

## **AmeriCorps Rulemaking - Summary of New AmeriCorps Rule**

The new AmeriCorps rule has four main goals:

- Make the AmeriCorps program stronger;
- Better leverage Federal dollars;
- Increase AmeriCorps' stability and predictability; and
- Position AmeriCorps for continued growth.

The following summarizes the most significant issues in the new rule:

### **Sustainability and Federal Share**

The new rule has the following six main elements related to sustainability:

1. Incorporates the broad spectrum of sustainability criteria throughout the Corporation's grant selection criteria.
2. Increases the weight of cost-effectiveness in the selection criteria, and makes an applicant's budgeted Corporation cost per member service year (MSY) a more meaningful factor in the selection process. In evaluating cost effectiveness, the Corporation will take into account the goals, performance outcomes, and the individual circumstances of programs and the communities in which they operate, thereby considering both costs and benefits.
3. Increases the grantee share of program costs based on a predictable and incremental schedule to a 50 percent overall level by the 10th year in which an organization receives an AmeriCorps operational grant for the same program. Programs that cannot meet these requirements and that are located in rural or severely economically distressed areas may apply for permission to meet an alternative match requirement which would increase the grantee share of program costs to a 35 percent overall level by the 10th year.
4. Requires state commissions to develop and implement a sustainability approach as part of their oversight function.
5. Targets a percentage of non-continuation AmeriCorps state and national grant funds each year for new applicants.
6. Provides technical support to assist programs in meeting the increasing match requirements.

### **Grant Selection Criteria**

The new rule adjusts the Corporation's grant selection criteria to meet three objectives:

1. To better align the selection criteria with elements that predict program success;
2. To incorporate into the selection criteria greater emphasis on sustainability; and
3. To provide transparency, predictability, and consistency for organizations applying for AmeriCorps funds.

The new rule clearly describes the Corporation's grant review process, and sets out the following basic criteria that the Corporation would apply in reviewing an application for AmeriCorps funding:

- Program Design, which would count for 50 percent of the score (down from 60 percent currently), including:
  - The rationale for and approach of the proposed program;
  - The member-related outputs and outcomes; and
  - The community-related outputs and outcomes.
- Organizational Capability, which would remain at its current 25 percent weight, and
- Cost-Effectiveness and Budget Adequacy, which would count for 25 percent (up from 15 percent currently).

The new rule requires state commissions to rank the state competitive proposals they submit to the Corporation.

### **Cost per Member Service Year (MSY) (formerly Cost per FTE)**

#### *Cost per MSY for Individual Programs*

- The new rule quantifies an individual program's Corporation cost per MSY as the budgeted grant costs divided by the number of member MSYs awarded in the grant (excluding child care and the AmeriCorps Education Award)
- The Corporation will consider granting program requests to increase their Corporation cost per MSY up to any percentage increase in their previous year's minimum AmeriCorps member living allowance.

#### *Average Cost per MSY for State Commissions*

- Average cost per MSY for state commissions will be the budgeted grant costs for all the AmeriCorps programs in the commission's portfolio divided by the total number of MSYs in the commission's portfolio of AmeriCorps programs, including Education Award programs (excluding child care, the AmeriCorps Education Award, and the commission administrative grants).
- The Corporation will review the maximum average cost per MSY annually with the increase in the member living allowance and other changes to program costs in mind. Corporation cost per member service year (MSY) is also included as one indicator of cost-effectiveness in the selection criteria.

### **Member Service Activities**

The new rule largely codifies and clarifies the Corporation's current guidelines and grant provisions on member service activities and capacity-building. Specifically, the new rule clarifies that AmeriCorps members may:

- Perform direct service activities, and
- Engage in other activities that build the organizational and financial capacity of nonprofit organizations and communities, including volunteer recruitment and certain fundraising activities.

#### **In addition:**

- Generally, grantees must include volunteer recruitment in their program design unless unfeasible
- AmeriCorps members may engage in fundraising directly in support of service

activities for up to 10% of their term of service

## **Tutoring Requirements**

The new rule:

- Confirms that the qualification requirements for tutors and other paraprofessionals under the No Child Left Behind Act apply only to tutors who are considered employees of the Local Education Agency or school under state law, but do not apply to AmeriCorps members serving as tutors under the sponsorship of an organization other than the school district.
- Narrowly defines “tutor” for purposes of the regulations to include only individuals whose primary goal is to increase academic achievement in reading or other core subjects through planned, consistent, one-to-one or small-group reading, or other small-group sessions, that build on students’ academic strengths and target students’ academic needs.
- Requires a member serving as a tutor (other than one considered under NCLB to be employed by the LEA or school) either:
  - To have a high school diploma (or its equivalent), or
  - To pass a proficiency test that the grantee has determined effective in ensuring that the member has the necessary skills to serve as a tutor.
- Requires a member serving as a tutor (other than one employed by the LEA or school) to successfully complete any pre- and in-service specialized training required by the program.
- Requires tutoring programs to show competency to provide tutoring service through their recruitment, specialized training, performance measures, and supervision.
- Does not impose new requirements on members engaged in supplemental academic support activities whose primary goal is something other than increasing academic achievement. For example, providing a safe place for children after school is not tutoring, even if some of the program activities focus on homework help.

## **State Commission Flexibility to Operate National Service Programs**

The Corporation’s current regulations prohibit state commissions from directly operating any national service program receiving Corporation assistance. The new rule relaxes this current restriction by prohibiting state commissions from directly operating only AmeriCorps subtitle C grant programs and Senior Corps programs.

## **Performance Measures and Evaluation**

The new rule:

- Codifies current Corporation requirements for performance measures;
- Requires at least one set of aligned measures (one output, one intermediate outcome, and end outcome) on the program’s primary area of activity;
- Requires independent evaluations to large state competitive and direct grantees; and
- Requires internal evaluations from smaller and EAP grantees.