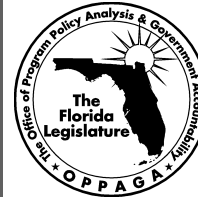




## Office of Program Policy Analysis And Government Accountability



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# Follow-Up Report on the Draft Juvenile Justice Cost-Effectiveness Index

## Abstract

- The Department's revised Program Accountability Index addresses a number of the design limitations of the draft cost-effectiveness index.
- However, the rank order of Program Accountability Index scores provides inadequate information for making policy or funding decisions. The reduction of program data to a single number presents methodological problems and results in a loss of information.
- The data used to compute the index scores could be used to rate programs by their cost and effectiveness. With the current database it is possible to compare expenditures and recidivism rates for programs grouped by the criminal history of program youth.
- We recommend that the Department continue to work with the Juvenile Justice Advisory Board to improve the reliability of program data. We also recommend that the Department continue to work with the Board and program providers to improve program cost and outcome measures.

## Purpose

In accordance with s. 11.45(7)(f), F.S., this follow-up report informs the Legislature of actions taken by the Department of Juvenile Justice in response to Report No. 95-52, Review of the Draft Juvenile Justice Cost-Effectiveness Index, issued on April 30, 1996. This report provides an assessment of the extent to

which the Department has addressed our findings and recommendations.

## Background

In 1996, the Florida Legislature passed legislation requiring that the Department of Juvenile Justice, in conjunction with the Juvenile Justice Advisory Board, develop a cost-benefit model for juvenile justice commitment programs. The Department is required to submit an annual report to the Legislature with all programs ranked on the basis of their costs and benefits. The Department developed a draft cost-effectiveness index for this purpose. The Legislature requested that OPPAGA evaluate the draft index.

## Prior Findings

We found that the Department's draft cost-effectiveness index did not provide a valid measure for ranking programs or making decisions about policy or program funding. We identified several data quality and design concerns that limited the validity of the index.

We recommended that:

- the Department work with the Juvenile Justice Advisory Board to address identified validity and data quality concerns;
- efforts to improve the draft index include the direct involvement of consultant(s) with expertise in cost-effectiveness evaluation;
- the Department and the Board continue to work with program providers to further identify and refine index variables.

## Current Status

The Department has responded to each of our recommendations and has developed a substantially revised index-- the Program Accountability Index. The revised index is computed by adding z-scores for three variables: the criminal history of program youth, expenditures per youth completing program, and the non-recidivism rate for youth released from the program.<sup>1</sup>

The Department's Program Accountability Index is based on similar data and variables as the earlier draft index, but the methodology for combining variables and computing scores has been improved. These design changes reduce the extent to which extreme cases or single variables skew the data and drive the scores.

While improvements to the index have been made, a number of design limitations persist. For example, program scores are based on their standing relative to the scores for all the programs in the index. As a result, the score for any one program cannot be evaluated apart from its position in the distribution of program scores. Nor can scores be compared from one time period to the next. While the index provides a single number to rank order programs, it cannot be used to track performance or see if performance standards are being met.

A further limitation is that the index weights the criminal history, non-recidivism and expenditures variables equally. As a result, a program with a high youth criminal history score can get a high total score, despite higher than average costs and recidivism.

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<sup>1</sup> Z-scores are raw scores that have been transformed to show the position of each score relative to a distribution of scores. Z-scores can provide a common scale for comparing scores for different measures.

## Conclusions and Recommendations

The Department's Program Accountability Index provides a score, based on program expenditures and results, to rank order programs. However, a rank order of relative scores does not provide adequate information to make sound decisions about which programs to emulate or eliminate. Experts concur that the reduction of program data to a single number presents methodological problems and results in a loss of information.

While the usefulness of the index for making funding and policy decisions is limited, the data used to compute index scores are of value. With the current database it is possible to compare recidivism rates and expenditures for programs grouped by the criminal history (level of difficulty) of the youth they serve. The Department and Board are working together to improve the reliability of these data. This is a promising starting-point for rating programs on the basis of their costs and effectiveness.

We recommend that the Department of Juvenile Justice and the Juvenile Justice Advisory Board continue to improve program data reliability by developing common terminology, coding, and quality control procedures. We also recommend that the Department continue to work with the Board and program providers to improve recidivism and other outcome measures for evaluating program effectiveness.

So far, the evaluation of program costs has been based on total program expenditures. More specific cost information is needed to compare the costs of different treatment models and identify potential cost savings. We recommend that the Department of Juvenile Justice and the Juvenile Justice Advisory Board work with program providers to develop unit cost information for key program activities and services.

To ensure that the new Juvenile Justice Information System adequately addresses the limitations of the current data system for cost-effectiveness evaluation, we recommend that the development of the new system include extensive consultation with Department and Board research and evaluation staff.

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