



RESEARCH BRIEF – RETURN ON INVESTMENT STUDIES

Minnesota Reading Corps — Kindergarten

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Minnesota Reading Corps (MRC), the largest AmeriCorps State program in the country, uses research-based literacy instruction in school settings to help children from age three through grade three learn to read. The program includes literacy enrichment at the pre-kindergarten (PreK) level and tutoring for both PreK and kindergarten through third grade (K-3) students. The program's host organization, Reading & Math, Inc., recruits, trains, places, and monitors AmeriCorps members who work with children one-on-one and in small groups daily, providing literacy interventions that are tailored to each learner's needs. AmeriCorps tutors begin their service with rigorous training from literacy experts, who give them the knowledge and tools they need to be effective and confident. During the 2017-2018 school year, MRC served more than 600 schools in Minnesota, reaching more than 20,000 students.

Return on Investment Analysis

To better understand the impact of MRC in relation to the program's 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 for per dollar invested.

AmeriCorps, a federal agency, brings people together to tackle the country's most pressing challenges, through national service and volunteering. AmeriCorps members and AmeriCorps Seniors volunteers serve with organizations dedicated to the improvement of communities. AmeriCorps helps make service to others a cornerstone of our national culture. Learn more at AmeriCorps.gov.



This ROI analysis only measured the impact of the program on kindergarten students. The analysis estimated MRC Kindergarten’s ROI to be between \$5.47 and \$6.99 per funder dollar, depending on how long program participants and AmeriCorps members experience increased earnings as a result of MRC Kindergarten. Because the federal investment is complemented by non-federal funding, the return on each federal dollar is even higher. The magnitude of the results are driven by improved employment and earnings outcomes for participants due to higher high school graduation rates and benefits to AmeriCorps members from increased lifetime earnings.

Overview of Benefits and Costs

To calculate the ROI for MRC Kindergarten, the program benefits were identified, quantified, and compared to the program’s costs. Benefits of the MRC Kindergarten program include:

- **Increased high school credential attainment for MRC kindergarteners.** The kindergarteners that participated in MRC have higher high school graduation rates.
- **Improved employment, earnings, and educational outcomes for AmeriCorps members.** Members have increased employment, earnings, and educational attainment after they serve.
- **Long-term cost savings to government.** The increased high school credential attainment for MRC kindergarteners leads to long-term cost savings for government.

Funding for the MRC program in the period studied totaled \$18,096,349, but because only the benefits to kindergarteners were included in the ROI analysis, the funding was scaled to an estimated \$6,398,135 (35% of the total), to represent funding for that group of participants only.¹ Sources of funding included: federal government (48%), state government (27%) private (4%), and grantee in-kind (21%).

ROI Results

The table below shows the full set of ROI results for MRC Kindergarten. 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 federal, state, non-government, and in-kind). 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 1 year (short-term scenario), 15 years (medium-term), or 30 years (long-term).

ROI Calculation (2019\$)	ROI Scenario		
	Short-Term	Medium-Term	Long-Term
Total Benefits per Federal Dollar	\$10.11	\$11.27	\$12.94
Total Benefits per Funder Dollar	\$5.47	\$6.09	\$6.99
Federal Government Benefits per Federal Dollar	\$5.63	\$5.92	\$6.27

¹ The total funding scaled to kindergarteners is slightly higher due to the incorporation of anticipated educational stipends for AmeriCorps members to be paid out following their service year.



The magnitude of the positive ROI results is driven by:

- **The long-term benefits of increased high school credential attainment for MRC kindergarteners.** Based on findings from Markovitz (2014 & 2018), Stanley et al. (2017), and Hernandez (2012), MRC prevents an estimated 97 kindergarteners from becoming future high school dropouts for the 2017–2018 school year.²
- **The employment outcomes of AmeriCorps members.** According to the national AmeriCorps Alumni Survey Outcomes Study, the percentage of members unemployed was 5 percentage points lower six months after serving in AmeriCorps versus six months before.³
- **The educational attainment outcomes of AmeriCorps members.** AmeriCorps members receive an education award after serving in the AmeriCorps program, which is used by a portion of members to help pay for postsecondary degrees post-service. That additional educational attainment increases future earnings.
- **The long-term cost savings to government of increased high school credential attainment for MRC kindergarteners.** Levin et al. (2007) found that the present value of lifetime federal economic benefits expected per high school graduate compared to a high school dropout ranges from \$118,000 to \$206,000, by race and gender.⁴

The content of this research brief was drawn from the full AmeriCorps ROI study: Munaretto, C., Casey, B., Miller, B., Modicamore, D., Naugler, A., & Pershing, J. (2020). Return on Investment Study: Minnesota Reading Corps–Kindergarten. ICF. Visit <https://nationalservice.gov/research>.

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

² Markovitz, C.; Hernandez, M.; Hedberg, E.; Silbergliitt, B. (2014). Outcome Evaluation of the Minnesota Reading Corps K3 Program. NORC at the University of Chicago: Chicago, IL. This study was funded by AmeriCorps (formerly Corporation for National and Community Service). See https://www.nationalservice.gov/sites/default/files/evidenceexchange/FR_ServeMinnesota_ServeMinnesotaActionNetwork_MRCK3.pdf. Markovitz, C.; Hernandez, M.; Hedberg, E.; Whitmore, H.; Satorius, J. (2018). Impact Evaluation of the Minnesota Reading Corps K-3 Program (2017-18). NORC at the University of Chicago: Chicago, IL. See <https://1kvjxp28gemz2aa4gi2qmxxh-wpengine.netdna-ssl.com/wp-content/uploads/2018/12/Minnesota-Reading-Corps-2017-2018-Evaluation-Full-Report-FINAL.pdf>. Stanley, C., Petscher, Y., & Catts, H. (2017). A longitudinal investigation of direct and indirect links between reading skills in kindergarten and reading comprehension in tenth grade. See: <https://link.springer.com/article/10.1007/s11145-017-9777-6>. Hernandez, Donald J. (2012). Double Jeopardy: How Third-Grade Reading Skills and Poverty Influence High School Graduation. Baltimore, MD: The Annie E. Casey Foundation. See <https://www.aecf.org/resources/double-jeopardy>.

³ Friedman, E., Freeman, B., Phillips, B., Rosenthal, L., Robinson, D., Miller, H., & Porowski, A. (2016). AmeriCorps Alumni Outcomes: Final Survey Technical Report. AmeriCorps (formerly Corporation for National and Community Service). Retrieved from https://www.nationalservice.gov/sites/default/files/evidenceexchange/FR_AmeriCorpsAlumniOutcomesFinalTechReport.pdf.

⁴ Levin, H., Belfield, C., Muennig, P., & Rouse, C. (2007). The costs and benefits of an excellent education for all of America's children. Retrieved from <https://academiccommons.columbia.edu/doi/10.7916/D8CF9QG9>.