

RESEARCH BRIEF - ROI PROJECT Montana Conservation Corps

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Program Description

Montana Conservation Corps (MCC) is an environmental service program dedicated to promoting field research and direct conservation service. Founded in 1991, MCC has received AmeriCorps support since 1993. MCC supports communities and public lands in the Northern Rockies (including Montana, Wyoming, Idaho, North Dakota, and South Dakota) through the deployment of teams to develop beaver dam analogs (BDAs), mitigate fire threats, reduce the spread of invasive species, and restore and redesignate trails. MCC's trained monitoring and assessment teams also capture critical data on the condition of forest and rangeland health.

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. AmeriCorps, the federal agency for national service and volunteerism, 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 places more than 200,000 AmeriCorps members and AmeriCorps Seniors volunteers in intensive service roles; and empowers millions more to serve as long-term, short-term, or onetime volunteers. Learn more at AmeriCorps.gov.



The ROI analysis of *total benefits per funder dollar* estimated the Montana Conservation Corps program's ROI to be between \$0.66 and \$126.05. depending on a) how long AmeriCorps members experience increased earnings as a result of the program and b) whether low, average, or high estimates of ecosystem benefits to society are used. *Total benefits per federal dollar* are higher, between \$0.73 and \$144.32

Overview of Benefits and Costs

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

- Benefits to various stakeholders of ecosystem services, reduced wildfire damage, other environmental benefits, and trail access. MCC uses AmeriCorps members to construct BDAs which revitalize degraded riparian and adjacent ecosystems, perform fuel reduction treatments on atrisk sites to reduce severity of wildfires, remove invasive species to increase benefits to society from ecosystems, and build and maintain trails that provide health and recreational benefits. The societal benefits of MCC can be attributed to three key functions of the organization: wildfire mitigation, habitat improvements, and maintenance of trail systems.
- 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 MCC program totaled \$9,579,450 and were funded by AmeriCorps, other federal government sources, state and local government, Tribal governments, and private funders.

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). The ROI estimates 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). The analysis also used low, average, and high estimates of ecosystem benefits to society based on the literature.



		ROI Scenario		
ROI Calculation	Short-Term	Medium-Term	Long-Term	
Total Benefits per Federal Dollar*				
With low ecosystem benefits	\$0.73	\$7.75	\$11.66	
With average ecosystem benefits	\$2.39	\$27.37	\$41.38	
With high ecosystem benefits	\$7.81	\$92.69	\$144.32	
Total Benefits per Funder Dollar*				
With low ecosystem benefits	\$0.66	\$6.63	\$9.79	
With average ecosystem benefits	\$2.11	\$23.83	\$35.84	
With high ecosystem benefits	\$6.86	\$81.07	\$126.05	
Federal Government Benefits per Federal Dollar	-\$0.02	\$0.18	\$0.49	

* These ROI estimates are provided based on low, average, and high estimates of ecosystem benefits to society.

The program produces strong returns for the medium- and long-term scenarios when benefits to AmeriCorps members, society, 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–which only includes benefits for one-year post-program–the ROI of \$0.66 for the *total benefits per funder dollar* calculation with the low set of ecosystem benefit estimates is below the breakeven point on funding invested, as is the *total benefits per federal dollar* calculation under low ecosystem benefits. All other total benefit scenarios and ecosystem benefit levels show positive returns.

The *federal government benefits per federal dollar* calculations estimate losses for all three scenarios. As a program that is intended primarily to generate benefits to society, rather than benefits to the federal government, these results are consistent with the design of MCC.

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

- **Revitalized ecosystem services from BDA installation.** Societal benefits accrue, and do not diminish over time due to the long term drought resilience and riparian improvements associated with BDAs.
- **Reduction in wildfire-related costs.** Societal benefits from reduced severity of wildfires accrue, but diminish over time as vegetation regrows and generates more potential fuel for wildfires.
- Increased benefits from ecosystems from reduced invasive species. Societal benefits accrue, but diminish over time as invasive species return.
- **Benefits from trail maintenance and creation.** Societal benefits from access and use of trails accrue over time, but diminish as trails naturally deteriorate.
- 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. The additional educational attainment resulting from the use of the education award generates additional earnings for AmeriCorps members.



• **Employment outcomes of AmeriCorps members.** Past studies establish that AmeriCorps members experience increased employment and increased earnings post-service.

About the Office of Research and Evaluation

The <u>AmeriCorps Office of Research and Evaluation</u> assists AmeriCorps and its partners in collecting, analyzing, and disseminating data and insights about AmeriCorps programs and civic life in America.

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

About this Brief

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