

AFTERSCHOOL IN OREGON

# Return on Investment

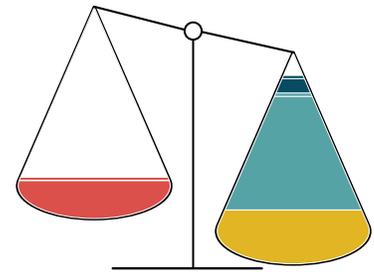
March 2021

Oregon **ASK**  
Afterschool & Summer for Kids Network

# AFTERSCHOOL IN OREGON

# RETURN ON INVESTMENT

## EXECUTIVE SUMMARY



**For every dollar Oregon invests in afterschool programs, \$4.60 is returned to our state through reduced drug and alcohol addiction, increased graduation rates, reduced crime rates, and lower healthcare costs due to increased physical activity.**

**This return on investment study uses existing research and Oregon-specific data to estimate the returns from a theoretical public investment to subsidize afterschool programs.** First, the study uses current public funding initiatives to estimate the cost to subsidize afterschool programs for every youth in Oregon that wants to attend one. At a rate of \$524 dollars per year per student, it is estimated that an investment of \$122,812,500 would subsidize<sup>1</sup> afterschool programs for 234,375 youth.<sup>2</sup> Other costs include additional schooling costs due to a reduction in dropouts, and additional state funding for public higher-education institutions due to higher graduation rates and increased college enrollment. These costs are summarized in the table on the next page.

Second, **this report uses existing research on the impact of afterschool programs to make estimates of the monetary returns to society using data specific to Oregon’s schools and communities.** The returns explored in this report are somewhat limited; many benefits of afterschool programs are under-researched, difficult to quantify, or indirectly related to our theoretical investment. Nonetheless, this report analyzes a range of benefits, including: reduced drug and alcohol addiction, reduced grade repetition, reduced dropout rates and increased graduation rates, reduced juvenile crime, and increased physical activity. These returns are summarized in the table below, and explanations of each calculation are contained within the report.

Third, this report makes recommendations based on the findings. Ultimately, **we recommend the creation of a dedicated youth and child services fund that supports youth engagement, social and emotional wellness, and provides enrichment in the hours and months when schools are closed.** Such a fund represents a significant investment and warrants careful research and consideration, and key considerations are proposed in the report.

The numbers presented in this report are revealing, but they are just one part of the equation. Afterschool programs have incredible potential to benefit youth, families, and communities in all parts of Oregon, but it is not enough for families to simply have access to programs. They must have access to programs that meet their needs, respond to their culture, adapt to their abilities, and fit into their communities. OregonASK demonstrated last year that **access to afterschool programs in Oregon is not distributed equitably; the very youth that stand to gain the most from programs have the least access.**<sup>3</sup> More work is needed to contextualize the findings from this report and to ensure that access to afterschool programs is expanded in a way that is responsive to real needs.

<sup>1</sup> The investment amount is based on current funding practices for Oregon’s 21st CCLC grant-funded programs, which assume that grantees will leverage additional funds and in-kind resources. An annual cost of \$524 per youth does not represent the true cost of afterschool programming, but rather the current subsidization rate provided through 21st CCLC.

<sup>2</sup> According to the Afterschool Alliance’s America After 3PM 2020 report, there are 234,375 youth in Oregon who would participate in an afterschool program if one were available to them

<sup>3</sup> OregonASK Expanded Learning Partnership (2020)

# Annual Costs & Returns Summary

<b>COSTS</b>	
<b>Subsidization of afterschool programs</b> <ul style="list-style-type: none"> <li>Investment amount is based on current funding practices for Oregon's 21st CCLC grant-funded programs, which assume that grantees will leverage additional funds and in-kind resources. It does not represent the true cost of afterschool programming, but rather the current subsidization rate provided through 21st CCLC.</li> <li>This investment would subsidize afterschool programs for 234,375 youth (more than currently served)</li> </ul>	\$122,812,500
<b>Increased school costs</b> due to fewer dropouts	\$1,005,858
<b>Increased state funding for public higher-education institutions</b> due to higher graduation rates and increased college enrollment	\$51,744
<b>TOTAL</b>	<b>\$123,870,102</b>
<b>RETURNS</b>	
<b>Quantifiable Returns on Investment</b> , which are realized for regular program attendees, a subset of all attendees (87,422 out of 234,375)	
<b>Reduced grade repetition</b>	\$3,253,516
<b>Increased graduation rates</b> , representing higher earnings for, and tax revenue from, graduates	\$41,244,849
<b>Reduced drug and alcohol addiction</b>	\$3,829,098
<b>Reduced juvenile and adult crime</b>	\$353,400,720
<b>Increased physical activity</b> , representing reduced health-care costs from lower obesity rates	\$167,629,628
<b>TOTAL</b>	<b>\$569,357,811</b>
<b>Non-Quantifiable Returns on Investment</b>	
<b>Increased food security and health</b> through provided meals and snacks	
<b>Increased parental earnings</b> through ability to maintain a job without worrying about childcare	
Increased <b>social emotional learning and employability</b> of youth	

## INTRODUCTION

To date, OregonASK Expanded Learning Partnership has documented 1,211 afterschool program sites around the state. These 1,211 sites represent a diverse constellation of program structures and types, including: Private fee-based programs (like KinderCare, Champions, or YMCA-run programs); Publicly funded free programs (such as Oregon's 21st Century Community Learning Centers and Multnomah County's SUN Community Schools); Community-based programs (like Self-Enhancement Inc., and Adelante Mujeres); Government-run programs (such as Bend Parks and Recreation District's Kids Inc. Program); and Non-profit programs (such as Boys and Girls Clubs). While these programs serve thousands of school-age youth across the state, they do not come close to meeting the need. According to the Afterschool Alliance, for every one child who participates in an afterschool program in Oregon, three more children are waiting to get in.<sup>1</sup> Those children waiting for an afterschool program represent 234,375 Oregon youth who would participate in an afterschool program if it were available to them.

In recent years, it has become more and more difficult for families and youth to participate in afterschool programs. The number of youth participating in afterschool has shrunk (16% of Oregon youth participated in afterschool in 2014 compared to 13% in early 2020, pre-pandemic), while the number of youth waiting to participate has continued to grow (from 221,708 in 2014 to 234,375 in early 2020).<sup>2</sup> Families have found it harder and harder to pay for programs, or to even find them. 53% of Oregon parents in early 2020 reported that afterschool programs are too expensive, compared with 29% in 2014, and 32% said that programs are not available in their communities, compared with 25% in 2014.<sup>3</sup> OregonASK found similar results in our statewide *State of Access and Equity of Afterschool in Oregon* report; among focus group participants, the most frequently cited barrier to participation in afterschool programs was that the cost of programs was too expensive. Even more concerning, Oregon families cited cultural barriers as the second most common barrier to participation in afterschool, including language barriers, feeling unwelcome, and instances of racism. These findings suggest that access to afterschool in Oregon is inequitably granted to the privileged few, with the many waiting on the outside.

Perhaps the simplest solution is to create affordable, accessible afterschool opportunities through public funding or subsidization. Public funding for afterschool is popular (90% of Oregon's parents support public funding for afterschool programs<sup>4</sup>), and has precedence: 17 states allocate state funds to support afterschool programs, with California's After School Education & Safety Program leading the way with \$550 million in annual funding for afterschool programs.<sup>5</sup> Oregon itself

<sup>1</sup> Afterschool Alliance (2020)

<sup>2</sup> Afterschool Alliance (2020)

<sup>3</sup> Afterschool Alliance (2020)

<sup>4</sup> Afterschool Alliance (2020)

<sup>5</sup> Food Research & Action Center (2020)

supports a small number of programs with public funding, such as Multnomah County’s SUN Community Schools, although the majority of Oregon’s public funds for afterschool are federal dollars through the 21st Century Community Learning Center program. These investments, however, are nowhere near enough. As King and Dodson note in their study, *Oregon’s Unmet Childcare Needs*, “Child care, like K-12 education, is a service that will never be efficiently provided by the market because parents can’t afford the upfront costs. That’s why educational investments should be seen as social infrastructure.”<sup>6</sup> The same is true for afterschool programs, which are an essential support for families that fulfill many of the same societal functions as schools and childcare programs — and some that they don’t. The Afterschool Alliance states that, “Public funding for afterschool programs helps provide affordable, quality programs for millions of children nationwide...A multi-faceted approach, with investments at the local, state, and federal levels of government, is needed to increase quality, affordable afterschool opportunities.”<sup>7</sup>

Afterschool programs have proven themselves well worth the investment. Afterschool programs offer a safe place for youth to be after school, peace of mind for working parents, academic support for struggling students, a sense of belonging, and enrichment opportunities ranging from sports to arts and theater to science and engineering. But even more, **afterschool programs offer students opportunities — opportunities to pursue new passions, to develop meaningful relationships, and to gain new skills, be it academic, social, or leadership skills.** These opportunities can provide real benefits. Thirty years of research shows that youth participating in high-quality afterschool programs have improved academic performance and higher social-emotional skills — benefits that serve the individual, as well as future employers and the greater community.<sup>8</sup>

These benefits tend to have the biggest impact on youth who have the least access. In OregonASK’s report, *State of Access and Equity of Afterschool in Oregon*, youth of color and youth in free programs reported higher rates of benefits (such as academic gains and improvements in confidence) than their white counterparts and those in fee-based programs. As that report notes, “[afterschool] opportunities are not distributed equitably. families and youth from underserved communities experience bigger barriers to participation in afterschool programs. And yet, youth from underserved communities demonstrate the most benefits from afterschool programs. The very youth that face the biggest barriers to afterschool stand to gain the most from it.”<sup>9</sup> Other studies have offered similar findings, suggesting that afterschool programs are a proven strategy to combat the opportunity gap.<sup>10</sup> As Hummel-Rossi and Ashdown note, “Unless the issues of how money is spent is addressed, simply allocating more money to education will not

<sup>6</sup> King and Dodson (2019)

<sup>7</sup> Afterschool Alliance (2020)

<sup>8</sup> Leonard, et al. (2017)

<sup>9</sup> OregonASK Expanded Learning Partnership (2020)

<sup>10</sup> Crosnoe, et al. (2015)

*necessarily result in increased achievement or the reduction in pressing inequities.*<sup>11</sup> Afterschool programs have proven themselves to be an intentional strategy that does exactly that: increase achievement and reduce inequity. As the following pages demonstrate, afterschool programs are well worth the investment, and return benefits more than quadruple their initial investment.

There are multiple studies demonstrating the benefits returned to society from an investment in afterschool programs. As Newman noted 20 years ago, *“No one would suggest that we should have police preventing murders only if that activity produced enough savings to pay for itself. But even if that were the test, afterschool programs would pass with flying colors.”*<sup>12</sup> This study is the first return on investment study specific to Oregon, using local data and contextualized to our state’s political and social climate. It uses existing research and Oregon-specific data to explore the returns on a theoretical state investment in afterschool programs. The effects of social and educational programs are notoriously subtle, long-term, and difficult to quantify; nonetheless, this report will attempt to disentangle as many as possible. In short, this report compares the dollar value of the benefits of afterschool programs to the theoretical cost of subsidizing those programs.

## METHODOLOGY

This report uses existing research and Oregon-specific data to estimate the monetary return on a theoretical state investment in afterschool programs. First, this report approximates the cost of subsidizing wide-scale afterschool programs, and secondly, uses published research to determine the expected benefits of those afterschool programs and attach monetary values to each benefit. Ultimately, the costs of subsidizing programs are compared to the value of the returns to determine the return on investment of public funding for afterschool programs in Oregon.

This report makes every attempt to be as accurate as possible, but there is a certain amount of uncertainty in each calculation, due to data quality, comparability, and availability concerns, as well as relevance of available studies. **This report uses peer-reviewed research wherever possible and takes care to underestimate at every opportunity to ensure that unavoidable uncertainties do not lead to overestimation.** In each section below, context about data sources is provided and potential concerns are discussed. Calculations generally use the most recent data available, with the exception of school-based data, where we use data from the 2018–2019 school year rather than the 2019–2020 year to avoid data anomalies due to the COVID-19 pandemic. As noted throughout the report, costs and returns have been converted to 2020 dollars using the

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<sup>11</sup> Hummel-Rossi and Ashdown (2002)

<sup>12</sup> Newman, et al. (2000)

Bureau of Labor Statistics' [inflation calculator](#).

The majority of school-based data used in this report are aggregate data, such as state-wide enrollment data, drop out rates, and graduation rates. It should be noted that state-wide rates conceal trends in the data that vary substantially by region and by population. A statewide perspective is intended only to simplify calculations and to ensure estimates are representative of our state as a whole and relevant to legislative budgets. The birds-eye view presented here does not necessarily reflect the realities of individual communities, districts, and schools, but it does offer a wide-angle perspective of how the youth and families of our state can benefit, as a whole, from increased access to afterschool programs. Some youth will benefit greatly from participating in afterschool programs and other youth will benefit less. The goal of this report is not to examine benefits on the individual level, but rather to assess the overall benefits across all participating youth. **And just as privilege and power are not distributed equitably across Oregon, we must strive for benefits like the ones described in the following pages to be distributed equitably, rather than equally, across our state.**

## COSTS OF AFTERSCHOOL PROGRAMS

It is difficult to assess an average cost of implementing afterschool programming in Oregon, as there are as many fee structures and pricing models as there are programs. Program costs depend on an array of variables, including days and hours of operation, location, activities offered, staffing ratios, program size, ages of participants, transportation needs, local contexts, and other factors. Even just in Oregon, there is a huge variety in fees charged by afterschool programs; OregonASK found in 2019 that afterschool fees vary from \$0.11 per hour to \$7.92 per hour, with a median of \$1.92 per hour.<sup>13</sup>

Nonetheless, there are examples of wide-scale investment to draw on, and 21st Century Community Learning Centers offer perhaps the best model for public investment in afterschool. 21st Century Community Learning Centers (21st CCLC) provide the only federal funding dedicated to afterschool and summer learning programs. Since 1998, the federal government has distributed 21st CCLC funds to states in order to support afterschool and summer learning programs for students in high-poverty, low-performing schools. Currently, \$1.25 billion supports 21st CCLC programs serving nearly 2 million youth across the county.<sup>14</sup>

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<sup>13</sup> OregonASK Expanded Learning Partnership (2020)

<sup>14</sup> More information about 21st CCLC programs is available at <http://www.afterschoolalliance.org/policy21stcclc.cfm>

In Oregon, the current 21st CCLC grant cycle allocates \$10,669,380 annually<sup>15</sup> through grants to 25 school districts and community organizations, which operate 96 centers across the state. During the 2018–19 school year, there were 20,348 total youth served through Oregon’s 21st CCLC programs. The total annual grant amount divided by the number of youth served ( $\$10,669,380 / 20,348$  youth) equals an **annual per youth cost of \$524**. This annual per youth rate, however, does not distinguish between youth who attend sporadically and those who attend more frequently. Federal policy for 21st CCLC programs differentiates participants based on attendance rate, and defines a regular attendee as any youth that attends 30 or more days during the school year. Considering youth who attend on a regular basis yields an annual per youth cost that is perhaps more reflective of day-to-day participation rates and costs. The US Department of Education’s 2016–17 annual 21st CCLC performance report indicated that the average annual cost for regular attendees in Oregon was \$1,142 per youth ( $\$1,224$  when converted to 2020 dollars).<sup>16</sup>

These average per youth costs are blunt estimates, given that per youth costs vary by program depending on geographic location, staffing costs, partnerships, and other variables. Thus, the per youth cost estimate is less useful when considering individual program budgets and fees, but more useful when considering overall statewide total costs. Because Oregon’s 21st CCLC programs serve youth in all corners of the state, an average per youth cost is a reasonable basis for estimating a large-scale statewide investment, with the assumption that actual program-level per youth costs would vary in ways similar to current 21st CCLC programs. It is also important to note that 21st CCLC programs are required to develop sustainability plans that demonstrate significant community support and leverage in-kind resources. Many 21st CCLC grants, for instance, are managed by school districts and have access to in-kind support like in-school building use (which can be expensive for outside programs), fiscal management, and administrative support. Costs of \$524 per total attendees and \$1,224 per regular attendee are therefore only accurate funding estimates when afterschool programs are assumed to leverage other resources.

**National-level studies suggest that Oregon’s 21st CCLC average per youth costs are on the low end of afterschool implementation costs.** Grossman et al. (2009), which offers perhaps the most comprehensive review of available afterschool and summer program costs, found that school-year programs serving elementary and middle school children had an average hourly cost of \$7 per slot (ranging from \$3 to \$9 for the middle bulk of programs), with teens programs having somewhat higher per hour costs. Oregon’s 21st CCLC centers operate, on average, 450 hours per year, yielding an average hourly cost of just \$1.16 per total attendee ( $\$524 / 450$  hours) and \$2.72 per regular attendee ( $\$1,224 / 450$  hours). There are many potential reasons for the discrepancy

<sup>15</sup> 21st CCLC grants provide funding over five years, with grantees funded at the full amount for the first three years, and reduced amounts for the fourth and fifth years. Calculations here represent full funding amounts

<sup>16</sup> U.S. Department of Education. (2018)

between this estimate and Grossman's; Grossman's study, for instance, includes in-kind resources in their estimations, while the 21st CCLC do not. Elsewhere in the study, Grossman notes that public funding accounted for just one-third of the revenue for mature afterschool programs, with in-kind resources and parent fees making up the rest. Such findings from Grossman's study suggest that Oregon's 21CCLC costs should be thought of as subsidizing, rather than fully funding, the cost of afterschool programs. A per student rate of \$524 (or \$1,224 for regular attendees) per year is feasible only when programs leverage significant in-kind donations and community resources, including facility use, administration and fiscal management support, and sometimes even scaled parent fees.

The theoretical investment discussed below, therefore, must be viewed as an investment to subsidize existing afterschool programs in order to scale up capacity and expand access. The estimates here are not intended to represent the true cost of program operation, but rather serve as a guide for what a potential investment to subsidize (but not fully fund) afterschool programs could look like, based on the precedence of 21st CCLC investments. When considerations like quality improvement and living wages for staff are factored in, the equation gets even murkier. Similarly, significantly more funding would be needed to create and implement brand new programs, or to fund programs during the summer months, when many programs operate for 8 to 12 hours per day.

## DETERMINING THE THEORETICAL INVESTMENT IN AFTERSCHOOL

When developing a theoretical investment in afterschool programs, it's worthwhile to consider accessibility not for a subset of youth, but for every youth that wants to attend an afterschool program. **What would the subsidization costs, and more importantly the rewards, be if every youth in Oregon had access to enriching, supportive, and safe environments in the hours after the school day ends?** The Afterschool Alliance reports that in 2020 (pre-pandemic), 13% of Oregon's youth (or 81,540 youth) participated in an afterschool program. But nearly triple that (44% or 234,375 youth) would participate in an afterschool program if one were available to them.<sup>17</sup> If Oregon were to provide funding to subsidize afterschool programs for every youth that wanted to attend one, the theoretical investment would roughly equal our assumed annual subsidization cost of \$524 per total youth multiplied by 234,375 youth, which equals \$122,812,500.

**It is assumed that this \$122.8 million investment would subsidize afterschool programs for 234,375 youth each year.** However, research has shown that simply having access to afterschool

<sup>17</sup> Afterschool Alliance (2020)



programs isn't enough to confer benefits to youth, their families, and society at large. Youth need to attend high-quality programs on a regular basis to reap the full benefits. Unfortunately, Oregon lacks a reliable measure of quality for school-age afterschool and summer programs. OregonASK Expanded Learning Partnership has developed Quality Standards for Afterschool and Summer Programs, though there is little widespread use due to the lack of a coordinated system. The Office of Child Care at the Early Learning Division uses SPARK to assess the quality of child care programs, but participation from school-age programs is too low to provide meaningful representation. As of February 2020, just 7% of youth in SPARK-rated facilities were above age 6.<sup>18</sup> This is largely because programs must be licensed to qualify for SPARK, and unregulated (and thus unlicensed) programs make up the majority (52%) of care for school-age children.<sup>19</sup> As noted by Pratt et. al (2020), “[school-age] programs often do not require licensing under Oregon child care laws. Because much of this care does not come under Oregon’s definition of child care, there lacks a comprehensive data source for school-age child care.”

Regularity of program attendance, however, does have a reliable reference point. Oregon’s 21st CCLC programs collect comprehensive attendance records for the largest group of afterschool programs in the state. As indicated in federal policy, 21st CCLC programs define a regular attendee as any youth that attends 30 days or more during the school year. In 2018-19, regular attendees accounted for 37.3% of all Oregon 21st CCLC attendees.<sup>20</sup> Thus, it can be estimated that 37.3% of the 234,375 youth served by our theoretical investment will be regular attendees, which equals to 87,422 youth with regular access to afterschool programs. Given our \$1,224 per regular attendee cost from the previous section, we can estimate that it would cost \$107,004,528 (\$1,224 x 87,422) annually to subsidize programs for just regular attendees, a similar cost to our \$122 million overall subsidization cost calculated above for all participants. In the interest of caution, this report will use the larger \$122 million as the basis for calculating the return on investment. Nonetheless, the **87,422 youth who regularly attend will be the basis for the benefit estimations in the sections that follow. While the overall investment can be assumed to subsidize access for the full 234,375 youth, only the “core group” of youth that attend on a regular basis can be expected to benefit significantly from afterschool programs.**

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<sup>18</sup> [SPARK Data Facts \(February 2020\)](#)

<sup>19</sup> Pratt, et al. (2020)

<sup>20</sup> A majority of 21st CCLC data used in the report are non-final estimates provided by the program’s evaluator.

## RETURNS ON INVESTMENTS

The table below summarizes the return on investment findings. Detailed explanations of each calculation are provided in the following pages.

<b>COSTS</b>	
<b>Subsidization of afterschool programs</b> <ul style="list-style-type: none"> <li>Investment amount is based on current funding practices for Oregon's 21st CCLC grant-funded programs, which assume that grantees will leverage additional funds and in-kind resources. It does not represent the true cost of afterschool programming, but rather the current subsidization rate provided through 21st CCLC.</li> <li>This investment would subsidize afterschool programs for 234,375 youth (more than currently served)</li> </ul>	\$122,812,500
<b>Increased school costs</b> due to fewer dropouts	\$1,005,858
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<b>TOTAL</b>	<b>\$123,870,102</b>
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<b>Increased physical activity</b> , representing reduced health-care costs from lower obesity rates	\$167,629,628
<b>TOTAL</b>	<b>\$569,357,811</b>
<b>Non-Quantifiable Returns on Investment</b>	
<b>Increased food security and health</b> through provided meals and snacks	
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Increased <b>social emotional learning and employability</b> of youth	

## REDUCED DRUG AND ALCOHOL ADDICTION

Early intervention and prevention efforts during the teenage years are critical to preventing future drug and alcohol addiction. According to the [Center on Addiction](#), 94% of people with drug addiction used an addictive substance before the age of 18, and the National Center on Addiction and Substance Abuse (now the Partnership to End Drug Addiction) found that 75% of high school students have used addictive substances like cigarettes, alcohol, marijuana, or cocaine.<sup>21</sup> The same study found that teen substance use and addiction impose hefty financial costs, with upwards of \$65 billion associated with underage drinking and \$14.4 billion associated with substance-related juvenile justice programs each year. **Decades of research have shown that youth who participate in afterschool programs are less likely to use and abuse drugs and alcohol.**<sup>22</sup> In fact, Newman et al. (2000) found that afterschool supervision can reduce the risk of addiction to drugs and/or alcohol by half.

As with every benefit discussed in this report, the impacts of afterschool programs are complex, interdependent, and impossible to capture solely in monetary terms. In the case of drug and alcohol addiction, substance related juvenile justice program costs are a useful metric, but fail to capture physical and mental health services, child welfare and family services, or the costs to victims. Thus, while the numbers below are a helpful, quantifiable benefit of afterschool programs, they inherently underestimate the true benefit, both monetarily and in regard to safety and quality of life for individuals, families, and communities

According to the 2019 Oregon Healthy Teens Survey,<sup>23</sup> 24.3% of Oregon's 11<sup>th</sup> graders reported drinking alcohol in the last 30 days, 4.9% reported smoking cigarettes, 20.4% reported using marijuana, and 4.8% reported using prescription drugs. Because we cannot assume mutual exclusivity, we can presume that 24.3% of Oregon high school students are current substance users. According to the The National Center on Addiction and Substance Abuse (CASA) at Columbia University report on teen substance abuse, 33.3% of teens currently smoking, drinking, or using other drugs meet the criteria for a clinical substance use disorder.<sup>24</sup> Thus, of the 24.3% of Oregon teens currently using drugs or alcohol, one-third of them can be presumed addicted.  $24.3\% \times 33\% = 8\%$  of Oregon high school students currently addicted to drugs or alcohol. In October 2019, the Oregon Department of Education reported 180,985 enrolled high school students.  $8\%$  of 180,985 equals 14,479 currently addicted students.

<sup>21</sup> The National Center on Addiction and Substance Abuse (CASA) at Columbia University (2011)

<sup>22</sup> Vandell, Reisner, and Pierce, 2007; Newman et al. 2000

<sup>23</sup> The Oregon Healthy Teen Survey is an anonymous and voluntary research-based survey conducted among 8th and 11th graders statewide in the spring of odd-numbered years. The OHT Survey is an anonymous and voluntary survey sponsored by the Oregon Health Authority (OHA) in collaboration with the Oregon Department of Education (ODE). OHT collects data from 8th and 11th graders in public schools statewide, although not all schools participate. More information available here: <https://www.oregon.gov/oha/PH/BIRTH-DEATH/CERTIFICATES/SURVEYS/Pages/student-health-survey.aspx>

<sup>24</sup> The National Center on Addiction and Substance Abuse (CASA) at Columbia University (2011)

Our theoretical investment will give 87,422 youth regular access to afterschool programs, but because drug and alcohol addiction tends to affect mostly high school students, this section will consider only high schoolers with increased access to afterschool. High school students represent nearly 40% of total 21st CCLC students, but they only account for 13% of regular attendees. 13% of 87,422 is 11,365 high school students with regular access to afterschool programs as a result of our investment.

Using Newman et al.'s finding that afterschool programs reduce the risk of addiction to drugs and/or alcohol by half, it is assumed that those 11,365 high school students would have a 4% chance of being addicted to drugs or alcohol (instead of the 8% for Oregon's overall high school population). Thus, 4% of 11,365 equals 455 addicted high school students. The remaining high school students (180,985 - 11,365 = 169,620) would still have an 8% chance of being addicted to drugs or alcohol. 8% of 169,620 equals 13,570 addicted high schoolers, and the total number of students addicted would therefore be 455 + 13,570, which equals 14,025.

Without an investment in afterschool programs, there are 14,479 high school students in Oregon addicted to drugs or alcohol. With our theoretical investment, we could expect there to be 14,025 addicted high school students, a difference of 454 fewer addicted students. The CASA study cited above found that \$14.4 billion dollars are associated with substance-related juvenile justice programs each year, based on 2 million high school students currently addicted to drugs or alcohol. Therefore, the average cost of substance addiction per addicted high school student is \$7,200 (\$14.4 billion / 2 million students).  $\$7,200 \times 454 \text{ students} = \mathbf{\$3,268,800}$  in annual savings from substance-related juvenile justice programs due to increased afterschool participation.  $\mathbf{\$3,268,800}$  converted to 2020 dollars is  $\mathbf{\$3,829,098}$ .

## ACADEMIC BENEFITS

Decades of research have demonstrated that afterschool programs support school-day performance. **Afterschool programs can increase attendance rates, improve academic performance, reduce problem behaviors, improve relationships with adults, and build confidence and positive attitudes.**<sup>25, 26, 27, 28</sup> **All these benefits, in turn, create students less likely to be held back, more likely to graduate, and more likely to attend college.** The calculations in the next several sections attempt to monetarily quantify these school-based benefits.

<sup>25</sup> Brown, et al. (2002)

<sup>26</sup> Vandell, et al (200)

<sup>27</sup> Chang and Jordan (2013)

<sup>28</sup> Vandell, et al. (2020)

### *Grade Repetition*

Bissell and Mallory (2002), in a study of California's After School Learning and Safe Neighborhoods Partnership Program, found that regular participation in expanded learning opportunities could reduce a student's risk of grade repetition by 53.4%. [According to Kids Count Data Center from the Annie E Casey Foundation](#), in 2017-18, nationally 6% of children ages 6 to 17 repeated one or more grades since starting kindergarten in the United States (data specific to Oregon is not available). If 6% of students are held back at least once, then every 13 years (kindergarten through grade 12), 6% of students are held back. Thus, 6% divided by 13 years equals 0.5% that are held back in any given year. Regular participation in afterschool can reduce grade repetition rates by 53.4%, to 0.2% ( $0.5\% \times [1 - 53.4\%]$ ).

According to [ODE's Fall Membership Report 2019-20](#), there were 582,661 students enrolled in public schools in October 2019. In current circumstances, we can assume that 0.5% of them will be held back in any given year.  $0.5\% \times 582,661 = 2,913$  students held back each year.

Our theoretical investment in afterschool will give 87,422 more youth regular access to afterschool programs. Those 87,422 will have a reduced grade repetition rate of 0.2%. Thus,  $87,422 \times 0.2\% = 175$  students held back. The remainder of Oregon students ( $582,661 - 87,422 = 495,239$ ) will maintain the 0.5% grade repetition rate, meaning 2,476 ( $495,239 \times 0.5\%$ ) would be held back. With increased access to afterschool, therefore, 2,651 ( $2,476 + 175$ ) students would be held back, compared to 2,913 students held back each year without increased access to afterschool, representing a decrease of 262 students ( $2,913 - 2,651$ ) held back each year. According to the [Oregon Statewide Report Card](#) for 2018-19, Oregon's operating expenditures per student were \$12,418. **Thus, 262 fewer students repeating a grade translates to \$3,253,516 in annual savings ( $262 \times \$12,418$ ).**

### *Dropouts and Graduation Rates*

Participation in afterschool programs can not only improve attendance<sup>29</sup> and academic performance,<sup>30</sup> it can also boost students' confidence and self-worth, improve relationships with adults and connections to careers, and foster positive attitudes towards school.<sup>31, 32, 33</sup> Together, these positive effects result in students who are less likely to drop out of high school and are more likely to graduate. **High school graduates, in turn, have stronger employment possibilities and greater earning potential than high school dropouts,<sup>34</sup> and therefore contribute higher tax revenues back to the state and country.**

<sup>29</sup> Chang and Jordan (2013)

<sup>30</sup> Vandell, et al. (2007)

<sup>31</sup> Goldschmidt (2007)

<sup>32</sup> Bell (2013)

<sup>33</sup> Brown, et al. (2002)

<sup>34</sup> Hummel-Rossi and Ashdown (2002)

A variety of studies have attempted to quantify the impact of afterschool programs on dropout and graduation rates. Newman et. al (2000) reports that participants in the Quantum Opportunities program were half as likely to drop out of high school and one and a half times more likely to go onto further education after high school compared to non-participants. George et. al (2007) found that participants in After School Matters in Chicago had odds of graduating high school that were 1.6 to 2.7 times greater than students who did not participate in the program. And finally, Brown (2002) used estimates from the Quantum Opportunities Projects and the Perry Preschool Program to estimate that youth who participate in afterschool programs are 22% less likely to drop out of high school than youth who do not participate.

In an effort to ensure that our estimates err towards under rather than overestimation, this report will make use of the lower end of the estimates cited above, and calculations below will use Brown's estimation of a 22% reduction in dropouts.

### *Dropouts*

According to the [Oregon Department of Education](#), Oregon's statewide dropout rates was 3.26% in 2018-19. Using Brown's (2002) estimation that afterschool programs reduce the likelihood of dropouts by 22%, we can assume that Oregon youth participating in afterschool on a regular basis will have a dropout rate of 2.54% ( $3.26\% \times (1-22\%)$ ). In October of 2019, there were 180,985 Oregon high school students. In current circumstances, we assume that 3.26%, or 5,900 ( $180,985 \times 3.26\%$ ) of them will drop out. Our theoretical investment is assumed to give approximately 87,422 youth regular access to afterschool programs. According to 21st CCLC attendance data for Oregon, about 13% of regular attendees are high school students. Therefore, 13%, or 11,365, of the 87,422 theoretical students with regular access to afterschool could be assumed to be high schoolers. These 11,365 high schoolers will have a dropout rate of 2.54%, while all other high school students will maintain a dropout rate of 3.26%.  $11,365 \times 2.54\% = 289$  dropouts, and  $(180,985 - 11,365) \times 3.26\% = 5,530$  dropouts, for a total of 5,819 dropouts in our scenario with increased access to afterschool. Compared to the current scenario where 5,900 high schoolers will drop out, increased access to afterschool is assumed to lead to a reduction of 81 dropouts annually ( $5,900 - 5,819$ ). The Oregon Statewide Report Card for 2018-19 indicates that operating expenditures per student for 2017-18 were \$12,418. **Thus, a reduction of 81 dropouts will lead to increased annual school expenditure of \$1,005,858** ( $\$12,418 \times 81$ ).

### *Graduation Rates*

The Oregon Department of Education's [published graduation rates](#) indicate that in 2018-19, there were 4,987 "other non-completers"<sup>35</sup> out of a total senior class of 46,162, for a dropout rate of 10.8%.

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<sup>35</sup> The [Technical Manual](#) (p.27) for the Cohort Graduation Files indicates: "For the purposes of the cohort rate calculations, a dropout/non-continuing student is a student who was enrolled at some point during the period being measured, did not re enroll by the beginning of the school year following the period being measured, and for whom no higher-ranked outcome (e.g. modified or extended diploma, GED, transfer out) has been reported. This category includes both students explicitly reported as dropouts, as well as students who were reported as expected to return, but for whom no record of re-enrollment exists."

Using the same 22% reduction in dropout rates, it is assumed that increased access to afterschool would result in a dropout rate of 8.4% ( $10.8\% \times (1-22\%)$ ). Our theoretical investment is assumed to give 87,422 more youth regular access to afterschool programs, and, as we saw above, 13%, or 11,365, can be assumed to be high school students. Assuming an approximately even distribution between each grade, one-quarter of 11,365 students equals 2,841 high school seniors with increased access to afterschool programs on a regular basis. Those 2,841 high school seniors would have a drop out rate of 8.4%, while all other seniors will maintain a dropout rate of 10.8%. Thus,  $2,841 \times 8.4\% = 239$  dropouts, and  $(46,162 - 2,841) \times 10.8\% = 4,679$  dropouts, for a total of 4,918 senior dropouts in our scenario with increased access to afterschool programs. Compared to the current scenario with 4,987 senior dropouts each year, increased access to afterschool programs is assumed to lead to 69 fewer seniors dropping out ( $4,987 - 4,918$ ).

Cohen (2009) says that “\$390,000 to \$580,000 is estimated to be the value of lost productivity due to dropping out of high school” over a lifetime, not including costs related to criminal activity and drug use. Thus, 69 fewer dropouts translates to \$33,165,954 to \$49,323,743 (after converting to 2020 dollars) in lifetime savings due to not dropping out of high school. If we assume that the lifetime savings from one cohort is roughly equivalent to the annual savings from a lifetime of cohorts, it can be assumed that **\$41,244,849 (average of \$33,165,954 and \$49,323,743) is the annual savings from reducing senior class dropouts.**

### College Enrollment

An increase in graduating seniors likely correlates with an increase in college enrollment, which may translate into increased costs for the state of Oregon if some seniors enroll in public universities in Oregon. National statistics indicate that between 66% ([according to the US Bureau of Labor Statistics](#)) and 69% ([according to the National Center for Education Statistics](#)) of graduating high school seniors enroll in college. An [article in the Oregonian](#), however, indicates that 57% of Oregon’s 2015 high school class continued on to college. To ensure conservative estimates that are as relevant to Oregon as possible, the report will assume that 57% of Oregon’s graduating seniors enroll in college.

As estimated above, a theoretical investment in afterschool programs can be assumed to lead to 69 fewer senior dropouts annually. 57% of them can be assumed to enroll in college. Of those that enroll in college, 74% of them can be expected to enroll in public institutions,<sup>36</sup> and 35.8% can be expected to enroll in an institution in Oregon.<sup>37</sup> Thus,  $69 \text{ additional graduates} \times 57\% = 39$  additional college enrollees.  $39 \text{ enrollees} \times 35.8\% \times 74\% = 10$  additional students enrolling in Oregon

<sup>36</sup> According to the [National Center for Education Statistics](#), in 2018, there were a total of 19,645,918 students enrolled in degree-granting postsecondary institutions. Of that, 14,529,264 (74%) were enrolled in public institutions, and 5,116,654 were in private.

<sup>37</sup> Again according to the [National Center for Education Statistics](#), 35.8% of Oregon high school graduates attending degree-granting postsecondary institutions attended an institution in their home state (data from 2012, the most recent year available).

public universities. 61% of these students can be expected to attend community colleges,<sup>38</sup> thus 6 additional students can be expected to enroll in community college, while 4 can be expected in 4-year universities. According to [HECC](#), in the 2017–19 biennium, public institution state funding per student was \$7,989 for 4-year universities and \$3,298 for community colleges. **Thus, there is an expected \$51,744 (((\$7,989 x 4) + (\$3,298 x 6)) additional annual cost to taxpayers to support public college enrollment.**

## JUVENILE AND ADULT CRIME

According to the [U.S. News & World Report’s 2019 Best States rankings](#), **Oregon has the second-highest juvenile incarceration rate in the nation. In 2015, Oregon’s youth ages 15–17 were incarcerated at a rate of 234 per 100,000, more than double the national average.** These extraordinarily high rates are due in large part to Measure 11’s mandate that youth aged 15 or older be tried as adults for certain crimes. Although the passage of Senate Bill 1008 in 2019 substantially reformed juvenile justice in Oregon, the legacy of Measure 11 continues to be felt, including in the State’s budget. The Justice Policy Institute found that Oregon spends up to \$263 per day and up to \$95,995 per year to incarcerate a single youth in Oregon.<sup>39</sup> The Oregon Youth Authority, who are responsible for youth ages 12–24 who commit crimes beyond the scope of the county level, has a 2019–2021 budget of \$384.4 million.<sup>40</sup> The true costs of youth incarceration, however, far exceed legislative budgets and reverberate through Oregon’s communities and cities. As noted by the Justice Policy Institute, *“The direct costs paid for confinement per day, or per year, are just the tip of the iceberg of what young people, their families, their communities, and all of us pay for these policy choices. Youth confinement imposes heavy burdens on family members, leaves confined youth vulnerable to assaults, exposes our communities to higher rates of recidivism, and impedes young people’s transition to adulthood.”*<sup>41</sup>

Afterschool and summer programs are proven to reduce risks for juvenile crime. **Decades of research have found that consistent participation in high quality afterschool programs can substantially reduce teen crime and violence by providing youth with a safe and supervised place to be after school, by fostering supportive relationships with peers and adults, by improving social skills, self-control, and self-confidence, and by improving academic performance.**<sup>42</sup> Goldschmidt (2007) found that youth with medium engagement in LA’s BEST afterschool programs were 30% less likely to commit a crime, and students with high engagement

<sup>38</sup> According to HECC, there were [77,720 community college FTE in 2017–19](#), and [50,030 Oregon resident FTEs in 2019 at 4-year public universities](#).

<sup>39</sup> Justice Policy Institute (2014)

<sup>40</sup> <https://www.oregon.gov/oia/Publications/QuickFacts.pdf>

<sup>41</sup> Justice Policy Institute (2014)

<sup>42</sup> Goldschmidt (2007)



were half as likely. Newman et al (2000) found that high school freshman participating in the Quantum Opportunities afterschool program were one-sixth as likely to be convicted of a crime, and an intervention program in Chicago developed by the University of Chicago Crime Lab, Youth Guidance, and World Sport Chicago found that youth participating in their afterschool program showed a 44% decrease in violent crime arrests and a 36% decrease in crimes such as vandalism and weapons crime.<sup>43</sup> Indeed, the Oregon Council on Civil Rights, in their report on the impact of Measure 11, recommended that *“Rather than spending so many taxpayer dollars on a punitive sentencing tool that doles out punishments with no record of rehabilitation, money would be better spent attacking the problem at the root,”* including, the report mentions, promising programs that deal with issues of minority youth identity and alienation through positive intervention.<sup>44</sup> Afterschool programs are a proven way to do just that.

The calculations below estimate the long-term savings to society from reduced juvenile crime as a result of increased access to afterschool programs. To do so, we make use of Goldschmidt’s (2007) quasi-experimental, longitudinal study examining the effects of participation in LA’s BEST afterschool program during elementary school on social and academic outcomes in middle and high school (focusing specifically on findings related to juvenile crime). In addition to finding a 30%-50% reduction in crime for students who participated in LA’s BEST on a regular basis, Goldschmidt offers a cost-benefit analysis that summarizes the total costs associated with juvenile crime, including victim costs, direct costs of adjudication, and probation. Because Goldschmidt calculates costs and benefits per student who participated in LA’s BEST, not per student who is arrested or convicted of a crime, our estimates will use the same format. The estimates below, therefore, will use participation rates from elementary students, but note that the monetary benefits would not be realized until those elementary students are in middle and high school. Thus, there would be an initial delay in benefits during the first years of investment. Also, because the calculation below considers only participation rates by elementary students, it may underestimate the true impact of afterschool programs on juvenile crime rates by excluding middle and high school students. The US Department of Education’s 2018-19 annual 21st CCLC performance report found, for instance, that 76% of Oregon’s middle and high schools students who participated in 21st CCLC programs saw improvement in their behavior.<sup>45</sup> While not linked directly to future crime avoidance, this finding suggests that afterschool programs for older youth may have similar behavioral outcomes as those found by Goldschmidt for elementary students.

Our theoretical investment is assumed to give 234,375 students access to afterschool programs. As mentioned above, not all of these students will be regular attendees. Goldschmidt’s finds that for students who attend 10-14 days per month, there is a net expected avoided crime cost per student of \$14,655 over their lifetime. 21st CCLC attendance data for 2018-19 shows that 24.4% of

<sup>43</sup> University of Chicago Crime Lab (2012)

<sup>44</sup> Oregon Council on Civil Rights (2018)

<sup>45</sup> U.S. Department of Education (2020)

elementary students attended at approximately that same rate (at least 90 days over the school year). The same data shows that 32.8% of 21st CCLC students were elementary-aged. Thus, of our 234,375 students, we can expect 18,758 of them to be elementary students that attend programs at a rate similar to Goldschmidt's (234,375 x 32.8% x 24.4%). At a lifetime savings of \$14,655 per student, that is an expected lifetime savings of \$353,400,720 (after adjusting to 2020 dollars) based upon one year of access to afterschool programs for K-5 grade students. If we assume that the lifetime savings from one year of participation in afterschool is roughly equivalent to one year of savings from a lifetime of participants, **we can assume that \$353,400,720 translates into annual savings over time from reduced juvenile crime.**

## PHYSICAL ACTIVITY

Nearly all afterschool programs offer youth opportunities to be physically active. America After 3PM (published in 2020 with pre-pandemic data) **reports that physical activity is the most common activity offered by afterschool programs in Oregon, with nearly 90% of programs offering some type of physical activity.** 21st CCLC data for the 2019–2020 school year show similar findings, with 87% of programs offering opportunities for physical activity. Such opportunities to be active are crucial for youth. In Oregon, nearly a quarter of youth ages 10–17 are overweight or obese, and nearly half do not exercise regularly, according to data from the [Kids Count Data Center](#). Regular physical activity can dramatically decrease rates of child and adolescent obesity, which has both short-term and long-term health benefits as well as short-term and long-term economic benefits. A study on the impact of various strategies to increase physical activity for youth, for instance, found that afterschool programs offering physical activity could result in obesity-related health care cost savings of \$185 million over ten years.<sup>46</sup> Another study estimated that if the entire US youth population met the CDC's guidelines for physical activity, it would result in direct medical cost savings comparable to about 1.6% of total national health care spending in 2015.<sup>47</sup> The same study pointed out that it is essential to examine the long-term benefits and savings of physical activity for youth; indeed, *"just focusing on the short-term impact of increasing physical activity will overlook the majority of the value of physical activity initiatives."*<sup>48</sup>

Healthcare costs, of course, are a major component of both the private and public sectors. According to the Brookings Institute, healthcare accounted for 5% of the US economy 60 years ago, but has tripled to over 17% in 2018, and healthcare costs have doubled as a share of total

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<sup>46</sup> Cradock, et al. (2017)

<sup>47</sup> Lee, et al. (2017)

<sup>48</sup> Lee, et al. (2017)

government expenditures within the last 30 years.<sup>49</sup> The calculations below will attempt to quantify obesity-related healthcare savings as a result of increased access to physical activity through afterschool programs. Because this report considers benefits to society as a whole, healthcare savings will be considered in its entirety, with the assumption that some savings will benefit the public sector while others benefit households and the private sector.

To estimate obesity-related healthcare savings, these calculations draw on estimates from Eisenberg and Hutton's Return on Investment study of the Boys and Girls Clubs, which found a reduction in lifetime medical costs related to childhood obesity of \$38 per additional minute of moderate to vigorous physical activity per day.<sup>50</sup> Currently, 87% of Oregon's 21st CCLC programs offer physical activity, and programs offer, on average, 58 minutes of physical activity per day.<sup>51</sup> Assuming relatively equal enrollment across programs, it can be assumed that 87% of regular attendees from our theoretical investment will attend programs that offer physical activity on a daily basis. Those 76,057 (87% x 87,422) youth are assumed to participate in 58 minutes of physical activity per day, and thus **will realize \$167,629,628 (76,057 youth x 58 minutes x \$38) in reduced lifetime medical costs related to childhood obesity**. As with previous sections, we will consider the lifetime savings of one year of participation in afterschool programs to be roughly equivalent to one year of savings from a lifetime of participants.

## OTHER BENEFITS

**The benefits of afterschool programs extend far beyond the monetary returns described above, including many that are under-researched, difficult to quantify, or indirectly related to our theoretical investment in afterschool programs. These benefits are no less important, they are simply harder to condense into specific monetary values.** They still deserve consideration not just on their own merits, but because they reinforce that the return on investment presented in this report represents a significant underestimation of the true benefits of participation in quality afterschool programs.

### *Healthy Meals and Snacks*

**70% of afterschool programs provide youth with snacks and meals,<sup>52</sup> with many using the federally funded Child and Adult Care Food Program (CACFP) or the National School Lunch Program (NSLP). These programs reach almost 25,000 Oregon youth after school each day, representing just one youth for every 11 who participates in school lunch programs during the**

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<sup>49</sup> Nunn, et al. (2020)

<sup>50</sup> Eisenberg, et al.

<sup>51</sup> These numbers are non-final estimates provided by Oregon's 21st CCLC evaluation team.

<sup>52</sup> Afterschool Alliance (2020)

school day.<sup>53</sup> For those that participate, afterschool meals and snacks can have many of the same benefits associated with national school lunches, which include reduced food insecurity and poverty, better nutrition, improved physical and mental health, and improved attendance, behavior, and academic performance.<sup>54</sup> With approximately 500,000 Oregon adults and children currently considered food insecure, these programs are crucial for Oregon's communities, especially those communities with the highest rates of food insecurity, including single mothers, rural households, and BIPOC communities.<sup>55</sup>

**Afterschool nutrition programs, such as CACFP, have been shown to reduce household food insecurity,<sup>56</sup> leading not only to significant benefits in physical, mental, and emotional health for youth, but also to economic benefits as well.** One study estimated that excess costs associated with food insecurity translated to approximately \$53 billion in excess health care expenditures in 2016,<sup>57</sup> and another report examining health, school, and work-related impacts found that the United States has \$160 billion in annual costs attributable to food insecurity.<sup>58</sup> In Oregon alone, there was an estimated \$583,165,000 in health care costs associated with food insecurity in 2016.<sup>59</sup>

Because the funding streams for afterschool nutrition programs flow through the US Department of Agriculture, separate from the theoretical funding stream proposed in this report, the economic returns for these programs will not be considered here. Nonetheless, afterschool meals and snacks are a critical component of afterschool programs that not only support youth and families across Oregon's communities, but can also yield high economic returns for the state. According to the Food Research & Action Center (FRAC),<sup>60</sup> **Oregon would be eligible for nearly \$7 million in federal reimbursement funding over the 9-month school year if rates of participation in afterschool meals increased to 15% of school lunch participation rates (from our current rate of 9%).** This increase represents just over 11,700 additional youth accessing afterschool meals, while this report's theoretical investment in afterschool programs could give up to 61,000 youth regular access to afterschool meals at current rates of participation (and therefore make the state eligible for even more federal reimbursement dollars).

### *Benefits to Working Parents and Businesses*

Afterschool programs provide a safe place for youth to be during the time after the school days ends but before the end of a typical work day. **Not only do these programs keep youth safe, engaged, and supported once school doors close, they also allow working families**

<sup>53</sup> Food Research & Action Center (2020)

<sup>54</sup> Food Research & Action Center (2019)

<sup>55</sup> Edwards (2018)

<sup>56</sup> Heflin, et al. (2015)

<sup>57</sup> Berkowitz, et al. (2019)

<sup>58</sup> Cook (2016)

<sup>59</sup> Berkowitz, et al. (2019)

<sup>60</sup> Food Research & Action Center (2020)



**to maintain their jobs knowing that their children are safe and supervised.** 79% of Oregon parents say that afterschool programs give working parents peace of mind, and 77% say that afterschool programs help parents keep their jobs or work more hours.<sup>61</sup> What's more, 58% of parents in Oregon report that afterschool programs help them to build their skills through classes or workshops, and 56% agree that programs connect them with community resources, such as financial planning services and dental clinics.<sup>62</sup> Afterschool programs also help create youth who are better prepared to join the workforce. Afterschool programs, especially those for older youth, offer opportunities for career exploration, skill development (both soft skills and hard skills), and internships, apprenticeships, and mentorship.

Despite the benefits to parents, businesses, and youth, very few studies have attempted in-depth research on how afterschool programs support the business community and working parents. An exception is a study on the economic impact of Boys and Girls Clubs that quantified how afterschool programs support working parents to keep their jobs, estimating that for every \$1 spent by Boys & Girls Clubs, \$9.93 in earnings were generated by parents who can keep their jobs due to the services of the Club.<sup>63</sup> Due to the lack of relevant Oregon-specific data and of peer-reviewed research on the subject, this report does not attempt to quantify the economic returns to businesses and working families from afterschool programs, but does acknowledge that such returns certainly exist, likely in substantial amounts.

### *New Experiences and Social Emotional Learning*

According to the Collaborative for Academic, Social, and Emotional Learning (CASEL), social emotional learning (SEL) is the process through which all young people and adults acquire and apply the knowledge, skills, and attitudes to develop healthy identities, manage emotions, achieve personal and collective goals, feel and show empathy for others, establish and maintain supportive relationships, and make responsible and caring decisions. Afterschool programs have been shown to support social emotional learning; Durlak and Weissberg (2007), for instance, found that, *"After-school programs succeeded in improving youths' feelings of self-confidence and self-esteem, school bonding (positive feelings and attitudes toward school), positive social behaviors, school grades and achievement test scores."*

While the benefits of social emotional learning reverberate through each of the sections above, it is worth emphasizing that even though social emotional learning contributes to easily quantifiable outcomes like increased graduation rates and decreased drug use, it also leads to benefits that are harder to quantify and monetize. According to [CASEL](#), students participating in programs that support social emotional learning show not only improved classroom behavior, but also

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<sup>61</sup> Afterschool Alliance (2020)

<sup>62</sup> Afterschool Alliance (2020)

<sup>63</sup> Damooei (2014)

an increased ability to manage stress and depression, and demonstrate better attitudes about themselves and others. Social emotional learning can increase kindness, sharing, and empathy, and ultimately improve mental health and support positive family and work relationships. Although these harder to quantify benefits are not addressed explicitly in this report, it is nonetheless important to acknowledge that **social emotional learning is one of the greatest strengths of afterschool programs, and has benefits far beyond the ones estimated here.**

## CONCLUSION

This report found that it would cost approximately \$123.8 million to subsidize afterschool programs for every youth in Oregon who wants to participate in one, mostly due to an assumed \$122.8 million in public investment funds to support programs. But in return, Oregon can expect \$569 million given back to society, **representing a return of \$4.60 for every dollar invested in afterschool programs due to reduced drug and alcohol addiction, increased graduation rates, reduced crime rates, and increased physical activity.** While this return is large, it is almost certainly an underestimate. The returns presented in this report are by no means the only benefits offered by afterschool programs, merely the ones that are easiest to monetarily quantify. Among other benefits, afterschool programs provide healthy meals and reduce food insecurity, as well as enable working families to keep their jobs.

These findings are comparable to other return on investment studies of afterschool programs. A study similar to this one conducted by Vermont Afterschool Inc., found a return of \$2.18 per dollar invested in afterschool and summer learning programs, and the Georgia Statewide Afterschool Network found a return of \$2.64 per dollar spent on afterschool programs.<sup>64</sup> Some studies, however, report much higher returns. Brown, et al., for instance, found that California's Afterschool and Education Safety Act of 2002 returned between \$8.92 and \$12.90 for every dollar invested (the return was between \$2.99 and \$4.05 for every dollar spent when crime-related benefits were excluded),<sup>65</sup> and Eisenberg and Hutton found an ROI benefit-to-cost ratio of 9.6 in their study of Boys and Girls Clubs.<sup>66</sup>

While this report examines investment to directly subsidize afterschool programs, there are other ways to support afterschool programs, such as expanding Employment-Related Day Care (ERDC) subsidies for school-age children (currently [41% of CCDF subsidies](#) support school-age youth in Oregon). Even with the investment proposed here, afterschool programs would need to leverage other funds and in-kind resources to support high-quality programs. As Grossman's

<sup>64</sup> Georgia Statewide Afterschool Network (2018)

<sup>65</sup> Brown, et al., (2002)

<sup>66</sup> Eisenberg, et al.



study on the costs of afterschool programs notes, *“Policymakers considering how to assemble streams of funding to support their OST (out-of-school-time) systems should note that approximately a third of the total resources needed by our strong and mature programs came from public sources. In-kind contributions (such as volunteers and donated space) represented approximately 20 percent of the resources, and private sources and parent fees supplied the remainder (approximately 50 percent).”*

This statement underscores a point raised earlier in this report: **that afterschool programs, like school-day education and childcare programs, are not self-sustainable because families cannot afford the true costs of care.** As Grossman points out, even the strongest programs don’t rely on parent fees for more than 50% of their income, and for many programs, even 50% is unattainable. As shown in OregonASK’s report, *Finding Sustainability for Oregon’s 21st Century Community Learning Centers*, afterschool programs in low-income communities face particular difficulty reaching financial sustainability. That report notes that *“despite commitment, passion and hard work to achieve sustainability, low-income communities with limited resources cannot maintain high quality afterschool programs without public funding support.”* The report continues, *“State and federal level public funds do not need to be, and should not be, the sole source of funding, yet they play a critical role in supporting programs in low-income communities. Just as dedicated federal and state investments in early learning have created stable, sustainable programs such as Early Head Start, Head Start, Healthy Start, and Oregon PreK, dedicated, stable funds for out-of-school time programs would assist communities across Oregon with sustainability planning for the long-term.”*

This report has attempted to objectively examine the costs and returns of public investment needed to ensure that all youth and families have access to afterschool programs, but the numbers presented here are just one part of the equation. Afterschool programs have incredible potential to benefit youth, families, and communities in all parts of Oregon, but it is not enough for families to simply have access to programs. They must have access to programs that meet their needs, respond to their culture, adapt to their abilities, and fit into their communities. **OregonASK demonstrated last year that access to afterschool programs in Oregon is not distributed equitably; the very youth that stand to gain the most from programs have the least access. More work is needed to contextualize the findings from this report and to ensure that access to afterschool programs is expanded in a way that is responsive to real needs.** This report demonstrates that such work is worth it, even when we strip the benefits of afterschool programs down to their barest economic bones. The numbers proposed in this report represent real children, teens, and families whose lives can be improved through afterschool if only we have the commitment to create those opportunities. The next section proposes specific recommendations to support the creation of such opportunities.

## RECOMMENDATIONS

Over the past year, the COVID-19 pandemic forced us to dismantle many of the systems that traditionally held our society together, and compelled us to reexamine our priorities, our beliefs, and our institutions. The importance of childcare for working families, both during the traditional school day and outside of it, has been particularly apparent. While supporting distance learning is a challenge for many families, the school-day is just the tip of the iceberg. School-age youth spend just 20% of their time in school, and even when schools operate in-person, school hours don't align with the traditional 9-5 work day, let alone industries with hours outside 9-5.

Pandemic-related closures and restrictions on afterschool programs and summer camps have demonstrated, on the one hand, how valuable these programs are to our families and communities. These programs not only provide a safe place for youth to be while their parents work, but they also support school-day learning, foster positive relationships between youth and adults, offer opportunities to try new things (like music or robotics), and support healthy physical and emotional growth. On the other hand, the pandemic has also demonstrated just how much our state has systematically neglected to provide support, regulations, and most importantly funding, for these school-age programs. Our child care systems focus heavily on early childhood care, meaning that many rules and regulations don't make sense for programs serving school-age youth. As a result, more than half of school-age programs are not licensed by the state, and just 7% of youth in SPARK-rated (Oregon's measure of quality child care providers) facilities are school-age. As noted by Pratt et. al (2020), our state lacks even "a comprehensive data source for school-age child care," meaning the Office of Childcare has limited information on school-age programs, sometimes including even the locations of programs.

Our state has set aside dedicated funding streams to support schools and early learning programs, and yet none for school-age youth during non-school hours. The Oregon legislature has taken steps to support afterschool and summer learning, but has not gone far enough. The historic Supporting Student Success Act included provisions for afterschool programs as allowable expenses and allocated \$3 million for summer learning, but stopped short of creating funding dedicated to afterschool. We have taken an important first step, but our communities need more support.

The COVID-19 pandemic laid bare our shortcomings and our long-standing failure to support school-age afterschool and summer programs. And yet, we have the pieces to build a stronger system right in front of us. We know that afterschool programs provide critical infrastructure support to working families. We have proof that afterschool programs support academic learning, provide opportunities for new experiences, and encourage emotional and physical health. We

now have proof that afterschool programs are a sound public investment with high returns. And we have the rare, once-in-a-lifetime opportunity to build our systems and structures back better than they were before.

**We recommend the creation of a dedicated youth and child services fund that supports youth engagement, social and emotional wellness, and provides enrichment in the hours and months when schools are closed.** Such a fund represents a significant investment and warrants careful research and consideration. We propose some key considerations below:

- It is imperative the funds be distributed in ways that support equity and ultimately reach the communities and families that most need support. We recommend specific supports dedicated to BIPOC communities, culturally specific programs, low-income communities, and rural communities.
- While accountability is important, it is more important that programs meet the needs of their communities. Systems and structures must be flexible enough for organizations to construct and tailor programs to fit the communities they serve.
- Research shows that the highest quality programs have the biggest impact. A subset of funds should be earmarked to support quality improvement and to create robust infrastructure that supports afterschool professionals to build skills and earn living wages.
- Oregon currently lacks a comprehensive system to track and support school-age programs. Funding is needed to support better systems to identify, track, and collect data on school-age programs.
- Any funding model for afterschool programs should consider a variety of funding sources alongside public investment, including in-kind resources, blended and braided funding streams, scaled parent fees, etc. Grossman's comprehensive study on quality afterschool program costs found that strong and mature programs relied on public funding for approximately one-third of their revenue. Many states have established dedicated funding for afterschool and summer programs, and offer a variety of models to reference. California has perhaps the strongest model, including an [Expanded Learning Division](#) within their Department of Education.
- The amount of funding proposed in this report is an estimated investment that would subsidize afterschool programs while relying on existing infrastructure and established programs, assuming additional leveraged funds and in-kind resources. Additional short-term start up funding would be required to support brand new programs (which would be required in some parts of the state), and separate funding would be needed to support quality and data collection systems. Additionally, this report considers only afterschool programs that operate during the school year. Many programs also operate during the summer months (often for 8 to 12 hours per day), and would likely cost more than afterschool programs, though also likely yield higher returns as well.



**Access to afterschool programs is inequitably distributed across our state; youth who stand to gain the most from afterschool programs (youth in low-income communities and BIPOC youth) face the biggest barriers to participation.** Too many Oregon families cannot find afterschool programs in their communities, and those who are lucky enough to find programs often cannot afford them.

This report has demonstrated that public investment to increase the affordability of and access to afterschool programs is beneficial to our state in every possible way; not only do afterschool programs create academic, social, and community-based benefits for Oregon's youth and families, but they are also a sound fiscal strategy that yields returns quadruple the the initial investment. Our state must support working families beyond the school dismissal bell, and we must strive to create equitable access to meaningful afterschool and summer programs for youth in all corners of our state.



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