

Leveraging the Power of
Regression Discontinuity Designs for Program Evaluation:
An Institutional Simulation using R

Key Terms and R-Code

RDD Component/Definitions:

- **RDD** – Regression Discontinuity Design(s); a quasi-experimental technique employed to estimate the effects of randomized control trials (RCTs)
- **Forcing/Rating Variable** – numeric variable used to determine treatment per a certain score or “cut-point”
- **Sharp Design** – RDD where all subjects receive their assigned/intended treatment
- **Non-Parametric** – Local linear regression approach that estimates a local average treatment effect (LATE)
- **Program Theory** – underlying mechanism(s) by which a program (or service) is intended to bring about some desired result
- **Discontinuity** – the gap that may exist at the cut-point between the estimated regression line for the control group and the estimated regression line for the treatment group
- **Local Randomization** – assumed or determined randomization near the cut-point
- **Bandwidth** – in local linear regression with a rectangular kernel, the range of points on each side of the cut-point that will be included in the regression
- **Sensitivity Check** – determines how stable the LATE is across bandwidths—some variation is ok
- **McCrary Test** – formal empirical density test that assess whether the discontinuity in the rating density at the cut-point is equal to zero

R Component/Code:

- **Get Package** – `install.packages(“rddtools”)`
- **Load it** – `require(rddtools)`
- **Specify dataset as RDD ready** – `CAIR_RDD_data<-
rdd_data(y=CAIRdata$Sem_Point,x=CAIRdata$GPA,cutpoint = 2.5)`
- **Compute Bandwidth** – `bandwidthsize <- rdd_bw_ik(CAIR_RDD_data)`
- **Specify Model** – `CAIR_Model <- rdd_reg_np(rdd_object = CAIR_RDD_data, bw =
bw_ik) # Specifying Non-Parametric Model`
- **Discontinuity Plot** – `plot(CAIR_Model)`
- **Obtain Output from Analysis** – `summary(CAIR_Model)`
- **McCrary Test** – `dens_test(CAIR_Model)`