



## RESEARCH BRIEF – ROI PROJECT

# Washington State Department of Veterans Affairs Vet Corps

[AmeriCorps.gov](http://AmeriCorps.gov)

### Program Description

The Washington State Department of Veterans Affairs (WDVA) Vet Corps program engages AmeriCorps members to help veterans and their family members to take advantage of educational benefits and services earned through their military service. Vet Corps provides necessary services to veterans to improve their academic outcomes, graduation rates, and postsecondary success after college. Those services include peer mentoring, direct support, resources, and referrals to veterans in college. Vet Corps AmeriCorps members also educate faculty and administrative employees about veteran needs, increasing veteran cultural competence and informing policy at educational institutions. All Vet Corps AmeriCorps members are veterans, themselves. Participants can form a connection with a peer who has a shared experience to help them with the transition to the education institution. The lived experience of WDVA AmeriCorps members can be particularly useful in mentoring participants. WDVA engages approximately 50 AmeriCorps members each year.

**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](http://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 for per dollar invested.

The ROI analysis of total benefits per funder dollar estimated the WDVA program's ROI to be between \$0.82 and \$13.66, depending on how long AmeriCorps members experience increased earnings as a result of the program. Total benefits per federal dollar are higher, between \$1.05 and \$17.52. These results are driven by favorable employment and education outcomes for AmeriCorps members following their service, as well as by improved employment outcomes for program participants.

## Overview of Benefits and Costs

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

- **Additional lifetime earnings resulting from improved employment outcomes.** Program participants receive educational support and services as they pursue higher education, which result in higher earnings.
- **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 a Segal AmeriCorps Education Award 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. Further, government realized tax revenue from increased earnings by program participants as a result of increased educational attainment.
- **Reduced lifetime spending on corrections, public assistance, and social insurance.** Because of the increase in post-secondary educational attainment for AmeriCorps members and program participants, government spends less on these items.

Program costs for WDVA program totaled \$1,116,364 and came from the following sources:

- Federal government (AmeriCorps)
- State and local government



## 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	\$1.05	\$12.75	\$17.52
Total Benefits per Funder Dollar	\$0.82	\$9.94	\$13.66
Federal Government Benefits per Federal Dollar	\$0.19	\$3.16	\$4.65

The program produces strong returns for the medium- and long-term scenarios when benefits to AmeriCorps members, program participants, 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 that is below \$1 in the first year post-program is common in programs where there is an initial one-time investment made and benefits accrue in the following years. This is because it often requires several years of benefits to recoup the initial investment and generate positive returns.

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

- **Educational attainment of program participants.** Program participants receive educational support and services as they pursue higher education, which results in higher educational attainment and subsequently higher earnings. Those earnings accumulate over participants' years in the workforce.
- **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](mailto: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](mailto:lzandniapour@cns.gov) and Sarah Yue at [syue@cns.gov](mailto:syue@cns.gov). Cite the report as follows: Clark, D., Borgida, J., Kulka, L., Miller, B., Modicamore, D., Pershing, J., Thompson, P., Sarwana, M., & Voigt, G. (2022). *Return on Investment Study: Washington State Department of Veterans Affairs Vet Corps*. ICF.