

CHAPTER 10 PRIVATIZATION

10.1 Introduction

There is a large body of literature that suggests providing youths in juvenile justice facilities with quality educational services likely improves their chances of living productive and crime-free lives. Among important characteristics of juvenile justice facilities that influence effectiveness of education programs are the auspices under which programs operate. In Florida, for example, there are many different entities that operate juvenile justice facilities. Some providers are public (administered by the Department of Juvenile Justice (DJJ)), and some are contracted out to private providers. Furthermore, while some of the private providers are for-profit organizations, there are many not-for-profit organizations as well. Further complicating the matter, the education programs within these facilities may be operated by either public school districts, private for-profit providers, or private not-for-profit providers.

In recent years, the number of privately operated juvenile justice programs has been growing. In the United States, between 1983 and 1991, the number of youths admitted to private juvenile programs increased 57%, from 88,806 to 139,813, while the increase in admissions to public facilities increased 29% (Office of Juvenile Justice and Delinquency Prevention (OJJDP), 1995). The trend toward privatization appears to have been driven by a cost-effective rationale, which implies that privately operated facilities can deliver comparable, if not better, services for less money. Privately operated facilities are said to achieve this by having lower student to staff ratios; providing a wider variety of services; and being smaller, more flexible, and more selective (Bartollas, 1990). To date, while there have been several evaluation studies of education in privatized adult correctional settings, little research on privatized juvenile justice education has been published. Clearly, there is need for research on juvenile justice privatization and education, and this chapter addresses this need.

This chapter, in the three subsequent sections, addresses several interrelated issues concerning the privatization process. Section 10.2 contains a literature review on a variety of interconnected topics, including, education and delinquency, privatization, juvenile justice privatization, correctional privatization, and educational privatization. Section 10.3 provides an analysis of quality assurance (QA) scores for different public/private program designations for the 2000 QA review cycle. The final section (10.4) provides a summary of the chapter and discusses some of the implications raised for future research and policy.

10.2 Literature Reviews

Because of the variety of issues related to juvenile justice education and privatization, the prior literature is reviewed here as follows: relationship between education and delinquency, overview of privatization, juvenile justice privatization, correctional privatization, and educational privatization.

Education and Delinquency—Current literature indicates that several factors are correlated with juvenile delinquency. These include school performance, attitudes toward school, and graduation rates. For example, in a recent national workshop on education and delinquency sponsored by the National Research Council; McCord, Widom, Bamba, and Crowell (2000) reported that poor school performance, truancy, and leaving school at a young age appeared to contribute significantly to juvenile delinquency. The workshop further confirmed that serious and violent delinquents had more school-related problems, such as low grades, truancy, suspension, and school dropout than non-violent juveniles. Juveniles who had trouble academically were more likely to engage in criminal and delinquent behavior, offend more frequently, commit more violent and serious offenses, and persist in their delinquent behavior for a longer period. McCord et al. also reported that educational programs that teach self-control and social skills and provide parental training were more successful in improving educational outcomes than those that provide only remedial education. Moreover, according to Hansen (1998), one out of every two adolescents was at serious or moderate risk for school failure, and this was clearly a cause for concern.

Privatization—The term privatization refers to the contracting out of public services to private providers by local, state, or federal levels of governments. Some of the services that are commonly placed under contract include garbage collection, health-care, law enforcement, education, fire protection, corrections, public transit systems, construction, and airport operations. The concept of privatization has been with us for centuries. For example, Queen Isabel of Spain hired an explorer from the private sector, Christopher Columbus, to find a new route to the East Indies. While having historical precedent, privatization has experienced a dramatic gain in popularity during the last 25 years (Grimes, 1994; Lopez-de-Silanes, Cain, & Vishny, 1997). This trend has been fueled by concerns over fiscal scarcity, governmental inefficiency, and the increasing size of the public sector. The growth of privatization of public services has stimulated lively discussion about the efficacy of private providers in delivering services that have traditionally been provided by government agencies.

Proponents argue that privatization enhances competition by offering financial incentives to those who achieve expected or desired outcomes, and increased competition is claimed to improve the overall quality of service delivery. This laissez-faire argument appeals to many Americans because of concerns over state monopolies and the strong appreciation for competition. There is general acceptance in America of free enterprise and a prevalent belief that private operation of anything “must be cheaper and better” than the same operation by the government (Shichor & Sechrest, 1995). Many Americans criticize public monopolies on

services for ineffectiveness and inefficiency. Private providers offer an alternative approach that has been widely endorsed by the public.

Proponents of privatization claim that private contractors provide comparable or better services at a relatively lower cost than public providers. Some critics argue, however, that private companies are able to provide the same level of service at a reduced cost primarily by paying employees 10% to 20% lower wages, using fewer employees, and offering inferior employee benefits packages (Lopez-de-Silanes et al., 1997). Critics contend that this will reduce the quality of the employees, which, in turn, will reduce the quality of the services provided. In fact, some believe that public investment in the private provision of services compromises the efficacy of government-operated programs. Opponents believe privatization usurps valuable resources from public sources, thereby crippling the public sector, reducing the overall quality of service provision, and undermining the primary role of government—to create the greatest good for the greatest number of people (Brown, 1996).

The public/private debate continues to date, and public and private institutions remain pitted against one another in search of program efficacy and community support. There are compelling arguments on both sides of the issue, but arguments in favor of privatization seem to have been gaining popularity over the last several decades, particularly among politicians. It is unclear which industry was first targeted by privatization, but, as noted above, private contractors are now providing services in numerous areas that were traditionally operated by governmental agencies and are becoming increasingly entrenched in these agencies.

Juvenile Justice Privatization—Juvenile justice privatization first emerged in the State of Florida in 1974 when Associated Marine Institutes, Inc. (AMI), a not-for-profit privately operated juvenile justice initiative, was officially established (AMI, 1996). Since then, the number of private providers and privately operated programs has grown, and this trend has been encouraged by current state statutes (§230.23161(8), F.S.). Critics have been concerned, however, that the movement toward juvenile justice privatization has occurred without evidence demonstrating that private contractors are capable of providing comparable or better services at a lower cost. Unfortunately, very little research evaluating the efficacy or cost savings of juvenile justice privatization has been or is now available.

Critics suggest that the sparse amount of research that has been done indicates a need for a closer look at juvenile justice privatization. Shichor and Bartollas (1990) compared juveniles placed in public and private programs. While they found that juveniles in public facilities are very similar to those in private programs, they also found that some of the justifications behind privatization are flawed. For example, Shichor and Bartollas suggest:

1. While private programs are often said to provide more services, they rarely have the qualified staff necessary to provide this level of care.
2. Private programs are said to have lower student to staff ratios, and while this may be true, the staff are often held to lower standards than their publicly employed counterparts.

3. Private facilities are often found to house hard-core delinquents with lower-level offenders, a practice in opposition to the recommendations of the Juvenile Justice Delinquency Prevention Act. This practice increases the likelihood of victimization and violence (Bartollas, Miller, & Dinitz, 1976).
4. Privatized programs are often driven by money rather than humanitarian vision. Private operators often lobby for additional clients and advertise their services to people who can fill beds. This is true even though there is a body of research suggesting that the free enterprise system's involvement in public and human services causes problems and compromises quality (Chandler, 1986; Hurst, 1989; Benenson, 1985).
5. Privatized juvenile justice often results in the politicization of juvenile care. In California, when a juvenile is sent to a public facility, 50% of the cost is covered by the state and 50% of the cost is covered by the county. When a juvenile is sent to a private facility, 95% of the cost is covered by Aid to Families with Dependent Children (AFDC), which is a federal program, and only 5% of the cost is covered by the county. In a state system environment that is perpetually characterized by resource scarcity, there is more and more political and fiscal pressure to send juveniles to privatized programs.

The privatization research relating to recidivism also provides reason for skepticism, but includes results suggesting both positive and negative effects. For example, Greenwood, Turner, and Rosenblatt (1989) found that juveniles completing private placements were less likely to be re-arrested and re-committed to a correctional institution. Shichor and Bartollas, on the other hand, concluded that youths committed to private facilities do not have different recidivism rates than those completing public programs. Similarly, Terry, Stolzenberg, and D'Alessio (1997) found no significant differences between privately and publicly operated facilities in terms of the probability of re-arrest. Juveniles completing private placements are just as likely to recidivate, the severity of crime committed is just as severe, and the time to failure is similar to their publicly oriented counterparts. They went on to say that juveniles completing private placements are no worse off than juveniles finishing public placements, and that privatization might be a worthwhile alternative if it is less costly. At the same time, they also found that placing juveniles in private facilities is actually more expensive.

Correctional Privatization—While the research on juvenile justice privatization is limited, there are research studies on privatization in related areas, such as adult corrections, that are helpful in identifying relevant issues requiring further research in the juvenile justice area. Adult corrections has a long history with privatization. Several of the first penitentiaries in the United States, including Louisiana's first state prison and New York's Auburn and Sing Sing penitentiaries, were privately operated (Smith, 1993).

There are a number of studies comparing privately operated and publicly operated correctional facilities in terms of cost and quality. The United States General Accounting Office (USGAO, 1996) analyzed five separate studies that were conducted in five states:

California, Tennessee, Washington, Texas, and New Mexico. However, the USGAO was unable to draw any conclusions because the studies found either little difference or mixed results concerning cost efficiency. Similarly, the studies found that the quality of services offered by public and private correctional providers were virtually the same. The USGAO, therefore, concluded that the existing research on privatization is characterized by uncertainty and that additional research is needed to determine potential differences between private and public correctional facilities.

One controversy over the privatization of prisons can be seen in Tennessee. Corrections Corporation of America (CCA) proposed to manage Tennessee's entire prison system by offering the state \$100 million dollars in cash in exchange for management rights. Additionally, CCA offered the state \$250 million dollars in up-front capital expenditures in return for CCA being paid a first-year management fee of approximately \$170 million, which was equivalent to Tennessee's adult correctional budget for the 1986-87 fiscal year. After much consideration, the state agreed. When the time came to conduct a comparison review between public and private prisons, the Select Oversight Committee on Corrections (SOCC) concluded that, while all the prisons scored remarkably high on American Correctional Association (ACA) accreditation scores, the public and private prisons operated at essentially the same level of performance (Kyle, 1998).

Recent studies comparing the cost of private and public adult correctional facilities in Florida also reported equivocal findings. The Florida Department of Corrections (DOC) and the Correctional Privatization Commission analyzed the same data, yet reached different conclusions. The Florida Office of Program Policy Analysis and Governmental Accountability (OPPAGA) conducted another review and concluded that an independent third party should conduct additional research to clarify the issue (OPPAGA Report, 1997), but this research has yet to be undertaken.

Educational Privatization—The idea of private education is not new and, in fact, has been around as long as the educational process itself. Adam Smith offered the first identified proposal for the privatization of public education in his 1776 publication, *Wealth of Nations* (Noguera, 1994). Critics of public education promote privatization as a solution to many of the problems that beset public schools. However, it is not the concept of private education that is new, but rather it is the idea that the government should sponsor private education that has recently emerged. This is what most writers mean today when they refer to privatizing education, and this movement has been gaining momentum daily. Rockler (1996) examines several options that have been suggested for the privatization of education, such as voucher programs, charter schools, the Edison Project, and the corporate takeover of public schools. Economist, Milton Friedman, who is credited with initiating the concept of government-sponsored private education (Rockler, 1996), first proposed the voucher plan in 1955. According to his plan, parents would receive vouchers, which were equivalent to the cost of a public education. Parents had the option of using the voucher for a free public education or paying the additional cost of a private school; however, the private schools were free to establish their own tuition charges.

Another option suggested for the privatization of education is the use of charter schools. These schools are detached from the local school districts and receive charters from the state department of education.

The Edison Project, founded by Christopher Whittle, offers a different approach. The main purpose of this project is to design and build a chain of corporately owned for-profit schools. This project would utilize more technology and use more paraprofessionals for teaching than are currently used in most public schools.

Educational Alternatives, Inc. (EAI) has provided a final method of privatization. This for-profit organization has contracted to administer public schools in several jurisdictions while receiving the funds normally spent by each school it has contracted to administer. Their responsibilities include operating the school, employing teachers and administrators, purchasing materials, and accounting for student progress to parents and the state department of education. Nevertheless, even while employing paraprofessionals as classroom aides and interns in order to minimize personnel costs, EAI has operated at a loss (Rockler, 1996; The Economist, 1999).

Although a large body of related research has emerged, the research results are inconclusive, and some of these results have been challenged. For example, one popular perception is that private schools provide higher quality service than public schools. This perception has been supported by several research studies. For example, Coleman, Hoffer, and Kilgore (1981) reported that students in private schools learn more than their public school counterparts. While these findings are based on a national high school survey, the study's research methods have been widely questioned. Critics cite the fact that Coleman et al. (1981) did not control for the self-selectivity of private school samples. In addition, several researchers (Goldberger & Cain, 1982; Murnane, Newstead, & Olson, 1985) point out that students are not randomly distributed between private and public schools, thus the findings of Coleman et al. (1981) may be skewed by selection bias. Using the same national survey, but correcting for selection bias, Noell (1981) did not find any significant learning differences between private parochial school students and their public school counterparts. Furthermore, research by Grimes (1994) compared the quality of economic education provided to private and public school students. Controlling for student ability, aptitude, and prior exposure to economic concepts, the study concludes that students in public schools learn more about economics than students in private schools.

Numerous private contractors have tried to succeed in the education industry, with mixed results. Companies like EAI entered into several contracts with Florida, Maryland, and Connecticut. However, each of the EAI contracts have since been terminated due to program failure (Brown & Hunter, 1996; Rockler, 1996). Findings such as these have led many to question the success of the privatization of education (Brown & Hunter, 1996; Molnar, 1996; Rockler, 1996).

However, proponents of the privatization of education argue that it will substantially cut costs while bringing stability to staffing. This is believed achievable by making it easier to release poor teachers and keep the better ones. They also contend that competition will

initiate advancement. They argue that their key advantage is that, by contracting out schools, there will be a better consensus reached on the goal of education. This will occur by splitting the issue of purchasing and providing education between bureaucrats and private companies (The Economist, 1999). As Eddy (1996) concludes, a contractor or provider may have more financial resources than those of an educational institution.

In contrast, some researchers claim that the privatization of education has negative consequences. Levin (1991) argues that privatization simply produces additional layers of bureaucracy, a point that directly contradicts the privatization argument that public schools suffer due to governmental bureaucratic inefficiency. Rinehart and Jackson (1991) and Russo and Harris (1996) claim that privatization further complicates the provision of education by increasing the need for state action (such as monitoring and contract management) and due process guaranteed under the Fourteenth Amendment to assure equal provision and equal access to education.

Other privatization opponents argue that the development philosophy, which encompasses intellectual, moral, physical, social, and spiritual growth, will be greatly compromised. Moreover, they maintain that it will be difficult to change privatization contracts, particularly if the change impacts the result of the contractor. They also raise questions about the interactions between such contractors and students (Eddy, 1996). Challengers also argue that privatization of education involves the segregation of children so that private schools will house the rich and elite children while the public schools will be reserved for the poor and handicapped who may be barred from a private education for financial reasons. In short, they envision an educational system in which there will exist a segregation based on wealth (Rockler, 1999).

The research on privatization in juvenile justice, adult corrections, and education is still inconclusive. Nevertheless, privatization enjoys growing popularity in all of these areas. In Florida, for example, private providers have been contracted to operate both juvenile justice facilities and the educational programs within these facilities.

Many state governments continue to strongly encourage privatization. For example, the State of Florida recently changed §230.23161(7), F.S., which addresses the provision of educational services in DJJ programs. In 1996 and 1997 the section of the statute addressing educational privatization in DJJ programs read as follows:

The school district *may contract* with a private provider for the provision of educational programs to youths placed with the Department of Juvenile Justice and may generate local, state, and federal funding, including funding through the Florida Education Finance Program for such students. [emphasis added]

In 1998, the statute (changed to §230.23161(8), F.S.) was amended to read:

School districts are authorized *and strongly encouraged* to contract with a private provider for the provision of educational programs to youths placed with the Department of Juvenile Justice and shall generate local, state, and federal funding,

including funding through the Florida Education Finance Program (FEFP) for such students. [emphasis added]

The wording of this statute remains intact today.

10.3 Analysis of QA Scores

The Sample—The present study includes the 145 juvenile justice commitment programs with full-time educational components that were reviewed in 2000. (Detention centers are excluded from the analysis because only one of the 20 reviewed contained a privately contracted education component.) These programs had either DJJ-operated or privately contracted facility components, and either school district-operated or privately contracted education components.

Among the 145 commitment programs, 119 (82%) contracted through DJJ to private providers (both for-profit and not-for-profit) to administer the facility component, and 26 (18%) were DJJ-operated. With regard to the educational services, 68 (47%) of the 145 commitment programs contracted with private educational providers, while 77 (53%) were school district-operated. Of the 119 programs with privately operated facility components, 88 (74%) are operated by not-for-profit private providers, and 31 (26%) are operated by for-profit private providers. Of the 68 programs with privately operated education components, 59 (87%) are operated by not-for-profit private providers, and 9 (13%) are operated by for-profit private providers.

Method of Analysis—The data generated by the Juvenile Justice Educational Enhancement Program (JJEPP) during the 2000 QA review cycle are analyzed through comparison of descriptive statistics for each site. Mean overall QA scores, as well as mean scores for each QA standard, are calculated for each program and divided into their respective designations (public/private, for-profit/not-for-profit). Mean scores are then compared using *t* tests to determine if the quality of educational services, as indicated by mean QA scores, is significantly different. These analyses provide the basis for theoretical discussion about the causes and consequences of differences in performance in public and private (both for-profit and not-for-profit) facilities and educational programs.

Findings—For all 145 programs, the mean overall QA score is 5.36. The mean QA score for Standard One: Transition is 5.14. The mean QA score for Standard Two: Service Delivery is 5.62. The mean QA score for Standard Three: Administration is 5.34. The mean QA score for Standard Four: Contract Management is 4.99.¹ (All of the above figures can be obtained or computed from information provided in Tables 10.3-1, 10.3-2, and 10.3-3).

The primary purpose of Table 10.3-1 is to present a comparison of QA scores for facilities that are either public or privately operated. The first comparison is of the mean QA scores

¹ Standard Four: Contract: Management is included in the tables in this chapter, but is not averaged in the mean overall QA scores.

for facilities operated by public or private providers. There are 26 programs that are publicly operated facilities, and 119 programs that are privately operated. The results of these comparisons are summarized in Table 10.3-1.

Table 10.3-1: 2000 Mean QA Scores and t-test Results* for Public and Private-Operated Facilities

Provider	n	Mean overall QA Score	Standard One: Transition Mean QA Score	Standard Two: Service Delivery Mean QA Score	Standard Three: Administration Mean QA Score	Standard Four: Contract Management Mean QA Score
All Facilities	145	5.36	5.14	5.62	5.34	4.99
Public	26	5.36	5.01	5.92	5.20	4.79
Private	119	5.36	5.16	5.55	5.37	5.04

*None of the t-test results in this table were statistically significant at the .05 level.

It should be noted that juvenile justice programs with public facility operators and those with private facility operators had an identical mean overall QA score of 5.36, a very unusual outcome indicating absolutely no difference on the overall QA score. Within each of the four standards, some slight differences are found, but none of the differences between public and private operators on the specific mean QA scores for any of the standards were significant at the .05 level. Although not statistically significant, the largest difference is found in Standard Two (scores of 5.92 vs. 5.55) and favors public facilities; however, the private facilities had slightly higher scores on each of the other three standards.

The second comparison is of the mean QA scores for programs that have a public or private provider for the education component, regardless of the status of the facility provider. There are 77 programs with publicly operated education components and 68 programs with privately operated education components. The results of these comparisons are summarized in Table 10.3-2 and are considerably different from those presented in Table 10.3-1.

Table 10.3-2: 2000 Mean QA Scores and t-test Results for Public and Private-Operated Education Components

Providers	N	Mean Overall QA Score	Standard One: Transition Mean QA Score	Standard Two: Service Delivery Mean QA Score	Standard Three: Administration Mean QA Score	Standard Four: Contract Management Mean QA Score
All Facilities	145	5.36	5.14	5.62	5.34	4.99
Public	77	5.51	5.19	5.78	5.57 ^a	5.25 ^b
Private	68	5.20	5.08	5.43	5.07 ^a	4.70 ^b

*Matching superscript letters in each column indicate differences in mean QA scores that are statistically significant at the .05 level.

Juvenile justice programs with public education had an mean overall QA score of 5.51, while juvenile justice programs with private education had an mean overall QA score of 5.20; however, this difference was only statistically significant at the .10 level. Within each of the

four standards, the patterns of performance largely remained the same, with each standard favoring the public education providers. Standard One did not show a very large difference (5.19 vs. 5.08), and it was not statistically significant, but Standard Two had a larger difference favoring public education providers (5.78 vs. 5.43), but this difference was only significant at the .10 level of statistical significance. For both of the other standards the difference was even greater favoring public education providers, with QA scores of 5.57 vs. 5.07 for Standard Three and QA scores of 5.25 vs. 4.70 for Standard Four. The differences for these two standards were statistically significant at the .05 level or even higher.

The third basic comparison is of the mean QA scores combining the public/private categories used in the first two tables for facility operators and education component operators. This produces four general program designations: programs with (1) public facilities and public education (n = 25), (2) public facilities and private education (n = 1), (3) private facilities and public education (n = 52), and (4) private facilities and private education (n = 67). Comparisons of the mean overall QA scores, the mean QA scores for each of the four standards, and the *t*-test results for these four program designations are summarized in Table 10.3-3.

Table 10.3-3: Mean QA Scores and *t*-test Results for Four Public/Private Facility and Education Component Combinations

Providers		n	Mean Overall QA Score	Standard One: Transition Mean QA Score	Standard Two: Service Delivery Mean QA Score	Standard Three: Administration Mean QA Score	Standard Four: Contract Management Mean QA Score
Facility	Education						
All Facilities		145	5.36	5.14	5.62	5.34	4.99
Public	Public	25	5.31	4.96	5.90	5.13 ^b	4.77
Public	Private	1	6.61	6.33	6.50	7.00	5.33
Private	Public	52	5.60 ^a	5.30	5.72	5.79 ^{bc}	5.49 ^d
Private	Private	67	5.17 ^a	5.06	5.42	5.04 ^c	4.69 ^d

*Matching superscript letters in each column indicate differences in mean QA scores that are statistically significant at the .05 level.

In terms of mean overall QA scores, the one juvenile justice program that is a public facility with private education had by far the highest score (6.61), but with only one program in this category, the score can be misleading. (For example, in 1999 there were two programs in this category, and the mean score was 4.79, the lowest score by far, so this category made a complete reversal from lowest to highest in one year.) The juvenile justice programs with private facilities and public education (n = 52) received the highest meaningful mean score (5.60). Juvenile justice programs with public facilities and public education (n = 25) received the next highest score (5.31). Juvenile Justice programs with private facilities and private education (n = 67) received the lowest mean score (5.17).

Juvenile justice programs with private facilities and public education (n = 52) had considerably higher and statistically significant QA scores when compared to programs with

private facilities and private education (n = 67). This is true for each of the standards, but it is particularly true for the Mean overall (5.60 vs. 5.17) for Standard Three (5.79 vs. 5.04) and Standard Four (5.49 vs. 4.69). Each of these differences is statistically significant at well beyond the .05 level. Moreover, for Standard Two, programs with public facilities and public education (n = 25) had significantly higher QA scores (5.90 vs. 5.42) than programs with private facilities and private education (n = 65). This difference was statistically significant at the .05 level. On the other hand, on Standard Three and Standard Four, programs with private facilities and public education (n = 52) had significantly higher QA scores (Standard Three = 5.79 vs. 5.13 and Standard Four = 5.49 vs. 4.77) than programs with public facilities and public education (n = 25), and this was also statistically significant at the .05 level.

The fourth comparison deals with the differences in mean QA scores for public facility operators, not-for-profit private facility operators, and for-profit private facility operators. There are 26 programs with publicly operated facilities, 88 programs with not-for-profit privately operated facilities, and 31 programs with for-profit privately operated facilities. The results of these comparisons are summarized in Table 10.3-4.

Table 10.3-4: 2000 Mean QA Scores and t-test Results* for Public, Private Not-for-Profit, and Private For-Profit Facilities

Providers	N	Mean Overall QA Score	Standard One: Transition Mean QA Score	Standard Two: Service Delivery Mean QA Score	Standard Three: Administration Mean QA Score	Standard Four: Contract Management Mean QA Score
All Facilities	145	5.36	5.14	5.62	5.34	4.99
Public	26	5.36	5.01	5.92	5.20	4.79
PNFP	88	5.45	5.30	5.62	5.41	5.08
PFP	31	5.12	4.76	5.34	5.25	4.92

*None of the t-test results in this table are statistically significant at the .05 level.
 PNFP = private not-for-profit
 PFP = private for-profit

For the overall QA score combining three standards, juvenile justice programs with public facilities had a mean QA score of 5.36, the private not-for-profit facilities had a QA score of 5.45, and for-profit private facilities had a score of 5.12. While none of the comparisons with the public facilities produced a statistically significant difference at the .05 level, on Standard Two, the public versus for profit comparison (5.92 vs. 5.34) was almost statistically significant, reaching the .055 level of significance. The comparison of programs with not-for-profit private facilities with for-profit private facilities produced differences consistently favoring the not-for-profit programs, but none of the differences are statistically significant at the .05 level. The difference on Standard One (5.30 vs. 4.76) was significant, however, at the .10 level.

The fifth comparison is of the mean QA scores for public, private not-for-profit, and private for-profit education providers. There are 77 programs with publicly operated education components, 59 programs with private not-for-profit education components, and nine

programs with private for-profit education components. These comparisons are summarized in Table 10.3-5.

Table 10.3-5: 2000 Mean QA Scores and t-test Results for Three Program Education Designations

Providers	n	Mean Overall QA Score	Standard One: Transition Mean QA Score	Standard Two: Service Delivery Mean QA Score	Standard Three: Administration Mean QA Score	Standard Four: Contract Management Mean QA Score
All Facilities	145	5.36	5.14	5.62	5.34	4.99
Public	77	5.51	5.19	5.78 ^a	5.57 ^{b c}	5.25 ^d
PNFP	59	5.27	5.15	5.51	5.14 ^b	4.73 ^d
PFP	9	4.72	4.55	4.93 ^a	4.67 ^c	4.44

*Matching superscript letters in each column indicate differences in mean QA scores that are statistically significant at the .05 level.

PNFP = private not-for-profit

PFP = private for-profit

Juvenile justice programs with public education had an mean overall QA score of 5.51, programs with private not-for-profit education had an mean overall QA score of 5.27, and programs with private for-profit education had an mean overall QA score of 4.72. Comparisons of the overall QA scores did not produce any differences that reached the .05 level of statistical significance, but the public and for-profit comparison (5.51 vs. 4.72) was significant at the .10 level.

The public program scores were higher for all of the standards than the private for-profit programs, but these differences were only significant at the .05 level for Standard Two (5.78 vs. 4.93) and Standard Three (5.57 vs. 4.67). In comparing the public with the private not-for-profit programs, the public programs consistently have higher scores; however, the differences are only statistically significant at the .05 level for Standard Three (5.57 vs. 5.14) and Standard Four (5.25 vs. 4.73). Comparison of the private not-for-profit programs with the private for-profit programs favored the not-for-profit programs for all of the standards, including the overall QA score; but in contrast to results found in the 1999 data, none of these results are statistically significant at either the .05 or the .10 levels.

The sixth and final comparison can be made between nine logical, specific program designations. These nine program designations are: public facility, public education (n = 25); public facility, not-for-profit education (n = 1); public facility, for-profit education (n = 0); not-for-profit facility, public education (n = 30); not-for-profit facility, not-for-profit education (n = 58); not-for-profit facility, for-profit education (n = 0); for-profit facility, public education (n = 22); for-profit facility, not-for-profit education (n = 0); and for-profit facility, for-profit education (n = 9). Because three of these logical combinations of categories do not have any programs that fall into that specific combination they are eliminated from the analysis.

The mean overall QA scores, the standard-specific mean QA scores, and the results of the *t* tests for the six specific program designations are summarized in Table 10.3-6.

Table 10.3-6: 2000 Mean QA Scores and *t*-test Results for Nine Specific Program Designations

Providers		n	Mean Overall QA Score	Standard One: Transition Mean QA Score	Standard Two: Service Delivery Mean QA Score	Standard Three: Administration Mean QA Score	Standard Four: Contract Management Mean QA Score
Facility	Education						
All Facilities		145	5.36	5.14	5.62	5.34	4.99
Public	Public	25	5.31	4.96 ^a	5.90 ^d	5.13 ^b	4.77 ^c
Public	PNFP	1	6.61	6.33	6.50	7.00	5.33
PNFP	Public	30	5.84 ^{ij}	5.63 ^{ae}	5.87 ^f	6.01 ^{bgk}	5.75 ^{chl}
PNFP	PNFP	58	5.25 ^j	5.13	5.49	5.10 ^k	4.72 ^l
PFP	Public	22	5.29	4.85 ^e	5.51	5.49 ^m	5.12
PFP	PFP	9	4.72 ⁱ	4.55	4.93 ^{df}	4.67 ^{gm}	4.44 ^h

*Matching superscript letters in each column indicate differences in mean QA scores that are statistically significant at the .05 level.

PNFP= private not-for-profit

PFP= private for-profit

In examining the scores in this table, public facilities with private not-for-profit education providers stand out as having the highest scores for each of the standards, including the overall QA score, but the sample size (n) of only one (1) makes it very misleading for making comparisons with the other categories. While this one program is clearly noteworthy, statistical comparisons with the other categories is problematic because it is a “sample of one” and, thus, it will be eliminated in the remainder of the discussion about this table.

For the other five logical categories that are included, the mean overall QA scores range from a high of 5.84 for private not-for-profit facilities with public education providers, to a low of 4.72 for private for-profit facilities with private for-profit education providers. It should be noted that this difference is statistically significant well beyond the .05 level. The comparison of private not-for-profit facilities with public education providers with private not-for-profit facilities with private not-for-profit education providers (5.84 vs. 5.25) is also statistically significant far beyond the .05 level.

In general, within each of the four standards, the relationships between the categories remained the same as those found for the overall QA measure, although some of the differences were not statistically significant. In general, the private not-for-profit facilities with public education providers had better scores on each of the four standards than most of the other groups, and the differences were statistically significant in comparison with one or more of the other categories. On Standards Three and Four, for example, private not-for-profit facilities with public education providers had significantly better scores than three of the other categories at the .05 level of significance. Under Standard Three, *t* tests indicate that programs with not-for-profit facilities and public education (QA = 6.01) had significantly higher QA scores at the .05 level than programs with not-for-profit facilities and

not-for-profit education (QA = 5.10), programs with for-profit private facilities and for-profit education (QA = 4.67), as well as programs with public facilities and public education providers (5.13). Under Standard Four, *t* tests indicate that programs with not-for-profit facilities and public education (QA = 5.75) had significantly higher QA scores at the .05 level than programs with not-for-profit facilities and not-for-profit education (QA = 4.72), programs with for-profit private facilities and for-profit education (QA = 4.44), as well as programs with public facilities and public education providers (4.77).

10.4 Summary

Several interesting findings emerge from the comparisons between public and private juvenile justice programs in Florida. What is very interesting is the finding that the auspices of the *facility* administration—public, private not-for-profit, or private for-profit—are not significantly related to the quality of educational services provided to students. This is, at least in part, a function of the fact that the educational components in most juvenile justice programs are largely autonomous from the facility administration. School districts in all cases maintain ultimate legal responsibility for the education of all children within their jurisdictions, regardless of school placement or auspices of the direct educational service provider. All schools, including those in juvenile justice programs, generate independent funding for mandatory educational services and take responsibility for students during at least six hours each day. The administration of juvenile justice facilities has a minimal impact on the educational component in most cases.

Equally, or even more important, however, is the finding that the educational program provider is very significant in determining the quality of educational services. At first, the distinction appears simple; however, a closer examination reveals a very complex situation that must be unraveled. In general, public providers of education received higher QA scores than private providers. The major areas in which this difference is found relate directly to the quality of the educational administration and the academic competency of the teachers in the classroom. For example, when Indicator E3.02: Instructional Personnel Qualifications is examined by itself, public education providers had a mean score of 6.31 compared to only 4.78 for private educational providers, a difference that is statistically significant far beyond the .05 level.

As suggested by the comparison above on Indicator E3.02, while there are important exceptions, in most cases the instructional staff hired by private providers are not as qualified as those hired by school districts. For example, during the 2000 review cycle, public education providers had over 96% (428/445) of their teachers (full-time and part-time) with some form of certification (professional, statement of eligibility/temporary, or vocational) compared to private education providers with only 64% (324/502) of their teachers certified. Moreover, of those certified in 2000, for private educational providers, 51% (170/333) had temporary certificates, compared to only 16% (58/428) of public educational providers with temporary certificates. If comparisons are made using only full-time professionally certified teachers, public education providers had 79% who were professionally certified while private

not-for-profit educational providers had 3% professionally certified teachers, and for-profit private educational providers had only 21% professionally certified teachers. While certification does not automatically equate to quality, there is a strong relationship. Therefore, it can be assumed that there are substantial differences between the quality of teachers employed by public and private providers of juvenile justice education.

However, these findings provide only general distinctions that veil an extremely important and complicating fact. Although private providers, overall, tended to score lower on QA reviews in Florida, particular private providers are also among the very best educational providers in the state. Specifically, the majority of educational programs operated by the Practical, Academic, and Cultural Education (PACE) Center for Girls, Inc. and Eckerd Youth Alternatives, Inc. (Eckerd), two of the largest private not-for-profit providers in the state, consistently score fairly high and are clearly among the best in the state. While, in general, it can be concluded that privatization may reduce the overall quality of educational services, under the right circumstances it also can provide the basis for innovations and dedication that may not always be found in other educational settings. It should be noted that Eckerd and PACE generate substantial funding from other governmental and non-governmental sources and can attract, train, and retain top quality instructional staff and maintain high quality materials. Some of the other private providers of education are not able to do this.

To complicate the matter further, the analysis that shows public educational providers with higher QA scores than private providers excludes all of the deemed programs because these programs receive an abbreviated review, and the standards used are not comparable. These deemed programs fall disproportionately in the private not-for-profit category. If they had received a full review and their scores were included in the analysis, the difference between public and private educational providers would have likely been reduced, and some of the comparisons would not likely have been statistically significant. On the other hand, if the deemed programs had been included, the difference between not-for-profit and for-profit private providers would very likely have been substantially greater.

Indeed, the not-for-profit status of some private educational providers affords them an opportunity to deflect the costs associated with additional bureaucratic layers. Private not-for-profit corporations have the ability to seek outside funding in addition to the governmental monies allocated for education, and some are quite successful in this regard. For this reason, in the analyses conducted in this study, it was expected that, among private providers, not-for-profit corporations would be found to provide higher quality educational services than for-profit corporations, and this was found to be the case. However, the low number of private for-profit educational providers ($n = 9$) tempers any conclusions derived for this group of providers.

