This paper proposes an innovative methodology for handling endogeneity issues in the evaluation of policy performance. By estimating a regression discontinuity design with a four-component stochastic frontier panel data model, we estimate the causal impact of a policy intervention on the efficiency, whenever the treatment status depends on an exogenous threshold. Moreover, we distinguish between persistent (time-invariant) and transient (time-varying) inefficiency components while accounting for unobserved heterogeneity, which is important for policy implications. We showcase the practical usefulness of the proposed approach by applying it to secondary schools in Flanders, Belgium. In particular, we estimate the effect of providing additional resources on schools that exceed an exogenously set share of disadvantaged students. Additionally, we make distinction between time-varying and time-invariant school characteristics, latent school heterogeneity and random shocks. The data consists of a balanced panel of 642 schools over the period from 2010 to 2013.