

Multi-year Formula Grants to State Commissions

The Corporation is exploring options for modifying formula grants to state commissions. We want to allow more flexible use of AmeriCorps formula funds by state commissions. The possible changes would allow commissions to use funds for longer periods of time without going through the process of deobligating them from expiring grants to re-obligate them into a new three-year grant. With one-year appropriation authority expected beginning in 2008, Corporation ability to re-obligate formula allocations is severely diminished. These proposed changes will help the Corporation and commissions to manage the use of AmeriCorps funding in a one-year appropriation environment. Under this process, the Corporation would annually add funds to the same commission formula prime grant which could have an unlimited project period. This will allow commissions more flexibility to manage their funds, while at the same time conducting an annual reconciliation (soft close). Commissions would still only award subgrant programs for 3-year project periods.

The Corporation would review FSRs annually and work with commissions to identify unexpended funds and discuss plans for their use within the state. If a commission has substantial funds available and has no plans for using them, the Corporation would work with the state to adjust the level of new formula funds the state would request in the upcoming cycle, assess whether excess formula funds can be re-allocated, or use the information as part of its evaluation of competitive grant applications.