

2013-14 ND COMMUNITIES TOPICAL CALL SERIES

CALL RECAP

INNOVATIVE USES OF TITLE I, PART D, FUNDS: COST-BENEFIT ANALYSIS TO DRIVE DECISIONMAKING WEDNESDAY, FEBRUARY 5, 2014

- [CALL RECORDING](#) (ADOBE CONNECT)
- [CALL SLIDES](#) (PPTX)
- [CALL ACTIVITY \(SLIDE 11\): BASIC BENEFIT-COST ANALYSIS EXAMPLE](#) (XLSX)

Determining how to use Title I, Part D funds is both an art and a science. The statute provides some guidelines but otherwise offers sub-grantees the flexibility to use funds in a way that suits the needs of their local contexts. In a tough economy, educational settings must look to creative ways to maximize service delivery for youth who are neglected and delinquent with strained state and local budgets. The [Innovative Uses of Title I, Part D Funds series of topical calls](#) addresses this challenge by reviewing references to the use of funds in the statute and non-regulatory guidance, promoting technical assistance strategies to encourage more creative uses of funds, sharing ways in which TIPD funds can and have been used effectively to promote programs, suggesting alternative funding sources to supplement TIPD, and discussing cost-benefit analysis as a tool to inform decisionmaking about Title I, Part D programming.

This document provides a summary of [the first topical call in this series](#). It discusses:

1. what cost-benefit analysis is,
2. the use of cost-benefit analysis to inform evidence-based public policy in Washington State's juvenile justice system, and
3. implications for Title I, Part D.

OVERVIEW

This call featured guest speaker, Elizabeth Drake, Senior Research Associate with the Washington State Institute for Public Policy (WSIPP). Since the 1990s, the Washington State legislature has directed WSIPP to identify "evidence-based" policies. The goal is to provide Washington policymakers and budget writers with a list of well-researched public policies that can, with a high degree of certainty, lead to better statewide outcomes coupled with a more efficient use of taxpayer dollars. Drake discussed WSIPP's efforts in the area of juvenile justice to identify and promote cost-effective interventions that have had a positive impact on recidivism. NDTAC State Liaison, Lauren Amos, rounded out the call by discussing how cost-benefit analysis can inform SEA and subgrantee decisionmaking about academic programming.

TOOLS, TIPS AND TAKE-AWAYS**What is Cost-Benefit Analysis?**

- A type of cost analysis (e.g., cost-allocation, cost-effectiveness, cost-utility) that refers to methods for comparing the *monetized* benefits (or outcomes) of a particular intervention to its costs
- Helps determine whether implementing a particular intervention is *desirable* (e.g., given scarce funds, shifting student population, teacher attrition)

Evidence-based Public Policy in Washington State’s Juvenile Justice System

- *WSIPP’s 3-Step Research Approach*
 1. Systematically assess evidence on “what works” (and what does not) to improve outcomes.
 2. Calculate costs and benefits for Washington State and [produce a ranking of public policy options](#) that can lead to better statewide outcomes coupled with a more efficient use of taxpayer dollars.
 3. Measure the riskiness (or margin of error) of these rankings by testing how bottom lines vary when estimates and assumptions about the future performance of policy options change—to determine the odds that the benefits of a particular program or policy option will at least outweigh its costs (i.e., quality assurance).

Implications for Title I, Part D

- A dearth of research on the cost-benefit of common interventions for N or D children and youth
 - Cost-benefit analysis is limited to educational outcomes that can be monetized
 - Estimating benefits is largely subjective
 - Cost-benefit analysis risks undervaluing interventions that reap benefits that cannot be expressed easily in monetary terms (e.g., increased self-efficacy as a reader)
- Inferences can be made with rudimentary tools and existing resources to *inform*—but not *drive*—decisionmaking:
 - Basic benefit-costs analyses (see [example analysis using Microsoft Excel](#))
 - Consulting [cost-effectiveness research and program evaluation studies](#) as a proxy

ADDITIONAL RESOURCES

- [Washington State Institute for Public Policy \(WSIPP\) Benefit-Cost Results](#)
- [Pew Results First Initiative](#)
- [Center for Benefit-Cost Studies of Education Resources](#)
- [National Juvenile Justice Network Cost-Benefit Analyses for Juvenile Justice: A Guide and Examples](#)