



RESEARCH BRIEF – RETURN ON INVESTMENT STUDIES

Community Technology Empowerment Project

AmeriCorps.gov

Program Description

The Community Technology Empowerment Project (CTEP) is implemented by the St. Paul Neighborhood Network (SPNN) to address the digital divide in the Minneapolis-Saint Paul Metropolitan Area. As instructors, AmeriCorps members work with CTEP participants aged 14 years and older to improve their digital skills and technology literacy. AmeriCorps members teach in formal classes and provide one-on-one mentoring and training in computer and technology labs to help participants become certified in technology skills. Certifications are awarded based on assessments designed by Northstar, a provider of digital literacy curricula and certifications. AmeriCorps members also instruct workforce readiness classes to assist English language learners. CTEP uses 35 full-time AmeriCorps members to provide these services to program participants.

Return on Investment Analysis

To better understand the impact of CTEP in relation to the program's costs, AmeriCorps commissioned a return on investment (ROI) analysis by ICF,

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.



an independent research firm. ROI analyses of national service programs estimate the monetary value of benefits that a program generates for per dollar invested. ROI analyses of national service programs estimate the monetary value of benefits that a program generates per dollar invested. The ROI analysis estimated CTEP's ROI to be between \$2.95 and \$34.26 per funder dollar, depending on how long program participants and AmeriCorps members experience increased earnings as a result of the program. 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 and benefits to AmeriCorps members from increased lifetime earnings.

Overview of Benefits and Costs

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

- **Improved employment and earnings outcomes for CTEP participants.** Because of knowledge and skills gained from the CTEP program, a number of participants became employed and increased their earnings.
- **Improved employment/earnings and educational outcomes for AmeriCorps members.** Because of the work experience gained and the educational awards received for their service in the CTEP program, a number of AmeriCorps members became employed, increased their earnings, and increase their educational attainment.
- **Increased tax revenue for government.** Because of the CTEP program, federal government realizes increased tax revenue from income, social security, and Medicare and Medicaid taxes from the improved employment outcomes and earnings of participants and members.
- **Savings in government expenditures.** Because of the CTEP program, federal government realizes savings from a reduction in expenditures on public assistance from the improved employment outcomes of participants and members and further educational attainment from members.

Funding for the CTEP program totaled \$898,720 and comes from the following sources:

- Federal Government (AmeriCorps) - \$578,720
- State and Local Government - \$136,000
- Non-Government Sources (local non-profits) - \$184,000

ROI Results

The table below shows the full set of ROI results for CTEP. 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 1 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	\$4.58	\$33.35	\$53.20
Total Benefits per Funder Dollar	\$2.95	\$21.48	\$34.26
Federal Government Benefits per Federal Dollar	\$1.30	\$7.39	\$11.60

The magnitude of the positive ROI calculations are driven by the following factors:

- **The robust employment and earnings outcomes realized by CTEP program participants.** A total of 10.3 percent of CTEP participants who were unemployed before the program and job-searching during the program not only gained employment after completing the program, but attributed their employment to the program.¹
- **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.²
- **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. The additional educational attainment resulting from the use of the education award generates additional earnings for AmeriCorps members.

The content of this research brief was drawn from the full AmeriCorps ROI study: Modicamore, D., Naugler, A., Casey, B., Miller, B., Munaretto, C., & Pershing, J. (2020). Return on Investment Study: Community Technology Empowerment Project. ICF. Visit [nationalservice.gov/research](https://www.nationalservice.gov/research).

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

¹ Backman, D. (2018). 2018 Evaluation Report: Impact of the Northstar Assessment & Related Computer Skills Programming on Employment in CTEP Programs. Retrieved from https://www.nationalservice.gov/sites/default/files/evidenceexchange/SaintPaul_19AC208840_Report_Revised_508%20%281%29.pdf.

² Friedman, E., Freeman, B., Phillips, B., Rosenthal, L., Robinson, D., Miller, H., & Porowski, A. (2016). AmeriCorps Alumni Outcomes: Final Survey Technical Report. Retrieved from https://www.nationalservice.gov/sites/default/files/evidenceexchange/FR_AmeriCorpsAlumniOutcomesFinalTechReport.pdf.