



RESEARCH BRIEF – ROI PROJECT

SBP AmeriCorps

[AmeriCorps.gov](https://www.AmeriCorps.gov)

Program Description

SBP is a national organization that engages in disaster recovery efforts across the country. SBP seeks to make vulnerable residents resilient to potential disaster and to streamline the rebuilding of homes for those who have survived disaster, to reduce the time and cost of disaster relief. With the support of volunteers and donors, including AmeriCorps investment, SBP pursues that mission with five interventions: 1) quickly rebuilding homes by utilizing private sector innovations, 2) sharing rebuild ideas and innovation with other organizations to provide relief as rapidly and efficiently as possible, 3) preparing home and business owners before and after a disaster to mitigate risks and promote resilience against possible future disasters, 4) advising policymakers on pressing recovery needs immediately after disasters so federal funding can be distributed sooner, and 5) advocating for improved strategies to prepare for disasters and provide relief when disasters occur.

AmeriCorps, the federal agency for volunteerism and national service, provides opportunities for Americans to serve their country domestically, address the nation's most pressing challenges, improve lives and communities, and strengthen civic engagement. Each year, the agency invests more than \$800 million in grants for local nonprofit, community, tribal, and state organizations; places more than 250,000 AmeriCorps members and AmeriCorps Seniors volunteers in intensive service roles; and empowers millions more to serve as long-term, short-term, or one-time volunteers. Learn more at [AmeriCorps.gov](https://www.AmeriCorps.gov).



Return on Investment Analysis

To better understand the impact of the program in relation to costs, AmeriCorps commissioned a return on investment (ROI) analysis by ICF, an independent research firm. ROI analyses of national service programs estimate the monetary value of benefits that a program generates per dollar invested.

The ROI analysis of total benefits per funder dollar estimated the SBP AmeriCorps program's ROI to be between -\$1.27 and \$4.14, depending on how long AmeriCorps members experience increased earnings as a result of the program. Total benefits per federal dollar are between -\$3.67 and \$11.96. These results are driven by favorable employment and education outcomes for AmeriCorps members following their service, as well as by benefits to government of reduced construction time and construction costs.

Overview of Benefits and Costs

To calculate the ROI, the program benefits were identified, quantified, and compared to the program's costs. Benefits of SBP include:

- **Benefits to government of reduced construction time and construction costs.** SBP reduces the time spent on home reconstruction, which decreases government spending on temporary housing during reconstruction. SBP also limits government spending on construction itself by rebuilding homes at a lower cost.
- **Additional earnings by AmeriCorps members.** Serving in AmeriCorps leads to increased wages and reduced unemployment post-national service through skill acquisition, as well as increased educational attainment post-service.
- **Living allowances, stipends, and education awards.** AmeriCorps members receive living allowances and stipends during their national service and receive Segal AmeriCorps Education Awards after successful completion.
- **Increased tax revenue for government.** The government receives more income tax revenue from increased AmeriCorps member earnings post-service, as well as additional sales tax revenue related to those earnings. Government also realizes tax revenue from the taxable living allowances, stipends, and education awards provided to AmeriCorps members.
- **Reduced lifetime spending on corrections, public assistance, and social insurance.** Because of the increase in secondary and post-secondary educational attainment for AmeriCorps members, government spends less on these items.

Program costs for SBP program totaled \$29,619,288 and came from the following sources:

- Federal government (AmeriCorps)
- State and local government
- Private
- Other

ROI Results

The table below shows the ROI results. Each row represents a different ROI calculation depending on which benefits are considered (all benefits or only benefits to the federal government) and which funding is considered (federal funding only, or all funding including contributions and non-federal grant, other



contributions, and program fees). The ROIs are presented as dollars returned for every \$1.00 of investment. The analysis used three different scenarios to estimate benefits under different assumptions. Specifically, the study assumed that increased earnings attributable to the programs last for one year (short-term scenario), 15 years (medium-term), or 30 years (long-term).

ROI Calculation	ROI Scenario		
	Short-Term	Medium-Term	Long-Term
Total Benefits per Federal Dollar	-\$3.67	\$3.38	\$11.96
Total Benefits per Funder Dollar	-\$1.27	\$1.17	\$4.14
Federal Government Benefits per Federal Dollar	-\$0.33	\$1.61	\$3.76

The program produces strong returns for the medium- and long-term scenarios when benefits to AmeriCorps members, societal stakeholders, and state/local governments are included. This is indicated by the results of the *total benefits per federal dollar* and the *total benefits per funder dollar* ROI calculations for these two scenarios.

In the short-term scenario—where benefits for only one-year post-program are included—the ROI results indicate that there is a short-term loss to investing given the results of the *total benefits per funder dollar* and the *federal government benefits per federal dollar* ROI calculations. An ROI below the break-even point of \$1 in the first year post-program is common in programs in which there is an initial one-time investment followed by the accrual of program benefits in the following years. It can require several years of benefits to recoup the initial investment and generate positive returns. An ROI of less than \$0 indicates that the combination of opportunity costs and program costs exceeds the amount of funding invested for the period analyzed.

The magnitude of the positive ROI estimates in the medium- and long-term scenarios are driven by the following factors:

- **Benefits to government of reduced construction time and construction costs.** SBP reduces the time spent on home reconstruction, which decreases government spending on temporary housing during reconstruction. SBP also limits government spending on construction itself by rebuilding homes at a lower cost.
- **Additional earnings by AmeriCorps members.** Serving in AmeriCorps leads to increased wages and reduced unemployment post-national service through skill acquisition, as well as increased educational attainment post-service.
- **Reduced lifetime spending on corrections, public assistance, and social insurance.** Because of the increase in secondary and post-secondary educational attainment for AmeriCorps members and program participants, government spends less on these items.

For more information, please contact evaluation@cns.gov.

The report summarized in this research brief was commissioned by AmeriCorps' Office of Research and Evaluation under Contract # GS00Q14OADU209 and Order # 5332A20R0013. Information in the report is in the public domain. Please, direct communications related to the report to Lily Zandniapour at lzandniapour@cns.gov and Sarah Yue at syue@cns.gov. Cite the report as follows: Borgida, J., Clark, D., Kulka, L., Miller, B., Modicamore, D., Pershing, J., Thompson, P., Sarwana, M., & Voigt, G. (2022). *Return on Investment Study: SBP*. ICF.