
Friday, October 30th, 1 - 2pm

**Description:** Benefit-cost analysis has become a popular evaluation component in public policy studies and government decision-making to address key social policy goals. As an evaluation method, benefit-cost analysis allows for comparing policy alternatives to determine which will generate the highest net benefit to taxpayers and society over time. This webinar will introduce the core concepts and key steps to conducting benefit-cost analysis of government-funded programs. Learn tips on how to model government resource costs and program impacts. The training will conclude by demonstrating the benefit-cost analysis approach used in the Pew-MacArthur Results First Initiative.

**Speakers:**

Ben Fulton is an associate with the Pew-MacArthur Results First Initiative and formerly worked as a Policy Analyst for state and local government.

Tyler Reinagel, PhD, is a senior associate with the Pew-MacArthur Results First Initiative and has previous background in state/local government, public budget and finance, and intergovernmental relations.

Steve Lize, PhD, is a consultant to the Pew-MacArthur Results First Initiative and formerly worked as a senior legislative analyst at the Florida Legislature’s Office of Program Policy Analysis and Government Accountability.

**Registration:** This webinar is FREE to SEA members; $15 for non-members. RSVP to Marina Byrd via email (seacoordinator@southeastevaluation.org) and submit your program fee via the SEA website or mail. SEA will provide you with details for attending the webinar.

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The decisions that state and local governments make today about how to invest their limited resources will dramatically shape our nation’s future. The Pew-MacArthur Results First Initiative, a project of The Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation, works with states and localities to develop the tools policymakers need to identify and fund effective programs that yield high returns on investment. Using innovative and customizable methods, Results First partners learn to:

- Create an inventory of currently funded programs.
- Review which programs work.
- Conduct benefit-cost analysis to compare programs’ likely return on investment.
- Use evidence to inform spending and policy decisions.

Taken together, these efforts have helped leaders improve public outcomes, reduce costs, and increase accountability by ensuring that resources are directed toward effective, cost-beneficial approaches.
Four steps in the Results First process

1. **Create an inventory of currently funded programs.** A comprehensive program list enables policymakers to identify wasteful spending and support approaches that produce tangible results. Results First partners begin their work by developing a detailed program inventory that includes information on design, costs, capacity, and populations served.

   "A state like Mississippi will always have needs that outpace our available resources, and having data to accurately predict what we can get out of our finite resources makes a tremendous difference. Results First has allowed us to take a step back, evaluate the programs that we are funding in a particular policy area, and then see if those programs are actually evidence-based."

   Mississippi state Representative Toby Barker (R-District 102)

2. **Review which programs work.** Rigorous research studies have tested the effectiveness of many public programs and identified those that are most likely to generate results. In order to expand the use of these evidence-based approaches, partners use information gleaned from their program inventory and from national evaluations to categorize how well programs achieve their desired outcomes. The Results First Clearinghouse Database, an online collection of information from eight national clearinghouses that conduct independent, transparent, systematic, and rigorous reviews of available research, helps state and local partners quickly review available research and assess the rated effectiveness of their programs.

3. **Conduct benefit-cost analysis to compare programs’ likely return on investment.** Information on how the cost of a new opportunity compares with its short- and long-term effects is critically important in any major budget or policy decision, yet these data are often in short supply. Thanks to intensive technical assistance, Results First partners collect cost information on their programs and services to customize a benefit-cost model that estimates a return on investment for each assessed program. The Washington State Institute for Public Policy developed this model, which includes modules on criminal and juvenile justice, pre-K through 12th-grade education, child welfare, mental health, substance abuse, and public health.

   "The beauty of the Results First approach is that it is very open and transparent. Everything that we fund must meet a high standard, and providers receive the tools they need to meet that standard. There are no surprises."

   Executive Deputy Commissioner Michael C. Green, New York State Division of Criminal Justice Services
4. **Use evidence to inform spending and policy decisions.** Information gleaned from the previous steps enables governments to make more informed policy and budget decisions, such as reducing or eliminating programs that are shown to produce poor outcomes or that lack sufficient evidence of effectiveness, and shifting funds to alternatives that can achieve better outcomes. Results First staff members help partner states and counties interpret results and develop reports and briefs that explain findings to policymakers.

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### Results First Helps New Mexico Make Evidence-Based Choices

Since partnering with the Results First Initiative in September 2011, New Mexico has become a leader in using sophisticated benefit-cost analysis to inform policy and budget decisions. Building on the state’s strong history of investing in evidence-based programs and measuring their performance, the Results First approach has enabled state policymakers to get a clearer picture of the comparative value of potential taxpayer investments and to direct resources to the most effective programs. “The only way to really [know] if you’re getting the value of your resources is to gather information, assess it, and try to determine the outcomes,” says state Representative Luciano “Lucky” Varela (D-District 48). “I think the evidence-based approach will give us the information we need to fund the programs that work.”

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### Results First: An approach that works

Since 2011, the Results First Initiative has partnered with states and counties across the country to create tools that help guide investments in proven policies and programs. The Results First approach has helped our partners:

- Systematically analyze data and make decisions based on evidence, rather than anecdote.
- Target funding to evidence-based programs and develop alternatives to ineffective options.
- Transcend partisan gridlock in enacting effective responses to major challenges and opportunities.
- Secure outside funding to support effective interventions.
- Enact legislation to enable evidence-based policymaking.
- Monitor programs’ fidelity to their original design and their performance against set targets.

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“**You never have enough resources to do everything you wish you could. We can make better choices for our community when we use empirical information rather than gut instinct.”**

Chief Administrative Officer **Susan Mauriello**, Santa Cruz County, California

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The Pew Charitable Trusts is driven by the power of knowledge to solve today’s most challenging problems. Pew applies a rigorous, analytical approach to improve public policy, inform the public and invigorate civic life.

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The John D. and Catherine T. MacArthur Foundation supports creative people and effective institutions committed to building a more just, verdant, and peaceful world. In addition to selecting the MacArthur Fellows, the Foundation works to defend human rights, advance global conservation and security, make cities better places, and understand how technology is affecting children and society.

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Pew-MacArthur Results First Initiative, a project of The Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation, works with states to implement an innovative cost-benefit analysis approach that helps them invest in policies and programs that are proven to work.