



AmeriCorps

AmeriCorps Living Allowance

October 2020 Program Director Call

VIRGINIA SERVICE COMMISSION

Living Allowance Review

- Term of Service
- Living Allowance Distribution
- Things to think about and Key points
- Suspensions & Serving 0 hours in a pay period
- Next Steps



AmeriCorps Member Term of Service

Member Service Agreement:

The member's term of service begins on DATE and ends on DATE.

The member will be serving as a (full-time, one-year half-time, two-year half-time, reduced half-time, quarter-time, minimum-time) AmeriCorps member and will complete a minimum of (enter number of hours here).



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AmeriCorps Member Living Allowance

Requirements related to member living allowances and benefits are in 45 CFR §§ 2522.240 and 2522.250. In addition, recipients must ensure that the following procedures are followed:

Terms and Conditions:

Living Allowance Distribution. A living allowance is not a wage.

Recipients must not pay a living allowance on an hourly basis.

Recipients should pay the living allowance in regular increments, such as weekly or bi-weekly, paying an increased increment only on the basis of increased living expenses such as food, housing, or

transportation. Payments should not fluctuate based on the number of hours served in a particular time period and must cease when the member's service ceases.



Living Allowance Distribution

If a member serves all required hours and is permitted to conclude his or her term of service before the originally agreed upon end of term, **the recipient may not provide a lump sum payment to the member.** Similarly, if a member is selected after the program's start date, the recipient must provide regular living allowance payments from the member's start date and may not increase the member's living allowance incremental payment or provide a lump sum to make up any missed payments.



AmeriCorps Member Living Allowance

Frequently Asked Questions (FAQ) Distribution of the AmeriCorps Living Allowance – AmeriCorps

Round Robin: AmeriCorps: Living Allowance Distributions
Handout 1

Frequently Asked Questions (FAQ) Distribution of the AmeriCorps Living Allowance – AmeriCorps

Background and Rationale: These FAQs clarify Corporation guidance on the distribution of the AmeriCorps living allowance to ensure programs will not have questioned costs in audits and fully understand how they should pay the AmeriCorps living allowance. As noted in the grant provisions, the living allowance is not a wage.



Things to think about...

- What does the budget say in eGrants (and transferred to OnCorps) that a slot type's living allowance amount will be?
- When are my organization's pay periods?
- In what incremental amounts do we pay the living allowance? (How many pay periods are there?)
- What is our organization's policy about starting service within a pay period?
- When did this member start their service?
- What are the terms of my member(s)? (How many months does it take to complete their required number of hours? What is my program design?)
- Do all of my members do the same service or do some have increased responsibilities, or do they do different service that warrants a 'higher' living allowance than other members in the same program?



Key points

- The living allowance is designed to help members meet the necessary living expenses incurred while participating in the AmeriCorps Program.
- It is not a wage and should not fluctuate based on the number of hours members serve in a given time period.
- Recipients should pay the living allowance in regular increments, such as weekly, bi-weekly, or monthly
- A member who completes his or her service early or starts service late should receive the portion of the living allowance that would be provided for that period of participation under the program's living allowance distribution policy.
- The member contract should reflect that the living allowance is provided for expenses while serving and should not be linked to completion of hours; The contract should also delineate the expected term of service (e.g., 10 months, 12 months)



Member Situations Example

The program design is a 10-month program with a living allowance of \$12,100, paid on a monthly basis of \$1,210 per month.

Member Situation	Length of Service	Amount per Month	Total Living Allowance Provided
Member A starts and finishes on time	10 months	\$1,210	\$12,100
Member B starts on time and finishes one month early	9 months	\$1,210	\$10,890
Member C starts late and finishes late	10 months	\$1,210	\$12,100
Member D starts on time and finishes one month late	11 months	\$1,210	\$12,100
Member E starts one month late and finishes on time	9 months	\$1,210	\$10,890



Living Allowance FAQs - Suspension

§ 2522.230 Under what circumstances may an AmeriCorps participant be released from completing a term of service, and what are the consequences?

(c) Suspended service.

(3) An individual may not receive a living allowance or other benefits, and may not accrue service hours, during a period of suspension under this provision.

(Extenuating circumstances - COVID-19:

<https://www.nationalservice.gov/documents/2020/ameri-corps-state-and-national-program-questions#9>)

ASN FAQ: When a member is suspended as a minor disciplinary action, should he or she continue to accrue service hours and collect the living allowance?

The period of suspension does not count toward a member's required service hours. Further, members who are suspended for minor disciplinary reasons may not receive a living allowance for the suspension period.

Living Allowance FAQs – No service hours?

Serving 0 hours

ASN FAQ

<https://www.nationalservice.gov/sites/default/files/upload/policy%20FAQs%207.31.14%20final.pdf>

C. 26 How should a program handle a situation when a member serves no hours during a pay period?

Situations in which a member serves zero hours during a pay period should be very rare and the **member should be suspended if there are periods in which no service is performed.** **Otherwise, since the living allowance is to be distributed evenly over the service period, it should be paid regardless of the number of hours.** However, a member's agreement could also stipulate conditions under which the living allowance is paid and what the member should do if a period occurs in which no hours are served. The agreement could also stipulate the minimum number of hours required during each service period.



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Next Steps

1. **Check your grant budget** to confirm your total living allowance for each member slot.
2. **Align your living allowance policy** in your MSA and your handbook—best practices, this should specify the payment amount based on your pay schedule and state when in the pay period a member receives what amount of the living allowance.
3. **Plan** out your pay periods/payroll schedule
4. **Troubleshoot** your FAQs so you have those answers on hand
5. **Integrate this into conversations** with fiscal staff and site supervisors to ensure common message



Questions?

THANK YOU!



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