
Introduction and Purpose

"Measure a thousand times, and cut once" — Ancient Turkish Proverb

The Office of Information Systems Management (OISM) of the Administration for Children and Families (ACF) has a continuing interest in helping States to improve the quality and usefulness of the plans and studies that support their development of public benefit information systems. To this end, OISM has published the *Feasibility, Alternatives, and Cost/Benefit Analysis Guide* (the Guide), has sponsored State systems planning working groups, has developed a set of model spreadsheet templates for cost/benefit analysis, and has prepared cost/benefit training materials.

To augment these efforts, *and especially to respond to suggestions and comments by State working group participants and reviewers of draft versions of the Guide*, OISM has developed this *Companion Guide: Cost/Benefit Analysis Illustrated*. This optional guidance is intended to respond to the State working group's request for:

- Examples of sound cost/benefit studies,
- Clarification of what is required by law and regulation to be submitted to ACF,
- Differentiation between what may be developed and held in State files and what is submitted,
- Additional guidance in the area of developing benefits, and
- Further information on reporting actuals against a baseline.

This *Companion Guide* is, in a sense, four documents in one.

Chapter 1: Introduction and Purpose. This introductory chapter provides general information to supplement the information presented in the Cost/Benefit Guide. It also provides a section on developing benefits.

Chapter 2: Sample State Documentation. This chapter provides an example of a cost/benefit study prepared by a State and maintained in State files. It simply serves to