

Forks and other impacted communities. Chuck Tinant illustrates how an individual can bring some relief to the victims of this natural disaster, and I ask you to join me in thanking him for his selfless efforts.●

SERVICE IN AMERICA

● Mr. REED. Mr. President, in April, President Clinton with former Presidents Bush and Ford convened a Summit on Service in Philadelphia. They and other national leaders called upon young people to serve their communities and urged them to spread the spirit of service throughout the country.

The Corporation for National Service [CNS] is among those advancing this spirit. Its mission, as my colleagues are well aware, is to help the country meet its educational, environmental, and public safety needs through service projects conducted and led by young people. The young people who participate in the AmeriCorps Program assist needy individuals, families, and their communities, while building their own self-esteem and earning grants to help them meet the financial costs of higher education.

Since its inception, the Corporation for National Service has taken steps to address the charges of its critics by making necessary changes. Today, CNS fulfills its mandates successfully, efficiently, and cost effectively. In fact, a University of Minnesota study shows that AmeriCorps Programs in that State return \$3.90 in benefits for every dollar spent. Studies in Washington State reveal a similar return on investment.

When the Senate considers the reauthorization of the Corporation for National Service, I hope we will continue to foster the spirit of service that was celebrated in Philadelphia. To open the discussion, I ask my colleagues to take the time to read an article entitled "The Value of Service," which appeared in the June edition of Government Executive magazine. This article offers, I believe, a balanced view of CNS's first 4 years. Mr. President, I ask that it be printed in the RECORD. The article follows:

THE VALUE OF SERVICE

(By Annys Shin)

These should be heady days for the Corporation for National Service, the 4-year-old agency that oversees AmeriCorps, President Clinton's pet program to give students financial aid in exchange for a year of community service.

In February, Clinton announced in his State of the Union address that he would use thousands of AmeriCorps volunteers to mobilize an army of reading tutors for grade-school children. In March, CNS chief executive Harris Wofford got a favorable reception on Capitol Hill when he testified before the House and Senate on his agency's budget request. A month later, he stood with President Clinton and former President Bush at a summit meeting on national service in Philadelphia.

All this just a year after AmeriCorps' budget was zeroed out by the House (only to

be restored later in negotiations with the Senate) and Congress failed to bring CNS' reauthorization up in committee.

Still, CNS is still fighting to prove that its programs are worth the \$600 million a year taxpayers spend on them.

President Clinton's proposed tutoring effort, known as the America Reads Initiative, has further raised the stakes for AmeriCorps and CNS. The Clinton administration has requested \$1 billion over the next five years to cover the costs of the program and an additional 50,000 AmeriCorps Challenge Scholarships. Any funding increase or new service initiative can't go forward unless CNS is reauthorized by September, according to a CNS spokesman.

Since CNS is the Clinton administration's most significant expansion of the federal bureaucracy, its leaders have been meticulous since 1993 about measuring the results of their programs to show that they work. Other federal operations will soon follow suit, as the Government Performance and Results Act of 1993 takes full effect, forcing agencies to develop outcomes-based approaches to running their programs.

However, few agencies are likely to face the relentless criticism that CNS has from its Republican opponents, who see the agency and its programs as little more than a political boondoggle. So far, reams of positive data have not been enough to get CNS out of the partisan cross hairs.

AMERICORPS UNDER SIEGE

At the center of all the controversy is AmeriCorps, CNS' flagship program. The agency administers two other service programs, Learn and Serve and the Senior Corps, but neither have received the scrutiny AmeriCorps has.

CNS jointly administers AmeriCorps with 48 state commissions, which vary in size. CNS gives half of AmeriCorps grant funding to the state commissions, which then issue sub-grants to projects. CNS directly funds projects with the rest of the money.

AmeriCorps members are involved in a variety of activities, including assisting crime victims, immunizing children, restoring national parks, developing community-based health care programs and setting up credit unions in low-income communities. In return for a year's service, they get living allowances of \$7,600 a year, which can be supplemented by the member's employer. They also receive an education award of \$4,725 to put toward paying off student loans or to finance higher education or vocational training. Members can receive living allowances and education grants for up to two terms of service.

Last year, the \$215 million that AmeriCorps distributed in the form of grants to states and direct funding of projects went to 450 programs that operate at more than 1,000 sites nationwide and employ 24,000 AmeriCorps members.

None of AmeriCorps' critics have disputed the value of building housing for low-income families or teaching children to read. But some members of Congress question whether the program's benefits are worth its cost to taxpayers.

At many federal agencies, the cost-benefit calculation is far from simple. The Government Performance and Results Act is supposed to help by forcing agencies to come up with strategic plans and to measure the results of their programs. "The Results Act is a major culture change for most agencies," says Jerome F. Climer, president of the Congressional Institute, a think tank that studies governmental reforms.

But at CNS, which was created the same year GPRAs became law, no such culture change is necessary. "There was a decision

made early on in the program that AmeriCorps had to be judged on the basis of what it actually accomplished, on services delivered," says Steven Waldman, assistant managing editor at U.S. News and World Report, who wrote *The Bill* (Viking, 1995), a book about Clinton's effort to start a national service program, and later served as Wofford's senior policy adviser. "It was not sufficient to have anecdotal evidence that it was good for the AmeriCorps members. We had to have proof that it was good for the communities it was serving."

COSTS AND BENEFITS

But measuring community impact has proved to be easier said than done. Older service programs such as the Peace Corps have tended to focus more on participant benefits, in part because the impact on participants is easier to gauge than the effect on communities, says JoAnn Jastrzab of the Boston research firm Abt Associates, who has studied some of AmeriCorps' efforts.

Last July, Jastrzab and her colleagues released the findings of a 14-month study of the country's eight largest and most-established youth conservation corps, which get about a third of their funding through AmeriCorps. The study was funded by CNS.

Jastrzab followed participants in one Washington state project who went out into fields armed with toothbrushes to talk to migrant farm laborers about oral hygiene and to try to persuade them to visit a local health clinic on a regular basis. Other volunteers served as translators in the clinic. These services may have raised the number of workers who receive preventive care, and the eventual cost-savings of such preventive care to taxpayers could be measured, Jastrzab concluded, but documenting it could be costly and would require a separate study.

Nevertheless, after comparing operating costs to the value of service provided and the gain in participant earnings in the 15 months following service, Jastrzab and her colleagues estimated that each hour of service youth corps members performed resulted in \$1.04 more in benefits than it cost to employ them.

Evaluators have come up with similar cost-benefit ratios for other AmeriCorps programs. Researchers from the Northwest Regional Educational Laboratory found that every federal dollar invested in two Washington state AmeriCorps projects yielded a return up to \$2.40 in benefits. University of Minnesota researchers found benefits up to \$3.90 for each federal dollar put into several Minnesota AmeriCorps projects. CNS officials say such figures show taxpayers are getting bang for the bucks AmeriCorps spends.

CNS officials have also compiled lists of AmeriCorps project accomplishments. The San Mateo, Calif.-based research firm Aguirre International studied the program's first year of service and put together a list of beneficiaries, which included 10,000 children who were escorted to school through safe corridors, more than 1,000 teen-agers who received counseling about drug and alcohol abuse, more than 700 families who were able to move into new or refurbished homes, apartment units or shelters, and more than 1,200 people with AIDS who received services.

TRACKING RESULTS

But whether this laundry list of good deeds translates into long-term impact is another story. AmeriCorps participants, says Lance Potter, director of evaluation at CNS, "are people who are out there to solve the problem of homelessness or to teach every child to read. They don't have goals that you can reach in a year."

However, social scientists say that the long-term effect of service programs can be

measured through studies that track, for example, literacy rates in areas where AmeriCorps members serve as reading tutors. Such studies are being designed, Potter says. In September, research firm Aguirre International is slated to issue a report on the long-term impact of AmeriCorps' programs.

Tracking the benefits of service work on the people who join AmeriCorps is also a challenge. As with gauging a project's community impact, economists and social scientists have yet to slap a price tag on boosting participants' self-esteem, raising their job aspirations, or increasing the likelihood that they will volunteer in the future.

Adding another wrinkle to measuring benefits to participants is AmeriCorps members' demographics. Programs such as the Youth Corps recruit mostly among disadvantaged youth. When comparing kids who participate in Youth Corps to a group of their peers who didn't, gains in educational attainment or work experience show up clearly. But in evaluating AmeriCorps members, who are recruited regardless of socio-economic status and tend to be older, more educated and better off than Youth Corps members, the benefits to participants are sometimes less dramatic.

An Abt Associates study of Youth Corps programs found they did little to boost the incomes or job opportunities of white male participants when compared to white males who didn't perform a year of service. Black and Hispanic participants, on the other hand, made more money and got better jobs than their non-service counterparts.

The findings reflect a better job market for white males, says Jastrzab, not a detrimental effect of service. But without detailed explanation, the finding gave the appearance of failure.

"When the findings come around to showing different impacts on young people by race, then CNS wants to distance itself from that," says Andy Moore, a spokesman for the National Association of Service Conservation Corps. "This study was publicized in spite of CNS, not because of it."

When there really is bad news about a AmeriCorps-backed project, it doesn't necessarily mean the project loses its funding. But projects that show no interest in completing evaluations at all probably will be cut off, according to Potter.

After its first year, CNS defunded only 50 AmeriCorps grantees, and only 20 in its second year. "We don't want to be in the business of punishing programs for finding out that they have shortcomings," Potter says. "If we do that, we send the message that we don't provide an incentive for them to look hard at their program and find ways to improve it."

In order for an outcome-based approach to work "there must be consequences," argues the Congressional Institute's Climer. "Poorly performing programs must be repaired." There also have to be rewards for improvements, he says.

AmeriCorps' critics have kept CNS officials keenly aware of what will happen if the agency doesn't meet their expectations. This spring, AmeriCorps' congressional critics were disappointed by what they saw as the agency's lack of improvement in management practices and cost control, and renewed threats to kill the program if it doesn't make significant strides over the next year.

Such threats carry greater urgency in the current climate of deficit reduction.

"One of the greatest difficulties that we have is that [AmeriCorps] funds compete directly with dollars for federal housing programs, veterans benefits, the space program, natural disaster relief and more than a dozen other federal agencies," says David

Lestrang, an aide to Rep. Jerry Lewis, R-Calif., chairman of the House Appropriations subcommittee that has jurisdiction over the CNS budget. "It all comes down to a matter of priority. I know this is a priority for the administration but they have to weigh it against other priorities. For Congress, the jury is still out on AmeriCorps."

"If you focused entirely on the cost, you could justify killing any program if you never looked at the benefits," counters Waldman.

DUAL GOALS

The question of whether CNS' programs are cost-effective depends largely on how you define its goals.

In the National and Community Service Trust Act of 1993, the agency's mission is defined as helping "the nation meet its unmet human, education, environmental and public safety needs." But President Clinton also sold AmeriCorps as a way for young people to earn money for college.

Senator Charles Grassley, R-Iowa, a vocal AmeriCorps critic, doesn't dispute the benefits of its programs. But he questions whether it is an efficient way to help kids get to college.

Grassley "has no problem with the work AmeriCorps volunteers are doing—it's valuable work," says Jill Kozeny, one of his aides. "He has a problem with the huge burly cost structure."

Grassley has commissioned several General Accounting Office studies of CNS operations. Two years ago, a GAO study he ordered concluded that the agency was expending about \$17,000 in resources on each AmeriCorps participant. Adding state, local and private support for the program, GAO pegged average resources per participant at \$26,654. Grassley said this figure was way too high. He also blasted CNS for giving grants to other federal agencies and not garnering more private support for projects.

CNS officials say it's unfair to include other federal, state, local government, and private contributions when estimating program costs. But last year CNS chief executive Harris Wofford said he would implement a plan to require grantees with above average per-participant costs to lower them by 10 percent in the next grant cycle. Wofford also agreed to end funding to other federal agencies, which had totaled \$12 million a year for programs such as WritersCorps, a tutoring program underwritten by the National Endowment for the Arts. And he said he would raise requirements for matching private funds from 25 percent to 33 percent of a grantee's budgets. Grassley then helped save AmeriCorps funding for another year.

In March of this year, Grassley and others found more fodder for discontent in another GAO report on the role of state commissions in administering AmeriCorps. The report included costs, attrition rates, and rates of educational award usage among several AmeriCorps projects. One project, the Casa Verde Builders Program in Texas, had an attrition rate of more than 50 percent and cost \$2.5 million, half of which came directly from CNS. Grassley's office estimated costs for the program at close to \$100,000 per participant.

"We have to look at whether this program is the most cost-effective way to help people go to college," Grassley said on NBC Nightly News shortly after the report came out.

Wofford protests that AmeriCorps is not simply a scholarship program, but a national service one as well.

That is exactly what bothers some of AmeriCorps' critics, who say that the federal government shouldn't be in business of promoting service. Rep. George Radanovich, R-Calif., abhors the idea that AmeriCorps

members are in essence "paid to volunteer," according to one of his aides, Fred Greer. "The aim is worthy," Greer says. "But why does it have to be a public program from the start?"

AmeriCorps supporters counter that federal investment is a vital catalyst to boosting community service and a necessary incentive for overworked citizens to volunteer.

Still, even the most ardent AmeriCorps supporters are starting to concede that the non-government sectors have a bigger role to play in national service. At the April summit on service in Philadelphia, Clinton proposed the creation of 50,000 new AmeriCorps Challenge grants that would allow AmeriCorps to add 33,000 members over five years. The new grants would only cover the education award; private and nonprofit organizations would pick up the tab for other program costs and living expenses.

"We're extremely open-minded to ideas from all parts of the political spectrum on how to make national service work," Waldman said in an interview before he left the agency. "Outside of Washington, AmeriCorps is much more a nonpartisan issue."

Congressional opposition puts CNS officials in a bind, because they're forced to be accountable for the effectiveness of projects that they don't directly run, half of which they don't even choose to fund. "Congress set it up this way and if they believe in it they ought to take it seriously," Waldman said. "It puts us in a ridiculous position: Congress wants us to not have any control but hold us accountable." ●

TRIBUTE TO THE TOWNS OF NASHUA, PORTSMOUTH AND MANCHESTER ON BEING NAMED TO MONEY MAGAZINE'S BEST PLACES TO LIVE IN AMERICA

● Mr. SMITH of New Hampshire. Mr. President, I rise today to recognize the great citizens of Nashua, NH, Portsmouth, NH, and Manchester, NH, on being named to Money magazine's best places to live in America. Nashua, NH, came in at No. 1, with Portsmouth and Manchester finishing fifth and sixth respectively based on Money magazine's rankings.

The national investment magazine released their list of America's top ten communities based on business climate, economic well-being, quality of life and other factors that comprise a positive environment in which to work and raise a family. New Hampshire's tourism industry, scenic beauty, lack of sales or income tax, low crime rate, quality education, and family and community spirit make the State attractive for families and businesses to locate here. The people of these communities, and of the entire State, have good reason to be extra proud.

Nashua, the Gate City of the Granite State, named number one by Money magazine, is the only State to receive this honor twice, of which I and the citizens are very proud. The former mill town which borders the Commonwealth of Massachusetts, has a booming economy with manufacturing facilities, hi-tech firms, and defense contractors. Nashua is also close to many cultural arts venues and major medical faculties of neighboring communities,