



November 30, 2023

Elizabeth Appel
Associate General Counsel
Corporation for National and Community Service (AmeriCorps)
250 E Street SW
Washington, DC 20525

Dear Ms. Appel:

In response to [Regulation Identifier Number \(RIN\) 3045-AA84: "AmeriCorps State and National Updates"](#) (published in the Federal Register 88 FR 69604), Voices for National Service respectfully submits the following comments.

Voices for National Service (hereafter, also referred to as "Voices") is a diverse coalition of AmeriCorps programs, state service commissions, and individual champions that works to ensure Americans of all ages and backgrounds can serve and volunteer in their community. Founded in 2003, Voices has built strong bipartisan support among our nation's leaders and helped to elevate national service as a powerful strategy for tackling unmet needs, preparing young people for work, uniting our country, and developing civic character. A full list of our coalition members appears at the end of our comments.

For 20 years, Voices has worked with AmeriCorps to promote the agency's programs and develop broad support within the executive and legislative branches. Guided by a Steering Committee of 32 CEOs of service organizations and state commissions, Voices draws on these practitioners' expertise running and overseeing AmeriCorps State and National grants to ensure that on-the-ground experience informs policy and rules. The technical support Voices has offered to Congress and Administration officials over the last two decades has resulted in strengthened program outcomes and increased funding for AmeriCorps, and it is in that same spirit, the following comments are offered on the proposed changes to the regulations governing the AmeriCorps State and National program.

Comments on the Proposed Rule

With regard to the revisions to §2520.50, §2521.60, §2521.70 and §2522.235, Voices believes much more significant reform is needed to make the 30-year-old AmeriCorps program more equitable for both participants and those seeking AmeriCorps grants. A modernized AmeriCorps must include increased benefits and an improved value proposition for participants, while also ensuring that more organizations can access and maximize government resources efficiently and responsibly. Voices has suggested regulatory and statutory reforms through informal and formal channels, including the [May 5, 2022, Federal Register Notice, Number 2022-09587, "Request for Information From Non-Federal Stakeholders: Grantee Match Requirements."](#) Voices' recommendations have been consistent and its goals straightforward:

- Enhance the AmeriCorps member experience to improve recruitment, retention, and the value proposition for participants from all backgrounds;

- Make grantmaking more equitable;
- Improve utilization of federal funds to grow and deepen impact; and
- Diminish unnecessary administrative burden and financial risk for nonprofits operating AmeriCorps grants.

At the same time that the Biden-Harris Administration is seeking comments on the AmeriCorps State and National Updates, [they have also asked for public feedback on proposed updates to the Uniform Grants Guidance](#), the government-wide framework for grant management and the rules and requirements for federal awards. [Published in the Federal Register on October 5th](#), the Administration has proposed a fundamental rewrite of the Uniform Grants Guidance to eliminate obstacles, decrease burden, and ensure that recipients of federal assistance have more time and resources to devote to delivering outcomes. In that announcement, the Administration acknowledges that the *“Federal government puts conditions on funding with the goal of making sure Federal money is spent properly. However, sometimes those conditions create burdens without adding value. The end result is that unnecessary red tape wastes taxpayer resources and government unnecessarily increases the cost of finding and applying for Federal programs.”*

By comparison, the proposed AmeriCorps State and National rule will do the opposite of what the Administration is seeking to do through its changes to the Uniform Grants Guidance. The AmeriCorps State and National Updates will create more “unnecessary red tape” that wastes taxpayer dollars and puts the AmeriCorps State and National program further out of reach for many nonprofit organizations serving disadvantaged and underserved communities. The rule leans heavily on the use of waivers, adds layers of administrative burden, and increases program costs, while ignoring long-term sustainability and doing nothing to ensure that all AmeriCorps grantees have more time and resources to devote to delivering on outcomes. In summary, we believe the proposed rule offers superficial relief, adds to the complexity of an already bureaucratic framework, and creates more administrative burden and risk. Voices has previously proposed more substantive changes to address longstanding deficiencies in regulations §2520.50 and §2521.60 and those solutions are reasserted in the comments below.

A. **Waiver of the Current 20 Percent Limit on Education and Training Activities—§2520.50**

Voices’ recommendation. Voices for National Service is recommending the elimination of the 20 percent aggregate training cap or “80/20” rule” to ensure all members – regardless of type of program or length of service term – have opportunity to complete sufficient hours to both prepare for service and enrich their personal and professional development. Such a change should be available to **all** grantees, so that they can offer members more for their service experience, remain equally competitive in the labor market, and respond to workforce development priorities.

Agency/Administration priorities. The AmeriCorps agency has made member development and career pathways a FY22-26 strategic goal and a competitive criterion in its FY24 grantmaking, but the 20 percent cap competes with the agency’s focus on enhancing the experience for AmeriCorps participants.

[AmeriCorps’ Strategic Plan 2022-26](#)

Goal 2: Enhance the experience for AmeriCorps members and AmeriCorps Senior Volunteers.

Objective 2.3: Strengthen pathways to education, employment, and other opportunities.

Preparing participants for opportunities after, or outside of their AmeriCorps service, enhances

the overall service experience, increases engagement during service, and improves life after AmeriCorps.”

What Success Looks Like in 5 Years: 40% of grantees/programs provide opportunities where members/volunteers can gain an agency defined set of skills/competencies. 75% of AmeriCorps members are offered professional development opportunities during service.

The agency has gone further to prioritize member development and career pathways in their grantmaking.

2024 AmeriCorps State and National Notice of Funding Opportunity

A.2. Funding Priorities

AmeriCorps’ priorities for this funding opportunity are:

- *Programs that provide additional benefits to AmeriCorps members aimed at enhancing member experience and bolstering member recruitment and retention;*
- *Programs that create workforce pathways for AmeriCorps members, including deliberate training, certifications, and hiring preferences or support;*
- *Programs that support civic bridgebuilding programs and projects to reduce polarization and community divisions; and providing training in civic bridgebuilding skills and techniques to AmeriCorps members.*

To meet these agency goals, grantees need flexibility to offer meaningful time and opportunities for members to participate in individualized learning, such as shadow days, certification courses or practicums, which will increase the value of their AmeriCorps experience and overall return on their service year. The opportunity to participate in diverse member development and career pathways experiences will support programs and members alike in maximizing the value of the service term. Full-time programs utilizing an academic or other seasonal calendar frequently seek “extra hours opportunities” at year-end to help members earn hours and get the most value from their 1700-hour term. Members serving full-time while working towards certification programs could apply degree or coursework hours, instead of having to enroll in a 1200-hour term (which would cost the member a lesser education award and lesser living allowance). It is worth noting that for programs recruiting young adults, studies show that Gen Z values active engagement in their own development: “*a typical Gen Zer is a self-driver who deeply cares about others, strives for a diverse community, is highly collaborative and social, values flexibility, relevance, authenticity and non-hierarchical leadership.*”

(<https://news.stanford.edu/2022/01/03/know-gen-z/>)

Challenges with the current rule. The outdated cap on training hours was established in the early days of AmeriCorps, when the program was an experiment and administrators felt there was a need to distinguish AmeriCorps from other existing education and vocational training programs, like Job Corps. The cap was designed to ensure that the bulk of members’ time would be spent on service and not filled with unnecessary training activities. But in execution, the 20 percent limit is an administrative burden that poses a needless management challenge and an audit risk:

- Projecting aggregate hours percentages fluctuates based on corps size and attrition,
- Monitoring and adjusting programming is administratively burdensome,
- Categorization of activities as either training or service can be inconsistent, and
- Errors in projections can result in unexpected financial penalties and/or time-consuming audit scope.

The purpose of the 80/20 rule -- to ensure that member time was primarily spent in service activities -- was rendered obsolete nearly 15 years ago by the Edward M. Kennedy Serve America Act of 2009. To ensure federal resources were being used to meet service goals, the Serve America Act created new compliance requirements for grantees to establish and meet performance measures and outcomes and conduct independent evaluations. As a result, AmeriCorps is currently using the grant application review process, grantee performance measures, and service member descriptions to assess program design, quality, and effectiveness – all better measures than an arbitrary 20 percent cap on training and education hours.

The problem with the proposed rule. The proposed rule, which perpetuates this unnecessary and obsolete regulation for the majority of grantees, does not reflect 1. agency priorities (to invest time and resources into member development) or 2. Administration directive (to reduce administrative burden that does not lead to improved outcomes). Instead, the rule creates a new standard applicable to grantees with four specific program designs and allows up to 50 percent of the aggregate AmeriCorps member hours to be spent in education and training activities. As proposed, the revised rule causes more problems than it solves:

- It creates a new level of bureaucracy through a waiver process, for the agency and for grantees, subject to untested standards of review.
- It adds uncertainty to the application and recruitment process for new grantees because programs will not know whether their program design is acceptable in a timely manner given the months of delay between application submission and negotiations. Successful presentation of eligibility will be dependent upon the skill of the grant writer to demonstrate need and program eligibility.
- It reinforces administrative burden and audit risk by requiring programs (including those with a waiver) to continue categorizing hours spent in training versus service. While there has been little history of audit against the percentages, it hangs as a sword over programs, that if timesheets or totals are noncompliant for any reason, programs risk an expanded scope of audit and possible financial penalties.
- It does not consider the requirements of the Serve America Act on program design, performance measures, and evaluation to meet outcomes, as well as the time and resources a grantee must spend complying with those measures.
- It sets up inequities across programs, allowing some to offer better recruitment incentives and benefits to members than others.
- Finally, by restricting program design, it continues to deprive the majority of members of potential programming to support individualized learning or other professional development opportunities.

Conclusion. Everyone will be better served by the removal of the 20 percent limit on education and training activities.

B. Revising Match Requirements— §2521.60

Voices' recommendation. Voices urges the agency to eliminate the progressive match scale, and return to the original congressional intent, and vision, of the National and Community Service Trust Act of 1993

(NCSTA) that the federal share of an AmeriCorps State and National grant should not exceed 75 percent—regardless of the number of years that a grantee has been funded.

The public-private partnership is the hallmark of the AmeriCorps program and Section 121(e) of the National and Community Service Trust Act met this objective by specifying that program must raise at least one dollar for every three provided by AmeriCorps. Today, grantees are raising considerable funds from non-AmeriCorps sources to run programs, often exceeding the match requirement. If the federal share of the grant award cannot exceed 75 percent, grantees will still have to raise funding from outside sources to support their high-quality programs.

Agency/Administration Priorities. The Biden Administration has prioritized raising the member living allowance and the maximum cost per Member Service Year (MSY) – investments that are critical to recruiting and retaining a geographically and demographically diverse corps and adequately supporting programs on the front lines of our country’s most pressing needs. The agency has increased the AmeriCorps member living allowance (from \$14,270 in FY20 to \$18,700 in FY24) and adjusted the cost per MSY by a staggering 62% (from \$15,479 in FY20 to \$25,000 in FY24). President Biden has urged Congress to make further investments in AmeriCorps, with the goal of increasing the living allowance to \$15/hour by 2025. This Administration has made critical gains, but the current cost-share matching structure runs counter to the Biden Administration’s priorities and accomplishments in this area.

Challenges with the current rule. The 16-year-old progressive match scale (that ranges from 24% to 50% of total expenses) was adopted during the Bush Administration for the stated purpose of steadily decreasing government investment in AmeriCorps State and National, mandating that grantees assume more of the program costs by reducing their federal cost per AmeriCorps participant and decreasing reliance on AmeriCorps funds over time. In general, federal match requirements have been shown to create barriers, and the current AmeriCorps State and National match scale (that increases to a 50% cost share) is excessively burdensome and does not support improved outcomes in communities:

- Matching funds are subject to all rules of tracking, accounting, reporting, and documentation under the Uniform Guidance that apply to federal funds and increase the associated expense for grantees (e.g. fiscal systems, staffing, monitoring, reporting)
- Risks of disallowance increase proportionately with increase in matching funds reported;
- Increases to the Cost per Member Service Year and the AmeriCorps member living allowance ensure critical support for members, but grantee expenses and fundraising requirements under the current match scale are simultaneously rising to the point of destabilization;
- Programs are not applying for all the funds they are eligible to request because they cannot raise the match funding, leaving much needed resources on table; and
- Equity of access to the federal resources and AmeriCorps program growth are stifled because prospective grantees decide not to apply due to the future match requirement.

The match percentages for AmeriCorps programs are misleading and uniquely high compared to other federal programs. It is worth noting that the AmeriCorps State and National progressive match scale is especially stringent compared to other federal programs. Usually, a matching requirement refers to the federal share, not the project costs as a whole. For example, a program with 50% match is raising 50 cents to the federal dollar. But for AmeriCorps programs, the match requirement is in fact a cost share and reflects the grantee’s contribution to a total budget, so a program with 50% match is raising \$1 to the federal dollar (1:1).

Voices conducted a review of other federal agency matching requirements (including the EPA, USDOT/Safe Streets and Roads for All (SS4A), Headstart, Early Childhood and Knowledge Center (ECLKC), the Office of Juvenile Justice and Delinquency Prevention, Office of Justice Programs/Victims of Crime Act, Public Health AmeriCorps) and found many federal grant programs have federal shares ranging from 75-100%. While program investment is important, federal support is more robust across other agencies.

Administrative burden. A grantee's match funding is subject to all the same Uniform Guidance regulations as federal funding, a point of continual confusion and audit risk for all grantees. Errors in match reporting represent one of the most common audit findings and sources of Inspector General investigations according to AmeriCorps agency staff (ASN Symposium, "Do's and Don'ts of Program Expenses," November 2023). Such errors are costly and can result in repayment of funds and subsequent program destabilization. The match scale increases fundraising burden and amplifies audit risk for dollars that programs raise independently. Simply revising the graduated match scale so the increases are more incremental does nothing to reduce the burden on grantees of raising, tracking, and reporting match funding.

If AmeriCorps returned to the original NCSTA statutory requirement that limits the federal share to 75%, grantees will still demonstrate that they have "skin in the game". They will continue to leverage the federal investment to raise significant outside funds to support their high-quality programs and they will document 25% of those non-AmeriCorps matching funds, demonstrating good stewardship of federal funds (e.g., robust internal controls, policies and procedures, and self-monitoring practices). However, continuing to require grantees to do the same accounting for another 25% of the non-AmeriCorps funds simply creates a massive burden without adding value. The end result is unnecessary red tape that wastes taxpayer resources without improving program outcomes.

The progressive match scale is driving up costs and forcing grantees to request less funding than they need. As the agency adjusts the cost per MSY annually to keep pace with inflation and meet the Biden Administration goals, the amount of match funding that programs must raise from non-AmeriCorps sources increases proportionately. Grantees are expected to raise more funds year after year. If a grantee cannot meet their match requirement, they must request less than the annual cost per MSY and they are unable to maximize available AmeriCorps dollars to cover allowable program expenses. This means their organizations are shut off from critically needed federal resources that – ironically – are designed to help grantees meet rising program costs (such as the living allowance and benefits). If grantees request the maximum and subsequently cannot fulfill the match percentages included in their grant application – due to fundraising projections that cannot be realized – they will forfeit a proportionate amount of the federal share as well and be obligated to return the funds, regardless of the potentially devastating impact on their operations. In the AmeriCorps State and National Updates preamble, the agency notes this concern and suggests that the extended match scale schedule will mitigate the impact: "[grantees] will no longer be in danger of having to return AmeriCorps funds at the end of their grants." While we appreciate the intent, the suggestion is disingenuous. A delayed match scale only delays the consequences of funding loss and grantee destabilization. Raising exponentially more funding is not only a challenge for new and small programs lacking local philanthropic resources but a challenge for long-term grantees.

Donor giving does not keep pace with rising costs. It is unfair to assume nonprofits can raise new sources of funds at the same pace that the Administration increases the cost/MSY to address inflation and meet Biden Administration goals. The nonprofit sector has seen massive growth at the same time

that corporate profits and individual giving are declining. Nonprofits are competing for donations, and the cost and time that it requires to raise additional funds should not be dismissed. It can take years to cultivate a donor base and donor retention does not typically occur in perpetuity. Private and public donation levels may not increase with inflation – or as cost/MSY is indexed – and new donor sources require greater investment of time and resources.

- Total charitable giving by corporations, foundations, individuals, and bequests to support the work of nonprofits dropped 10.5 percent in 2022 compared to 2021 when adjusted for inflation, according to Giving USA's new report. Giving by individuals fell by an even steeper, astonishing rate of 13.4 percent after adjusting for inflation. (National Council on Nonprofits, June 2023. Retrieved from <https://www.councilofnonprofits.org/articles/its-real-charitable-giving-plummeted-last-year>)
- The decline in total charitable giving represents one of the largest drops in the last forty years for which there is data. In roughly half of the last dozen years, giving by individuals has declined. Since the Great Recession, annual giving – as a percentage of individuals' disposable income – has also experienced declines. (Source: Annual Report on Philanthropy, Edition 68, 2023, Giving USA Foundation and Indiana University's Lilly Family School of Philanthropy)
- In recent years, total donors – including those categorized as new donors, newly retained donors, and repeat retained donors – have dropped significantly. (Source: Quarterly Fundraising Reports, Fundraising Effectiveness Project, Association of Fundraising Professionals)
- In 2000, two-thirds (66.2%) of Americans were making charitable donations – that share dropped by almost 17 percentage points in 2018, to just under half (49.6%) of Americans that donate to charity. (Source: The Giving Environment: Understanding Pre-Pandemic Trends in Charitable Giving, Indiana University's Lilly Family School of Philanthropy)

The impact of inflation. To keep pace with inflation and cost of living, in recent years the agency has increased the member living allowance (from \$14,270 in FY20 to \$18,700 in FY24) and adjusted the cost per MSY accordingly (from \$15,479 in FY20 to \$25,000 in FY24). The 62% increase in cost per MSY must be met with an increase in both expenses and match funding of 62%. Further, to promote recruitment and improve member experience, the agency is strongly encouraging grantees to offer additional member benefits whether mandatory or not, such as health care, mental health resources, housing, relocation expenses, emergency funds, or cash incentives. The net impact is that grantees are accumulating costs, which forces them to increase their fundraising burden and find new sources of cash match. Therefore, when they cannot raise additional funds, they must default to requesting less AmeriCorps funding, leading to a cycle of contraction (programs reducing in size and scope as they reduce number of members).

Programs raise significant funds for expenses excluded from the AmeriCorps budgets. Although the AmeriCorps budget purports to represent total program expenses, it excludes most overhead (at least 25% of total budget, <https://www.501c.com/nonprofits-overhead/>). This overhead includes financial and member management systems, financial and legal personnel, equipment, rent, insurance, State Commission administrative fees and other indirect costs that are critical to good federal fund stewardship. The AmeriCorps budget only allows for a minimal share of these administrative and overhead costs to be paid for with the federal funds (5%), which is a fraction of the de minimis standard. The AmeriCorps budgets also exclude the cost of fundraising (accepted rate of 10 cents per \$1.00 according to Charity Navigator, and up to 35 cents per \$1.00 per the Better Business Bureau).

The examples below provide scenarios approximating program fundraising and budget under the NCSTA’s statutory match of 25% and the current 10-year match scale of 50%.

2024 Comparison of Revenue* Required for a 20 MSY program, under a 25% match vs. 50% match

@ 25% match share, with a cost per MSY of \$25,000			
	Federal share	Program Share	
Program allowable expenses (members, staffing)	\$500,000	\$170,000	
Total Budget captured in AmeriCorps grants			\$670,000
Overhead @ .25 of total budget		\$170,000	
Fundraising @ .10 of program share		\$34,000	
Total Program Budget			\$874,000
Total Program Fundraising Requirement		\$374,000	

@50% match share, with a cost per MSY of \$25,000			
	Federal share	Program Share	
Program allowable expenses (members, staffing)	\$500,000	\$500,000	
Total Budget captured in AmeriCorps grants			\$1,000,000
Overhead @ .25 of total budget		\$250,000	
Fundraising cost @ .10 of program share		\$50,000	
Total Program Budget			\$1,300,000
Total Program Fundraising Requirement		\$800,000	

**revenue numbers are rounded for purposes of illustration*

For a \$500,000 grant – with a 25% match per the NCSTA statute - programs must raise \$374,000 in matching funds to support total operating expenses. But under the current match requirement, a program receiving the same \$500,000 AmeriCorps grant – with a 1:1 or 50% match share – should expect to raise \$800,000 and meet Uniform Guidance accounting requirements for \$1,000,000.

Congress has been urging the agency to address deficiencies with the match scale for many years.

- S. 2624, the FY24 Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act (S. Rept. 118-84), 118th Congress 1st Session – “The Committee notes that CNCS opened a request for comment on grantee match requirements on May 5, 2023. The Committee recognizes the value of the unique Federal-State and public-private partnership model embodied in CNCS programs and is aware of concerns about the impact of existing matching requirements. The Committee encourages CNCS to thoroughly review stakeholder comments and asks that it submit to the Committees on Appropriations a report outlining action CNCS may undertake using its existing authorities and resources as a result of that review and recommendations for any appropriate changes to those requirements that may fall outside the scope of CNCS’ current authorities.”
- S.4659, the FY23 Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act (Senate Explanatory Statement), 117th Congress 2nd Session – “The Committee commends the CNCS for opening its May 5, 2022, request for comment on grantee match requirements. The Committee recognizes the value of the unique Federal-state and public-private partnership model embodied in its programs and is aware of concerns about

the impact of existing matching requirements as Federal funding and economic conditions shift. The Committee encourages the CNCS to thoroughly review stakeholder comments and asks that it submit to the Committees on Appropriations a report outlining action the agency will undertake using its existing authorities as a result of that review and recommendations for any appropriate changes to those requirements that may fall outside the scope of CNCS' current authorities."

- H.R. 1588 and S. 779, The ACTION for National Service Act, 118th Congress 1st Session – "SEC. 110. REPORT ON MATCHING REQUIREMENTS — Not later than 90 days after the date of enactment of this Act, the Director of the AmeriCorps Administration shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives a report on any recommendations for changes needed to matching funds or share requirements for recipients of funding for programs under the AmeriCorps Administration to achieve the 10-year goal described in section 501(b)(2) of the National and Community Service Act of 1990 (42 U.S.C. 12681(b)(2)) and increase the number of national service programs, activities, and participants, in underserved communities."
- H.R. 4100 and S.1165, The CORPS Act, 117th Congress, 1st Session – The bill authorizes a blanket match waiver of 100% during the COVID-19 emergency recovery period and called for a report to examine a number of the key fiscal components that inform AmeriCorps State and National grant distribution: "SEC 6. (c) REPORT.—Not later than 90 days after the enactment of this Act, the Chief Executive Officer of the Corporation for National and Community Service shall prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives containing recommendations on— (1) how to improve grant programs related to the national service laws, including those under subtitle C of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.), such as any recommended changes to— (A) the requirements of section 121(e) such Act and section 2521.60 of title 45, Code of Federal Regulations (as in effect on the day before the date of enactment of this Act); and (B) the fixed-amount grants awarded under section 129(l) of such Act (42 U.S.C. 12581(l)), including improvements to account for start-of-year costs and to ensure robust member benefits and the long-term strength and viability of such program."

The problem with the proposed rule. The proposed rule only changes the frequency that the scale increases – from every 1 year to every 3 years in a grant period – and delays reaching the 50% match level until year 16, rather than year 10. The change provides minor, temporary relief for new grantees, and fails to recognize the challenges and risks that the current scale presents to all grantees, new and old. Retaining the progressive match scale that ranges from 24% to 50% of total expenses will continue to:

- Undercut the Biden Administration goal to invest in AmeriCorps members and program outcomes;
- Use Bush-era federal divestment as a strategy to decrease grantee utilization of AmeriCorps funds, instead of investing in access to resources and strong program outcomes;
- Multiply administrative burden and audit risk excessively due to match tracking, reporting, and documentation requirements, which increases proportionately to the amount of matching dollars raised;

- Disregard the reality that programs which meet a 25% statutory match requirement still contribute significant funds and maintain strong public private partnerships;
- Discriminate against new applicants, such as small and rural programs by putting federal resources out of reach due to fundraising burden and administrative requirements;
- Make programs too expensive for older grantees to afford and force contraction; and
- Ignore congressional directives to address the match scale deficiencies.

Indications of need for match relief. While it was implied in Supplementary Information that a relatively small percentage (7% of all AmeriCorps State and National grantees) requested a full or partial match waiver between March 2022 to March 2023, it is important to note that this is not a good measure of need.

The American Rescue Plan Act of 2021 (ARP) made funding available for cash match replacement in fiscal years 2021, 2022, 2023. Any program receiving match replacement funds in FY23 would not have applied for a waiver between March 2022 to March 2023. America's Service Commissions (ASC) surveyed their network and 30 commissions reported that 92 AmeriCorps and National programs were awarded cash match replacement in FY23. We can anticipate that more programs will need and request a full or partial match waiver once ARP cash match replacement through formula and competitive grants is no longer available.

Additionally, in FY23, many AmeriCorps State and National grants report they were unaware that match waivers were available. Lack of consistent information or training about the availability, criteria, and timeline for submitting match waivers to the individual state service commissions contributed to general grantee confusion. In August 2023, the AmeriCorps agency took the step of advertising the match waiver option to applicants in the 2024 NOFO. We encourage the agency to review the number of FY24 grant applications that include a request for relief next year. This will be a better measure of need.

Conclusion. The proposed rule does not acknowledge that grantees are raising considerable funds to run programs, often beyond and in excess of the match requirement – nor does it solve the underlying issues of the match scale. It perpetuates a disincentive for new, small, and rural grantees to apply because they cannot avoid the eventual impact of inflated expenses and fundraising burden. It does not reduce the burden on grantees of raising, tracking, and reporting match. Further, it provides no support or relief to grantees who have been operating within the grant programs for more than 16 years.

C. Criteria for Waiving Match Requirements—§2521.70

Voices' Recommendation. In general, Voices supports aligning the AmeriCorps State and National's match waiver criteria with AmeriCorps Seniors' match waiver criteria, but a centralized waiver process and streamlined requirements are not a solution to the problematic progressive match scale.

Additionally, a waiver process creates uncertainty for applicants, who will not know if their waiver will be approved, how to plan a budget, or how much their match percentage will be reduced. If the intention is for waiver requests to occur post-award, then applicants are being put in a position to implement a system workaround or misrepresent their capacity to meet match requirements during the application process. The waiver criteria may be questioned under audit, and also requires another layer of supporting documentation. Should an audit dispute the basis for the waiver, programs would risk having to repay federal funds accepted on the basis of the waiver. Finally, a waiver-based system of addressing

match relief depends on the favor of the current Administration and approval rates could be much more limited under different leadership.

D. Limit on Number of Terms an Individual May Serve in AmeriCorps State and National—§2522.235

Voices' Recommendation. Voices supports removing the four-term limit, an artificial barrier on an individual's ability to serve. But the proposed rule should clarify that members may elect to serve additional terms in AmeriCorps State and National, VISTA and NCCC, after they have earned the aggregate of two full-time education awards.

Members currently have the option of serving additional terms without accruing an education award and this option should remain available to members. Returning members can leverage their prior experience to assume leadership roles and they can help programs maintain continuity in service sites. Additionally, consecutive terms of service can translate into important professional development for returning AmeriCorps members. Based on our experience, this flexibility is unlikely to be "overused" or limit opportunities for other Americans to serve. America's Service Commissions sampled member enrollment reports for seven state commissions and discovered that less than 2 percent of their AmeriCorps members served more than two terms.

Closing

Thank you for this opportunity to submit comments for the public record. The AmeriCorps agency does not frequently engage in rulemaking, so we have an extraordinary opportunity before us to advance more substantial and meaningful change during AmeriCorps' 30th anniversary that will improve the program's value proposition for participants and ensure grantees can access and maximize government resources more efficiently. We fear that without meaningful change, AmeriCorps will lose prospective new grantees, cripple current grantees, reduce program outcomes, and turn away Americans looking for more value in their service experience. We strongly urge the agency to keep working on the rule to make the AmeriCorps State and National program more equitable for all participants and more sustainable for current and prospective grantees.

If you have any questions about the Voices for National Service comments and recommendations, please contact Jennifer Ney, Managing Director of Voices for National Service, at jney@cityyear.org or 202-742-7380.

Yours in Service,



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Members of Voices for National Service:

America Forward
America Learns
America's Service Commissions
American Red Cross
American YouthWorks
AmeriCorps Seniors Professional Network
Baltimore Corps
Bay Area Community Resources
California Volunteers
Campus Compact
Citizen Schools, Inc.
City Year
CoGenerate (formerly Encore.org)
College Possible
Colorado Youth Corps Association
Communities In Schools, Inc.
Concilio CDS, Inc.
Conservation Legacy
FoodCorps, Inc.
GO Foundation
Habitat for Humanity International
Hunger Free America
Improve Your Tomorrow
Jesuit Volunteer Corps
Jumpstart for Young Children, Inc.
Lead For America
Local Initiatives Support Corporation
Massachusetts Service Alliance
Michigan Community Service Commission
Minnesota Alliance With Youth
National Association of RSVP Directors
National HealthCorps
National Senior Corps Association
National Youth Leadership Council
Northwest Youth Corps
Notre Dame Mission Volunteers
Ohio Association of Foodbanks
OneStar Foundation
Partners for Rural Impact
Playworks
Points of Light
Public Allies
Reading Partners
Rebuilding Together, Inc.
Relay Graduate School of Education
Repair The World, Inc.

Saga Education
SBP
Serve Connecticut
Serve Washington
Service Year Alliance
Student Conservation Association
Teach For America
Texas Association of Senior Service Corps
Directors
The Child Abuse Prevention Center
The Corps Network
The Great Basin Institute
The Literacy Lab
Up2Us Sports
Utah Conservation Corps
Volunteer Florida
Volunteer Mississippi
YouthBuild USA
9/11 Day