not include these since these forms were already included in the more comprehensive set of forms in section II of the *Workbook*.

Finally, some important programs were not included because they are not immediately applicable to the family in the case study. For example, adding the application for the Pell Grant program (student financial aid) would have added 16 pages (35 if the booklet on "In Search of Financial Aid" that the San Diego Community College District distributes had also been included).

[28] It is important to note that the paperwork, forms and complexity in the materials in the *Workbook*?and indeed in the whole process?are not simply a federal phenomenon. Many of these forms and pages come from states and localities. A General Accounting Office study for Chairman Goodling found that the block grants of the 1980's often increased, rather than decreased, paperwork for the people on the front lines. This study found that, while federal block grants significantly reduced the amount of information the federal government required or received, reporting requirements for most local service providers either stayed the same or increased. According to the February 1995 GAO analysis for Chairman Goodling:

Block grants significantly reduced the reporting requirements imposed by the federal government on states compared with previous [federal] categorical programs. However, states stepped in and assumed a greater role in oversight of the programs, consistent with the block grant philosophy. The 13 states we visited generally reported that they were maintaining their level of effort for data collection as under the prior categorical grants. States tailored their efforts to better meet their own planning, budgetary and legislative needs. Given their new management responsibilities, states sometimes increased reporting requirements for local service providers.

However, the Congress, which maintained interest in the use of federal funds, had limited information on program activities, services delivered and clients served. This was because there were fewer federal reporting requirements and states were given the flexibility to determine what and how to report program information. Due to the lack of comparability of information across states, state-by-state comparisons were difficult.

(From *Block Grants: Characteristics, Experience, and Lessons Learned*, Report to the Chairman, Committee on Economic and Educational Opportunities, U.S. House of Representatives, by the U. S. General Accounting Office, February 1995, pages 9-10.)

[29] See *At-Risk and Delinquent Youth: Multiple Federal Programs Raise Efficiency Questions*, by the U.S. General Accounting Office, March 1996, page 13.

[30] This list of questions is based on the work of the Policy Exchange and draws from a publication that is currently being developed.

[31] In *Reinventing Government: How the Entrepreneurial Spirit Is Transforming the Public Sector*, David Osborne and Ted Gaebler found 36 alternatives to standard service delivery by public employees ranging from the traditional to the avant-garde:

*Traditional*

| | |
|---|---|
| Creating Legal Rules and Sanctions | Grants |
| Regulation or Deregulation | Subsidies |
| Monitoring and Investigation | Loans |
| Licensing | Loan Guarantees |
| Tax Policy | Contracting |

*Innovative*

| | |
|---|---|
| Franchising | Technical Assistance |
| Public-Private Partnerships | Information |
| Public-Public Partnerships | Referral |
| Quasi-Public Corporations | Volunteers |
| Public Enterprise | Vouchers |
| Procurement | Impact Fees |
| Insurance | Catalyzing Nongovernmental Efforts |
| Rewards | Convening Nongovernmental Leaders |
| Changing Public Investment Policy | Jawboning |

*Avant-Garde*

| | |
|---|---|
| Seed Money | Quid Pro Quos |
| Equity Investments | Demand Management |
| Voluntary Associations | Sale, Exchange or Use of Property |
| Coproduction or Self-Help | Restructuring the Market |

[32] See *The Oregon Option? Early Lessons from a Performance Partnership in Building Results-Driven Accountability*, by Barbara Dyer, Alliance for Redesigning Government of the National Academy of Public

Administration, 1996.

[33] From *Critical Needs, Critical Choices: A Survey on Children and Families in American Cities*, by Judith Myers and John Kyle, National League of Cities, March 1996, pages vii and 50.

[34] Other useful documents to understand GPRA include: (1) *Executive Guide: Effectively Implementing the Government Performance and Results Act*, by the U.S. General Accounting Office, June 1996, and (2) *Toward Useful Performance Measurement: Lessons Learned from Initial Pilot Performance Plans Prepared Under the Government Performance and Results Act*, by the National Academy of Public Administration, November 1994.

[35] In the end, this bill was not enacted by the 104th Congress.

[36] In addition to the *Early Lessons* report by Barbara Dyer cited earlier, other assessments of the Oregon Option are: (1) *The Oregon Option: A Federal-State-Local Partnership for Better Results*, by Christina Macy, a report of the Annie E. Casey Foundation, (2) *Towards Results-Oriented Intergovernmental Systems: An Historical Look at the Development of the Oregon Option Benchmarks*, by Mark Popovich, Alliance for Redesigning Government of the National Academy of Public Administration, 1996 and (3) *The New Oregon Trail: Accountability for Results*, by Anne Lewis and Margaret Dunkle for the IEL Policy Exchange, 1996.

[37] Nationally, these figures are collected by the Uniform Crime Reporting Program of the FBI.

[38] This information is available through the "Crime Victimization Survey" conducted by the Bureau of Justice Statistics at the Department of Justice.

[39] Nationally these figures are available every one to three years through the *Monitoring the Future Study*, conducted by the University of Michigan's Institute for Social Research for the National Institute on Drug Abuse of the Department of Health and Human Services.

[40] This information is collected by the National Center for Health Statistics of the Department of Health and Human Services through its report on *Vital Statistics of the United States, Volume I: Natality*, which is broken down by ages 10 to 14, 15 to 17, and 18 to 19.

[41] The Current Population Survey, published by the Census Bureau of the Department of Commerce, reports these data nationally.

[42] The National Center for Education Statistics of the Department of Education periodically conducts the "National Household Education Survey," which collects this information.

[43] The annual *Kids Count* book is published by the Annie E. Casey Foundation, which also supports state *Kids Count* reports that provide similar information at the state and local level. *Trends in the Well-Being of America's Children and Youth: 1996* was developed by Child Trends and published by the Department of Health and Human Services in cooperation with the Federal Interagency Forum on Child and Family Statistics. The Interagency Forum on Child and Family Statistics is a recently formed group of leaders of federal agencies and departments responsible for collecting data on children and youth. The goal of the Forum is to improve the federal statistical system regarding children, youth and their families.

[44] See *Contract with America's Youth: Towards a National Youth Development Agenda*, by the American Youth Policy Forum and the Center for Workforce Development of the Institute for Educational Leadership, the Center for Youth Development and Policy Research of the Academy for Educational Development, and the National Assembly of National Voluntary Health and Social Welfare Organizations, 1995.

[45] See, for example, *The Promising and Effective Practices Guidebook*, by the National Youth Employment Coalition, no date.

[46] This information is drawn from a draft document, "Youth, Program and Community Outcomes for Youth Development," by the Center for Youth Development and Policy Research of the Academy for Educational Development, 1996.

# Appendix I

## ECONOMIC CONSEQUENCES OF PREVENTABLE PROBLEMS

Adolescent pregnancy and substance abuse are not simply problems when they happen. The consequences of these acts reach far into the future, and their antecedents emerge even before adolescence. The following costs illustrate the importance of preventing such problems.

### DROPPING OUT

Remaining in school is the single most important action adolescents can take to improve their future economic prospects. In 1992, a high school graduate earned almost $6,000 per year more than a high school dropout.[47]

Going to college boosts income even more. In 1992, college graduates had a mean annual income of $32,629, while high school graduates had a mean annual income of $18,737. Earning a professional degree added $40,000 a year to the mean annual income of college graduates.

Gender also affects income. A male high school graduate's mean monthly income is likely to be twice as much as a female high school graduate's, a statistic that highlights the significance of education for women.[48]

### BEARING CHILDREN

Women who become mothers as teenagers are more likely to find themselves living in poverty later in their lives than women who delay childbearing. Although 28 percent of women who gave birth as teenagers were poor in their 20s and 30s, only seven percent of women who gave birth after adolescence were living in poverty in their 20s and 30s.[49]

In 1992, the federal government spent nearly $34 billion on Aid to Families with Dependent Children, Medicaid, and food stamps for families begun by adolescents.[50]

Providing family planning services is one way to lower taxpayers' costs. Each public dollar spent on family planning services saves an average of $4.40 by reducing expenditures on medical, welfare, and nutritional programs.[51]

### SUBSTANCE USE AND ABUSE

Substance abuse costs the United States more than $238 billion a year, including the expense of treating substance abuse, the productivity losses caused by premature death and inability to perform usual activities, and costs related to crime, destruction of property, and other losses.[52]

Each year more than a million young people start smoking regularly, a decision that will cost the health care system $8.2 billion in preventable medical expenditures during their lifetimes.[53]

During the last two decades, the tobacco industry has dramatically increased the money it spends on advertising. In 1992, the industry spent more than $6.2 billion on advertising, making cigarettes second only to automobiles in advertising dollars spent.[54]

### INJURIES

An estimated 10 to 20 percent of all injuries to children and young people occur in and around schools. Falls were the most common cause of injuries. Representing 46 percent of all incidents, falls were followed by sports activities at 30 percent and assaults at 10 percent. The resulting costs of these injuries vary substantially. The bill for treating something as simple as a forearm fracture, for example, can exceed $3,900. A serious injury such as spinal cord damage can incur medical costs higher than $188,000.[55]

Injuries to young adolescents, ages ten to fifteen, in motor vehicles cost more than $13 million in 1991, or about $56,000 per injured child.[56]

The U.S. Centers for Disease Control and Prevention estimates that simply switching to break-away bases for softball games could prevent 1.7 million injuries a year and save $2 billion in acute medical costs.[57]

A recent U.S. General Accounting Office report estimated that the nation's schools need $112 billion to complete all of the repairs, renovations, and modernizations required to restore facilities to good overall condition and comply with federal mandates that ensure the safety of students.[58]

### VIOLENCE

Violence is a social problem with tremendous economic costs. In 1993, the cost of providing emergency transportation, medical care, hospital stays, rehabilitation, and related treatment for American firearm victims ages ten through 19 was $407 million.[59]

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Appendix I is from *Great Transitions: Preparing Adolescents for a New Century,* Carnegie Council on Adolescent Development, October 1995

## Appendix II

### THE GOVERNMENT PERFORMANCE AND RESULTS ACT

### OVERVIEW

In 1993, the Congress enacted the Government Performance and Results Act (GPRA). A major goal of the GPRA is to improve the confidence of the American people in their government by systematically holding Federal agencies accountable for achieving program results. The following synopsis of the GPRA is based on the statute itself (Public Law 103-62) as well as a summary developed by the Office of Management and Budget.

The Government Performance and Results Act of 1993 (GPRA) requires Federal agencies to:

Develop strategic plans before fiscal year (FY) 1998,

Prepare annual plans setting performance goals beginning with fiscal year 1999, and

Report annually on actual performance compared to goals, beginning in the year 2000.

Federal agencies are allowed to waive administrative requirements and controls to provide greater managerial flexibility in exchange for greater accountability.

The law requires three sets of pilot projects----one to test **performance measurement**, a second in **managerial accountability and flexibility** and a third in **performance budgeting**.

By May 1997, the Office of Management and Budget (OMB) and the General Accounting Office (GAO) must report separately to Congress on the results of the first two sets of pilot projects, and assess the government's ability to begin full-scale implementation.

The third set of pilots (on performance budgeting, showing the various levels of performance that would result from different budgeted amounts) will take place during fiscal years 1998 and 1999. By March of 2001, OMB must report to the President and the Congress on the result of this set of pilot projects and make recommendations about whether or not performance budgets should be required.

## MAJOR PROVISIONS OF THE GPRA

### Strategic Plans

Each Federal agency is required to submit to OMB by September 30, 1997 a strategic plan for its program activities. Strategic plans must cover at least five years and be updated at least every three years. Each agency's strategic plan must include:

A comprehensive mission statement covering the agency's major functions and operations;

General goals, including outcome-related goals;

A description of how the general goals will be achieved, including a summary of the resources, systems and processes that will be required;

A description of how the performance goals in the annual performance plan that the GPRA requires are related to the strategic plan;

Identification of key external factors that could significantly affect achievement of these general goals; and

A description of how the agency uses program evaluations to establish and revise goals and objectives, along with a schedule of future evaluations.

### Annual Performance Plans and Program Performance Reports

Beginning with fiscal year 1999, the GPRA requires Federal agencies to prepare annual performance plans for each program activity. These annual plans must be derived from the strategic plan and set specific performance goals for a fiscal year.

In these plans, agencies must generally express performance goals in an "objective, quantifiable and measurable" form. The plans must "establish performance indicators to be used in measuring or assessing the relevant outputs, service levels and outcomes of each program activity." If an agency cannot do this, the Director of OMB may authorize an alternative form.

Beginning with FY 1999, each agency's annual performance plan will be used to prepare a Federal government performance plan, with this overall plan becoming part of the annual budget of the United States Government. Beginning in the year 2000, the GPRA requires agencies to submit annual reports to the President and the Congress outlining the agency's actual performance achieved compared to the goals in the performance plan. When an agency does not meet its performance goals, its report must explain why the goal was not met, and the agency's plans and schedule for meeting the goal.

## Managerial Flexibility

Beginning with FY 1999, the GPRA allows agencies to propose waivers from administrative requirements (such as staffing levels, limits on compensation and restrictions on transferring funds across budget categories) in their performance plans. These waivers could be granted by OMB and would be "in return for specific individual and organizational accountability to achieve a performance goal." After a waiver has been in effect for three years, the agency may propose that it become permanent.

## Federal Government Performance Plan

Beginning with FY 1999, OMB is required to include a "Federal Government performance plan for the overall budget" as part of the annual budget. OMB will use the various agency performance plans to develop this plan. (Note that this tie-in of performance plans with the President's budget is different from the performance budgeting to be tested in pilot projects during fiscal years 1998 and 1999.)

## Pilot Projects

The GPRA establishes three sets of pilot projects----one to test **performance measurement**, a second in **managerial accountability and flexibility**, and a third in **performance budgeting**.

### Performance Measurement----Annual Performance Plans

Beginning with FY 1994, the GPRA requires that OMB designate at least ten agencies as three-year pilot projects in performance measurement. Each pilot agency must initially prepare annual performance goal plans for one or more of its major functions or operations; subsequent reports must compare actual performance to the goals the agency set. In May 1997, OMB must submit a report to the Congress outlining the benefits, costs and usefulness of the plans and reports of the pilot agencies, as well as any difficulties the pilot agencies experienced.

### Managerial Accountability and Flexibility

The GPRA also requires OMB to designate at least five of the ten "performance measurement" agencies as pilot projects in managerial flexibility for fiscal years 1995 and 1996. The agencies would propose a waiver(s) of non-statutory administrative procedural requirements and controls in return for increased managerial flexibility and specific accountability for meeting a performance goal. OMB is responsible for reviewing and approving these waivers.

## Performance Budgeting

The GPRA requires OMB to designate at least five agencies as pilot projects in performance budgeting for fiscal years 1998 and 1999. These budgets must present the varying levels of performance, including outcome-related performance, that would result from different budgeted amounts.

The pilot performance budgets for FY 1999 are to be included as an alternative budget presentation as part of the budget for that fiscal year. The GPRA requires OMB to submit a report to the President and the Congress in 2001 on the results of the budgeting pilot projects. This report must "assess the feasibility and advisability of including a performance budget as part of the annual budget" of the U.S. as well as recommend whether or not performance budgets should be legislatively required.

## Postal Service

The GPRA requires the Postal Service to submit a strategic plan to the Congress and the President by September 30, 1997. It also requires the Postal Service to develop annual performance goal plans and program performance reports, starting with FY 1999. These requirements closely parallel the plans and reports the GPRA requires departments and agencies to prepare. However, the Postal Service will submit its annual performance plan to the Congress as part of its statutorily-mandated "comprehensive statement," not as part of the President's budget.

## Time Line for the Government Performance and Results Act

**October 1993**
At least ten agencies are designated as pilot projects for performance plans and reports. (FY 1994, 1995 and 1996)

**October 1994**
At least five agencies (selected from those above) are designated as pilot projects for managerial accountability and flexibility. (FY 1995 and 1996)

**May 1997**
OMB reports to the President and the Congress on the results of the pilot projects. (The last event in the pilot project phase occurs by March 31, 1997.)

**June 1997**
GAO reports to the Congress on agency readiness to begin full implementation.

**September 1997**
Agencies submit annual performance plans for FY 1999 to OMB.  (Recurs for each fiscal year thereafter.)

**September 30, 1997**
All agencies are to have completed developing five-year strategic plans.  (Strategic plans are to be revised and updated at least every three years thereafter.)

**October 1997**
At least five agencies are designated as pilot projects in performance budgeting for FY 1998 and 1999.

**January 1998**
OMB submits Federal Government performance plan (based on agency plans) as part of the FY 1999 President's budget.   (Recurs for each fiscal year thereafter.)

**March 2000**
Agencies submit annual performance report for FY 1999 to the President and the Congress. (Recurs for each fiscal year thereafter.)

**March 2001**
OMB reports to the President and the Congress on the results of the performance budgeting pilots.

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