



**BOYS & GIRLS CLUBS**  
OF BROWARD COUNTY

# Economic Impact Overview

*A Place Where Future Starts and Our Children Have the Opportunity to Develop Their Talents and Become Productive and Caring Adults*

**ACADEMIC SUCCESS**



**GOOD CHARACTER & CITIZENSHIP**



**HEALTHY LIFESTYLES**



**LOCALLY DEVELOPED PROGRAMS**

## Who Receives the Benefits and Why?

Boys & Girls Clubs of Broward County serves a diverse community of more than 12,099 youth and their families. Every day, thousands of students end their school day by heading to the Clubs. These youth are able to make friends and engage in programming that ranges from educational to recreational. Without the Clubs, many of these young people would be without proper supervision and susceptible to negative influences. In some families, a parent would have to stay home from work to provide such supervision, thereby reducing the family's earnings and economic wellbeing. The Clubs are an important social asset serving such working families.

The value of Boys & Girls Clubs of Broward County also extends beyond the direct benefits enjoyed by parents and Club members. The regional community enjoys an important service by having these youths positively engaged and away from mischief after school.

As non-profit organizations, the Clubs directly and indirectly serve various community stakeholders. There are three primary beneficiaries of these services: Club members, parents, and the communities.

- Members receive the greatest benefit from their participation in the Clubs. When compared with their peers who do not attend the Clubs, **they are more likely to graduate from high school on time and less likely to engage in risky behaviors resulting in juvenile arrest, teenage motherhood, or substance abuse.**

- Parents of Club members are able to be more productive since they do not have to supervise their children after school. **Many parents are able to work or pursue further education as a result of the services provided by the Clubs.**
- Finally, the community also receives significant benefits from Boys & Girls Clubs services. It is well known that juvenile crime peaks in the hours immediately following the end of the school day. **Clubs provide the community with constructive afterschool options that go beyond recreation; they promote education, healthy living and good citizenship.**

## Research Method and Data Collection:

This research study was completed by Damooei Global Research. Using data collected through 1,049 stakeholder surveys (664 Club members, 33 high school senior members, 352 parents and the countywide Club management input) and a review of publicly available information, this report places a monetary value on these benefits. The value of all these economic benefits is simply tremendous.

This report focused on the following mechanisms and services through which the Boys & Girls Clubs of Broward County create economic value in the State:

- Impact of better education through higher graduation rates and improved lifetime earnings among youth who attend the Club on a regular basis.
- Lower teen pregnancy and motherhood rates which create economic savings.
- Reduction in youth crime rates and related savings for the community.

- Deterring students from self-destructive behaviors such as smoking, drinking alcohol and other substance abuse.
- Improved lifestyle habits to reduce obesity and related diseases that lower productivity and increase the likelihood of chronic diseases.
- The ability to help parents work longer and attend school in order to upgrade their skills.
- Strengthening and promoting volunteerism in the region.
- Total employment and income impact of the Clubs through annual expenditures, capital spending, and work of their volunteers.

## An Overview of Economic Impact Areas and Their Multipliers

One way to illustrate the impact of every dollar spent by the Boys & Girls Clubs of Broward County is to compare their aggregate budget with the positive economic impact that it generates in the community. This framework can allow for a cost-benefit analysis that clearly illustrates the tremendous value of the Clubs within the county based on the findings of this study.

### Lifetime Gain from High School Graduation:

Boys & Girls Clubs provide a variety of academic support and enrichment services that help students succeed in school. Clubs provide homework assistance and tutoring. Academic enrichment is also integrated throughout the Club during “high yield activities,” which are fun activities with a built-in learning goal. Moreover, Club staff

also provide members with positive role models and a nurturing environment to better learn decision-making skills. Such skills can reinforce Club members to make the right choices when it comes to their academic future.

- Studies show that students who drop out of high school earn much less throughout their lifetime relative to their peers who attain a college degree.
- Similar studies indicate that those who drop out tend to be less likely to complete college. Specifically, only 5% of drop outs managed to receive a bachelor’s degree, as compared to 38% of those who never dropped out of high school.
- The economic cost of dropping out of school is not limited to the inability to earn a high income job. High school dropouts face much higher rates of unemployment, live shorter lives, and depend more on government assistance than those who complete high school.

In a comprehensive study calculating the cost of dropping out of high school, one has to include all sources of differential costs stemming from lower pay, higher unemployment, shorter life expectancy, additional medical expenses and government assistance. Finding an accurate basis requires estimating a reliable rate of dropout both at the state and county levels. Please note that our existing database and sampling method does not yield this necessary information. **We have therefore ONLY managed to calculate a partial—nevertheless instructive—portion of the total cost of not completing high school.**

Our study showed that 96.5% of seniors who attended the Boys & Girls Clubs of Broward County passed the FCAT compared with 65.3% passing rate among those who

did not attend the Clubs (this was an ethnically adjusted rate). This resulted in 62 more high school graduates among Club members, which generated a positive economic impact of \$ 18,209,710 through increased lifetime earnings of these graduates influenced by the Boys & Girls Clubs. When compared to the annual

budget of the Boys & Girls Clubs of Broward County (\$9.8 million) this generates a multiplier of 1.86; **in other words, for every \$1 spent by the Clubs, \$1.86 of increased earnings is generated through the increased lifetime earnings of impacted Club members.**



### **Lifetime Savings from Prevented Teen Pregnancies and Births:**

The Boys & Girls Clubs of Broward County play a pivotal role in helping youth avoid the serious consequences of becoming teenage parents. By providing youth with a nurturing environment, life skills programming, positive peer support and caring role models, the Clubs help youth develop a sense of responsibility for their lives. Such support can help an at-risk teenager develop better decision-making skills to avoid risky behavioral that can lead to premature parenthood.

- According to recent studies, teen childbearing in the United States costs taxpayers at least \$9.1 billion annually at the federal, state, and local levels.
- On the national level, these costs include \$1.9 billion for increased public sector healthcare costs, \$2.3 billion for increased child welfare costs, \$2.1 billion for increased costs for state prison systems, and \$2.9 billion in lost revenue due to lower taxes paid by the

children of teen mothers over their adult lifetimes.

- In addition to the costs of teenage pregnancy that burden taxpayers, it is important to consider the ways teenage parenthood changes the future life and prospects of both the parent and child.
- Teenage parents are less likely to complete high school and are more likely to depend on welfare.
- Children of teen mothers are more likely to perform poorly in school and are at a greater risk of abuse and neglect.
- Sons of teen mothers are 13% more likely to end up in prison and commit more violent crimes. Daughters of teen mothers are more likely to become teen mothers themselves.

This study showed that none of the female teens attending the Clubs became teen mothers compared with a teen childbirth rate of 35.8% per thousand female teens among those who did not attend the Clubs. This resulted in 9 teens to be saved from the hardship of becoming teen mothers.

This generated a positive economic impact of \$1,147,509 through savings to taxpayers and society for every teenager in this most recent year who waited until they are older to have children. Compared with the annual budget of Boys & Girls Clubs of Broward

County, this generates a multiplier of 0.12; **in other words, for every \$1 spent by the Clubs, \$0.12 is saved for taxpayers and the society on costs they would have incurred for teenage pregnancies and births on a yearly basis.**



### **Criminal Justice System Savings:**

Club facilities provide a safe haven for youth to escape the streets, meet with friends, and be part of a positive peer group. Club programs teach life skills, conflict resolution and focus on the character development. Perhaps most importantly, caring adult staff and volunteers at the Clubs serve as role models, giving youth someone to turn to when they need help and guidance.

When a crime is committed, society and the victims pay a very high price; the cost of the harm itself and the costs to the criminal justice system that has to prosecute and manage criminals. Juvenile crime in particular burdens the criminal justice system because its prosecution and management have a more rehabilitative focus. As such, programs that can prevent juvenile crime are creating a positive economic benefit through the cost-savings that they create for society.

Those who attend the Boys & Girls Clubs are in a safe environment after school away from temptations that can lead to criminal activity. Moreover, the greatest proportion of juvenile crime has been found to occur between 3-4 p.m. These are hours during which Boys & Girls Clubs of Broward County provide a safe haven for youth this time of the day.

Through the parents' survey, this study showed that 133 Club members were saved from being arrested as compared with their peers who do not attend the Clubs. The lower arrest rates among Club members generates a savings of \$8,246,931 per year for taxpayers who support the criminal justice system. When compared to the annual budget of the Clubs, this generates a multiplier of 0.84; **in other words, for every \$1 spent by Boys & Girls Clubs of Broward County, taxpayers save \$0.84 on expenditures for the criminal justice system annually.**



**Underage Drinking Reduction Benefits:**

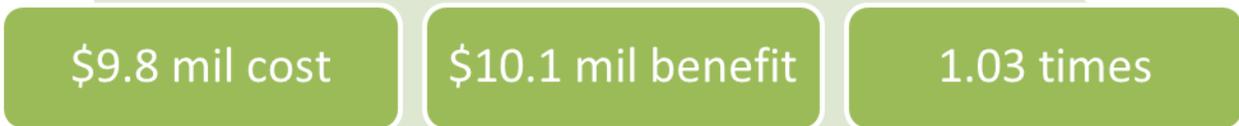
Boys & Girls Clubs of Broward County use a team approach involving staff, peer leaders, parents and community volunteers to help youth develop resistance and refusal skills to avoid use of alcohol, tobacco and other drugs. This team approach assures that youth have a network of support to help them make responsible decisions and resist negative peer pressure.

This study shows that the approximate cost of underage drinking in 2012 is about \$3.71 billion in the State of Florida or \$2,237 per youth. Our argument is that the average cost of a drinking problem per Club member in that age category is a third of this

amount, or \$745 per person in the age group of 10 to 20 years old. This suggests a savings of \$1,492 per youth 10 to 20 years of age as the positive economic impact of the Clubs in Broward County. This generated a total saving of \$10,117,252 for all the teens who attended the Clubs in this particular age group.

Our calculation shows that for **every dollar spent on the Boys & Girls Clubs of Broward County, the community receives \$1.03 dollars back in terms of lower cost of underage drinking.**

This research also indicates that there are considerable savings in reduction of tobacco and other substance abuse.



**Parental Earnings:**

During the school day, parents are free to work or pursue higher education. However, when the school bell rings and children leave the classroom, parents face a difficult and heart-wrenching decision: to continue working and leave their children with potentially inadequate supervision or to stop working and reduce their family's earnings. Both outcomes have their own

dangers; however, the Boys & Girls Clubs help parents to avoid this difficult dilemma. Boys & Girls Clubs of Broward County allow parents to continue being productive in the afternoon while having the satisfaction of knowing that their children are adequately supervised.

The vast majority of parents whose children attend the Boys & Girls Clubs are working

parents in the community. Without the Clubs to supervise their children after school, many would have to reduce their own work and income. This loss of income hurts the parent and the community that loses their productivity.

The survey of parents showed that 53.9% of parents strongly believe that the Boys & Girls Clubs of Broward County enabled them to keep their jobs (we ignored the percentage of parents who agreed with this statement in order to be on a more

conservative estimate of the parental income impact). The same survey estimated the average annual earnings of parent respondents was \$23,469. This showed that \$124,244,886 additional annual earnings are generated for the parents of Club members who could continue working. Compared with the annual budget of the Clubs, this generates a multiplier of 12.7; **in other words, for every \$1 spent by the Clubs, \$12.7 of earnings are generated by parents who can keep their jobs due to the services of the Club.**



### Countywide Output:

Like any other organization or business, the Boys & Girls Clubs of Broward County generates a regional positive economic impact within the county.

Our research also looked into the economic impact of volunteerism and goes further than many similar studies to attempt to estimate the output, job creation, and tax impact of volunteers' work. It is true that volunteers do not receive monetary compensation for their work and, as such, do not pay any direct tax from financial compensation that they do not receive.

Based on the information received from Club management we learned that in total 486 volunteers offered 4,898 hours of volunteer work throughout the year within all the Clubs. We used this number and calculated their full time equivalent and

placed that number in our model and calculated the employment and regional output impact of such contribution.

Our research showed that the Clubs together generate a total of \$18,322,603 in terms of increased regional output through total budgetary as well as the impact of the works of its volunteers.

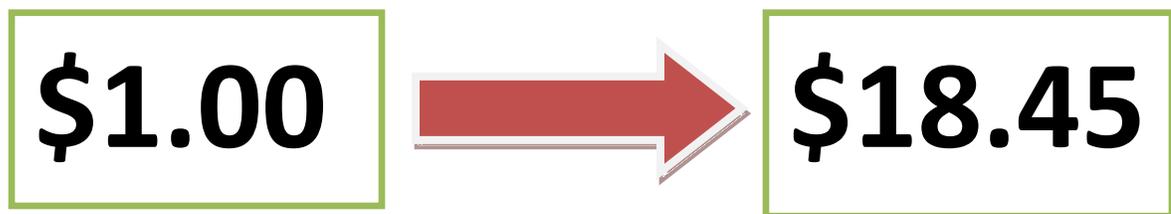
The combined operational budgets of all the participating Boys & Girls Clubs of Broward County total nearly \$9.8 million. These expenditures support jobs both within the organization and beyond in companies that provide services to the Clubs. When compared to the budget of the Boys & Girls Clubs, this results in a multiplier of 1.9. **In other words, for every \$1 spent by the Clubs, \$1.9 is generated through the budgetary spending as well as the work of volunteers of the Clubs.**



**Total Economic Impact:**

Taken separately, each of these economic impacts is nevertheless impressive. But

when the economic impacts are summed together, the results are all the more impressive:



**An Overview of Boys & Girls Clubs of Broward County Core Goals and Qualitative Data**

**Membership Facts, Demographics and Attendance:**

The Boys & Girls Clubs of Broward County serves 12,099 members ages 6-18:

- 56% of Member families earn less than \$20,000 annually
- 57% of members live in a single parent headed household
- 69% of members qualified for free/reduced lunches
- 93% of members attend Title I schools
- 56% are male and 44% are female
- 71% are black, 14% are Hispanic, 8% are multi-racial and 7% are white

- In 2011-2012, the Clubs had a total of 584, 879 total visits representing 2,508,692 hours with members spending an average daily attendance of 4.3 hours in the Club. Afterschool Programming had 394,628 visits representing 1,432,532 hours with an average daily attendance of 3.6 hours. Summer Programming had 190,251 visits representing 1,076,160 hours with an average daily attendance of 5.7 hours.

**Qualitative Reasons for Attending Boys & Girls Clubs:**

- 87.7% of members responded that they feel safe when they are at the Club.
- 97.8% of parents agree or strongly agree that their children are in a safe environment at the Club.

- 96.9% of parents responded that their child(ren) attend the Club three or more days during the week.

## **BGCBC 2011-2012 Core Goals and Its Impact on Members and Parents:**

Our equation for success includes providing programming in three core areas: Academic Success, Good Character and Citizenship, and Healthy Lifestyles.

The Academic Success Goal is to graduate from high school ready for college, trade school, military or employment.

### **BGCBC Accomplishments:**

- 92% of BGCBC Members progressed to the next grade level
- 98% of senior members graduated from high school
- 65% of senior members enrolled in college

### **Qualitative Responses:**

- 72.1% of members responded that their Club membership helps them have good attendance in school.
- 82.1% of parents responded that their child(ren) has shown improvement in his or her school performance.
- 96.9% of parents responded that they are sure that their child(ren) will attend college after graduating from high school.

The Good Character & Citizenship Goal is to be an engaged citizen involved in the community and model strong character.

### **BGCBC Accomplishments:**

- 109 volunteer projects completed by members Ages 10-18
- 3,695 total project volunteer hours completed by members
- 377 BGCBC high school members volunteered 23,939 Hours

- 1,155 members participated in College & Career Programs

### **Qualitative Responses:**

- 97.5% of members responded that they like participating in the Clubs programs.
- 93.2% of parents responded that since going to the Boys & Girls Club that their child(ren) is showing more confidence in him/herself.
- 94% of parents responded that since going to the Boys & Girls Club that their child(ren) has acquired a greater ability to make friends.

The Healthy Lifestyles Goal is to adopt a healthy diet, practice health lifestyle choices and make a lifetime commitment to fitness.

### **BGCBC Accomplishments:**

- 629,444 healthy snacks and meals served.
- 2,500 members participated in the dental hygiene program.
- 1,020 members passed Level 1 & 2 swimming classes
- 965,085 hours of physical fitness activities performed

### **Qualitative Responses:**

- 89.3% of parents and 82.4% of members responded that since going to the Club they are interested in doing physical exercise.
- 87.8% of parents responded that as a result of the Snack & Supper Program, BGCBC provides an economic benefit to their family budget.
- 96.5 % of parents responded that their child(ren) receives a free snack and supper at the Club.

## **Qualitative Summary: Why Do Parents Need the Boys & Girls Clubs of Broward County?**

There is widespread agreement on the top reasons why parents need Boys & Girls Clubs of Broward County:

- 77.8% responded that the Club is a safe place for their child(ren) to be when they are at work.
- 51.4% responded that their child(ren) receive homework and tutoring assistance.
- 42.6% responded that physical activity, exercise and enrichment activities for their child(ren).