

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Collection/Record Group: Clinton Presidential Records
Subgroup/Office of Origin: National Economic Council
Series/Staff Member: Gene Sperling
Subseries:

OA/ID Number: 10087
FolderID:

Folder Title:
Americorps [2]

Stack:	Row:	Section:	Shelf:	Position:
S	17	4	8	1

CORPORATION FOR NATIONAL SERVICE

**STEVE WALDMAN, Sr. Advisor to CEO
FACSIMILE TRANSMITTAL SHEET**

TO: Gene Sperling

LOCATION: _____

FAX #: 456-2878 PHONE #: _____

FROM: Steve Waldman

FAX #: (202) 565-2784 TELEPHONE #: (202) 606-5000, Ext. 121

COMMENTS:

THIS ELABORATES on the 3rd
ITEM in the WOFFORD memo
to the President.
Gene

NUMBER OF PAGES (INCLUDING COVER SHEET) _____

IF THERE IS ANY PROBLEM WITH THIS TRANSMISSION, PLEASE CALL EXT. 337 Blanche or 121 Steve.

To: Chris Jennings and Bruce Reed

From: Steve Waldman

Re: National Service and Senior Care

Date: November 4, 1996

As you know, Senator Wofford proposed to President Clinton a new national service program for older Americans with the twin missions of helping children to read independently and seniors to live independently. The benefits of this approach for the America Reads initiative are obvious: seniors making substantial commitments of time could be outstanding tutors, volunteer coordinators and role models.

The part of the Corps focusing on caring for the elderly can be equally compelling, but needs to be spelled out a bit more. National service participants who help care for seniors can save the government money, ease the burden on working families and improve the quality of care for the elderly. Such an approach would:

Save the government money – A typical older national service participant (serving about 20 hours a week through the pilot Experience Corps or the Senior Companion program) costs the government \$2,000-\$4,000 per year. Under the current programs, most of that goes to pay a small stipend, but it could go to an education award that the senior could use or give to a child or grandchild to help them go to college. Since a typical stay in a nursing home costs \$38,000, it's easy to see how a volunteer would save Medicaid money by enabling someone to live independently -- even if only for a few extra months. Volunteers can do just that by providing non-medical personal support such as shopping for groceries, taking a senior to a doctors' appointment and managing household affairs. States that have granted Medicaid waivers to pay for Senior Companions are convinced that it saves them money. The unstipended RSVP volunteers can also make significant contributions, particularly by providing respite care.

But there are other ways such an approach can reduce health care costs. Senior Companions make sure the frail elderly take medication on schedule thereby preventing relapses that require expensive hospitalization. Volunteers also ensure that seniors eat properly, avoiding hospitalization for malnutrition, another common and costly reason for acute care visits.

If this nation is to care for its growing pool of aging seniors without bankrupting itself, we have to make much better use of volunteers, national service participants and the entire informal care network.

Improve the quality of care – Studies have shown that Senior Companion-type programs -- in which seniors help seniors -- are often more reliable than for-profit home care. Frail seniors tend to trust their peers more than paid home care aides and senior volunteers have a much lower turnover rate than home care aides. These national service volunteers show up not because they have to but because they really care – and it shows in the sensitivity of the care delivered.

For these reasons, a study by the Visiting Nurses Association of America concluded that the presence of national service volunteers improved the quality of care. By focusing on routine but essential tasks – preparing food, monitoring medication, cleaning, companionship – the volunteers free up time for professional caregivers to work on more difficult problems.

Relieve the burden on working families – Most in-home care for vulnerable older people is provided by members of the family – but that system of informal care is under terrible stress. Working men and women are struggling to care for their parents at the same time they care for their children and, sometimes, spouses. And children who must pay for nursing home care can be financially devastated. Businesses also suffer. It is estimated that American companies lose \$17 billion because employees are absent caring for a sick parent.

Volunteers can help save the family money by keeping the senior out of a nursing home – and provide an enormous emotional boost through respite care. That's why major corporations have shown strong interest in forming partnerships around a national service senior care initiative. Already, ATT has subsidized the Senior Companion program in Phoenix and we are working with a number of other companies to form similar alliances.

Such an initiative could be financed with a mix of funding from the Corporation for National Service, Medicare, Medicaid and the private sector. A few specific ways:

- The Corporation for National Service could provide money from our Trust Fund for education awards of \$2,000 for seniors who volunteer, say, at least 15 hours a week – a scholarship that they could use themselves or pass on to children or grandchildren.
- Medicaid could allow waivers so that national service programs geared toward independent living could be paid for through Medicaid. Several states have already granted individual waivers and are convinced that such an approach has saved money.
- Medicare could allow for coverage of respite care provided by national service volunteers.

- Businesses could help by subsidizing the living allowance or, perhaps, "matching" the money the Corporation puts up for scholarships.

We will continue to work on more detailed cost assessments but here's a ballpark calculation of the up-front costs. If one assumes an average cost of \$3,000 per national service participant – each working an average of 15 hours a week – then the up-front investment required to field the full 500,000 corps would be \$1.5 billion evenly divided between those working on reading and senior care. We expect that this initial investment would generate savings to the government of several times that amount – enough to pay for the senior care corps, the reading corps and possibly even provide extra savings for HCFA.

But to combat skepticism that those health care savings might never materialize – and to allow a slower ramp up – I would suggest that the President propose that the program start with 100,000 members – a \$300 million cost – and expand only if there's evidence that these volunteers save families and taxpayers money.

It's hard to know the division of costs between HCFA, the private sector and the Corporation for National Service without knowing how many people would opt for the education award versus the stipend. If one third chose the scholarship, that would mean a cost of about \$200 million for the Corporation – and there is currently a substantial surplus in the Corporation's education award Trust Fund that might be tapped -- and \$100 million for Medicare and Medicaid. Of course every dollar committed by private business could reduce the governmental share.

As you can see, this is a relatively small investment with an enormous payoff. This approach – tapping citizen power and the informal caring networks – can provide enormous relief to families without creating costly new bureaucracies. It helps families, businesses, taxpayers – and, most important, would help foster a powerful sense of community.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MEMORANDUM FOR: GENE SPERLING
MELANNE VERVEER

FROM: Ken Apfel *KA*

SUBJECT: Cost-Reduction Plan for National Service

DATE: May 14, 1996

As you know, the Administration made a commitment to develop a non-legislative plan to improve National Service by reducing costs in the program. Harris Wofford plans to roll-out the proposal when he testifies on May 21 at a Senate hearing on the reauthorization of National Service. I recently met with Harris to talk through his proposals for cost-reduction measures and am sending you the memo I gave to Alice Rivlin and Jack Lew summarizing this plan. OMB agrees that this proposal has merit and that it is consistent with principles for improving National Service that we have all discussed.

I want you to have a chance to take a look at the plan before we receive and clear Harris's testimony next week. Please give me a call right away if you see any problems.

May 6, 1996

MEMORANDUM FOR: ALICE RIVLIN
JACK LEW

FROM: Ken Apfel

SUBJECT: Next Steps on National Service

As a follow-up to the favorable treatment the Corporation for National and Community Service (CNCS) received in the final FY 1996 appropriations action, I met Friday with Harris Wofford, and his staff.

The CNCS made an agreement with Senator Grassley to develop goals and timetables for cost-cutting measures in exchange for his support for CNCS funding in the VA-HUD appropriations bill. The CNCS has developed a framework that will reduce overall costs and, in particular, per participant costs. Through implementing a variety of cost-reductions, the CNCS will seek to reduce its cost share per participant to \$17,000 in 1997, \$16,000 in 1998 and \$15,000 in 1999. The CNCS's current per participant cost is over \$18,000. The main tenets of the plan follow.

- Multi-year Grants. CNCS plans to make multi-year grants to proven, quality programs. These grants may be renewed without recompeting each year but will be subject to review to determine if they are meeting their goals. CNCS grantees report that it is easier to raise funds long-term if a long-term commitment for a grant is received. CNCS can reduce costs if grantees can raise funds more easily.
- Standardize Stipends. The CNCS can save up to \$1,000 per member in support costs if members are paid \$150 per week and if programs operate the same number weeks (e.g. roughly 40 weeks as is the case for many projects operating from September through June).
- Standardize Support Costs. To reduce program and administrative costs, the CNCS proposes phasing in a "fixed grant" system that would provide a flat amount of support per member, about \$3,000. Reducing support costs would require the programs to increase matching funds raised from the community. Disadvantaged communities that would find a higher match a hardship may apply to the CNCS for additional funds.

This is in line with the FY 1996 appropriation language that encourages the CNCS to increase the match amount.

- Increase Education Award Partnerships. As part of the Grassley agreement, the CNCS has committed to creating \$10 million worth of education award partnerships in Program Year 1996-97. In these partnerships the CNCS contributes the education award and administrative costs, and the partner contributes the member and program support costs. An education award partnership averages about \$7,000 (\$4,725 education award + \$2,275 CNCS/State Commission administrative costs) compared to the current per participant cost of over \$18,000.
- Consider Increasing Part-time Programs. The CNCS has found that part-time service programs cost more per member than full-time programs. Although Senator Mikulski has been a key supporter of part-time programming, reducing part-time programming would reduce costs. The CNCS will identify part-time programs in higher educational institutions or other organizations where part-time or education award partnerships are feasible (CNCS provides only a pro-rata education award based on the amount of service).

If national service participants increase over the current level of 25,000, CNCS will realize additional savings since overhead costs will not increase proportionally to the increase in members.

The CNCS has a Senate reauthorization hearing on May 21, 1996 and Harris would like to roll-out the cost-cutting measures in his testimony at that time. We think the framework makes sense and will continue to work with the CNCS as it develops the details of this framework.

If you agree with the CNCS proposed cost-cutting measures outlined above, then I will shop it around to the appropriate people at the White House.

More THAT might be useful...

The GAO and the Cost of AmeriCorps

In addition to confusion about what the August, 1995 GAO report on AmeriCorps actually says about the cost of AmeriCorps, many people do not know what the Corporation for National Service has already done to address concerns identified in the report.

The "Costs" of AmeriCorps

The introduction of that GAO report on AmeriCorps states that "it is important not to equate our funding information with cost data." Rather than report on cost, the GAO described "total available resources," -- not quite the same thing. For instance, included in the GAO's \$26,654 figure were:

Donations from independent foundations, corporate groups, and private individuals.

These are discussed in greater detail below -- but in no way should be misconstrued as in any way related to costs to taxpayers.

- In-kind donations from state and local governments that represent no real cost to the taxpayers. The GAO counted AmeriCorps members using the local police's computer after hours to track crime statistics and improve block-watch programs as a "resource" -- though there was no marginal cost in doing so.

The GAO reported the Corporation is spending less per AmeriCorps member than it had promised. The GAO reported that the Corporation predicted it would spend \$18,800 on each AmeriCorps member, including the \$4,725 education award and the Corporation's 85% (\$6,900) share of the stipend. The GAO found the cost to be \$17,629.

The GAO concluded that AmeriCorps almost tripled the amount it was required to raise from non-Corporation sources in its first year. Congress directed AmeriCorps programs to raise \$32 million. They raised \$91 million.

Of this, **\$41 million (more than the amount required of all sources) came from the private sector alone.**

- Of course, this means the rest came from other government sources (predominately States and localities). This support shows the degree to which local leaders have recognized that AmeriCorps is a smart investment through which they can help solve problems in their communities.

Steps the Corporation for National Service Has Taken to Further Reduce the Costs of AmeriCorps

Based on concerns identified in the GAO report and other constructive critics of AmeriCorps, the Corporation for National Service has:

- Eliminated AmeriCorps grants to other Federal agencies. The GAO reported these as among the most expensive programs to taxpayers. (The Federal agencies were forbidden by law from raising matching funds from the private sector.)
- Eliminated planning grants.
- Raised program matching fund requirements for grantees to 33 percent (from 25 percent) for the 1996-1997 program year starting this fall.
- Required all AmeriCorps grantees to secure private-sector support.
- **Announced it will lower its average budgeted cost per AmeriCorps member in its grants programs by \$1,000 each year to \$15,000 in program year 1999-2000.**

In addition:

- AmeriCorps grantees have already reduced costs by 7% in real terms
- AmeriCorps grantees with above-average costs are already cutting costs by 10% for projects which will begin this fall.
- The Corporation for National Service has already reduced its administrative budget by 12% in real terms.

Talking Points Against Amendments to Eliminate AmeriCorps

We Shouldn't eliminate AmeriCorps because

- **AmeriCorps is getting things done**
- **AmeriCorps is cost-effective**
- **AmeriCorps has earned private-sector support**
- **AmeriCorps is already cutting costs**
- **AmeriCorps has eliminated grants to Federal Agencies**
- **Reports of problem programs are the exceptions which prove the rules work.**

National Service Is Getting Things Done - Bi-Partisanly

2/3 of the AmeriCorps programs are chosen by Governor-appointed State Commissions (3/5 of which are headed by Republicans) to address local needs. The program works. An evaluation of AmeriCorps programs by Aguirre International - headed by President Ford's Commission of Education found that just **one-tenth** of the AmeriCorps members:

- Taught 23,641 students.
- Tutored 24,867 individuals.
- Mentored 14,878 youths.
- Helped 2,551 homeless people find shelter.
- Planted more than 210,000 trees.
- Collected, organized, and distributed 974,103 pounds of food and 5,000 pounds of clothes.
- Developed and distributed 38,546 sets of information about drug abuse, street safety, health care, and other issues.
- Ran violence-prevention after school programs for 49,632 youth.
- Performed energy audits for more than 18 million square feet of buildings.
- **Leveraged 669,369 hours of service by unstipended volunteers** -- each AmeriCorps member leverages about 16 volunteers and generates 246 volunteer hours.

AmeriCorps is Cost Effective

- Numerous independent studies this year, including one by conservative "Chicago School" economists sponsored by three private foundations to test their investment in AmeriCorps, confirmed that investments in national service programs are sound, yielding from to \$1.54 to \$3.90 for every dollar invested.

Private Sector Support

- In **FACT**, the 1995 GAO report concluded that AmeriCorps almost tripled the amount it was required to raise from non-Corporation sources in its first year. Congress directed AmeriCorps programs to raise \$31 million. They raised \$91 million. Of this, \$41 million (more than the amount required of all sources) came from the private sector alone. Such financial support proves that leaders at the local level across the country feel that AmeriCorps is an effective way to meet the needs of their communities.

Talking Points Against Amendments to Eliminate AmeriCorps

The "Costs" of AmeriCorps

- In **FACT**, AmeriCorps grantees have already reduced costs by 7% in real terms
- In **FACT**, AmeriCorps grantees with above-average costs are already cutting costs by 10% for projects which will begin this fall.
- In **FACT**, the Corporation has already reduced its administrative budget by 12% in real terms.
- In **FACT**, the Corporation has recently announced it will lower its average budgeted cost per AmeriCorps member in its grants programs by \$1,000 each year to \$15,000 in program year 1999-2000
- In **FACT**, the GAO reported the Corporation is spending less per AmeriCorps member than it had promised. The GAO reported that the Corporation had predicted it would spend \$18,800 on each AmeriCorps member, including the \$4,725 education award and the Corporation's 85% (\$6,900) share of the stipend. The GAO found the cost to be \$17,629.

AmeriCorps Grants to Federal Agencies

- In **FACT**, the Corporation has already announced that it will no longer make AmeriCorps program grants to other federal agencies.

"Political Activities"

- In **FACT**, Representative Hostettler is focusing on just of two (ACORN Housing, Cole Coalition) of the 1200+ AmeriCorps sites and 450+ AmeriCorps programs over the last two years, and in both these cases, the Corporation and the Governors' Commissions **found the problems and cut off funds to the programs to eliminate the waste of taxpayer dollars!** These are the exceptions that prove the rules work!

In fact,

- **Governors Weld, Wilson, Engler, Merrill, and Almond,**
- **Religious groups like the Catholic Network of Volunteer Service, The Episcopal Church, and Agudath Israel of America, and**
- **Volunteer sector leaders like Habitat for Humanity, Big Brothers / Big Sisters, the Red Cross and the YMCA**

support AmeriCorps strongly. We should, too.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MEMORANDUM FOR: GENE SPERLING
MELANNE VERVEER

FROM: Ken Apfel *AK*

SUBJECT: Cost-Reduction Plan for National Service

DATE: May 14, 1996

As you know, the Administration made a commitment to develop a non-legislative plan to improve National Service by reducing costs in the program. Harris Wofford plans to roll-out the proposal when he testifies on May 21 at a Senate hearing on the reauthorization of National Service. I recently met with Harris to talk through his proposals for cost-reduction measures and am sending you the memo I gave to Alice Rivlin and Jack Lew summarizing this plan. OMB agrees that this proposal has merit and that it is consistent with principles for improving National Service that we have all discussed.

I want you to have a chance to take a look at the plan before we receive and clear Harris's testimony next week. Please give me a call right away if you see any problems.

May 6, 1996

MEMORANDUM FOR: ALICE RIVLIN
JACK LEW

FROM: Ken Apfel

SUBJECT: Next Steps on National Service

As a follow-up to the favorable treatment the Corporation for National and Community Service (CNCS) received in the final FY 1996 appropriations action, I met Friday with Harris Wofford, and his staff.

The CNCS made an agreement with Senator Grassley to develop goals and timetables for cost-cutting measures in exchange for his support for CNCS funding in the VA-HUD appropriations bill. The CNCS has developed a framework that will reduce overall costs and, in particular, per participant costs. Through implementing a variety of cost-reductions, the CNCS will seek to reduce its cost share per participant to \$17,000 in 1997, \$16,000 in 1998 and \$15,000 in 1999. The CNCS's current per participant cost is over \$18,000. The main tenets of the plan follow.

- Multi-year Grants. CNCS plans to make multi-year grants to proven, quality programs. These grants may be renewed without recompeting each year but will be subject to review to determine if they are meeting their goals. CNCS grantees report that it is easier to raise funds long-term if a long-term commitment for a grant is received. CNCS can reduce costs if grantees can raise funds more easily.
- Standardize Stipends. The CNCS can save up to \$1,000 per member in support costs if members are paid \$150 per week and if programs operate the same number weeks (e.g. roughly 40 weeks as is the case for many projects operating from September through June).
- Standardize Support Costs. To reduce program and administrative costs, the CNCS proposes phasing in a "fixed grant" system that would provide a flat amount of support per member, about \$3,000. Reducing support costs would require the programs to increase matching funds raised from the community. Disadvantaged communities that would find a higher match a hardship may apply to the CNCS for additional funds.

This is in line with the FY 1996 appropriation language that encourages the CNCS to increase the match amount.

- Increase Education Award Partnerships. As part of the Grassley agreement, the CNCS has committed to creating \$10 million worth of education award partnerships in Program Year 1996-97. In these partnerships the CNCS contributes the education award and administrative costs, and the partner contributes the member and program support costs. An education award partnership averages about \$7,000 (\$4,725 education award + \$2,275 CNCS/State Commission administrative costs) compared to the current per participant cost of over \$18,000.
- Consider Increasing Part-time Programs. The CNCS has found that part-time service programs cost more per member than full-time programs. Although Senator Mikulski has been a key supporter of part-time programming, reducing part-time programming would reduce costs. The CNCS will identify part-time programs in higher educational institutions or other organizations where part-time or education award partnerships are feasible (CNCS provides only a pro-rata education award based on the amount of service).

If national service participants increase over the current level of 25,000, CNCS will realize additional savings since overhead costs will not increase proportionally to the increase in members.

The CNCS has a Senate reauthorization hearing on May 21, 1996 and Harris would like to roll-out the cost-cutting measures in his testimony at that time. We think the framework makes sense and will continue to work with the CNCS as it develops the details of this framework.

If you agree with the CNCS proposed cost-cutting measures outlined above, then I will shop it around to the appropriate people at the White House.

Hoekstra Amendments to Eliminate “Training and Technical Assistance” and “Innovative Demonstrations and Support Services” Would Destroy AmeriCorps

This document provides requested talking points in response to anticipated inaccurate floor statements during consideration of Representative Hoekstra’s . amendments to destroy AmeriCorps by investing in “Training and Technical Assistance” and “Innovative Demonstrations and Support Services.”

1. Overview of What The Hoekstra Amendments Would Do
2. How National Service Has Acted on Rep. Hoekstra’s Concerns
3. Quality Assurance
4. The Presidio Leadership Center
5. Funding Left Wing Groups (e.g. AFL-CIO)

1. Overview of the Hoekstra Amendments

Just as a Fortune 500 company might develop improved products or update departmental bookkeeping, the Corporation uses these funds support the development of cutting-edge innovative service initiatives and the strengthening of state commissions and community-based nonprofits. As government is downsized and bureaucracies are eliminated, this modest investment develops new, accountable community-based solutions to problems that continue to mount. **These amendments would eliminate:**

- **Governors' Innovative Programs** – the following Governors received funding this year to use national service to implement their agendas:

Governor Engler's effort to reform the welfare system

Governor Hunt's effort to raise academic performance of at-risk youth

Governor Keating's effort to improve neighborhoods in OKCity Enterprise Zones

Governor Glendening's effort to enforce community service sentences for non-violent offenders

Governor Carlson's effort to help at-risk youth in rural areas

Governor Roemer's effort to increase quality of child care providers

Governor Pataki's effort to fight violence in schools

Governor Dean's effort to weatherize homes of poor, rural elderly and disabled citizens

Governor Wilson's effort to improve education through mentoring

- **The Disability Program** as required by law, provides funds directly to states and nonprofits who sponsor AmeriCorps members to help them engage individuals with disabilities as service-providers, not beneficiaries. The United Cerebral Palsy Association helps state commissions and programs comply with the ADA.
- **National Non-profit Initiatives** provide opportunities for the nation's great non-profits to engage AmeriCorps members on a limited "trial" basis, cutting through red tape and full grant application procedures. This is a cost-effective approach that allows organizations to concentrate their efforts on developing quality programs that meets community needs, rather than grant writing. The Corporation has recently approved the Girls Scouts of the USA, the United Way of America, and the Child Welfare League of America for such initiatives.
- **Quality Assurance** is just as important for national service grantees as it is for a Fortune 500 company, which might invest in quality, training, and financial management. This is especially important for national service because most decisions and resources have devolved to the state commissions and community-based nonprofits. **The alternative could be mediocre programs and wasted tax dollars**

2. The Corporation for National Service Has Acted on Rep. Hoekstra's Concerns

Cut Costs.

- AmeriCorps grantees have already reduced costs by 7% in real terms.
- AmeriCorps grantees with above-average costs are already cutting costs by 10% for projects which will begin this fall.
- The Corporation has already reduced its administrative budget by 12% in real terms.
- The Corporation's AmeriCorps*National Civilian Community Corps has cut headquarters staff by 25 percent and campus staff by 30 percent, closed one base, and cut living allowances by half.
- The Corporation will lower its average budgeted cost per AmeriCorps member in its grants programs by \$1,000 each year to \$15,000 in program year 1999-2000.

Increased Private-Sector Support.

- All AmeriCorps grantees are already raising more match for program support (33 percent, up from 25 percent) for projects which will begin this fall.
- 100 % of the AmeriCorps grantees have support from the private sector this year.

Increased "Education-Award-Only" Grants.

- To further lower costs, the Corporation is expanding the number of sponsors who receive no direct funding from the Corporation but whose members earn education awards from the National Service Trust to support 2,000 AmeriCorps members.

Improved Financial Management.

- The Corporation is reinventing old, outdated government accounting standards inherited from predecessor agencies to meet new, private-sector standards for financial management.
- A recent study by Arthur Anderson LLP and William-Adley LLP contained 99 recommendations to reach auditability. The Corporation has already implemented 54 and will finish another 21 by October 1.
- To put the Corporation's problems in perspective, other government agencies which has had similar difficulties with their first audits include the Department of Defense, Department of Justice, Department of Transportation, Federal Emergency Management Agency, General Services Administration, House of Representatives, Internal Revenue Service, National Aeronautics and Space Administration, Nuclear Regulatory Commission, Social Security Administration, United States Customs Service

Eliminated All AmeriCorps Program Grants To Other Federal Agencies.

Increased State Control.

- Over the last two years, the Corporation has helped the Governors' National Service Commissions to develop appropriate peer review processes so they – not the Corporation –take responsibility for review of their formula grant selections.
- This summer, all but four states took over this responsibility. As the states enhance their capacity, further devolution will occur.

Eliminated National Identity Requirements.

- The Corporation has eliminated the uniform requirement for all AmeriCorps grantees and reduced the amount of grant money a local AmeriCorps program can spend on uniforms if it chooses to use them down to \$32 per member.
- The Corporation eliminated the requirements for conflict resolution for all AmeriCorps grantees.
- The Corporation eliminated the requirements for CPR and first aid training for all AmeriCorps grantees.
- The Corporation eliminated the requirements for communications skills for all AmeriCorps grantees.

Increased "Volunteer-Generator" Programs.

- This year, each AmeriCorps member recruited, trained, and supervised an average of 16 community volunteers contributing a total of 246 hours of un-stipended service. Next year, AmeriCorps is going to put even more emphasis on such programs.

Eliminated All AmeriCorps Planning Grants.

Stopped Supplementing Relocation Costs.

- The Corporation has stopped assisting AmeriCorps members with relocation costs.

3. Why National Service Needs Quality Assurance

Improve evaluation and monitoring – Project STAR (Support and Training for Assessing Results) helps local programs evaluate what's working and what isn't. Another training contract helps state commissions to set up monitoring and evaluation systems.

Improve Quality through Sharing Best Practices -- The National Crime Prevention Council helps AmeriCorps anti-crime projects set up block watches. The Southern Regional Council helps programs develop effective tutoring programs that involve parents and raise reading scores. The Visiting Nurses Association of America help programs that allow seniors to live independently instead of in nursing homes.

Help Local Groups Recruit Quality Participants -- The Catholic Network of Volunteer Service uses staff from the Jesuit Volunteer Corps, Lutheran Volunteer Corps and Mennonite Volunteer Corps to help local programs recruit high-quality AmeriCorps members.

Improve Financial Management -- Walker and Associates, a CPA firm, helps local program set up sound financial accounting systems. The Non-Profit Risk Management Center helps programs avoid liability lawsuits and navigate labor laws.

Helps Neighborhood Groups – The United Way of America assists small community agencies set up quality, sustainable AmeriCorps programs.

Strengthen the State Commissions – Almost half the training and technical assistance money goes directly to the state commissions, the bi-partisan bodies appointed by the governors that distribute most AmeriCorps grants.

Help Programs Involve Disabled Citizens –United Cerebral Palsy helps programs recruit and retain people with disabilities as AmeriCorps members and help programs abide by the American with Disabilities Act.

4. The Presidio Leadership Center

- The Presidio Leadership Center provides leadership development and environmental technical assistance to staff and programs of the Corporation for National Service. The Center's mission is to help national service organizations increase sustainability by providing training for leaders and creating networks of support.

Most successful businesses invest in just this type of personnel training. If it works for the private sector, why not AmeriCorps?

- **Herman Miller – the furniture company in which Rep. Hoekstra was a top executive for fifteen years – invested significant sums in training with The Center for Creative Leadership and Interaction Associates – AmeriCorps' two biggest partners in the Presidio Leadership Center!**
- **The City of Grand Rapids and the County of Kent, MI, have both worked with the National Association for Community Mediation, another AmeriCorps partner.**
- Other clients of the Center for Creative Leadership, Interaction Associates, and the National Association for Community Mediation include American Express, Apple, Chevron, Cigna, Digital, Exxon, Ford, GE, GM, Goodyear, IBM, Kraft, Kimberly-Clark, Marriott, Microsoft, Proctor & Gamble, the Prudential, Sara Lee, and Shell.
- At the end of FY 1996, the Presidio Leadership Center will have trained 1300 people.
- The Corporation for National Service pays \$1.66 per square foot to share a 7630 square foot office space at the Presidio – 26% less than the current GSA approved rate of \$2.25 per square foot for San Francisco. The office furnishings and phone system hardware were recycled from other government agencies, at no cost to the taxpayer.
- There is only one golf course on the Presidio grounds – it was built and paid for by the United States Army. Currently managed by Arnold Palmer Golf Management, Presidio tenants have no advantage over the general public in use of the course. To the Corporation's knowledge, no participant in training has used the facilities.
- The Presidio Leadership Center's FY '96 budget includes three FTE and four contract staff. However, one FTE staff was included in a Corporation-wide Reduction in Force in April 1996 – there are now only two FTE staff.
- The Presidio Leadership Center exclusively trains individuals and program staff affiliated with the Corporation for National Service, such as program directors of Learn and Serve America, National Senior Service Corps and AmeriCorps programs. The Presidio Leadership Center does not conduct training for any corporate clients.

5. THE FUNDING OF "LEFT WING" CAUSES (e.g. the AFL-CIO)

If it's good enough for Elizabeth Dole....

The politicians trying to kill AmeriCorps have cited the awarding of technical assistance contract to The Human Resources Development Institute, which is affiliated with the AFL-CIO, as evidence of politicization. In fact, this group has a long, strong track record helping local non-profits with financial management – so strong that Elizabeth Dole's Department of Labor gave it two contracts 16 times the amount of the AmeriCorps contract. (The Corporation's HRDI contract was not for \$400,000 but for \$239,000)

If it's good enough for the U.S. Navy...

The politicians trying to kill AmeriCorps have also breathlessly proclaimed that they "uncovered" a contract with the National Multicultural Institute. This group has worked with the U.S. Navy, Montgomery County Department of Corrections, and the American Baptist Churches to insure that people of different backgrounds work together. As ethnic separatism has taken over so many college campuses, AmeriCorps has promoted the opposite ethic: team work.

If it's good enough for the Better Business Bureau...

The politicians trying to kill AmeriCorps have attacked the National Association of Community Mediators. This group works with communities to help resolve conflicts. Mediators in the association have trained "left-wing" groups like the Better Business Bureau in Texas, the police department in San Diego, and Amoco Oil Co. in Chicago.

If it's good enough for Republican governors...

The politicians in Washington trying to kill AmeriCorps repeatedly cite a few examples to prove AmeriCorps is a tool of left-wing political activists. Out of 1,200 sites and 400 programs there have been two or three that violated AmeriCorps strict rules against political advocacy – and were quickly cut off. Most of the money is distributed by bi-partisan state commissions appointed by the Governors – three fifths of whom are Republicans. Perhaps that's why Massachusetts Governor William Weld called it "possibly one of the most intelligent uses of taxpayer dollars ever" and Michigan's John Engler said, "AmeriCorps captures the promise found in all citizens, young and old, who see problems in their communities and work together to solve them."

...then why isn't it good enough for some politicians in Washington?

- The implication of these charges is that these awards were made on the basis of favoritism and special treatment. Actually, the Corporation chose to engage in a rigorous competition, including both peer and staff review, even though the law doesn't require it. This competitive process resulted in the selection of the Catholic Network of Volunteer Services, the Visiting Nurses Association, the American Medical Students' Association, United Cerebral Palsy, Indiana University's Center on Philanthropy, and the United Way of America. All of them provide high quality training and technical assistance.

AmeriCorps National Identity

During consideration of the VA-HUD Appropriations bill, Representative Hoekstra (MI) may offer an amendment to “prohibit the use of AmeriCorps funds for any uniforms, location site signs, palm cards, or any other activity that would identify projects or participants as being associated with the AmeriCorps program.”

• In response to the concerns Mr. Hoekstra has expressed over the last year, the Corporation for National Service has **already eliminated most of its national identity requirements.** Starting this fall, local community-based AmeriCorps sponsors will choose if they want to participate.

The community-based organizations which choose to participate do so for:

- **Public Safety.** Uniforms identify corps members to the community. Programs that involve members going door to door or patrolling neighborhoods need to provide their members with appropriate visible identification. This is the reason law enforcement personnel, postal carriers, and Salvation Army workers wear uniforms.
- **Support National Pride and Patriotism.** In addition, uniforms help build a team and a sense of identity that is clear to those who wear the uniform and to those who are able to identify it. This is the reason that national organizations from the Girl and Boy Scouts to the Shriners and the Veterans of Foreign Wars have uniforms.
- **Shared Enterprise.** Also, uniforms imply equality between those who wear them. This is the reason why many private schools and increasing numbers of public schools require the wearing of uniforms.

The costs of National Identity are small. Savings from elimination will be negligible – or costs could go up!

- In the third year of AmeriCorps, which will begin this fall, programs will spend no more than \$32. of Corporation grant money for each member's uniform. “Site signs” cost approximately 25 cents; “palm cards” (1.5 inch x 3 inch pieces of paper with a participants name hand-written on it) cost less than a penny.
- Local programs that need uniforms will still need uniforms and signs, even without the AmeriCorps symbol.
- Currently, the Corporation purchases in bulk to lower costs. Under this amendment, programs may have to shop individually – eliminating returns to scale and increasing costs.

Putting AmeriCorps' Auditability Problems in Perspective

- **The Corporation for National Service inherited its financial management systems from the ACTION Agency** – which Congress folded into the Corporation in 1993. ACTION was never required to produce auditable statements under the Chief Financial Officers Act.
- **Many other government agencies have been found unauditably or have had other significant difficulties in their first audits**, including the House of Representatives, Department of Defense, Department of Justice, Department of Transportation, Federal Emergency Management Agency, General Services Administration, Internal Revenue Service, National Aeronautics and Space Administration, Nuclear Regulatory Commission, Social Security Administration, United States Customs Service
- **The Corporation recognizes its problems and is well on its way to fixing them.** The Corporation has been exemplary in its devotion to implementing the suggestions of its auditors. Of 99 suggested actions, the Corporation has already implemented 54. 22 more will be done by the end of the financial year.

The criticism we've been hearing about this is partisan nit-picking from the same people who used to tell us AmeriCorps was "feel-good fluff." Independent analysts, Governors, CEOs, and the volunteer sector have proven that AmeriCorps is exceeding their expectations about accomplishments and cost-benefits ratios – so now the nay-sayers are grasping at these straws.

Government Agencies Which Have Been Found Unauditable Or Have Had Other Significant Difficulties In Their First Audits

Department of Defense

Department of Justice

Department of Transportation

Federal Emergency Management Agency

General Services Administration

House of Representatives

Internal Revenue Service

National Aeronautics and Space Administration

Nuclear Regulatory Commission

Social Security Administration

United States Customs Service

THE JOURNAL OF AMERICAN CITIZENSHIP

POLICY REVIEW

Published by
The Heritage
Foundation

Sept. • Oct. 1996

Out of Order

Clinton's
Court
And Its
Assault
On Justice

By Steven Calabresi



Ready for Round Two?

Tod Lindberg on the GOP Congress

The Lady In Red Tape

Regs That Strangle Women-Owned Businesses



AmeriCorps the Beautiful?

Harris Wofford vs. Doug Bandow

How Government Can Repair the Family

John Ashcroft, David Blankenhorn, James Dobson,
John Engler, William Galston, Kay James, D. James Kennedy,
Steve Largent, Dan Quayle, Paul Weyrich



AmeriCorps the Beautiful?

*Harris Wofford &
Steven Waldman*

*say conservatives should love Bill
Clinton's national-service program;*

*Doug Bandow says it's
hollow at the corps.*

Habitat for Conservative Values *by Harris Wofford & Steven Waldman*

Let's conduct what Charles Murray might call "a thought experiment." Imagine it's 1993 and Newt Gingrich has been sworn in as president. In his Inaugural Address, he pledges to "dismantle the welfare state and replace it with an Opportunity Society." He appoints a task force of the party's most creative conservatives to ensure that citizen action will fill the void left by the withdrawal of government.

There is, by no means, unanimity. The Cato Institute's Doug Bandow argues that as government recedes, charities and volunteer groups will naturally fill the gap. Arianna Huffington says that the nonprofit sector must become more effective and less bureaucratic. Gingrich agrees and advises the task force to look at Habitat for Humanity as a model for truly effective compassion—inexpensive, nongovernmental, and faith-based.

From Switzerland, William F. Buckley Jr. faxes in a chapter from his book *Gratitude* calling for a national-service program to engage young people in solving problems outside of government bureaucracies. Jim Pinkerton urges the re-creation of the Civilian Conservation Corps on a massive scale. Colin Powell reminds the group that the most successful race- and class-mixing program has not been busing or quotas but service in the U.S. Army.

William Bennett argues that all government benefits ought to require something of the beneficiaries in turn, shattering the entitlement mentality created by years of Democrat-created welfare programs. Senator Dan Coats suggests

that government's role should be confined to helping local community-based institutions solve their own problems.

The task force decides unanimously that there should be no big federal program, with armies of Washington bureaucrats telling communities what to do. Instead, Washington would give money to states to help local community groups help themselves.

And, inspired by Buckley, the members of the task force hit on an innovative idea. Instead of just giving grants to nonprofit groups, thereby creating nonprofit bureaucracies, they could model it after programs like the Jesuit Volunteer Corps, to which committed young people devote themselves for a year or two of service. The federal government would in turn provide that young person with a "service scholarship." This would, someone points out, establish a principle that the "educrats" in the higher-education lobby have always opposed: financial aid awarded not on need but merit, merit in this case defined as a willingness to serve one's country.

Hollister Frank Luntz tells Gingrich that even though it's a decentralized, community-based program, the young people it engages should be linked together with a national spirit—and name. Haley Barbour suggests "RepubliCorps" but Gingrich believes that might deprive it of bipartisan support. He asks his advisors to come up with a better name and gives them one bit of advice, "Don't be afraid to make it sound patriotic. Unlike the other party, we are not embarrassed to be Americans." So Luntz has a brainstorm: Let's call it "AmeriCorps."

The reality, of course, is that Bill Clinton thought of AmeriCorps first, and most Washington Republicans ended up opposing it as typical

Big-Government liberalism. Republicans in Congress are now on the wrong side not only of the politics—AmeriCorps is popular with voters—but of their own ideology.

There is, however, a striking difference between the comments of Beltway Republicans and those in the rest of the country. New Hampshire governor Steve Merrill has called AmeriCorps "a great success in the state of New Hampshire." Michigan governor John Engler has said AmeriCorps "captures the promise found in all citizens." Arizona governor Fife Symington said he was "enthusiastic and impressed with the work of AmeriCorps." And Massachusetts governor William Weld called it "one of the most intelligent uses of taxpayer money ever." Let us explain why we think these Republican governors are right.

Readers of *Policy Review* will not need much persuading that government cannot solve many of our problems. But just as liberals have to be more realistic about the limits of government, conservatives need to be more realistic about the limits of the volunteer sector. One of the most common criticisms of AmeriCorps is that it is not needed in a nation in which 90 million people are volunteering. That is a weak argument.

First, one-third of the volunteering done by those 90 million Americans consists of serving on committees, baby-sitting, singing in the church choir, or other activities that are beneficial but hardly a substitute for the welfare state.

Second, while the potential power of the volunteer sector is awesome, the trend is in the wrong direction. Just as a social consensus against government solutions has begun to emerge, Americans have been volunteering less, according to estimates by the Independent Sector.

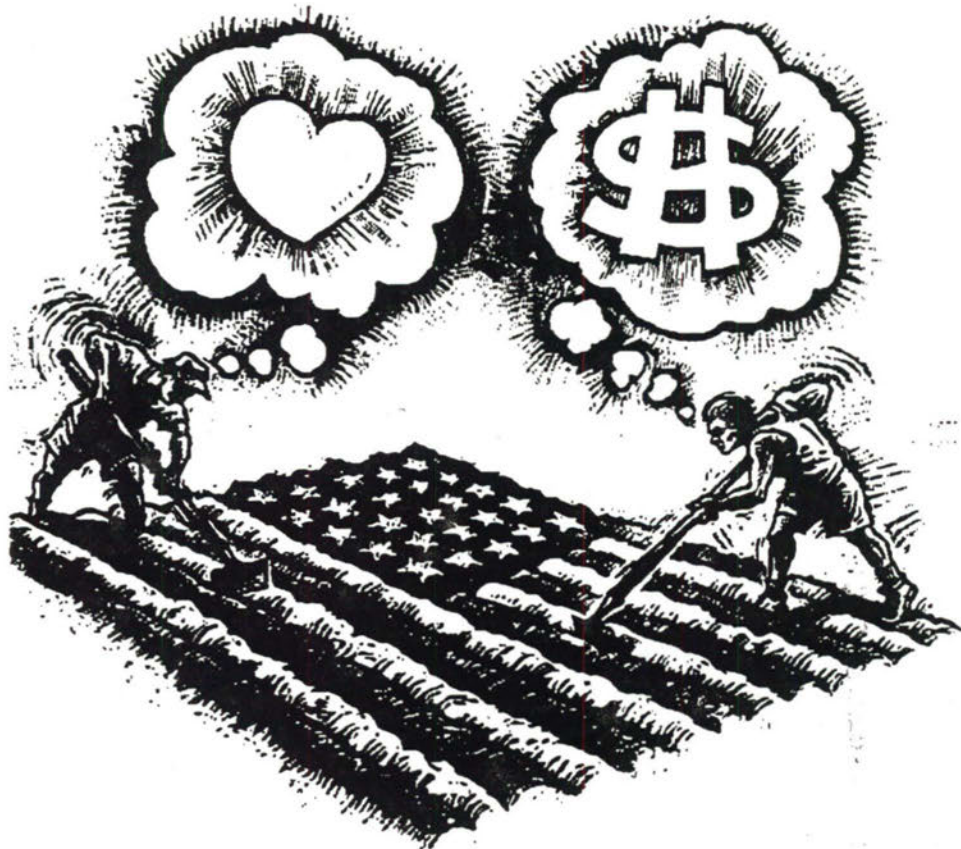
As women have moved into the labor market, the composition of the volunteer force has changed. Most people now are free only on weekends or evenings. That limits the types of volunteer work they can perform. Most important, harnessing the power of volunteers is not easy. Volunteers need to be trained, supervised, and deployed well to be effective. As former Michigan governor George Romney said, "There is no free lunch when it comes to volunteering."

Some conservatives argue that even if the charitable sector has limits, governmental solutions will only make matters worse. "Paving" AmeriCorps members, the argument goes, subverts the idea of volunteerism—labor given for love, not money. In an article for the January-February 1996 issue of *Policy Review*, John Walters of the New Citizenship Project argued that AmeriCorps's "very premise—using federal resources to promote voluntarism—contradicts the principle of self government that lies at the heart of citizenship." Paid volunteerism, he wrote, would sap the strength of the nonprofit sector at precisely the moment when it most needs to flourish.

This argument ignores the experience of the past two years. Many of America's most respected nonprofits, from Big Brothers/Big Sisters to the YMCA to the American Red Cross, participate in and staunchly support AmeriCorps. A year ago, leaders of 24 volunteer groups wrote that AmeriCorps is an "enormously beneficial addition to the traditional voluntary sector. This program has not undermined our position, rather it has enhanced our efforts and strengthened our institutions."

To understand why, consider the case of Habitat for Humanity, one of the most successful faith-based volunteer groups. The founder, Millard Fuller, was wary of any involvement with AmeriCorps precisely because he feared a government program would distort the religious nature of his effort. But on the urging of his board, Habitat brought in some AmeriCorps members.

Fuller used AmeriCorps to solve a particular problem. Habitat was



flooded with good people who wanted to help build houses but didn't have enough full-time crew leaders to organize the volunteers. They selected AmeriCorps applicants who they thought might help. These full-time AmeriCorps members dramatically increased the number and effectiveness of the unpaid volunteers. In Miami, for instance, two dozen Habitat-AmeriCorps members coordinated, organized, trained, and worked alongside about 5,000 unpaid volunteers, who together built 50 homes in a little more than a year.

Now Fuller is a fan. "As AmeriCorps members gain in construction skill," he says, "our affiliates are able to expand the number of occasional volunteers through increased capacity to supervise and manage volunteers. We at Habitat for Humanity feel privileged and honored to have AmeriCorps people with us, and we want more of them."

Habitat's experience is instructive, not only because it is Newt Gingrich's favorite charity, but because it is a faith-based organization that did not have to alter its spiritual mission to make use of AmeriCorps members. This has been the experience of all the religious groups—from the nuns of the Notre Dame de Namur mission to the Greater Dallas Community Churches—that have brought on AmeriCorps members. The reason for their confidence is simple: they choose the AmeriCorps members, they train them, and if they're not working out, they send them home.

The Habitat story is not unusual. One independent study has found that each AmeriCorps member has "leveraged" 12 unstipended volunteers. It was a recognition that volunteer groups need a cadre of full-time people to organize volunteers that led George Romney to refer to full-time stipended service and unpaid volunteers as the "twin engines of service."

Even if one accepts the idea that volunteers need to be organized, why not just give the money to the nonprofit to hire its own full-time staff person? Because charities are quite capable of becoming bureaucratic. We need an infusion of people who plan to work only a year or two and have not, therefore, developed a careerist mindset. Besides, AmeriCorps members are much cheaper than full-time staff.

Service programs also provide a nonbureaucratic alternative to traditional government. One of the reasons the Peace Corps has enjoyed bipartisan support is that the money funds volunteers directly. Someday conservatives will view domestic national service as the antidote to bureaucracy.

Consider what AmeriCorps members have accomplished in rural, impoverished Simpson

County, Kentucky. Over nine months of service in 1995, 122 second-graders served by 23 AmeriCorps members saw their reading comprehension scores improve by more than three grade levels. Thirty-seven percent improved by four or more grade levels. The reasons for success are quite simple. AmeriCorps volunteers can develop intense, one-on-one tutoring relationships and become familiar with the academic and emotional problems of the child. Just as important, AmeriCorps members visit each student's home every other week to show parents their child's classroom materials and suggest ways for them to help. Parental involvement has increased dramatically. Would this have happened if the federal government had given the grant to the state education agency?

Simply put, the nonprofits that use AmeriCorps members can provide services more efficiently, humanely, and cost-effectively than government can.

There has been a great deal of confusion about the costs of AmeriCorps. The standard AmeriCorps living allowance is \$7,945—about \$160 a week—of which \$6,700 comes from the federal government. Those members with no health insurance also get a health plan valued at \$1,200. So direct compensation is just more than \$9,000. If they finish a year of service, they get a \$4,725 scholarship.

On top of that, the Corporation for National Service gives grants to local programs to help manage the AmeriCorps members. If the program builds low-income housing, that might include the cost of supplies. If the program establishes crew-based corps, that might include the cost of supervising them. If the corps helps a disaster-struck area, this would include travel costs. Then there are the administrative costs, which are distributed between the headquarters staff and the governor-appointed state commissions that distribute much of the money. The total cost to the Corporation per AmeriCorps member averages \$18,800.

Programs are encouraged to raise outside money to supplement that provided by the federal government. Indeed, they can choose to add extra training, supplies, or supervision if they feel that enriches the quality—but only if they raise the money from somewhere else.

At first blush, \$18,000 "per corps member" sounds like a lot of money. But think about it. This is direct compensation plus all the other costs associated with the program. If you used the same calculus for Microsoft Corp.—the total budget divided by the number of employees—the average "cost per employee" would be about \$150,000.

It's easy to see that this methodology has lim-



ited value, for it doesn't tell what you are getting for your money. We know what "benefit" or "product" the Microsoft investment produces. The truth is \$18,000 could be a lousy deal—or a real bargain—depending on what the AmeriCorps members do.

AmeriCorps members help solve problems. According to partial results from a study by Aguirre Associates, an independent consulting

Nonprofits that use AmeriCorps members can provide services more humanely and cost-effectively than government.

firm, 1,853 AmeriCorps members in 12 states restored 24 beaches, enhanced 338 miles of river banks, planted 200,000 trees, constructed 440 dams, and cleaned up 139 neighborhoods. In all, they estimated these Corps members working on environmental issues in those states "affected the lives" of 469,000 people.

Three separate independent evaluations of the cost-benefit ratio of the program predict measurable returns between \$1.54 and \$2.60 for every AmeriCorps dollar invested. Each study concluded that AmeriCorps's full value is understated because the benefits of safer streets, better schools, stronger communities, and more active citizens are difficult to quantify and not seen immediately. The high return is part of the reason that more than 600 companies—from Microsoft to G.E. to local grocers—have supported local AmeriCorps programs. Stanley Litow, an officer of the IBM International Foundation, summed up his company's satisfaction by stating, "IBM expects a return on investment, and it bases its funding decisions on demonstrable results. . . . This program works."

Consider a program called L.A. Vets, which helps homeless Vietnam veterans become sober and independent. This nonprofit, established with the help of groups like the Disabled American Veterans, runs a 210-bed transitional home that provides 24-hour-a-day support, counseling, and job placement. Program managers conduct drug-testing regularly and expel those who flunk, a tough-love policy beyond the capacity of government bureaucracies. They require the veterans to maintain Westside Residence and pay \$235 in rent, a demand that is both cost-effective and therapeutic. AmeriCorps didn't create this program but the 11 corps members at the Westside Residence, according to L.A. Vets' founders, have enabled them to start small businesses staffed by the veterans, stock a library, and

make effective use of outside volunteers—including employees of a local computer business who teach the veterans how to repair computers. AmeriCorps members, in other words, have helped veterans become independent of government aid. As of this spring, only about one-quarter of the vets who moved in a year ago were back on the street. One-quarter were in treatment programs and half remained in transitional or independent housing, more sober and hopeful than they've been in years. And it's a good deal for taxpayers. The program has helped move more than 200 veterans out of veterans hospitals, where they would have cost the government \$20,000 per year each.

About two-thirds of AmeriCorps projects address the problems of the young. AmeriCorps members tutor, operate after-school programs, work with gangs to reduce violence, create safe havens and safe corridors, and organize students to volunteer. Our record in these areas is one reason Governor Pete Wilson turned to the California Commission on Community Service to help reach his goal of providing at-risk youth in California with 250,000 mentors by the year 2000.

AmeriCorps changes those who perform the service. Full-time service, whether in AmeriCorps or in the armed forces, is a rite of passage that helps create well-rounded adults and citizens. They are expected to be resourceful and show leadership. On a more mundane level, they might learn practical skills—how to build a floor level, how to calm a crowd in an emergency, how to lead a team, or even how to show up on time.

For low-income youth, service provides a different experience than traditional government make-work jobs or training programs. AmeriCorps implicitly accepts conservative arguments against indiscriminate aid to the poor. All major religions teach that it is more blessed to give than receive. This is not only a moral instruction but a statement about human psychology: If you treat someone as a dependent, they will view themselves as such. Low-income citizens, who make up about a quarter of AmeriCorps volunteers, are earning a government benefit by serving, instead of being served. The principle was illustrated by a young high-school dropout, who left a street gang to join the Philadelphia Youth Service Corps. "Look, all my life people had been coming to help me," he said. "For the first time, this Corps asked me to do some good."

AmeriCorps teaches the right values. AmeriCorps challenges young people to give something to their community and country. It teaches them, in the words of William Buckley, to have "gratitude" for being given so much. It instills core values of hard work, discipline, and

teamwork that make young people not only more productive workers but also better citizens.

AmeriCorps combats balkanization. By bringing people of different backgrounds together, AmeriCorps can combat ethnic and social fragmentation. Members who come to AmeriCorps from college quickly realize that the separatism they learned on campus has to be replaced by teamwork. Here again, the goal is to replicate some of the successes of the military. The World War II draft was the nation's most effective class-mixing institution. The modern army is the most effective race-mixing institution. Because they are so focused on staying alive or achieving a military objective, soldiers inevitably have to focus on individual characteristics rather than group traits. National service can be the most effective means we have for dealing with our nation's racial problems. National service may ultimately replace affirmative action as the primary means for bridging the racial divide.

AmeriCorps expands educational opportunity. This is often cited as the main benefit of AmeriCorps, but it really doesn't make sense to spend \$18,000 per member if the only benefit is extra college aid. However, the education award is proving to be an effective way of drawing people into service. And the AmeriCorps experience expands educational opportunity in a more subtle way—by raising the aspirations of those who serve. We have seen many individuals who decided to go to college because their service convinced them that they were capable of greater things. Many of them in turn impart this sense of broad horizons to elementary or high-school students they tutor.

Some conservatives have argued that even if AmeriCorps does worthwhile things now, it will inevitably evolve into a bloated bureaucracy that smothers local initiative. This is the strongest argument against AmeriCorps. Many an enterprise, public and private, that started out lean and flexible eventually became ossified.

AmeriCorps, though, will likely improve, not worsen, because of its basic structure. It is locally based and relies on a competitive grantmaking process. Two-thirds of the money goes directly to state commissions, which choose among competitive proposals from local nonprofit groups.

AmeriCorps is nonpartisan. By law, the state commissions comprise an equal number of Democrats and Republicans, appointed by governors—three-fifths of whom are currently Republicans. AmeriCorps supporters must acknowledge that the success of this program stems in no small part from the leadership of some Republican governors. And those who dislike this program must also recognize that "Bill Clinton's pet project," as it is so often called, is

being shaped in large part by Republicans.

We at the Corporation have been willing to learn. The traditional government posture—cover up problems as quickly as possible—may work for a while, but it does not make for good programs. Among our mistakes:

We have taken too long to switch from an old-style government accounting system to a more rigorous, private-sector model. As a result, our books were recently found "unauditable" using the new accounting standards. We are now

Habitat for Humanity did not have to alter its spiritual mission to make use of AmeriCorps members.

bringing in outside financial experts to make the Corporation a model of government financial accountability.

We funded a grant to Acorn Housing Corp., which is closely associated with an advocacy agenda. When we found out that Acorn had crossed the line into political advocacy, we pulled the plug. (Among our 400 programs and 1,200 sites we have found only a handful that have engaged in political advocacy.)

We saw that some of our programs were spending too much money on management and overhead. So, we have told AmeriCorps's national and state grantees with above average costs that they must cut costs by 10 percent. And as part of our cost-cutting agreement with Senator Charles Grassley of Iowa, we've committed to specific average cost targets—\$17,000 per member next year, \$16,000 the next, and \$15,000 in 1999.

In our first years, the programs raised \$41 million from the private sector—\$9 million more than the authorizing legislation required from all nonfederal sources—but some programs were relying too heavily on school districts, police departments, and other units of local government. So this year, we have required all of our programs to raise some money from the private sector.

Despite our efforts to make all our programs models of excellence, some did not succeed. So the Corporation stopped National Service or the state commissions stopped funding them. Fifty of the first-year AmeriCorps programs were not renewed—15 percent of the total. We realize that such a statistic can be used against us by our opponents. However, since the difference between business and government is the willingness to correct mistakes, this is probably the most businesslike thing we have done.

Having argued the substance of national service, I would like to close on a political note. House Republicans last year put themselves in an awkward position on AmeriCorps. They placed themselves on the wrong side of their own ideology, and played right into the old Democratic argument that Republicans are heartless and uninterested in solving social problems.

Republicans need not compound the error by giving this issue to Democrats. Voters do not automatically associate civilian service with Democrats. If Republicans embrace it, and put on their own imprint, people will look back 10 years from now and say AmeriCorps was a program that Democrats created and Republicans improved. Republicans could then be known as tough and compassionate, skeptical and wise. And along the way, Republicans will have truly helped transform the country from one that relies on government to solve problems to one that relies on citizen service.

Harris Wofford, a former Democratic senator from Pennsylvania, is the CEO of the Corporation for National Service. Steven Waldman is his senior advisor for policy, planning, and evaluation. He is the author of The Bill, a book about AmeriCorps.

National Service— or Government Service? by Doug Bandow

Service has a long and venerable history in the U.S., and it remains strong today. Three-quarters of American households give to charity. About 90 million adults volunteer; the value of their time has been estimated by the Independent Sector at nearly \$200 billion.

Impressive as this is, it isn't enough to meet all of the pressing human needs that face our society. For example, Harris Wofford and Steven Waldman worry that the entry of women into the work force will reduce the number of volunteers. Hence, in their view, the need for a government program like the Corporation for National Service.

The desire to give Uncle Sam a senior management position in the service business goes back at least a century, to *Looking Backward*, a novel by lawyer and journalist Edward Bellamy. He envisioned compulsory service for all men and women between the ages of 21 and 45, resulting in a peaceful and prosperous utopia. *Looking Backward* was the best-selling book of its time and inspired the establishment of some 165 Bellamy clubs to push his egalitarian social system.

the "moral equivalent of war," in which all young men would be required to work for the community. He argued that "the martial virtues, although originally gained by the race through war, are absolute and permanent human goods," and that national service could instill those same values in peacetime.

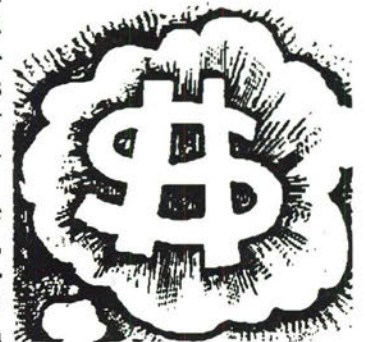
Most national service advocates today eschew such far-reaching utopian visions of social transformation. Nevertheless, the desire to create the good society through service lives on. Some advocates have seen national service as a means to provide training and employment, to encourage social equality, to promote civic-mindedness, or to expand access to college. Margaret Mead even saw it as a way to help liberate children from their parents. The legislative process always shrank such grandiose proposals into much more limited programs, such as the Peace Corps and, in 1993, the National and Community Service Trust Act, which established the Corporation for National and Community Service. But many of the grander goals remain—and are expressed by Wofford and Waldman: transforming participants, teaching values, combating balkanization, and expanding educational opportunity.

Thus, the heritage of national service—this desire for government to promote ends other than service—is critical to understanding today's program and recognizing the pitfalls of government involvement. When we evaluate the Corporation and the thousands of AmeriCorps members, we must ask: service to whom and organized by whom?

Americans have worked in their communities since the nation's founding. Businesses, churches, and schools all actively help organize their members' efforts. Service in America is so vital because it is decentralized and privately organized, addresses perceived needs, and grows out of people's sense of duty and compassion. Any federal service program must be judged by whether it is consistent with this vision of volunteer service. Wofford and Waldman think yes. I'm less sanguine.

The mandatory variants of service obviously do not share this vision. In fact, the explicit goal of advocates of mandatory service programs was (and remains) to create a duty to the state rather than to the supposed beneficiaries of service. Moreover, service is to fit into a larger social plan implemented and enforced by government.

Of course, AmeriCorps is not mandatory, and Wofford and Waldman amass an impressive list of testimonials from private groups that welcome the Corporation's support. But, no one should be



come financial assistance and "free" help. Washington's funds, however, could prove almost as powerful as its mandates in reshaping the independent sector. Some voluntary organizations recognize the danger. David King of the Ohio-West Virginia YMCA has warned: "The national service movement and the National Corporation are not about encouraging volunteering or community service. The national service movement is about institutionalizing federal funding for national and community service. It is about changing the language and understanding of service to eliminate the words 'volunteer' and 'community service' and in their place implant the idea that service is something paid for by the government."

King's fears are well founded. The history of the welfare state is the history of public enterprise pushing out private organization. The impact was largely unintentional, but natural and inevitable. Higher taxes left individuals with less money to give; government's assumption of responsibility for providing welfare shriveled the perceived duty of individuals to respond to their neighbors' needs; and the availability of public programs gave recipients an alternative to private assistance, one which did not challenge recipients to reform their destructive behavior.

The Corporation, despite the good intentions of people like Wofford and Waldman, risks doing the same thing to philanthropy. A federal "service" program risks teaching Americans that the duty of giving, and the job of deciding who is worthy to receive charity, belongs to government and not average people throughout society. At some point service to society could become widely equated with work for government.

Glimmerings of this problem have already surfaced. For instance, the Corporation treats "public" service as inherently better than private service. Service, however, comes in many forms. Being paid by

the government to shelve books in a library, whether as an employee or as an AmeriCorps member, is no more laudable or valuable than being paid by Crown Books to stock bookshelves in a bookstore. A host of private-sector jobs provide enormous public benefits—consider health-care professionals, medical and scientific researchers, entrepreneurs, inventors, and artists. Many of these people earn less than they could in alternative work; they have chosen to serve in their own way. Yet government programs that equate public employment with service to society effectively denigrate service through private employment.

This public-sector bias is reflected in the fact that 2,800 of the first 20,000 AmeriCorps participants were assigned to federal agencies. For instance, the Department of the Interior used AmeriCorps workers to "update geological and hydrological information for the U.S. Geological Survey" and restore wetlands and wildlife habitat. Jobs like these are respectable, but they resemble traditional government employment rather than "service." While AmeriCorps participants may do good work as government employees, such activities are not likely to promote volunteerism around the country.

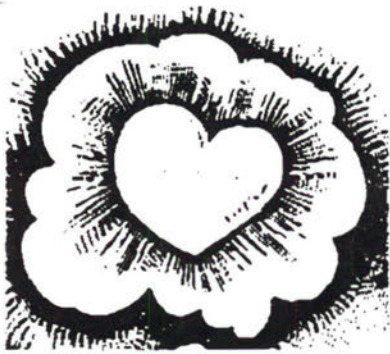
A more subtle problem is the likely long-term effect of federal funding on the volunteer groups and those who normally support volunteer groups. It is, in the abstract, hard to criticize grants to organizations like Habitat for Humanity (which until now refused to accept government funding), Big Brothers/Big Sisters, and the Red Cross. These groups do good work and money given to them is likely to be well spent.

Who, however, should do the giving? It is certainly simpler for the IRS to empty pockets nationwide and hand a bit of the tax haul to the Corporation, which, in turn, gives it to charity. But the right way is for individuals to send their money directly to deserving groups. That Habitat for Humanity could use more full-time employees to supervise its ample private volunteers is understandable; that it should turn to the government for the resources to hire those volunteers is not.

Indeed, at its most basic level, real charity doesn't mean giving away someone else's money. As Marvin Olasky has pointed out, compassion once meant to "suffer with." Over time it came to mean writing a check. Now it seems to be equated with making someone else write a check. At least public welfare programs are theoretically accountable to taxpayers for their activities. But collecting taxes for private charities, especially those with philosophical or theological viewpoints that may conflict with those of many taxpayers, is especially dubious.

Nor is dependence on government healthy for private philanthropic groups. Although they get to choose and train volunteers funded by the Corporation, it seems inevitable that government will end up favoring some activities and disfavoring others. Such preferences may not be nefarious, but groups will be tempted to adjust their mission to become eligible for federal funding.

Even if the Corporation eschews the natural temptation to meddle, the behavior of recipients is likely to change. Groups will be tempted to shift their fundraising from private appeals to "public education" and formal lobbying. After



all, government checks tend to be much larger and cheaper to obtain than private donations.

Wofford and Waldman contend that government funding will prevent private groups from becoming bureaucratic by furnishing them with short-term volunteers, who won't develop "a careerist mindset." It's not clear why career volunteers would be a problem. In fact, some problems are better met by experienced volunteers. Surely volunteer groups, if they found careerism to be a problem, could, if adequately funded, hire precisely the sort of people who now join AmeriCorps. Money does not have to be funneled through government to ensure that private groups receive "new energy," as Wofford and Waldman put it.

Moreover, government's growing role in funding private groups, however worthy, is likely to encourage people to further abdicate their civic responsibilities. If we are serious about strengthening civil society and reviving a sense of individual duty to help those in need, we must emphasize contributing as well as volunteering. People will feel less pressure to volunteer time and money if the government not only provides public welfare programs but funds charitable groups. Wofford and Waldman cite private support for local AmeriCorps programs as evidence of their value. But AmeriCorps isn't necessary for IBM, G.E., Microsoft, and local grocers to support service programs. Private-sector funding should preempt, not follow, government involvement.

Boosting contributions will address one of the problems that Wofford and Waldman mention: the increase in women who have entered the work force and therefore have less time to volunteer. If they are working, they should have more money to contribute, and they should be encouraged to do so, thereby helping to fund full-time volunteers.

In fact, thoughtfully choosing which charities to support, and monitoring their activities are themselves important forms of volunteerism. Sending money off to Washington for distribution to private groups benefits the recipients, but no one else. By contrast, the sinews of community grow stronger when people stay informed, give voluntarily, and get involved. As we attempt to shrink the welfare state, getting more people to give more and to take more time considering where to give should be one of our highest priorities.

Finally, AmeriCorps may have undesirable consequences on volunteers. Undoubtedly, many volunteers paid by the government really believe in what they are doing. But the Corporation has turned service into a job, one that, counting the tax-free voucher, pays more than other entry-level

employment. Some participants have privately admitted that they see national service as a remunerative job option, not a unique opportunity to help the community. Indeed, much of the president's pitch during the campaign was framed in terms of naked self-interest: earning credit toward college tuition. There's nothing wrong with joining AmeriCorps to do so, of course. But doing so really isn't more noble than, say, pumping gas for the same reason.

Indeed, government-funded service plays into what some national-service proponents have denounced as an entitlement mentality—the idea that, for instance, students have a right to a taxpayer-paid education. Some advocates of national service have rightly asked: Why should

The national-service movement implants the idea that community service is something paid for by government.

middle-class young people be able to force poor taxpayers to help put them through school? But public "service" jobs sweetened with a salary and an educational grant are no solution: they merely transform the kind of employment that a young person seeks to help cover his educational expenses. Some AmeriCorps volunteers do sacrifice, but there is no real sacrifice involved in, say, informing people about the availability of Federal Emergency Management Agency service centers, maintaining vehicles, surveying residents about recreational interests, cutting vegetation, and changing light bulbs in dilapidated schools—all activities funded by the Corporation. In contrast, consider the sort of tasks envisioned by William James: young laborers would be sent off "to coal and iron mines, to freight trains, to fishing fleets in December."

The real solution to the entitlement mentality is not to say that students are entitled to taxpayer aid as long as they work for the government for a year or two, but to rethink who deserves the subsidy. We also need to explore how federal educational assistance may have actually made it harder for students to afford college by fueling tuition hikes (the schools, of course, are the ultimate beneficiaries of most student aid). And we have to address the host of other "entitlements" that riddle the federal budget and sap people's independence.

Finally, there is the more practical question as to whether taxpayers are likely to get their money's worth from the service provided by AmeriCorps members. Wofford and Waldman

cite impressive statistics about trees planted and beaches restored, and there's no doubt that much good work has and will be done by AmeriCorps volunteers. But there is no guarantee that taxpayer-funded "service" will be worth its cost.

Consider the opportunity costs of national service. "Public service" has a nice ring to it, but a dollar going to national service will not necessarily yield more benefits than an additional dollar spent on medical research, technological innovation, business investment, or any number of other private and public purposes. Nor is hiring, say, a potential doctor to spend a year surveying residents, handling paperwork, or replacing light bulbs necessarily a good deal—in terms of economics or service.

Unfortunately, some waste is almost inevitable. Local organizations are not likely to use essentially "free" labor from the federal government as efficiently as if they had to cover the costs themselves, because staff members will be tempted to assign work they prefer not to do themselves to the subsidized outsiders. For example, in Orange County, California, the Civic Center Barrio Housing Corp. used AmeriCorps personnel to solicit donations and handle paperwork. Corporation critics have, in fact, generated their own roll of waste to counter Wofford and Waldman's list of successes.

Another potentially important opportunity cost is the diversion of bright men and women from the military. The end of the Cold War has sharply cut recruiting requirements, but it has also reduced the perceived national need. As a result, the armed forces have had greater difficulty in attracting quality recruits. Yet various programs of educational benefits have always been an important vehicle for drawing college-capable youth into the military. Providing similar benefits for civilian service is likely to hinder recruiting for what remains the most fundamental form of national service—defending the nation. Surveys have found that a majority of potential recruits would consider joining AmeriCorps rather than the armed forces because they see it as a better way to gain educational assistance.

If AmeriCorps is not the answer, what is? First, government barriers in the way of private individuals and groups who want to help should be torn down. Minimum-wage laws effectively forbid the hiring of dedicated but unskilled people; every increase makes this problem worse. Restrictions on paratransit operations limit private transportation for the disabled. Regulations also hinder other forms of volunteerism. Unnecessary health department restrictions prevent restaurants in Los Angeles and elsewhere from donating food to the hungry, for instance. In short, in many cases important needs are unmet precisely

because of perverse government policy.

Second, leaders throughout society, from lawmakers to clerics to philanthropists to corporate presidents, need to emphasize that the ultimate responsibility to help those in need lies with individuals, families, and communities, not government. They need to create a more traditional sense of compassion, the idea that charity requires personal commitment—both in volunteering time and exercising careful stewardship over charitable contributions. This requires highlighting the needs of the disadvantaged and groups seeking to help the disadvantaged, and emphasizing that people can no longer act as if they "gave at the office" through government.

Third, policymakers need to consider tax incentives, particularly tax credits for charitable donations, to encourage people to volunteer their money. A goal of \$500 million in new contributions—a mere \$2 a person and more than now spent by the Corporation—might be a reasonable start.

Finally, to the extent that serious social problems remain, government should use narrowly targeted responses to meet the most serious problems. That is, it would be better to find a way to attract several thousand people to help care for the terminally ill than to lump that task in with teaching, planting trees, changing light bulbs, administrative work, and scores of other jobs to be solved by a force of tens or hundreds of thousands.

AmeriCorps was created with the best of intentions. But the Corporation for National Service cannot escape its statist heritage: it promotes service, but shifts the center of gravity in the volunteer community from civil to political society. What we need instead is a renewed commitment to individual service. People, in community with one another, need to help meet the many serious social problems that beset us. But private activism needs neither oversight nor subsidy from Uncle Sam. Some of the volunteerism can be part-time and some full-time; some can take place within the family, some within churches, and some within civic and community groups. Some may occur through profit-making ventures.

The point is, there is no predetermined definition of service, pattern of appropriate involvement, set of "needs" to be met or tasks to be fulfilled. America's strength is its combination of humanitarian impulses, private association, and diversity. We need service, not "national service."

Doug Bandow is a senior fellow at the Cato Institute and the author of several books, including The Politics of Envy: Statism as Theology (Transaction).



AMERICORPS

AmeriCorps SLICE Corps, Simpson County Kentucky – 25 AmeriCorps members provided intensive tutoring in reading to 128 second graders. Over nine months, the students improved their reading comprehension by an average of 2.8 grade levels. One-third of the students improved by more than three grade levels. Members visit each student's home every other week to show parents their children's reading materials, update them on the child's academic progress and offer tips on how to help their children read. The key is consistency. AmeriCorps SLICE members tutor students for the entire school year.

AmeriCorps Summerbridge— Members in Cincinnati, Bethlehem PA, New Orleans and 13 other states to set up after school and summer enrichment programs for students. In the first year, there was a 67% increase in the number of unpaid volunteers Summerbridge was able to recruit. Each AmeriCorps member recruited an average of five additional unpaid volunteers. One evaluation said that students CAT scores increased significantly from 5th to 6th grade as a result.

AmeriCorps Hands on Atlanta -- 77 AmeriCorps Members have helped set up after-school and Saturday programming for half the students in four elementary schools and 25% of the students in one middle school.

AmeriCorps City Year – AmeriCorps members provide in-classroom help, after-school programs and summer camps in Boston, Columbia, SC, San Jose, Cleveland, Chicago and San Antonio. In just one quarter, AmeriCorps Members recruited 1,326 community volunteers who donated 11,740 hours of service.

AmeriCorps I Have a Dream – 90 AmeriCorps members work with the I Have a Dream Foundation to help 1,500 disadvantaged children. The young people in this program are promised a college education if they stay in school and off drugs. The Foundation has concluded that Dreamers paired with AmeriCorps members have a higher likelihood of success than Dreamers who are not assisted by AmeriCorps. In Denver, Dreamers teamed with AmeriCorps tutors showed a 20% higher grade point average.

AmeriCorps Eastern Michigan University, Teams for Success -- Ypsilanti – Eight members are setting up tutorial groups and 75 after-school clubs for 1,500 elementary and junior high students. Last year, the AmeriCorps Members recruited another 132 community volunteers who served 1,366 hours.

AmeriCorps Twenty-First Century Scholars – Indiana – 27 AmeriCorps Members tutor, counsel, and provide academic preparatory programs to over 3,000 low-income students at 10 sites statewide for a program based on the I Have a Dream model. Program

managers report increased grade point averages, improved test scores and an improvement in the career aspirations of the students. Students who stay free of drugs, alcohol, and crime, and who maintain a 2.0 GPA are guaranteed tuition free attendance at any Indiana State University.

AmeriCorps HIPPYCorps Initiative – 115 AmeriCorps Members serve at HIPPY USA sites across New York and Florida act as mentors and advocates for parents of preschoolers, visiting them in their homes on a biweekly basis. HIPPY Corps AmeriCorps members also recruit parents from the local communities to help sustain and increase the efforts of HIPPY. The Home Instruction Program for Preschool Youngsters is a home-based, early intervention/school readiness program that helps educationally disadvantaged parents provide educational enrichment for their preschool children.

AmeriCorps Houston Read – Working with a non profit created by the city in 1988, 95 members have enrolled nearly 4,000 adults in literacy and taught almost 2,000 children to read with their parents

AmeriCorps Public Education Fund Network – 73 AmeriCorps members work with Public Education Fund Network to improve student access to technology. For instance, working with IBM, members secured an refurbished 1,200 computers for the schools.

AmeriCorps - Building Up L.A. (L.A. Conservation Corps) – 126 AmeriCorps Members serve in a city-wide partnership of over 60 organizations to develop neighborhood-based service projects. Members mentor and tutor 2,000 community youth, establish after-school safe havens, and develop other projects for the young.

AmeriCorps*NCCC – Pauma Elementary School – Pauma Valley, CA – 10 National Civilian Community Corps members worked with the San Diego County Office of Education at the Pauma Elementary School to tutor children in grades 1 - 3. Corps members provided overall support to the “Everyone a Reader” program by making sure each volunteer had an adequate supply of age-appropriate books and by tutoring between 500 children weekly.

AmeriCorps*VISTA – Start Making a Reader Today – Portland, OR -- 27 members organize literacy projects in elementary schools for at-risk children from kindergarten through Grade Two. The members have mobilized community and civic resources to expand this program statewide to serve 2500 children in 48 schools in 8 counties. They recruited more than 200 tutors, nearly 500 local volunteers, and thousands of students to upgrade the reading skills of young children with their first exposure to the world of education.

AmeriCorps*VISTA – Phoenix Tutoring Project – Phoenix, AZ – Nine AmeriCorps VISTA members serving in 15 counties recruited over 1,000 tutors and over 1,000 students over a three-year period. The members have obtained office space, books and materials and community office volunteers. Literacy programs have been established and

strengthened at prisons, Habitat for Humanity, a shelter for the homeless and at Head Start centers (for parents).

AmeriCorps VISTA -- Literacy Volunteers of America, Illinois -- Chicago, IL -- 20 members serve as program coordinators, responsible for recruitment, training, and support of literacy tutors. For 1995, over 200 community residents were recruited and trained to serve as tutors, providing 9,600 hours of volunteer service. Of the 300 non-readers, 115 were children whose average reading comprehension increased from a 3rd to a 6th grade level. Approximately 50% of the students are from low-income communities and at least 25% of the non-readers are physically challenged.

AmeriCorps*VISTA -- SER de Albuquerque -- Albuquerque, NM -- Members recruit and supervise 395 volunteer tutors providing family literacy training to approximately 1,000 families. Most recent test reports reflect that literacy students generated an increased reading proficiency range of 1.2 to 2.0 grade levels higher, based on 20 hours of computer-aided literacy training. In addition, 70 students satisfactorily completed their GED tests.

Local News

SENIORS

Retired Senior Volunteer Program -- Rockin' Readers Lillington/Harnett County -- Thirty North Carolina RSVPs contributed over 15,000 hours of tutoring to 300 children through the 'Rockin' Readers' project. Volunteers joined their assigned children in the school cafeteria each morning at 7:30 a.m.. After breakfast they spent approximately one hour reading with their children in a rocking chair. Teachers noted that the children's reading skills improved and they became more active in their regular classroom activities.

Retired Senior Volunteer Program -- Read to Me -- As part of the Read to Me program, volunteers visit schools, read to children of transient farm and construction workers and then give them copies of the book. The books come in sets of six and are provided by the local Kaiser Permanente, who this year contributed \$25,000. Since September, 500 children have participated in a two-hour reading session with an RSVP volunteer.

Foster Grandparents Charleston Schools -- Charleston, SC -- Last year, 53 Foster Grandparents provided 30,672 hours of one-to-one tutoring in math, reading and assistance with homework assignments to over 400 children identified by the school system as being at risk of failure. Some lived in homeless shelters and others had learning disabilities. Through 14 volunteer stations, including four Head Start programs, these Foster Grandparents were able to provide the time, patience and attention that these children needed.

Foster Grandparents -- Window Rock, Arizona -- 62 Foster Grandparents work with 248 children in Head Start centers on this Navajo reservation. The Grandparents assist kids

with motor skills development, eye and hand coordination, cognitive and listening skills and social behavioral skills. Center directors have observed changed behavior in children after two to three months working with Foster Grandparents.

STUDENTS

Learn & Serve/AmeriCorps The Columbus Initiative – Ohio Wesleyan College in partnership with Crestview Middle School matches college students with middle school and elementary school students, who are in need of mentors and tutors. The schools issue a promise to the middle school students: those who maintain at least a B average through their senior year will be automatically accepted to Ohio Wesleyan College, with a promise of financial assistance. Volunteers tutor and mentor to ensure that the students stay on track.

Learn & Serve Higher Ed -- Harcum College –Bryn Mawr -- Parents and Children Together in Learning trains inner-city parents to be volunteer tutors in their children's classrooms. These non-traditional students matriculate into Harcum College's Early Childhood Education Program and receive 12 college credits in exchange for volunteering. During their second year, the PACT program enrolled 60 Philadelphia parents in the college's Early Childhood Education Program and trained them to serve as tutors six hours per week in their children's classrooms, mostly in Chapter 1 elementary schools. The tutors, most of whom have never attended college, provided 480 at-risk children with 6,000 hours of individual tutoring.

Learn & Serve Higher Education – North Central College, Naperville, IL – This builds on partnerships between local schools and Amoco Chemical to create an intervention and enrichment program for elementary and secondary school students. The college engages 40 students during the year in weekly tutoring for 300 elementary school children.

Learn & Serve Higher Education --Rust College – Holly Springs, MS – Rust College's Developing Responsibility through Empowerment, Affirmation, Mentoring and Service (DREAMS) project tutors 250 K-4 students in basic reading, writing and quantitative skills.

Office of Steve Waldman, Sr. Advisor to CEO, CNS
FACSIMILE TRANSMITTAL SHEET

CORPORATION
FOR NATIONAL
★ SERVICE

TO: GENE Sperling

LOCATION: _____

FAX #: 436-2878 PHONE #: _____

FROM: Blanche Trueheart for Steve Waldman

FAX #: (202) 565-2784 TELEPHONE #: (202) 606-5000, Ext. 337

COMMENTS:

NUMBER OF PAGES (INCLUDING COVER SHEET) _____

IF THERE IS ANY PROBLEM WITH THIS TRANSMISSION, PLEASE CALL THE EXTENSION NOTED ABOVE.

1201 New York Avenue, NW
Washington, DC 20525
Telephone 202-606-5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

THE ROLE OF NATIONAL SERVICE

Most of the national service programs run by the Corporation for National Service have a strong track record helping children. Our corps members and volunteers serve as tutors and mentors, set up after-school programs, coordinate service-learning activities, and get parents more involved in the education of their children. This is the core of what we do.

Nearly three-quarters of AmeriCorps programs are currently working in school readiness or school success. The Learn and Serve program mobilizes hundreds of thousands of K-12 and college students in service projects, often serving young children. Among our Senior Corps programs, the Retired Senior Volunteer Program and Foster Grandparents work extensively with children.

Because national service programs use innovative, market-tested, local models, the results have been impressive. For instance, AmeriCorps in Simpson County, Kentucky raised the reading comprehension scores of second graders by an average of 2.8 grade levels. The I Have a Dream program in Denver found that students working with AmeriCorps members had a 20 percent higher grade point average than other "dreamers."

Moreover, the Corporation for National Service emphasizes programs that leverage unstipended volunteers. A recent independent evaluation concluded that the average AmeriCorps member recruits or manages another 12 unpaid volunteers. Many generate far more than that. City Year in one quarter recruited 1,326 volunteers who donated 11,740 hours of service. Twenty seven AmeriCorps VISTAs organized K-2 programs for 48 schools in Oregon. The RSVP program in Lillington, North Carolina organized 15,000 hours of tutoring to 300 children through the "Rockin' Readers' project. (Senior volunteers join kids for breakfast in the cafeteria and then read to them in rocking chairs for over an hour.) A service learning program at Harcum College in Pennsylvania has trained inner-city parents to be volunteer tutors in their children's classrooms.

The President's FY 1998 proposal for the Corporation for National Service is \$800 million. We expect we'll get \$600 million in '97. So the President can propose that about \$200 million of the Reading Initiative be done through AmeriCorps, the National Senior Service Corps and the service learning programs -- without changing the budget submission.

That would mean another 11,000 AmeriCorps members -- plus 10,000 college volunteers, 62,000 RSVP senior volunteers, and 3,400 Foster Grandparents. The Corporation would use our existing administrative structure to distribute the money through non-profits, state commissions and state education agencies. However, we could, in each case, earmark this new money as part of the initiative.

Should national service play a major role in implementing the Reading proposal?

PROS:

It would build on the Most Successful Models -- AmeriCorps and other national service participants work through non-profits, many of whom have pioneered innovative approaches to helping children.. This approach relies on the civil sector rather than government. It is activist, without being Big Government.

Aid would not get siphoned off by local bureaucracies -- Communities like using service programs because the aid comes in the form of energetic, idealistic volunteers who work directly with the children.

It could give a sharper focus and higher profile to AmeriCorps -- Most people associate AmeriCorps with service but not with helping to solve a particular set of urgent problems. This would help people see national service as an effective tool for improving the lives of their children. And it would allow for another 11,000 AmeriCorps members.

It's cheaper -- Schools would end up paying \$20,000 in salary to hire a volunteer coordinator. AmeriCorps members get about \$8,000 plus the scholarship. (The average total cost for an AmeriCorps member including all overhead, training and evaluation is \$17,000). Senior and college volunteers cost a fraction of that.

It can be done without budgetary offsets -- The President's 1998 budget submission is roughly \$200 million more than the expected appropriation. We can dedicate that \$200 million to this initiative.

CONS:

Decentralized structure makes it harder to coordinate activities -- Because they would be based in local non-profit groups, we would not be able to dictate what the volunteers are doing. Quality and approach would vary from project to project.

A perception that national service participants don't have the proper expertise -- Although our programs have shown that most smart dedicated people can be trained to be tutors, some may argue that this should be left to the experts.

It will take time before all the resources are deployed -- While some Corporation programs can move quickly, most operate through a competitive grant process so it would not be until 1998 before the full contingent was at work.

The volatile politics of AmeriCorps -- Despite the fact that the Republicans did not target AmeriCorps in their platform, one never knows when a new assault might come. If that happens, the literacy initiative might suffer along with AmeriCorps.



Gene,

F41

Gene

BusinessWeek

Government

COMMUNITY SERVICE

A SOCIAL PROGRAM CEOs WANT TO SAVE

AmeriCorps has the passionate support of even GOP execs

It's not like Erie Chapman to defend a federal do-gooder program. After all, he's a CEO, a loyal Republican, and a fundraiser for House Budget Committee Chairman John Kasich (R-Ohio), leader of the GOP budget-cutting effort. Yet the head of Columbus-based U.S. Health Corp. says Kasich is wrong to target President Clinton's national service program, AmeriCorps, for extinction.

U.S. Health has pledged \$150,000 over three years to City Year, a nonprofit that sends AmeriCorps members to work at community projects in Columbus and five other cities nationwide. Chapman argues that AmeriCorps will recoup more than its \$376 million cost this year by giving youths skills to become productive adults. He has even protested the planned cuts at a Washington press conference and congressional hearing. "It's tragic to cut these programs," he says. "Why shoot a bunch of innocent kids just to get at the President?"

CALLS AND LETTERS. Chapman has plenty of company among execs lobbying their Republican pals to save Clinton's pet program. Since AmeriCorps' creation by Congress in 1993, corporations have ponied up cash, equipment, and employee volunteers to help 20,000 young adults aged 18 to 25 perform services that range from rehabbing low-income housing to cleaning up rivers. A list of donors reads like a who's who of Corpo-



TUTORING IN NEWTLAND: Atlanta's Home Depot is giving \$125,000

rate America: BellSouth, Microsoft, NationsBank, Procter & Gamble, and American Express—to name a few.

It's no accident that execs find the project appealing. Unlike most bureaucratic social programs, AmeriCorps tries to operate like a business. It's run by a nonprofit company—the Corporation for National Service—rather than a federal agency. Moreover, the process of choosing the 350 service programs that are assigned to AmeriCorps participants is competitive. Thousands of local groups

submit proposals—with goals and concrete ways to measure success—and state boards pick the winners.

Besides, business is already intimately involved in the program. By law, non-government sources—usually businesses—must pay at least 25% of operational costs and 15% of the \$7,200 stipend each AmeriCorps member gets for a year of service. Participants also get a \$4,725 education grant at the end of service. Says Eli J. Segal, the former exec who heads AmeriCorps: "This translates into the kind of business buy-in that other federal programs have not had."

MORE BANG. CEOs particularly like the way AmeriCorps' pool of full-time, community-service workers allows them to leverage their own charitable efforts. Timberland Co., for example, says AmeriCorps participation was key to its five-year pledge of \$5 million in cash and equipment to City Year, whose youths nationwide are dressed in Timberland outfits. "As the program gets bigger, our investment goes further," explains Ken Freitas, vice-presi-

dent for community enterprise.

To save AmeriCorps from the GOP budget scalpel, corporate chiefs ranging from Shell Oil's Philip J. Carroll to Anheuser-Busch's August A. Busch III have written letters to Capitol Hill lawmakers. Tenneco Gas's Steve Chesebro not only sent letters to his two Republican senators—Texans Phil Gramm and Kay Bailey Hutchison—but lobbied other Houston CEOs to kick in money for the local AmeriCorps program. "We didn't say that we liked big government or that government should take care of this through handouts," he says. "We have seen that this is productive and proven."

Home Depot CEO Bernard Marcus has written to two dozen lawmakers, including House Speaker Newt Gingrich, who represents a district in the company's home state of Georgia. One of Home Depot's favorite programs is Hands-On

AMERICORPS' CORPORATE FRIENDS

Corporate America has been a big backer of programs using AmeriCorps members. Among the supporters:

GENERAL ELECTRIC Contributed \$250,000 to 11 United Way chapters for projects, including literacy training and food pantries.

TENNECO GAS Has given \$35,000, plus printing and accounting services, to Serve Houston Youth Corps, an AmeriCorps affiliate.

NIKE Promised \$150,000 for programs in six cities to set up fitness-oriented projects, such as sports leagues and renovating playgrounds.

FANNIE MAE Gave \$100,000 to three housing groups to train AmeriCorps members to counsel low-income renters on homeownership.

DATA: AMERICORPS

Atlanta, a clearinghouse for volunteers. The company had already given \$10,000 a year to the group, but with AmeriCorps involvement, Home Depot has expanded its support by \$125,000 over three years. Now, 65 AmeriCorps members are aides in three urban schools—a program not possible with the nonprofit group's part-time volunteers. Why is Home Depot so interested? "We need people to hire," says Suzanne Apple, director of community affairs. "This program will help build self-sufficiency, self-esteem, and the leaders of tomorrow."

One of those future leaders may be 27-year-old Paul P. Promadhat, a computer aide in a Harlem elementary school. As part of his AmeriCorps-backed training, he works at Project First, a program designed by IBM and the nonprofit Public Education Fund Network. Big Blue gives \$100,000 in computers and cash and provides retirees to train aides. When his AmeriCorps stint ends in July, Promadhat hopes the school system will hire him full time as a computer troubleshooter. "This gave me an opportunity to do something I believe in," he says.

OUT FOR BLOOD? So far, such testimonials haven't moved Republicans, who seem bent on destroying the Clinton program. There may be more than money at stake: Killing AmeriCorps would yield under 1% of the more than \$1 trillion in savings the GOP needs to balance the budget by 2002, but it would be a big slap at the President. Budget Chairman Kasich denies that the GOP attacks are aimed at Clinton. "It's a matter of policy, not politics," he says. "The AmeriCorps program is expensive, inefficient, and top-heavy with bureaucracy."

AmeriCorps' opponents argue that young people should volunteer for community service without getting stipends and that the program's per-member cost is an inefficient \$30,000. "When we're cutting basic welfare to the poor, Medicare, and Head Start, you can't sustain the argument for funding AmeriCorps," says John P. Walters, president of the New Citizenship Project, a conservative policy group.

AmeriCorps officials say the program costs closer to \$18,000 per member—about 33,000 youths are expected to take part next year at a federal cost of \$575 million. And a new study by professors at the universities of Michigan and Iowa finds that each dollar spent on the program reaps \$2.60 in reduced welfare costs, increased earnings, and other benefits. With returns like that, many CEOs aren't ready to throw in the towel. So this may yet be one do-gooder program the Republicans spare.

By Susan B. Garland in Washington, with Mary Beth Regan

NOVEMBER 1995

-E700
c.oe... FK
BURRELLE'S
EQ...F.

TONY CAMPOLO

*When Should Evangelicals
Support the President?*

EVANGELICALS, AS NEVER BEFORE IN OUR HISTORY, ARE AT ODDS WITH THE PRESIDENT. BORN-AGAIN CHRISTIANS, ONCE QUIET, "SPIRITUAL," AND NEARLY APOLITICAL, ARE NOW ONE OF THE LARGEST—AND BEST ORGANIZED—BLOCS OF VOTERS IN THE COUNTRY. AND THEY ARE ANGRY.

These evangelicals are convinced that President Clinton represents an agenda that flies in their collective faces, one that is determined to re-invent America according to a vision that at best ignores Christian concerns, and at worst is explicitly, and intentionally, anti-Christian. These Christians are outraged by the Clinton presidency, certain that he—together with his radical, liberal cohorts—have set out to destroy their security, their families, and ultimately, their country as we know it.

Why are they angry? One need not look much further than the first month of Clinton's tenure to discover a few reasons (good and bad)—asking his strong, thoughtful, independent wife to oversee health care reform, publicly funded abortions, moving to allow gays in the military, a Surgeon General committed to notions outside the mainstream—to name only a few. Few evangelical gatekeepers on radio and television failed to be upset by these decisions or appointments.

And few failed to let the world hear about it.

The evangelical community has not only criticized the President, but has demonized him. Evangelical anger toward the President, spurred on by the venom of its electronic ruling elite, has verged on hatred. Our opinions are so strong that many refuse to recognize that President Clinton can do *any* good. And hardly anyone would dare suggest that he has gone out of his way to lend support to Christian ministries. Convinced that his administration is fundamentally misguided—if not evil—many of us are not about to give him credit even when credit is due.

I don't want to take this space to argue that the demonizing of Clinton is mistaken. I have argued here before that compassion and grace must mark evangelical political discourse. Thoughtful, careful Christians will recognize that like all political creatures, there is good and bad to be found in the Clinton agenda. He is neither devil nor angel.

But what I do want to do is suggest one Clinton agenda item that Christians ought to be proud of, and support—the AmeriCorps program.

Modeled after the Peace Corps, AmeriCorps is a program that enables our country's young people to do volunteer and low paying work for non-profit organizations committed to serving and empowering their communities. In exchange for a year of service, the students receive a small stipend, health insurance, and student assistance. Some volunteers receive less. Instead of giving away grants, the AmeriCorps program enables young people to get the

financial help they need for education by working for it in programs that are cutting back on urban crime, cleaning up the environment, and improving education in urban schools.

AmeriCorps has enlisted thousands of young people to work in social services and ministries throughout the United States. Often church-based tutoring programs and summer camps gain staff members from AmeriCorps volunteers. Organizations ranging from the Salvation Army and Habitat for Humanity to ACORN housing have enjoyed huge benefits from the AmeriCorps program. Christian colleges such as Azusa Pacific and Eastern have been able to employ AmeriCorps volunteers to develop outreach ministries to "at risk" children.

In Owensboro, Kentucky, one senior citizen from the Retired Senior Volunteer Program is joining other volunteers she has mobilized to prepare and serve dinner to nearly 100 families and children every night at the Tenth Street Baptist Church. In Pittsburgh, AmeriCorps members are serving with the East End Cooperative Ministry to tutor local school children and operate neighborhood drop-in centers. In Frostproof, Florida, AmeriCorps members are serving in rural areas with a Christian service organization called "Frostproof Care Center" to counsel at-risk youth, tutor, deliver meals to elderly citizens and conduct parenting skills seminars.

I could spend pages telling more stories of the successes of the first year of AmeriCorps. It is an effective means of providing student assistance while promoting community responsibility and an ethic of public service.

And yet many evangelicals are actively supporting the 104th Congress's attempts to dismantle this effective, cost-efficient, and finally, *good*, program. Why?

It is time for us to grow up and act like the fair-minded people that we are supposed to be. If a Clinton program does some good for our communities, our youth, and the country, let's support it. Certainly, with the AmeriCorps program he deserves more help from us than he is getting.

I call upon those in the Religious Right, as well as those on the religious left, to forget their grievances with each other and to support this program. Let's be sure our partisanship doesn't destroy something that America needs. ■





The Honorable Eli Segal
President
The Corporation for National Service

I am writing to you as Director of United States Affiliates of Habitat for Humanity to express support for AmeriCorps.

Habitat for Humanity has over 1,100 programs in communities across the country building affordable housing in partnership with people in need. Each Affiliate is a grass-roots community organization which succeeds through the local initiatives of people who want to serve their community through assisting people who desperately need decent, affordable housing.

Five of our Affiliates are participating in the National AmeriCorps program: Sumter County, Georgia; Baltimore/Sandtown, Maryland; North Central Philadelphia; Miami and Homestead, Florida. Many more are participating at the local level through State AmeriCorps funding. In each of these Affiliates AmeriCorps members are making a significant contribution towards the goal of increasing our house building capacity over the course of two years. This year in rural Sumter County, Georgia, AmeriCorps members are the core of a construction crew which will build at least sixty houses, while in the urban areas of Philadelphia and Baltimore AmeriCorps members are helping in the challenging task of renovating forty decaying row houses. In Miami AmeriCorps members have helped to complete twenty six houses and have an additional forty under construction as part of a ninety five house development. In Homestead AmeriCorps members are building prototype metal frame houses in training for a two hundred house model low income housing development.

The scope of these projects would be difficult without AmeriCorps. As significant as the building activity of AmeriCorps members is, there is yet another significant impact of AmeriCorps on our programs. As they gain in construction skills AmeriCorps members allow us to expand our use of larger numbers of volunteers through their ability to act as crew leaders and supervisors. In Miami the success of the AmeriCorps program is allowing the Affiliate to host over one thousand college students volunteering during their Spring break. In Americus, Georgia, AmeriCorps members will join with other volunteers to build ten homes in one week. These could not be accomplished without AmeriCorps.

Habitat joins non-profit organizations across the country who are successfully engaging AmeriCorps members in community service in thanking you to for supporting us in making a demonstrable difference in peoples lives.

Susan Sewell
Director, U.S. Affiliates
Habitat for Humanity, Int'l



The Honorable Harris Wafford
CEO
Corporation for National Service
1201 New York Ave, N.W.
Washington, D.C.



Dear Mr. Wafford:

I am writing to congratulate you on your appointment as CEO of the Corporation for National Service. It was my pleasure to meet Eli Segal and I look forward to meeting you as well. Your wealth of experience will serve you well as you enter the delicate negotiations in the months ahead.

David Mc Daniels, Habitat's AmeriCorps Grant Director, and Scott Squeglia, our Grant Manager, were in attendance at the South and Atlantic Cluster meetings respectively. Each has told me of the references you made to Habitat•Americorps in your remarks and of how the partnership has significantly contributed to our house building capacity in participating sites. As you noted in your remarks, as AmeriCorps members gain in construction skills our Affiliates are able to expand the number of occasional volunteers through increased capacity to supervise and manage volunteers.

The first year of our partnership was an exciting and productive one especially highlighted by the Mother's Day Blitz build in which ten houses were built in a week here in Americus. We at Habitat for Humanity look forward to our second year of participation in AmeriCorps as we move toward our vision of a world with no more substandard housing and homelessness.

Let me close by extending a personal invitation for you to visit any of our Habitat•Americorps sites during your travels. I know that our program will feature at least two Blitz builds this year, with one in Savannah and another in Cleveland. I'll ask David to keep you informed as these plans become concrete.

Again, I wish to congratulate you on your appointment and to thank you for your years of public and community service.

In the spirit of a Building partnership,

Millard Fuller
President

The ethic of service

By Leslie Lenkowsky

Today, the General Accounting Office is scheduled to issue the draft report of its analysis of AmeriCorps, the 10-month-old national service program.

If some in Congress had their way, this year would be AmeriCorps' last—the House voted Monday to provide no further funding. The GAO report, and my own experience as a member of the board of directors overseeing AmeriCorps, suggests the Senate should take a second look.

Here's what GAO concludes: AmeriCorps itself is investing slightly less per participant than originally estimated. Other parts of the federal government are also providing support, in nearly exactly the amounts AmeriCorps had predicted.

Parts of the GAO Report will trigger debates between supporters and detractors of AmeriCorps—including whether private sector contributions, or state and local support, are a valuable benefit or just an addition to cost. But the bottom line for Congress' consideration should be that over which it has responsibility—the federal contribution—and there, AmeriCorps is right on budget.

GAO suggests that AmeriCorps is also on mission. The audit teams found local programs doing exactly what Congress had intended: rehabilitating housing, tutoring, analyzing crime statistics and developing prevention measures, strengthening communities, encouraging responsibility and expanding opportunity.

These findings track an earlier cost/benefit study done by an impressive team of economists. Like GAO, the economists didn't establish either AmeriCorps' costs or its benefits—but did present a well-reasoned estimate of what AmeriCorps may produce, if programs are held to their contractual objectives.

Therein lies Congress' challenge. GAO shows that it would be disingenuous to kill AmeriCorps on the basis of cost. It isn't costing the taxpayer any more than was intended, and it is difficult to premise fiscal salvation on a savings that amounts to less than one-thirtieth of a penny on a tax dollar.

Nor is it fair to attack AmeriCorps as the death-knell of selfless charity. AmeriCorps is too small for that, and Americans are too big. In the main, AmeriCorps members provide local charities with useful resources that can make more effective the voluntary assistance you and I can provide.

So should we worry about AmeriCorps being a political Trojan horse

— or at least a stalking horse for Clinton-Gore '96? I have to admit that I have been watching this topic very carefully. One test of intent and not rhetoric came in the willingness to examine the activities of ACORN Housing Corporation, an investigation I pushed for as a Board Member. The Corporation for National Service did the right and thorough thing—and even the Washington Times praised the outcome.

Politics can be expected to intrude upon nearly every policy debate. But Republicans have alter-



natives to killing AmeriCorps. They can recognize that the initiative's foundations—responsibility, opportunity and citizenship—are distinctly Republican ideals (advanced with eloquence in William F. Buckley's "Gratitude," although not an endorsement of a new program). And AmeriCorps' structure places the bulk of the money and much of the decision-making in the hands of the states—thanks to Republican efforts when the legislation was drafted in 1993. Finally, despite the fracas within the Beltway, in the heartland this thing is wildly popular—with Republican governors like New Hampshire's Steve Merrill and many others; with businessmen who like the results they see in their own markets; with ordinary voters who (in Wall Street Journal polls) have wanted to defend AmeriCorps even more than Big Bird.

No, AmeriCorps won't revolutionize America—whether it's Newt Gingrich's revolution or Bill Clinton's. But it is making a difference for America in a distinctly American way. And it deserves both time and constructive criticism. As the Congress and the president do the job they have been elected to do—set national budget priorities—I would encourage them to emphasize innovative ways of using government to strengthen (not overpower) communities and encourage the ethic of service. Those goals can provide real meaning to the search for common ground.

Leslie Lenkowsky is the president of the Hudson Institute and a member of the board of directors of the Corporation for National Service. He was appointed to the U.S. Information Agency by President Reagan and the Commission on National and Community Service by President Bush.

A HALF OF SOMEONE ELSE'S LOAF

A Modest Proposal for Rescuing (and Redirecting) AmeriCorps

BY STEVEN WALDMAN

In their zeal to skewer President Clinton, Republicans are missing a delicious opportunity to overhaul the welfare state—using one of the president's favorite programs as the crowbar. The program is AmeriCorps, which allows young people to earn college scholarships by performing a year or two of community service. Clinton has touted it as his proudest achievement; Republicans, therefore, have targeted it for doom.

The GOP claims the program abounds in boondoggles and bureaucratic waste. In fact, AmeriCorps is better viewed as a potential conservative antidote to bureaucratic liberalism—a Swiss Army knife that can slash social spending, shake up municipal labor unions, undercut the handout mentality of some government beneficiaries and, just for fun, infuriate liberal interest groups.

Rather than whack AmeriCorps, Republicans should say to Clinton: "Okay, Mr. New Democrat, you're so impressed with AmeriCorps' ability to get things done? Let's use the program to replace the antiquated government bureaucracies that old-style liberals (unlike you, of course) have defended for so long."

Specifically, Republicans should propose cutting billions of dollars from existing social programs—and giving half of the savings to AmeriCorps. The Democrats want \$100 million for housing renovation? Cut \$100 million from the Department of Housing and Urban Development, then give \$50 million of that amount to AmeriCorps' Habitat for Humanity programs. Replicate that with any social program in which AmeriCorps could be said to offer a more efficient alternative, and you'll save taxpayers billions of dollars without harming the needy.

Missing an Opportunity

Through an AmeriCorps "buy down," Congress could replace bureaucracy with a substitute rooted in conservative thinking. *National Review* founder and editor-at-large William F. Buckley Jr. wrote an entire book, *Gratitude*, on the need for a national service program (yes, paid service) that would engender a sense of obligation

to the community among young Americans. Senate Majority Leader Robert Dole once supported the creation of a new Civilian Conservation Corps. And Erie Chapman, the chief executive officer of U.S. Health Corporation (and House Budget Committee chairman John Kasich's chief fundraiser) recently said, "It's tragic to cut these programs. Why shoot a bunch of innocent kids just to get at the President?"

Although some conservatives attack AmeriCorps as a typical government program, it really is quite different. Most of the money is distributed through the states (federalism!) to local nonprofit groups (volunteerism!) which must vie for grants (competition!). In a 1993 letter entitled "National Service—Truly Republican," Rep. Christopher Shays of Connecticut and 15 other Republicans wrote, "We believe national service is a basic Republican idea, [and] that the President's proposal is structured as a Republican would have structured it."

To understand just how badly Republicans have missed AmeriCorps' potential, consider one line of attack from Sen. Charles Grassley (R-Iowa). In a Senate floor speech he declared, "We recently uncovered that President Clinton's AmeriCorps is paying over \$70,000 for one—yes, Mr. President, that is one—volunteer for AmeriCorps." But the program in question is an effort by the Philadelphia Bar Foundation to encourage promising young lawyers to do *pro bono* work. Young men and women who have accepted offers from prestigious firms agree to take a 50 percent cut in pay for two years, if the firm will let them work at a public interest group for a year. The cost to the federal government is about \$5,000 per worker, not \$70,000, almost all of it in the form of a tuition voucher. Grassley cooked up the \$70,000 figure by defining "cost" to include contributions made by the lawyer (in lost pay) and the firm (in lost services).

In other words, the Philadelphia program takes a few federal dollars and leverages an enormous amount of private activity. Grassley could have just as easily harumphed, "This is leveraging \$13 for every dollar spent! Why can't the darned Legal Services Corporation be that efficient?"

Perspective, opinion

Hospital executive urges GOP to save AmeriCorps from budget ax

By Eric Chapman

AmeriCorps, the national service initiative, is marked for elimination by the recent House and Senate budget resolutions. Killing it would be a grave mistake.

AmeriCorps is only nine months old, but already its 20,000 members — serving at 350 programs around the US — have proven that it works and deserves a chance to help us save our communities and our youth. As CEO of a large, non-profit, health care system with 11,000 employees and \$800 million in net revenues, I know something about good investments and effective service. As a businessman, I see that the return far outweighs the investment we make in AmeriCorps. And as the volunteer chairman of the board of the City Year program in Columbus, Ohio, I see the value of providing young people a chance to give others a hand and get a hand with education costs. I see firsthand how service builds character as it rebuilds communities.

City Year Columbus, like City Year programs in American cities from Boston to Chicago, to San Jose, are AmeriCorps partners. City Year is a spectacularly successful example of public-private partnerships. Private corporations like U.S. Health, Bank One, The Limited and Timberland have put hundreds of thousands of dollars behind the City Year effort. But

that's not enough—AmeriCorps' support has made the difference. AmeriCorps helped leverage contributions, support and stability—the kind of stability which gets the private sector organizations like my own to commit and young people to sign up. With AmeriCorps we have reached many more people.

Now that the private sector has made its commitment, and young people have made their commitment, it is astounding and outrageous to me, as a business leader, community leader, private citizen and, incidentally, a registered Republican, that the U.S. Congress would actually withdraw its commitment.

To me, the Congress is acting like a bomber pilot gone off course—not only bombing innocent citizens, but stealing a chance for solving some of the toughest problems inner cities face. If the recommendation to eliminate AmeriCorps stands, it will take away jobs and take away hope from people I have come to know in the City Year Corps—like 19 year old Don Gladden. Don is a former gang member who has pulled away from his gang to join the Corps. I asked him what he would be doing if it weren't for the Corps—He said, "I'd be standing on street corners attacking

people, robbing them, beating them up, fighting with other gangs, you know, stuff like that. I'd probably be dead or lying in a hospital somewhere if it weren't for City Year."

Hospitals are where I work. For twenty years, I've seen people like Don come into our emergency rooms because

lives and careers. If Congress thinks AmeriCorps is expensive, wait until they see the costs if they kill it.

A few months back, I was enthusiastic about much of what I saw in the plans proposed by my fellow Republicans, including our Congressman and good friend John

Kasich. I didn't realize that they planned to put out a contract to cut programs like City Year and kill AmeriCorps. America's strategic plan needs to be to build healthy communities and simultane-

ously reduce violence. Everybody agrees with that. And these are the programs that have the best chance to save our young people and save our cities. These programs are like preventive medicine—always better and less expensive than the alternative. Now these great programs may be killed or fatally wounded—cut off in mid-sentence—before the point has been made.

I challenge Members of Congress to visit programs and get the facts. They will discover that a balanced budget is important—yet without balanced human beings, no budget can work. AmeriCorps works. City Year succeeds. They must be saved. Don Gladden and thousands of others are counting on us. And they're counting on Congress.

AmeriCorps is only nine months old, but already its 20,000 members — serving at 350 programs around the US — have proven that it works and deserves a chance to help us save our communities and our youth.

they've been shot or stabbed. Or I've seen the victims of people like Don—who come in having been shot or stabbed. It's expensive.

Before I ran hospitals, I was a federal prosecuting attorney under a previous Republican administration. I saw people like Don there too—arrested for armed robbery or kidnapping. And I saw the victims of people like Don as well. It's expensive.

I know what hospitals do—it's expensive. I know what courtrooms and prisons do—it's expensive and it often doesn't work. Now I know what City Year and AmeriCorps do—they save people like Don and help make them into productive citizens. If Congress wants to save money, save AmeriCorps and City Year. They're not expensive—they save dollars and

Midwest, national values

Here in the Midwest we have always had a strong tradition and value for community service. From the barn-raising experiences of the 1800s to the settlement houses in the early part of this century to today's AmeriCorps members, Midwesterners have always encouraged neighbor helping neighbor.

Today's AmeriCorps continues that spirit of service. As Congress looks at whether or not to continue support for AmeriCorps, it's important to take a moment to examine what the program has accomplished for Kansas City and the nation — not just in streets reclaimed and parks restored but in the values they impart to participants and beneficiaries alike.

There are nine community service programs operated by or in conjunction with AmeriCorps in the Kansas City metropolitan area which is served by over 200 AmeriCorps members. Kansas City also has the only program in the nation, "Bridges across the Heartland," operated across state lines.

Service projects like AmeriCorps, Learn and Serve America and National Senior Service Corps are, ultimately, about values. What they say about who we are and what we care about is as important as the tasks they undertake or the minimal costs they incur.

The projects that make up America's national and community service share four core values:

Service. These projects get things done here in Kansas City. Whether it is closing crack houses, helping the elderly, working in the inner city to fight crime, or working with abused children, service projects are meeting the vital needs of society. As we look to government to do



MARGARET SCOTT

less (and cost less), AmeriCorps is a cost-effective means of helping our communities do more.

Community. When a neighborhood under siege by drugs and gangs is reclaimed by its residents, people are reconnected to their community. They develop a new-found sense of common purpose. Service projects focus on local needs and local resources, working through existing volunteer and charitable organizations to empower citizens to solve problems on their own. The government's primary role is to point the way and to prove that concerned citizens, working together, can make a difference.

Responsibility. Involvement in service programs fosters a commitment to community. With Americans increasingly isolated from their public institutions, restoring civic and individual responsibility is vital to the resurgence of our country's economic and moral leadership. People active in service projects learn the discipline and responsibility needed to succeed in the contemporary work force. It is critical that we teach our children the value of giving something back to their community.

Opportunity. At the same time, service projects are about creating opportunity. AmeriCorps provides awards toward college costs for its participants, but the chance to go to college is only one of many opportunities provided. The most important benefits the program offers

don't go to the members. What is the value of service to a child who grows up in a neighborhood that's chased out the gangs and drugs that once plagued it? To a community that's banded together to rebuild from natural or man-made disaster? However you choose to value these benefits, it is clear that they far exceed the costs of the programs that provide them. In fact, a recently released independent report by four leading economists reveals that every dollar invested in AmeriCorps yields a return of between \$1.60 and \$2.60.

Service, community, responsibility, and opportunity. These values have been cornerstones of the Midwest and our country's experience for more than 200 years. They've helped us survive two world wars, the Depression and countless other challenges before and since. They were on display a few weeks ago, when the tragic bombing of the federal building in Oklahoma City shook the nation.

Few Americans are aware of it, but away from the glare of the television cameras and the crush of reporters, dozens of AmeriCorps members were setting up disaster relief centers, coordinating housing and food distribution to displaced families and, in a small but big-hearted gesture, handing out teddy bears to children injured in the blast.

They came from hundreds of miles away not because they get paid minimum wage to do so, but because, like most of us, they were shaken by a terrorist act that struck at the very foundations of our society and wanted to do whatever they could to help.

Those are values that have led more than a million people of all ages and from all walks of life to look beyond their own concerns to join efforts like AmeriCorps. They show us that by helping each other, we help ourselves and our communities. Those are the values that built America, and our national and community service programs are building on them every day.

Robert B. Rogers
Kansas City

Cuts will destroy the core of American values

By Theodore M. Hesburgh

The House of Representatives is proposing retroactive cuts that would shut down AmeriCorps, the new national service program. The House would reduce current funding for AmeriCorps by more than two-thirds—funding that was approved last year by a bipartisan coalition in Congress. Believing as I do in the importance of national service and the great potential of AmeriCorps, I urge, on this issue, that we put politics aside and not back away from a program that invests in American values, promotes citizenship and enables people to work together and solve their communities' problems.

Perhaps no concept so permeates the history of our nation nor captures the essence of our religious and ethical tradition as does service. I have seen many types of national service, from the Civilian Conservation Corps, which I served as chaplain from 1940 to '41; to the Peace Corps; to the bipartisan commission I co-chaired in 1979, which recommended a new national service initiative; and to AmeriCorps, the latest and best conceived movement for national service. In the recent debate about AmeriCorps facts sometimes seem to get lost, and that's a shame—not just for the 20,000 Americans interested in joining it, but for the hundreds of communities around the country that AmeriCorps has reached and the thousands that need its touch.

That is where the real AmeriCorps begins: in local communities. It works in our biggest cities, like New York, where the New York's police department reports that recreation areas policed by AmeriCorps members in a 1994 pilot program were free of assaults for the first time in years. Or in Kansas City, Mo., where AmeriCorps members shut down crack houses and build programs that give youth alternatives to drugs and gangs.

AmeriCorps works in smaller cities and tiny rural hamlets, too. Notre Dame has seen AmeriCorps' value. That's why I joined, fielding 40 extraordinary college graduates who teach in South Bend, Ind., schools in the summers and in 30 severely strapped schools in four Southern states during the school year. The principals say AmeriCorps members' spirit and commitment have enriched their students' lives and re-energized their teachers. Those students wouldn't make it without AmeriCorps members—and the 40 members couldn't live out their commitment without AmeriCorps.

AmeriCorps is guided by a corporation (the Corporation for National Service), but it has also moved most of the decision-making closest to problems by giving authority and responsibility to the states and by having programs operated by local non-profits. AmeriCorps is funded by Congress, but it requires local companies and foundations to foot a substantial part of the bill. And AmeriCorps is headed by business people, monitored by a private-sector board, and wedded to competition, not politics, as the method by which grants go out and participants join up.

Some have wondered whether the \$600 a month living allowance AmeriCorps members, and the \$4,725 scholarship or student loan repayment they can earn through a full year's service, destroy the spirit of service. It hasn't done so in the Peace Corps. It hasn't in AmeriCorps. Those of us in the clergy take a vow of poverty. Citizens need only take a vow of responsibility. AmeriCorps does demand sacrifice from its members. And for those who answer the challenge, it provides not only the opportunity to pay for college, but the higher gift of making a difference, and the lifelong satisfaction of building community.

Our church has always called parishioners to aid those in need, and Americans of all faiths have been the most generous people on earth. But more is needed. Weekend volunteers return to their jobs Monday mornings, as do parents to their children and the clergy to their congregations. AmeriCorps is designed to make the most out of what each American can give in time and talent—that's why those organizations that have always made service their mission, from the Red Cross to Habitat for Humanity to the YMCA to the Multiple Sclerosis Society—350 in all—have been proud to join the AmeriCorps network.

Sixteen years ago our commission concluded that service was critical to the education and development of young Americans for adult lives of productive work and good citizenship. National Service was a non-partisan idea then, as it was when President Bush signed a national service law in 1990. It was a non-partisan idea when Congress created AmeriCorps less than a year and a half ago, as it was when the first AmeriCorps members began serving last fall.

It should be free from political gamesmanship now and given a chance to succeed. Values matter, now more than ever. Let AmeriCorps help nourish the roots of citizenship, so that all our American dreams can flower.

The Rev. Theodore M. Hesburgh is a former president of the University of Notre Dame.

MAR 12 1995

145 BURRELLE'S RW
0001 b...

AmeriCorps helps build character, gets work done

6297AT

By David C. Jones

As a supporter of the AmeriCorps national service program and former chairman of the Joint Chiefs of Staff, I was pleased to see President Clinton recognize four AmeriCorps members for their service to our country during his State of the Union address. I was especially gratified that one of those dedicated and determined young people, Philip Wu, is a U.S. Army veteran who is complementing his military service with a hitch in AmeriCorps.

Phillip served as a telecommunications specialist in the Army, then used his G.I. Bill benefits to complete two years of college. As an AmeriCorps member, he builds homes with the Miami Habitat for Humanity program. He draws on skills learned in the military to recruit, train and supervise volunteer builders. From AmeriCorps/Habitat, he has learned skills in all aspects of home construction. And he'll use his education award from AmeriCorps (\$4,725 for each year he serves) to finish college and get his degree. (Veterans earn AmeriCorps benefits without diminishing those they earned in the military.)

Common spirit

Philip Wu's example shows a common chord of spirit — a spirit that gets things done — in the work of those who serve our volunteer Army and those who serve full time in AmeriCorps. Of course, our men and women in uniform give all that a nation can ask of its citizens, protecting freedom at home and abroad. Their's is a far greater sacrifice.

But just as our armed forces provide for the national defense, AmeriCorps is mounting a national offensive here at home against problems that threaten our society. This offensive involves 20,000 AmeriCorps members serving in locally-run programs, tutoring high-risk children, cleaning up our rivers and streams, working with police to reduce crime, helping disaster victims rebuild. AmeriCorps provides 350 community programs with the best resource

of all — Americans who want to shoulder responsibility and serve our country.

Like our Armed forces, AmeriCorps is mission based. AmeriCorps programs either deliver results or lose their funding. Service builds character while it rebuilds communities, and AmeriCorps members get a chance to give others a hand and get a hand with education costs. But while AmeriCorps invests in the individuals who serve, it makes a far broader investment in renewing our society and enriching our economy. Our communities are leveraging every tax dollar that supports AmeriCorps.

For example, a 10-member team of AmeriCorps National Civilian Community Corps worked with a Baltimore community to build an after-school education and recreation program for high-risk youths. The AmeriCorps team restored a local park, refurbished a nearby recreation center, organized and trained local residents to conduct activities and tutoring programs that give youths an alternative to the streets and build their academic skills.

With its job done, the AmeriCorps team moved onto a new challenge, but left behind a center that serves 75-85 youngsters. The team also helped set up a homeownership and renovation program that trains people to become first-time homeowners.

Other cases in point. An AmeriCorps member in rural Kentucky works every day with children in a public school, teaching them to read so they can compete and won't drop out. In Texas, more than 100,000 children have been immunized and will never need public health services for treatment of a host of diseases — saving



more than five dollars for every dollar invested.

In Kansas City, Mo., an AmeriCorps program closes crack houses and gives youths alternatives to drugs and gangs. And in Miami, with help from Philip Wu, families that once depended on subsidized housing will be paying mortgages on their first homes.

Major investments

These are major, long term investments, both human and financial.

AmeriCorps programs work. They show what we can accomplish when government operates as a true partner of communities. And most important, they build citizenship by enacting an old truth that the men and women in our armed forces learn so well: To earn opportunity you must take responsibility for yourself and others.

Retired U.S. Air Force Gen. David C. Jones chairs the advisory board of AmeriCorps. He served as Air Force chief of staff from 1974 to 1978 and as chairman of the Joint Chiefs of Staff from 1978 to 1982.

Governors' Excerpts on National Service

"Now that we have a Republican congress that is finally serious about getting America's house in order I have only one word of caution, AmeriCorps. This is the baby that should not be thrown out with the bathwater. AmeriCorps Members will help us build a better tomorrow one of the most intelligent uses of taxpayers dollars ever."

**--Remarks by Governor William Weld (Massachusetts)
AmeriCorps Swearing in Ceremony
October 12, 1995**

"Today is a great day for service in Michigan--the kick-off for Michigan's AmeriCorps. Soon members of Michigan's AmeriCorps will be getting things done to meet the important needs of our communities, demonstrating that our greatest resource remains our people. AmeriCorps captures the promise found in all citizens, young and old, who see problems in their communities and work together to solve them. . . . You have come together, as have others in communities across the country, in the true spirit of service. Today, we celebrate the beginning of AmeriCorps and reaffirm traditions that we hold so dearly in Michigan--community, volunteerism, and service to others."

**--Remarks by Governor John Engler (Michigan)
to Michigan's AmeriCorps Members
September 12, 1994**

"AmeriCorps USA, California's new national service program, is another significant part of the state's service movement. In California alone there are over 2500 AmeriCorps members, engaged in service, who will be doing a wide range of work, from reducing juvenile crime, and providing service participants valuable skills and experience to encouraging adult and youth role models to mentor and tutor students at risk of dropping out of school or academic failure and encouraging preventive approaches to meeting unmet human needs."

**--Letter from Governor Pete Wilson (California)
California Conference on Service and Volunteerism
January 26, 1995**

"While balancing the budgets, fighting unfunded mandates, and streamlining government, I am committed to this community service program for Montana communities and citizens. If we can be as creative and constructive with other federal dollars in Montana as we are with our community service efforts, Montanans will inevitably win."

**--Letter from Governor Marc Racicot (Montana)
to State Representative Dick Green
February 24, 1995**

"North Carolina is proud to host a wide range of national service programs in more than three fourths of our 100 counties. Already, AmeriCorps programs are having a tremendous impact on communities across our state because they provide service at the local level, where real change can happen.

Our AmeriCorps members are tutoring children, creating new after-school enrichment programs, teaching adults to read, caring for the elderly, constructing affordable housing and working in day care centers. They have brought volunteers who would not otherwise be involved to work in AmeriCorps programs.

The success of AmeriCorps in North Carolina has relied on the input and commitment of citizens who have worked together at the local level to create programs that address our state's most pressing needs. Community organizations, schools, civic groups, volunteers, government agencies and business leaders are involved in developing solutions that really work. Citizens and elected officials across the political spectrum have shown support for national service as an ideal way to get things done in the state."

**--Letter from Governor James Hunt (North Carolina)
to the Corporation's Chief Executive Officer
March 21, 1995**

"During these tight budgetary times, we must carefully consider the total impact of each dollar we spend. The AmeriCorps program represents an investment in our young people and in our communities that not only provides immediate benefits but will also pay huge dividends in the future. It harnesses old-fashioned citizen power and focuses on the roots of fundamental societal problems. AmeriCorps has made a tremendous difference in Kentucky in a very short time. It is one of the most creative, innovative and successful federally funded programs operating today."

**--Statement from Governor Brereton Jones (Kentucky)
March 23, 1995**

"I continue to be extremely pleased with the way our State Commission for National and Community Service has been able to support and expand AmeriCorps projects. . . . I also believe we are off to an excellent start in this new federal-state partnership where local decision making can have an impact. The President is to be commended for providing the vision for National Service which permits Governors through the State Commission the ability to design programs which address critical state needs."

**--Letter from Governor Mike Lowry (Washington)
to the Corporation's Chief Executive Officer
April 27, 1995**

"I am enthusiastic and impressed with the work of the AmeriCorps programs in Arizona. . . . AmeriCorps is not government as usual, but rather an investment in local programs -- building public/private partnerships and delivering measurable, tangible results."

**--Letter from Governor Fife Symington (Arizona)
to Mr. Richard H. Carter
May 9, 1995**

"Growing out of federal legislation initiated in the Bush Administration, today's national service programs are a truly non-partisan effort that has had a demonstrable effect on the quality of life in Rhode Island. We are proud of our AmeriCorps programs--City Year, Children's Crusade and Community Partnership--and their committed members of all ages who are working every day in community service programs to assist their fellow citizens."

**--Statement from Governor Lincoln Almond (Rhode Island)
June 6, 1995**

"The National Service program has been a great success in the State of New Hampshire and I anticipate it will continue to be in the future. The growth and prosperity of the AmeriCorps program in New Hampshire is directly related to the outstanding commitment of our volunteers, as well as our State Commission on National Service. These motivated individuals make AmeriCorps work for New Hampshire and I am pleased to be a partner in this process."

**--Letter from Governor Stephen Merrill (New Hampshire)
to the Corporation's Chief Executive Officer
July 10, 1995**

"The new national service effort -- AmeriCorps -- has only existed a short time, but we believe it can be a valued partner with communities and volunteers working to meet local needs in Chicago and across Illinois. It, along with another Corporation for National Service initiative -- Learn and Serve America -is a needed and potentially valuable member of our community service network. . . .Our Commission on Community Service will do all it can to make sure the Corporation for National Service programs are effective as they continue to work to enhance the structure of service throughout Illinois. We welcome your participation and leadership as all Americans are challenged to take an active role in strengthening their communities from the grass roots upward."

**--Letter from Governor Jim Edgar (Illinois)
to the Corporation's Chief Executive Officer
June 2, 1995**



COMMENTS FROM CORPORATE LEADERS

- **ATLANTIC BANK**

"AmeriCorps is a terrific way to leverage community involvement, corporate contributions, and public participation."

- Lawrence Connell, CEO, Atlantic Bank (12/12/95)

- **BAIN CAPITAL**

"The private sector invests in AmeriCorps public-private-independent partnership because we see a great return on our investment for our community."

- Mitt Romney, CEO, Bain Capital (9/95)

- **BANK OF BOSTON**

"Companies like ours have now given almost \$25 million to support City Year, and I think...it's one of the most cost effective investments we've ever made. It's paying dividends to the community and society. It is a very visible and accountable program."

- Ira Jackson, Bank of Boston, Senior Vice President (6/30/95)

- **BAREFOOT MARRINAN & ASSOCIATES**

"If you believe, as I do, that community renewal often is less about bricks and mortar and even money than it is about effort and hope and people working together for something better, you may find AmeriCorps a useful complement to community development financing... Banks can tap AmeriCorps Members as resources to do work that will enhance the value and success of a project the bank is initiating or supporting."

- Jo Ann Barefoot, President, Barefoot, Marrinan & Associates (11/16/95)

- **BARNETT BANK**

"AmeriCorps policing efforts helped stabilize the community and alleviate some of the risks associated with the bank's loans in the area. This added value to the bank's strategic business interests in the community, in addition to giving Barnett new links to the residents and businesses in the market."

- Harry Stump, Senior Vice President, Barnett (11/16/95)

- **BP AMERICA**

"BP funds the ClassMates AmeriCorps program because it provides substantial benefits to the local community. AmeriCorps Members serve as tutors and mentors in Cleveland middle schools, enhancing educational opportunities and providing positive role models. This partnership among BP, AmeriCorps, and local Cleveland nonprofit organizations demonstrates the strength that a community can develop when it works together."

- Charles M. Bowman, Chief Executive Officer, BP America (2/1/96)

- **CITIZEN'S BANK CORPORATION**

"AmeriCorps Members have gotten results - good results that are measurable. You can see the results on paper and you can see them on the faces of children getting their first 'A's' and in adults reading for the first time... The smart money is on AmeriCorps"

- Lawrence K. Fish, Chairman and CEO, Citizen's Financial Group (10/12/95)

- **FIRST CHICAGO**

"Everyone's eyes were opened by them [AmeriCorps Members] - the ideas doubled. There is a lot more possible than anyone would think."

- Mary Decker, Vice President, First Chicago (11/16/95)

- **GENERAL ELECTRIC**

"We applaud this outstanding initiative to engage young people in community problem solving. Service is a proven educational experience, and we are proud to support learning that strengthens community and lasts a lifetime."

- Clifford V. Smith Jr., President of the General Electric Fund (9/94)

- **G.H. BASS**

"Investing in AmeriCorps is a great way for businesses to help out their communities. Our partnerships with AmeriCorps programs are good for local neighborhoods and are a tangible way for us to give back."

- Daniel Reardon, President, G.H. Bass Retail Division (1/96)

- **HEALTHSOURCE**

"AmeriCorps is about creating opportunities for people to assume responsibility for their lives and to create new and vibrant communities with the fundamentals of dignity and respect. The AmeriCorps Victim Assistance Program is making a real difference in the lives of New Hampshire citizens.... We're proud to support them in their efforts."

- Donna Lencki, CEO, Healthsource New Hampshire (5/12/95)

- **HONEYWELL**

*"I was proud to be in Americus, Georgia to participate in the AmeriCorps*Habitat Blitz Build and to announce a new international partnership between Honeywell and Habitat for Humanity... I had the thrill of working with AmeriCorps Members and community volunteers on my first Habitat home... We at Honeywell are delighted to join with AmeriCorps as partners in this important effort."*

- Michael Bonsignore, Honeywell Inc., CEO (9/95)

- **IBM**

"IBM expects a return on an investment, and it bases its funding decisions on demonstrable results.... This program works."

- Stan Litow, Senior Vice President, IBM (9/95)

- **LOCKHEAD MARTIN**

"Red Cross disaster relief and preparedness is an opportunity to the young men and women of AmeriCorps to help people in communities when 'Help Can't Wait'. We hope that this [disaster relief] project will be a model for communities across the country."

- Norm Augustine, President Lockheed Martin Corporation
Chairman, American Red Cross Board of Governors (9/13/95)

- **NATIONSBANK**

"The bank clearly gets more 'bang for the buck' as a result of the energy of AmeriCorps volunteers, and especially their ability to 'think outside the box.'"

- Rodney Hood, Private Initiatives, Nationsbank (11/16/95)

- **NIKE**

"Nike's partnership with AmeriCorps is a natural link for both parties... We both support community service and the direct involvement of citizens who are committed to getting things done."

- Virginia Henson, Director of Public Affairs, Nike (4/27/95)

- **POLAROID**

*"We felt strongly about supporting AmeriCorps*Cambridge Community Service with a substantial grant because of its excellent track record and the high degree of community involvement in the planning process for this program. In addition, our support can help leverage federal matching funding to further enhance this model program designed for Cambridge youth."*

- Donna Furlong, Associate Director, Polaroid Foundation (2/2/95)

- **TENNACO GAS**

"We have seen that [AmeriCorps] is productive and proven."

- Steve Chesbro, President, Tennaco Gas (6/19/95)

- **THE HOME DEPOT**

"AmeriCorps brings together the public, private, and independent sectors to tackle issues that face our youth, our communities, and our cities. We invest in AmeriCorps Members because they are having a demonstrable impact."

- Bernard Marcus, Chairman of the Board, The Home Depot (9/30/95)

- **TIMBERLAND**

"This is not philanthropy. Our relationship is a reciprocal one and, we think a paradigm for how like-minded organizations from the nonprofit and business sectors can each benefit from working together to improve the community we share."

- Jeffrey Swartz, COO, The Timberland Company (10/4/94)

- **UNITED HEALTHCARE**

*"It [AmeriCorps*City Year] is a phenomenal concept that brings the energy, promise and idealism of Columbus' young people to those in need in our community. And everyone benefits from the experience."*

- Robert Sheehy, United HealthCare, CEO (6/95)



CORPORATION
FOR NATIONAL
SERVICE

AmeriCorps Investors

The following is a partial list of corporate giving programs and corporate, independent and community foundations that are investing directly in local AmeriCorps programs:

Aetna
AlliedSignal
American Express
Ameritech
Anheuser-Busch
Arizona Foundation
Arthur Anderson
AT & T
Baltimore Gas & Electric
Bank of Boston
Bechtel
BellSouth
Boatman's Bank
Boeing
The Boston Company
Boston Foundation
British Petroleum
Bullitt Foundation
Burnett-Tandy Foundation
California Community Foundation
Capital Cities/ABC
Chrysler
Citizens Bank
Charles A. Dana Foundation
Digital Equipment Corporation
Echoing Green Foundation
Enron
Entergy
Fannie Mae
First Union National Bank
Fleet Bank
Ford Foundation
Ford Motor Company
The Gap
General Electric
General Mills
GH Bass
Grand Rapids Foundation
E. & W. Haas Jr. Foundation
Hall Family Foundations

Hallmark
Healthsource
The Home Depot
Houston Endowment
IBM
JCPenney
J.P. Morgan
James Irvine Foundation
Johnson & Johnson
Kauffman Foundation
W. K. Kellogg Foundation
Knight Foundation
Louisiana Power & Light
Luce Foundation
MacArthur Foundation
MBNA
McKesson
Meadows Foundation
Mellon Bank
R.K. Mellon Foundation
Meyer Foundation
Microsoft
Millipore
Mobil
Monsanto
Morgan Stanley
Charles S. Mott Foundation
NationsBank
Nike
NYNEX
Panhandle Eastern
Payless Cashways
Pew Charitable Trust
PG & E
Philip Morris
PNC Bank
Polaroid
Prince Charitable Trust
Providian Bank
Prudential Insurance

Reebok
RI Hospital Trust Bank
The Rouse Company
Safeco
Sallie Mae
Joseph E. Seagram & Sons
Shell Oil
Skillman Foundation
Sony Corporation of America
Sprint
Steelcase
Surdna Foundation
Sylvan Learning Systems
Tenneco
Texaco
Timberland
Time Warner
Toyota
Union Pacific
United Way of America
UPS
US West
U.S. Health Corporation
Utilicorp United
Waste Management
Western Resources
Weyerhaeuser
Joseph B. Whitehead Foundation
Lola Wright Foundation
Xerox

1201 New York Avenue, NW
Washington, DC 20525
Telephone 202-606-5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

AmeriCorps Community Partners

The following is a partial list of national and local volunteer, charitable and service organizations through which AmeriCorps is getting things done in over a thousand communities across the nation.

4-H

American Association of Retired Persons
 American Red Cross
 ARC of the United States
 Arctic Village Tribal Council
 Arlington Police Department
 ASPIRA
 Audubon Society
 Big Brothers/Big Sisters
 Big Horn Police Department
 Boy Scouts of America
 Boys and Girls Clubs
 Camp Fire Boys and Girls
 Catholic Charities
 Catholic Volunteer Network
 Cherokee Reservation
 City of Decatur of Police Department
 Clearwater Police Department
 Coalition of 100 Black Women
 Confederated Tribes and Bands of Yakima
 Dallas Police Department
 D.A.R.E.
 Ducks Unlimited
 Ft. Worth Police Department
 Future Farmers of America
 Girl Scouts of the USA
 Girls, Inc.
 Goodwill Industries
 Habitat For Humanity
 Hart County Police Department
 Humane Society
 I Have a Dream Foundation
 Independent Sector
 Indianapolis Police Department
 Jewish Family Services
 Jubilee Housing
 Junior Leagues
 Kickapoo Tribe
 Lincoln County Sheriffs Department
 Lions Clubs, International
 Literacy Volunteers of America
 Knick Tribal Council
 March of Dimes
 Meals on Wheels
 Metropolitan Police Department
 of St. Louis
 Mid-Atlantic Network of Youth
 and Family Services
 Mothers Against Drunk Driving (MADD)
 Navajo Nation
 National AIDS Fund
 National Association of Partners
 in Education
 National Center for Family Literacy

National Council of Churches of Christ
 in the USA
 National Council of Educational
 Opportunity Associations
 National Council of LaRaza
 National Multiple Sclerosis Society
 National Organization for Victim Assistance
 Nature Conservancy
 Neighborhood Green Corps
 New York University
 NezPerce Tribe
 Northeastern University
 Ouzinkie Tribal Council
 Parents Anonymous
 Philadelphia Bar Association
 Pinellas Sheriffs Department
 Points of Light Foundation
 Pompano Beach Police
 Public Allies
 Public Education Fund Network
 Rotary Club, International
 Rural Electric Cooperative
 Salvation Army
 Seattle Police Department
 Shoshone-Bannock Tribe
 Sierra Club
 So Others Might Eat (S.O.M.E.)
 St. Petersburg Police Department
 Sunflower Girls
 Teach for America
 Tuntutulkia Traditional Council
 United Cerebral Palsy
 University of Texas, Austin
 United Way of America
 Urban Leagues
 Veterans Service Organizations
 Visiting Nurses Association
 Volunteer Centers
 Volunteers of America
 Westin County Sheriffs Department
 YMCA of the USA
 YWCA of the USA

And dozens of ...

*chambers of commerce
 churches and synagogues
 colleges and universities
 community centers, health and Head Start centers
 elementary, junior and high schools
 fire departments
 foodbanks
 police departments
 school districts
 senior centers
 sheriff's departments*

CORPORATION
 FOR NATIONAL
 SERVICE

1201 New York Avenue, NW
 Washington, DC 20525
 Telephone 202-606-5000

Getting Things Done.
 AmeriCorps, National Service
 Learn and Serve America
 National Senior Service Corps

September 7, 1995

**SENATE LABOR AND HUMAN RESOURCE COMMITTEE
CONFIRMATION HEARING**

Opening Statement by Harris Wofford

Nominee as Chief Executive Officer of the Corporation for National Service

It's good to be back -- although not the way I intended.

It's obvious I wasn't one of your colleagues to leave the Senate of his own volition. Nor one to depart on notes of pessimism and pent-up frustration. Serving with you was the high point of my life -- so far. In this respect I want to associate myself with the moving statement on Tuesday by Senator Pell. Someone said I didn't stay in the Senate long enough to be disillusioned. You can't say that about Claiborne Pell.

I left the Senate with respect for the institution, for my colleagues on both sides of the aisle, and especially for the work of this Committee. I enjoyed our work together -- the many times we found common ground and produced constructive legislation, and even the times we had to take our disagreements to the floor.

That said, many of you will agree with me that we often make too much of our disagreements, and that in American politics generally -- not just in Washington -- we get caught up in a spirit of partisanship that makes it hard to use common sense to find the common ground for the common good.

War was said to be the extension of politics by other means. American politics is in danger of becoming the perpetual extension of political warfare by any means.

One of the possible victims of this over-partisanship is the Corporation for National Service. At a time of peril to the promise it represents, I am honored to be nominated by the President to be the Corporation's second Chief Executive Officer. I want to give you some reasons I hope you will recommend my confirmation -- and, more importantly, reasons for us to work together to see that we do not make the tragic mistake of throwing away the very seed corn this nation most needs.

The Chairman and those of you who were here as this Committee carefully worked out the provisions of the National and Community Service Trust Act of 1993 know how deeply I am committed to the idea embodied in that bill -- and in its predecessor bill, the first National and Community Service Act, of 1990, signed into law by President Bush.

You've heard me tell how President Kennedy on the White House lawn in 1961 -- after sending off one of the first batches of Peace Corps volunteers -- turned to several of us who were helping Sargent Shriver and said: "The logic of this idea is that someday we will bring it home to America."

Thanks in good part to the work of this Committee, that day has come. But it has not come in the form Kennedy would have imagined.

One reason the national service legislation of 1990 and 1993 stands out in this Committee's long record of bipartisan achievement is that it does not go back to the Sixties and do it as we probably would have done then.

The Corporation for National Service is not a centralized domestic Peace Corps. It is a decentralized, diversified, market-driven, public-private partnership, based in the independent sector. To be sure, it draws on the spirit of the Peace Corps and of the Civilian Conservation Corps of the 1930s and the G.I. Bill of the 1940s. But it is an innovation true to the best insights of the 1990s. It goes beyond reinventing government because it primarily goes beyond government to release the power of people.

If key aspects of the Welfare State are to be dismantled and the career bureaucracy of federal, state and local governments greatly reduced, the problems of education, neighborhood safety, health, and the environment will all remain. The challenge will be to find alternative and more effective ways to deal with these problems.

So to those who are disillusioned with government at all levels and want to galvanize citizens to do what urgently needs doing, decentralized national service is the most promising way of getting things done. Through effective citizen service on an expanding scale I believe we can crack the atom of civic indifference. That must be our aim: to split the atom of citizens' cynicism -- and release the constructive power of people to work together to solve some of our communities' most pressing problems.

And to those who are rightly concerned that at the root of so many of our problems in America is a matter of values -- a lack of self-discipline and loss of civic responsibility, especially among young people -- national service offers a proven, strong response.

If you had been with me on recent visits to see service in action in four states, you would see how this challenge is being met by the 20,000 AmeriCorps members, including about 4,000 VISTAs and some 800 members of the new National Civilian Community Corps -- and by the hundreds of thousands of members of the National Senior Service Corps and the Learn and Serve school-based student service programs.

In San Diego at the Navy Training Center and outside Denver at the Lowry Air Force Base, I listened to the first graduates of the National Civilian Community Corps (AmeriCorps*NCCC) proudly tell what they had accomplished, and how it had changed their lives. I could see why Roosevelt considered the CCC of old as the best thing he had done, and why so many Americans consider it the best investment this country made in the Great Depression.

In Philadelphia I saw how full-time AmeriCorps members assigned to Habitat for Humanity and living in the community in North Philadelphia had turned that program from primarily a weekend project by volunteers coming in from the suburbs into an all-week effort enlisting students in the nearby schools and adult volunteers from the neighborhood -- and increasing the number of homes renovated.

So you see I'm committed. Let me assure you that simultaneously I'll be critical -- and that I will welcome your help in looking critically at the progress made in year one as well as at the challenges and difficulties encountered.

All of us should salute Eli Segal and the Corporation staff for accomplishing so much so quickly, and so well. They will be the first to tell you where improvements can be made. Indeed, the Corporation may be the most self-critical entity I've ever been a part of -- and it needs to remain that way as an impetus for continuously improved quality.

The key to understanding and appraising the Corporation is the extraordinary decentralization mandated by Congress. Look at its diverse scope: the Learn and Serve America program for K-12 school-based service goes through 50 state education agencies; the assistance to student service in higher education goes through hundreds of colleges and universities; the Senior Service Corps operates through three long-established agencies, the Retired Senior Volunteer Corps, Foster Grandparents and Senior Companions; AmeriCorps*USA has two-thirds of its assignments in some 400 programs going through Governor-appointed bi-partisan commissions in all the states; and there are 700 locations for the Volunteers in Service to America -- AmeriCorps*VISTA; and scores of local projects of the 800-strong National Civilian Community Corps -- AmeriCorps*NCCC -- based in four centers.

In any large venture like this, in the public as in the private sector, mistakes and disappointments will be inevitable. In the necessary process of trial and error, we must be especially alert to discover what isn't working -- or working well enough -- and respond rapidly. But we should also discover the successes because they need to be spread and made contagious. As both President Bush and President Clinton like to say, somewhere in America there is a solution to every problem. Pilot programs that work need to perform the function of a pilot -- to ignite the whole furnace. Points of light need to become communities of light.

I hope you will help us with this crucial function of evaluation and reporting. In the Peace Corps, overseas programs were faraway and seldom under first-hand Congressional scrutiny. We had to hire investigative journalists to go and do in-depth visits. That's how Charlie Peters of the Washington Monthly got his big start -- and helped the Peace Corps get off to a good start.

We will ask you and your state staffs to help us locate the things that need fixing and help us highlight programs that work with distinction. I hope you will develop ways yourselves to recognize the successful examples of national and community service in your states, perhaps with your own Senatorial awards.

As you move into hearings and discussions on reauthorization later this year or early in 1996 I look forward to working with you and with your colleagues in the House, so that we build on the strengths, overcome the weaknesses, and make any necessary mid-course corrections.

Let me note three of the critical questions that are on my list of priorities:

First, how do we get national service established in the public mind as a non-partisan institution in which the American people can all take pride? How do we prevent it from becoming a casualty of the coming presidential campaign?

The Peace Corps initially faced many of the criticisms now made of the Corporation. It was viewed as Kennedy's prized baby. It was ridiculed and attacked by both President Eisenhower and candidate Nixon, but by the time Nixon became President, the Peace Corps had proved itself and stood on a solid non-partisan base. It's interesting to note that over the years, in the House unlike the Senate, the majority of members who were Peace Corps Volunteers have been Republican, including one of the foremost champions of national service now, Representative Chris Shays of Connecticut.

The Chairman knows that at age ten I became a Democrat and wouldn't ride to school in my Republican family's car because it carried an Alf Landon Kansas sunflower 1936 campaign sticker. She says her father would have enjoyed that story. Remembering the non-partisan spirit in which Alf Landon dealt with many of our controversial issues in his later years, I want the Chairman and all my Republican colleagues to know that my party partisanship has ended for the duration of my responsibilities in the Corporation for National Service.

After Pearl Harbor, Roosevelt said that until then he had been known as Dr. New Deal but that from December 7, 1941 until victory he would be, heart and soul, Dr. Win-the-War. In this job my heart and soul will be focused on securing the non-partisan standing that national service requires.

President Clinton has called this a defining idea for our era. But it isn't the property of any one President or party. A number of national service supporters in the House of Representatives have written that this is essentially a Republican and conservative idea. But this isn't a Democratic or Republican, a conservative or liberal idea. One of the books most eloquently advocating national service, in his own strong way, is Bill Buckley's Gratitude: Reflections on the Debt We Owe Our Country. And it is George Bush, whose Points of Light initiative is an important part of the national service effort, who keeps urging us to make service part of the definition of a successful life in America.

Some years ago, in his first Presidential campaign, Senator Dole advanced the idea of national service, and in 1992 when Senator Boren and I initiated the proposal for a National Community Civilian Corps Senator Dole helped us persuade President Bush to sign it. That bill was supported by Senators Warner, Domenici, McCain and Nunn, as well as Senators Kennedy, Mikulski and Simon of this Committee. One of the most persuasive letters supporting the 1993 National Service Act came from Elizabeth Dole on behalf of the American Red Cross. I greatly appreciated the co-sponsorship of the 1993 Act by my senior Republican colleague, Senator Specter -- along with Senators Jeffords and Durenberger of this Committee -- and the further support from other Senators of both parties. And some of the strongest statements of support for AmeriCorps programs have come from Republican governors, who now are responsible for the Commissions on National Service in a majority of the states.

We must build on this bi-partisan -- indeed, non-partisan -- beginning.

A second critical concern is the relationship between the new AmeriCorps and the various other parts of the Corporation for National Service -- VISTA, the NCCC, the Learn and Serve K-12 and the college and university student volunteer programs, and the three senior programs.

With the recent birth of a new grandchild I've just seen what happens with the older brothers and sisters when a new baby arrives. The other siblings tend to be neglected -- or to feel neglected. The organization of AmeriCorps was a consuming task-- in just one year reaching a scale the Peace Corps never reached (it took the Peace Corps about four years to field 15,000 volunteers). While accomplishing that feat, the Corporation was also working to bring the whole family of service together in a common cause, but more needs to be done to achieve that goal.

If confirmed, I will give more emphasis to these other parts of the Corporation, and especially to the school-based service learning programs and the senior programs, not so much because of their feelings but because of their great potential.

If we want service to be the common expectation and common experience of all citizens, as Governor Robert Casey put it in creating his Office of Citizen Service which I chaired, the place to

begin is in school. It takes time and skill and dedication by teachers and administrators to incorporate service in the curriculum or develop volunteer service as a vital extracurricular activity. Students do not need to be paid for part-time volunteering after school and on weekends. But school-by-school, and college-by-college, their service must be well-organized. That is a challenge which needs to be presented more directly and effectively to hundreds of thousands of educators so that millions of students can become engaged.

Similarly, if we want to move toward the goal of making service the expectation and experience of every retired person, the Retired Senior Volunteer Program, Foster Grandparents and Senior Companions need to be supported and strengthened. Together with the independent organizations representing these programs, we must take new steps to mobilize the untapped potential for service of millions of older citizens -- and by the year 2000 to reach the goal set by the White House Conference on Aging of at least one million regular senior volunteers. One's later years, like the earlier period after high school or college before undertaking a full-time career, is a period when people can dedicate a large part of their time to service. And seniors bring to service what no other age group can boast: a lifetime of practical experience and community connection.

The links between these programs of the young and the old are themselves full of potential. Working in or with schools, AmeriCorps members can become key organizers of student after-school or weekend volunteering. Intergenerational programs have proved themselves when seniors mentor or tutor the young, and the young help seniors to live independent or happier lives. We should aim for a pincers movement between young and old volunteers, closing in on some of our hardest problems.

A third special challenge is the relationship between all of the Corporation's programs and the much larger family of non-profit charitable and service organizations and volunteer programs who may not yet have any direct connection with the Corporation.

In accepting the Republican nomination for President in 1980, Ronald Reagan said, "Let us pledge to restore, in our time, the American spirit of voluntary service, of cooperation, of private and community initiative; a spirit that flows like a deep and mighty river through the history of our nation."

Above all, we should expect the Corporation for National Service to play a vital part in deepening and making far more mighty that river. Some contend that there's a contradiction between the part-time volunteer service of the customary unpaid kind in the vast range of non-profit agencies and stipended service by full-time AmeriCorps members. That makes no sense. Full-time and part-time service complement each other.

Leaders of many non-profit volunteer organizations and charities, from Habitat for

Humanity to the Multiple Sclerosis Society, from the YMCA and YWCA to the Junior League and the American Red Cross have raised their voices in support of the great value of the service of full-time corps members. They see the sustained daily leadership of AmeriCorps members as a multiplier for the enlistment and effective utilization of part-time, unpaid volunteers. And they see the intensity of the full-time experience as instilling "habits of the heart" that will lead to an increase in the lifetime volunteering of many citizens.

Already a substantial portion of AmeriCorps assignments are directly geared to enlisting and organizing the volunteer service of others. In future planning I think the Corporation should give a higher priority to AmeriCorps assignments that focus on expanding the service of such unpaid part-time community volunteers.

Finally, there's a question I want to put to leaders of major corporations, foundations, and educational and non-profit organizations. Shouldn't we aim, over time, to become less of a government corporation and more of a trust of the American people, chartered by Congress, like the American Red Cross, but not controlled by the government?

To what extent can the private and independent institutions, including colleges and universities, and also units of state and local government such as schools and police forces contribute more of the resources and assume even more of the responsibility?

Those are questions on which I would like your thoughts as well as the guidance of an in-depth study by some of the leaders of our private, independent, educational and civic sectors.

There is one person missing here, whom I expected to be at my side and to be a key partner in the next stage of the Corporation -- George Romney. When word got out about my nomination, the first call came from George Romney, whose last 25 years since he left the politics of politics was devoted to a politics of service. He asked to come and see me, to discuss the future strategy for national service, the Corporation and the Points of Light Foundation which he helped lead. I would have gladly gone to Michigan to see him, but we had a good, long first meeting here, followed by two more.

He then offered to make once-a-week visits to Congress for as long as it took, to assure the Corporation enough of a budget to continue without cutbacks, to help keep national service from becoming a political football in the Presidential campaign, and to work together with open minds in a successful process of reauthorization.

I can say that we were in accord on all of the points I've presented today.

I know George talked with the Chairman about some of his thoughts on reauthorization and he may have spoken to others of you. His last mission was to see Senator Hatch. Afterwards, Bob Goodwin, the new President of the Points of Light Foundation, and I went over some memoranda

George had written on how to get national service on a solid non-partisan footing, how to make AmeriCorps service more of an integral, multiplying factor in the whole independent volunteer sector, and how to engage the Points of Light Foundation, with George Bush as its new honorary chairman, as a key partner in reaching out to the world of community volunteering. In the reauthorization George hoped the name of the Act would be changed to the National Service and Community Volunteering Act.

As we walked out of Senator Hatch's office, we invited George to share a cab. No, he said, not in a city with good public transportation -- he took the Metro when he could. That's how far he had strayed from American Motors. At 88, on just about the hottest afternoon of the summer, he was going to walk over to Union Station for a Metro to the Airport. Bob and I went with him as far as Metro Center. The next Monday, en route to a national service meeting in Crystal City I naturally took the Metro -- in George Romney's honor. Two days later he died while doing his morning exercises.

At his funeral his son Mitt said that as a boy his father never succumbed to the childhood diseases of mumps, measles and chicken pox; and that as a man George Romney never succumbed to the adult diseases of indifference, inertia and cynicism.

His wife Lenore wanted me to know that George had been "thrilled" by our new partnership and by the prospects ahead. "He told me he wrote down on paper all the things you should do." She asked pointedly, "Do you have that list and are you going to do it all?"

I have George's papers, and I'm going to try to the best of my ability to carry on his legacy. I tell this story not just to indicate how much his loss meant, but to say that what national service needs -- what I will certainly need if confirmed as the CEO of the Corporation -- is partners like George Romney. I look forward to that kind of partnership with this Committee.



AMERICORPS

FACT SHEET

What is AmeriCorps?

AmeriCorps is the domestic Peace Corps, a private/public partnership based in the nonprofit sector, which involves Americans of all ages in results-driven service. Now in its second year, AmeriCorps involves more than 25,000 members who serve full- or part-time with 438 community sponsors. In exchange for a year or two of service, AmeriCorps members earn education awards to help repay college loans or to help pay for college, graduate school, or vocational training. AmeriCorps members learn skills, take on serious responsibilities and join a network of people committed to service.

AmeriCorps' Mission

AmeriCorps members share a common mission:

- ★ to get things done by helping communities address critical issues of education, public safety, human needs, and the environment;
- ★ to strengthen communities by bringing people of all backgrounds together to solve problems locally;
- ★ to encourage responsibility through service and civic education; and
- ★ to expand opportunity by helping to make education more affordable.

AmeriCorps members strengthen communities by bringing together a wide range of citizens—local and national nonprofits; city, state, and national leaders; local businesses and organizations; and citizens of all ages and backgrounds. A cost/benefit analysis commissioned by the IBM, Dana, and Irvine foundations found that every federal dollar invested in the programs studied returns \$1.60 to \$2.60 in direct, measurable benefits.

What Do AmeriCorps Members Do?

AmeriCorps members tackle American communities' toughest challenges. In addition to recruiting and training thousands of new volunteers, AmeriCorps members patrol streets and recreation areas; tutor and mentor high-risk youth; organize neighborhood watch organizations; assist crime victims and prevent crime; build affordable housing; help seniors live independently; immunize children; clean up rivers and streams; restore national and state parks; and provide emergency and long-term assistance to victims of natural disasters.

-MORE-

Decentralized Delivery

Two-thirds of AmeriCorps funds go directly to state commissions on national service, which select local sponsors. AmeriCorps distributes its remaining funds to national sponsors, through an annual, competitive grants process. Sponsors must demonstrate local support by raising matching funds from businesses and other local sources. Sponsors select AmeriCorps Members directly.

Who Can Serve?

AmeriCorps members must be age 17 or older and citizens or permanent residents of the United States. Members earn a living allowance of about \$650 per month to enable them to serve full-time. Upon completing a year of service, they also earn a post-service, education award of \$4,725. Some receive limited child care and health benefits. Part-time members earn pro-rated benefits.

The Corporation for National Service

AmeriCorps is administered by the Corporation for National Service, which was created by the National and Community Service Trust Act of 1993. The first class of AmeriCorps members began their year of service in September 1994. In addition to 438 local non-profits, some AmeriCorps members serve in two national programs—AmeriCorps*VISTA, which has worked with people in struggling communities for 30 years, and AmeriCorps*NCCC, the National Civilian Community Corps, a residential service and leadership program for young people of diverse backgrounds. The Corporation for National Service also sponsors Learn & Serve America, a school- and college-based student service program, and the National Senior Service Corps, which includes Foster Grandparents, the Retired and Senior Volunteer Program (RSVP), and Senior Companions.

How to Apply for AmeriCorps

Call 1-800-942-2677; TDD# 1-800-833-3722.

Citizens interested in AmeriCorps service should contact local and national sponsors directly. Call 1-800-942-2677 for more information. Organizations interested in sponsoring AmeriCorps members should contact the state commission on national service in their governor's office. For phone listings of state commissions, **call the Corporation at (202) 606-5000.**

Visit our Worldwide Web Site at: [HTTP://WWW.CNS.GOV](http://WWW.CNS.GOV)



Senior Corps

National Senior Service Corps

What is the National Senior Service Corps?

The National Senior Service Corps (Senior Corps) is a network of federally-supported programs that helps older Americans find service opportunities in their home communities. The Senior Corps involves seniors in three types of service: Foster Grandparents work one-to-one with children with special needs; Senior Companions provide the assistance frail elderly individuals need to remain living in their own homes; and Retired and Senior Volunteers provide a variety of services that range from leading local museum tours to teaching adult education computer classes.

Together, these programs involve over one half million seniors serving in tens of thousands of sites across the country. More specifically:

- **The Foster Grandparent Program**

The Foster Grandparent Program offers Americans age 60 and older opportunities to serve as mentors, tutors, and caregivers for children and youth with special needs. They serve in organizations such as schools, hospitals, and youth centers in the communities in which they live. Foster Grandparents meet income eligibility guidelines and receive small stipends in exchange for 20 hours of weekly service.

Foster Grandparents offer emotional support to children who have been abused and neglected, mentor troubled teenagers and young mothers, care for premature infants and children with physical disabilities. In the process, they strengthen communities by providing youth services that strained community budgets cannot afford and by building bridges across generations.

- **The Senior Companion Program**

Through the Senior Companion Program, people age 60 and older provide assistance and friendship to elderly individuals who are homebound and, generally, living alone. By taking care of simple chores, providing transportation to medical appointments, and offering contact to the outside world, Senior Companions often provide the essential services that keep older Americans from having to enter nursing homes.

Senior Companions also provide respite care to relieve live-in caretakers for short periods of time. They usually work with more than one client, providing 20 hours of weekly service. Senior Companions meet income eligibility guidelines and earn modest living allowances in exchange for their service.

Senior Companions not only assist the frail elderly with chores and errands, they also help make the lives of the people they serve less lonely. Many Senior Companions serve individuals for several years and form the most meaningful friendships in their lives.

- **The Retired and Senior Volunteer (RSVP) Program**

The Retired and Senior Volunteer Program (RSVP) helps Americans age 55 and older find service opportunities in their communities. RSVP members serve from one to forty hours a week, providing hundreds of services in organizations that

range from youth recreation centers to community education facilities. RSVP involves seniors in service that matches their personal interests and makes use of their professional skills and life experiences. Their wide range of services include tutoring youth, serving as citizen patrols for local police departments, planning community gardens, setting up computer systems and helping other seniors complete income tax forms. RSVP members are not restricted in income and are not compensated for their service.

What Is the Corporation for National Service?

The Corporation for National Service offers opportunities for Americans of all ages and backgrounds to make their communities safer, healthier and stronger through service. In addition to the National Senior Service Corps, the Corporation oversees AmeriCorps (the new domestic Peace Corps) and Learn and Serve America programs for students.

Senior Corps: America's smart investment

- 80,000 children, teenagers and their families are supported by the services of Foster Grandparents every year.
- Nearly 24,000 Foster Grandparents (FGPs) contribute 21.6 million hours of service annually. The value of this service is \$262 million and represents more than a 4-fold return on the federal dollars invested in FGP.
- 14,300 FGPs serve in settings connected to the health care system, helping some of the 39,200 children they serve avoid institutionalization. The annual cost of institutionalized care for a child is \$44,000. The annual federal cost for one Foster Grandparent serving 20 hours per week is \$3,800 – less than \$4 per hour.
- FGP's FY 1994 federal budget of \$66.1 million was matched with \$30.7 million dollars in cash and in kind donations from states and the local communities in which Foster Grandparents serve. This represents a nonfederal match of 45% for every federal dollar invested – well over the 10% match required by law.
- Nearly 14,000 Senior Companions provide 13 million hours of service annually to help more than 33,000 frail elderly Americans stay independent. The value in terms of saved nursing home costs and services provided is \$150 million – representing more than a 5-fold return on the federal dollars invested in SCP.
- The average cost of nursing home care in the United States exceeds \$35,000 annually. The annual federal cost for one Senior Companion serving 20 hours per week is \$3,800 – less than \$4 per hour.
- The Senior Companion Program's FY 1994 federal budget of \$29.8 million was supplemented by \$17.8 million in cash and in-kind donations from states and the local communities in which Senior Companions serve. This represents a nonfederal match of 60%, or \$.60 for every federal dollar invested.
- Retired and Senior Volunteer Program (RSVP) members provide over 80 million hours of service annually to communities across the country. The value of this service is about \$1 billion and represents a 26-fold return on the federal dollars invested in RSVP.
- 450,000 RSVP members serve through more than 60,000 public and non-profit community agencies.
- RSVP's annual federal budget of \$34.4 million is matched with \$36.7 million contributed by states, local governments and the private sector, demonstrating broad support for RSVP across the country. This represents a nonfederal match of 107%.



Senior Corps information: 1 - 800 - 424 - 8867



LEARN AND SERVE AMERICA: HIGHER EDUCATION

Purpose

- To make service an integral part of the education and life experiences of students in the nation's colleges and universities.

Objectives

- To support service-learning programs that engage students in service that meets unmet community needs, while enhancing their academic study, civic skills, and sense of social responsibility.
- To build capacity and infrastructure within and across institutions of higher education, in order to increase the number, quality, and sustainability of service-learning opportunities for students.

Eligibility and funding

- Institutions of higher education, consortia of such institutions, or nonprofits and public agencies working in partnership with such institutions may receive grants from the Corporation.
- Programs are selected and funded directly by the Corporation through a national competition. In FY 1995 the Corporation awarded one-year grants, with renewal funding contingent upon performance and appropriations.
- Grant funds may be used to cover the costs of program staff, participant support, recruitment, placement, training and education, and limited amounts of equipment and administrative costs. Programs must match Corporation grants in cash or in kind dollar-for-dollar.

Program summary

- In FY 1995, over 210 applicants sought a total of \$22 million. The Corporation awarded approximately \$10 million in grants to 101 programs, consisting of 26 new programs and 75 continuing programs.
- The higher education portfolio consists of 101 programs, spanning 38 states, and the District of Columbia. In addition to traditional four-year institutions, the array of grantees includes significant numbers of community colleges, law schools, and medical schools.
- Most programs are based at individual institutions of higher education, with an average grant of \$90,000 in the first year. Four national, one regional, and 16 statewide programs are run by a consortium of higher education institutions, with an average first-year grant of \$170,000.
- Programs address community needs in the areas of education, public safety, human needs, and environment. The most common service activities address human needs and education.
- The grantees include 15 demonstration programs with over 379 AmeriCorps Members who will earn national service education awards.

WHAT GOT DONE

Class of '95

A Sampler



From September, 1994 through September, 1995, some **20,000 AmeriCorps Members** – serving in 348 programs in **1,100 communities** across America – got things done. Working with hundreds of local and national **charities**, and supported by **businesses and foundations** who know a **good investment** when they see it – AmeriCorps members of all ages and backgrounds addressed the most pressing education, public safety, environmental, and human needs of our nation, while **recruiting** the talents and time of thousands and thousands of ordinary citizens who found an hour or day to **volunteer**. A random preview of the accomplishments of only **one-quarter** of the Class of '95:

EDUCATION

1,900 AmeriCorps members tutored or taught more than 77,000 students

940 AmeriCorps Members conducted service-learning activities with 55,045 students

In rural Simpson County, Kentucky, 19

AmeriCorps members set a big goal: raise reading scores among the lower half of the county's second graders by 2 grade levels.

Their accomplishment: they raised reading comprehension by 3.01 grade levels, from 1 grade behind to 2 ahead.

ENVIRONMENT

564 AmeriCorps Members cleaned 111 neighborhoods serving over 33,000 citizens – removing 96,000 tons of trash.

620 AmeriCorps Members planted over 442,000 trees in parks and neighborhoods.

In Bozeman, Montana, 32

AmeriCorps/NCCC Members built or cleared

119 miles of natural trails. In Portland,

Oregon, 5 AmeriCorps Members weather-

ized 72 homes and tested 200 children for

lead poisoning.

EMERGENCY RAPID RESPONSE

Working hand-in-hand with the American Red Cross, the AmeriCorps Rapid Response Corps consists of 42 highly trained citizens ready to mobilize when disaster strikes. Meanwhile, they help California communities prepare for fires, floods, and earthquakes.

Building on last year's cooperative efforts, AmeriCorps and the Federal Emergency Management Agency have formed a partnership by which FEMA can call on any trained AmeriCorps Members for service at a disaster site.

Members of the Class of '96 have already been called up to respond to hurricane-devastated areas in the South and on the Virgin Islands.

The Class of '95 responded to floods, earthquakes, tornadoes, forest fires, and other emergencies in: California, Wisconsin, Maryland, Georgia, Texas, Missouri, Illinois, Idaho, Colorado.

PUBLIC SAFETY

191 AmeriCorps Members started or staffed neighborhood watch and community policing programs for 45,000 citizens.

500 AmeriCorps Members trained 9,955 students in conflict mediation

72 AmeriCorps Members assisted 1,048 victims of domestic abuse, and offered violence protection programs to another 11,000 citizens.

In Kansas City, Missouri, 28 AmeriCorps

Members, working hand-in-hand with citizens and the police, helped to close 44 crack houses, keep 173 city blocks free of drug dealers, take back a city park from gangs, and recruit 3,000 community volunteers to keep the streets safe.

HUMAN NEEDS

370 AmeriCorps Members assisted over 7,000 senior and/or disabled citizens in independent living.

132 AmeriCorps Members provided access to health care for 5,725 families, and 98 helped 1,841 find shelter.

In Miami, 23 AmeriCorps Members

recruited and trained over 5,000 volunteers

– and worked alongside them in building

90 homes for working families.

INDEPENDENT VALIDATORS

A Sampler



Every **independent** analysis says that AmeriCorps is **meeting** its **goals** and is **right** on the money:

GENERAL ACCOUNTING OFFICE, 9/95

**G.A.O. ON
AMERICORPS:
MEETING
GOALS,
RIGHT ON THE
MONEY**

- G.A.O. confirms AmeriCorps' budget figures are right on the money
The Corporation for National Service (CNS), which oversees AmeriCorps, has estimated its current spending per AmeriCorps Member at \$18,800 — G.A.O. pegs the number at \$17,629. The Corporation has said federal spending from all sources should come in at around \$20,000 per Member — G.A.O. anticipates federal cash support will run to \$19,876 per Member. And that includes start-up costs in this first operational year.

AMERICORPS FUNDING PER AMERICORPS MEMBER	TOTAL FEDERAL FUNDING PER AMERICORPS MEMBER
CNS predicted: \$18,800	CNS predicted: about \$20,000
G.A.O. says: \$17,629	G.A.O. says: \$19,876

COST/BENEFIT

**\$1 INVESTED
RETURNS**

**\$1.60 - \$2.60
IN DIRECT
BENEFITS**

GAO also verified a first-of-its-kind econometric study by AmeriCorps partners IBM, Dana, and Irvine Foundations, that predicted that AmeriCorps national service programs studied will provide an impressive return on investment. The G.A.O. report agreed, stating that "as the authors concluded, the three programs analyzed would appear to be worthwhile investments."

The "Chicago school" economists predicted that, in the three representative programs analyzed, the return on every federal dollar the Corporation for National Service invests will range from \$1.60 to \$2.60 in direct, measurable benefits, noting that "these measurable benefits underestimate the total benefits." G.A.O. concurred, stating that "during site visits we conducted as part of an earlier study, we observed benefits that may also apply to the three programs the study analyzed, including strengthening communities and fostering civic responsibility. Inclusion of an estimate for the value of these benefits would raise reported benefit-cost ratios."

- G.A.O. confirms AmeriCorps beat private sector match requirement

Congress required local nonprofits in AmeriCorps to prove they merited federal funding by showing their community support — and AmeriCorps programs rose to the challenge. Rather than raise the \$32 million the law required, these nonprofits raised \$41 million (in cash and in-kind) from the private sector alone, according to GAO! The efforts also earned the support of states and local communities (police departments, schools and the like) — to the tune of another \$50 million.

- GAO lists examples of AmeriCorps accomplishments: meeting goals set by Congress
In addition to the substantial direct benefits to the communities they serve, AmeriCorps Members are meeting the goals set when they began their year of service. G.A.O. listed a few accomplishments of the programs they surveyed:

GETTING THINGS DONE. Rehabilitating housing in run-down areas, tutoring in elementary schools; reclaiming forests and replacing trees; analyzing neighborhood crime statistics and developing prevention measures; cleaning trails and cataloguing artifacts in National Forests; developing year-round children's meal programs.

STRENGTHENING COMMUNITIES. Connecting troubled youth and nursing home residents; building community produce markets and renovating a municipal stadium; rehabilitating run-down communities; working together, despite mixed ages, education levels, economic levels and ethnic backgrounds.

ENCOURAGING RESPONSIBILITY. Developing team leadership skills; learning to organize; learning worker responsibility (e.g. timeliness) and carrying own load; assessing progress.

EXPANDING OPPORTUNITIES. Educational grants will be used by most to pay off past (student loan) debt or to attend school; participants obtain experience, technical skills, and sometimes college credit; all dropouts work toward their GED, some have obtained their GED

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.



CORPORATION FOR NATIONAL SERVICE



AmeriCorps National Service

CORPORATION

FOR NATIONAL

★ SERVICE

NEWS ADVISORY

CONTACT: John Scardinc
202/606-5000, ext. 202
Lisa Bloch
202/606-500, ext. 140

**AMERICORPS TEAMS HONORED FOR RENOVATING ARTHUR CAPPER
SENIOR HOUSING DEVELOPMENT IN DISTRICT OF COLUMBIA**

**National Service Chief Harris Wofford to Visit AmeriCorps
Members at Work Restoring 297 Apartments--Service Program
Provides New Resources in Time of Cutbacks**

WASHINGTON -- Two teams of young people serving with AmeriCorps*the National Civilian Community Corps will be honored Friday, February 16, for their ongoing efforts to renovate the Arthur Capper Senior development in southeast Washington, D.C., as national service chief Harris Wofford inspects their work and joins ceremonies recognizing their achievement. Assigned to the D.C. Public Housing Authority, the teams from AmeriCorps*NCCC campuses in Perry Point, Md., and Charleston, S.C., have worked at Arthur Capper for six weeks, painting and restoring apartments.

WHO: Harris Wofford, CEO of the Corporation for National Service
David Gilmore, District of Columbia Housing Authority Receiver
Residents of Arthur Capper Apartments
21 Members of AmeriCorps*NCCC

WHAT: Tour of renovation work and
ceremony honoring AmeriCorps members

WHEN: Friday, February 16, 1996
10:00 a.m. -- Wofford & Gilmore tour work-sites
10:30 a.m. -- Honors ceremony

WHERE: Arthur Capper Apartments
601 L. St., S.E.
Washington, D.C.

AmeriCorps*NCCC, the National Civilian Community Corps, is a residential service and leadership program for young men and women of all social, economic and educational backgrounds.

1201 New York Avenue, NW
Washington, DC 20525
Telephone 202-606-5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

*Facts about AmeriCorps*NCCC*

➤ **What is AmeriCorps*National Civilian Community Corps?**

The National Civilian Community Corps (NCCC) is part of AmeriCorps, a network of national service programs created by the Congress and President Clinton as part of the National and Community Service Trust Act of 1993. Through AmeriCorps, 25,000 Americans will serve in communities across the country by early 1996. AmeriCorps*NCCC is a residential national service program that expands opportunities for young Americans to work in teams to meet critical needs in urban and rural communities. The Corps focuses on projects that protect and conserve natural resources, promote public safety and help meet the educational and human needs of children, older persons, and others in the community. Many Corps Members are also trained to assist with disaster relief and recovery projects.

What is life like in AmeriCorps*NCCC?

Combining the best of the community service world and military life, Corps Members take advantage of the military's extensive facilities on downsizing or former military bases across the country to live and train. Training focuses on leadership, team building, citizenship and physical conditioning. Skills for specific projects are taught before Corps Members begin their community efforts. Corps Members work in teams of ten and have leadership responsibility to identify, plan, and complete their national service projects. AmeriCorps*NCCC provides Corps Members the opportunity to serve their country and to tackle some of our nation's most serious and challenging problems.

Who is eligible to join AmeriCorps*NCCC?

AmeriCorps*NCCC is open to young adults ages 18-24 who are willing to commit to a 10-month service program. Corps Members must be citizens or permanent residents of the United States. Selection is based primarily on the application and personal references included with this booklet. AmeriCorps*NCCC is committed to demonstrating the strength that diversity gives to an organization.

What are the benefits of joining AmeriCorps*NCCC?

Corps Members receive lodging and skills training while in the program. Corps Members with dependent children may choose a matching funds plan to assist with child care. Additionally, Corps Members earn a modest living allowance over the 10 months they serve in the corps, while meals, housing, uniforms and limited health care are provided. Upon completion of the program, participants receive a \$4,725 educational award that can be applied to future tuition costs or repayment of student loans.

FOR MORE INFORMATION

AmeriCorps*National Civilian Community Corps

1201 New York Avenue, NW, 9th Floor
Washington, DC 20525

1-800-94-ACORPS (1-800-942-2677)
1-800-833-3722 (TDD)

Office of
CONGRESSIONAL AND INTERGOVERNMENTAL RELATIONS
FACSIMILE TRANSMITTAL SHEET

DATE: _____

CORPORATION
FOR NATIONAL
★ SERVICE

TO: Pauline Abarnath

LOCATION: _____

FAX #: 2878 PHONE #: _____FROM: StuloeserFAX #: (202) 565-2784 TELEPHONE #: (202) 606-5000, Ext. 223COMMENTS: ① Stock language on what AmeriCorps members do② Accomplishments per Aguirre International③ Press releaseNUMBER OF PAGES (INCLUDING COVER SHEET) 4

IF THERE IS ANY PROBLEM WITH THIS TRANSMISSION, PLEASE CALL (202) 606-5000, Ext. 235

1201 New York Avenue, NW
Washington, DC 20525
Telephone 202-606-5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps



AMERICORPS

FACT SHEET

What is AmeriCorps?

AmeriCorps is the domestic Peace Corps, a private/public partnership based in the nonprofit sector, which involves Americans of all ages in results-driven service. Now in its second year, AmeriCorps involves more than 25,000 members who serve full- or part-time with 438 community sponsors. In exchange for a year or two of service, AmeriCorps members earn education awards to help repay college loans or to help pay for college, graduate school, or vocational training. AmeriCorps members learn skills, take on serious responsibilities and join a network of people committed to service.

AmeriCorps' Mission

AmeriCorps members share a common mission:

- ★ to get things done by helping communities address critical issues of education, public safety, human needs, and the environment;
- ★ to strengthen communities by bringing people of all backgrounds together to solve problems locally;
- ★ to encourage responsibility through service and civic education; and
- ★ to expand opportunity by helping to make education more affordable.

AmeriCorps members strengthen communities by bringing together a wide range of citizens—local and national nonprofits; city, state, and national leaders; local businesses and organizations; and citizens of all ages and backgrounds. A cost/benefit analysis commissioned by the IBM, Dana, and Irvine foundations found that every federal dollar invested in the programs studied returns \$1.60 to \$2.60 in direct, measurable benefits.

What Do AmeriCorps Members Do?

AmeriCorps members tackle American communities' toughest challenges. In addition to recruiting and training thousands of new volunteers, AmeriCorps members patrol streets and recreation areas; tutor and mentor high-risk youth; organize neighborhood watch organizations; assist crime victims and prevent crime; build affordable housing; help seniors live independently; immunize children; clean up rivers and streams; restore national and state parks; and provide emergency and long-term assistance to victims of natural disasters.

-MORE-

National Service Gets Things Done.

Just one-tenth of the AmeriCorps members:

- Taught 23,641 students.
- Tutored 24,867 individuals.
- Mentored 14,878 youths.
- Collected, organized, and distributed 974,103 pounds of food and 5,000 pounds of clothes.
- Helped 2,551 homeless people find shelter.
- Developed and distributed 38,546 sets of information about drug abuse, HIV/AIDS, street safety, health care, and other issues.
- Ran violence-prevention after school programs for 49,632 youth.
- Performed energy audits for more than 18 million square feet of buildings.
- Planted more than 210,000 trees.

National Service Leverages Volunteers.

- Each AmeriCorps member leverages about 16 unstipended volunteers and generates 246 volunteer hours. Just one tenth of all members leveraged 669,369 hours.
- 98 Learn and Serve America: Higher Education grantees leverage over 27,000 volunteers in addition to the students they engage directly.

National Service Is Cost Effective.

- AmeriCorps grants programs yield from \$1.54 to \$3.90 of benefits for every dollar invested.
- Learn and Serve America: K-12 programs produce \$3 in community benefits for every \$1 in program costs.

National Service Has Won Local Support.

- Congress directed AmeriCorps programs to raise \$31 million. They raised \$91 million – \$41 million from the private sector.

National Service Is Reinvented Government.

- For program year 1997-1998, Corporation's budgeted average cost per AmeriCorps member will be \$17,000. In 1998-1999 it will be \$16,000; in 1999-2000, \$15,000.

release



AmeriCorps National Service

CORPORATION

FOR NATIONAL

★ SERVICE

Release: June 26th, 1996 6:00 p.m.

Contact: J. Toscano 606-5000, ext 277

AMERICORPS BACKED IN HOUSE VOTE; FUNDS THEN ELIMINATED IN TACTICAL PLOY

WASHINGTON -- Funding for national service was the center of debate today in the U.S. House of Representatives, with a strong bipartisan recorded vote against eliminating AmeriCorps and Learn and Serve America -- followed by a procedural maneuver which then eliminated funding without a recorded vote.

The VA/HUD/Independent Agencies Appropriations bill under consideration in the U.S. House of Representatives had proposed substantial funding -- \$367 million -- for the two national service programs administered by the Corporation for National Service.

An amendment to eliminate the two programs, offered by Rep. John N. Hostettler of Indiana, was defeated by wide margins in a bipartisan vote of 183 - 240. A subsequent tactical ploy by Rep. Todd Tiahrt of Kansas transferred \$40 million to the Veterans' Administration; the remaining \$325 million was earmarked for deficit reduction. The Tiahrt amendment passed quickly by voice vote.

"National service today demonstrated anew its bipartisan roots," says Corporation for National Service Chief Executive Officer Harris Wofford. "Nearly double the number of Republicans voted against today's Hostettler amendment to eliminate AmeriCorps as voted for the 1993 act that created it. And they were joined by nearly every Democrat. Together with last spring's successful bipartisan effort in the Senate, today's bipartisan vote in the House puts Congress back on record in bipartisan support of national service."

"I am disappointed that a few members employed a tactical maneuver to then eliminate funds for AmeriCorps and Learn and Serve America. I am hopeful that the conference with the Senate will follow the recorded bipartisan will of the House to continue national service," Wofford concludes.

The House VA/HUD/Independent Agencies Appropriations bill originally contained \$367 million for fiscal year 1997 for AmeriCorps and Learn and Serve America, the two national service programs initiated as part of the National and Community Service Trust Act of 1993. The 1993 act passed the House with a bipartisan vote of 275 - 183, with the votes of 26 House Republicans. Last year, the House VA/HUD/Independent Agencies appropriations bill eliminated funding for the programs, but \$402 million was restored in the final budget agreement.

The provision also funds the Points of Light Foundation and the National Civilian Community Corps, initiatives that predate the 1993 act. AmeriCorps*VISTA and the National Senior Service Corps (Foster Grandparents, Senior Companions, Retired and Senior Volunteers) are funded in the Labor/HHS appropriations bill which will be considered soon.

###

1201 New York Avenue, NW
Washington, DC 20525
Telephone 202-606-5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

THE WHITE HOUSE
WASHINGTON

September 8, 1994

Dr. Thomas Stauffer
President
Golden Gate University
536 Mission Street
San Francisco, CA 94105

Dear Dr. Stauffer:

As you begin a new academic year, I wish you, your faculty, and your students a good and productive year. Higher education in America is truly a pillar of our strength, valued and admired around the world.

As you consider ways to continue strengthening your programs, I am asking for your help in inspiring an ethic of service across our nation.

The spirit of citizenship has long moved America's colleges and universities. From the dawn of our republic, leaders in higher education have understood that the strength of our democracy depends on the education of our people -- not only in the arts and sciences, but also in the art of citizenship. In recent years, colleges and universities have increasingly involved themselves in community service. I believe that participating even more fully in the movement to foster national and community service will yield rich dividends for your institution, faculty, and students. My domestic agenda expands opportunity and encourages responsibility, especially through AmeriCorps, our national service program. While AmeriCorps will do much to inspire a new spirit of citizenship, there is still much more to be done.

I welcome your institution's participation in this important effort to promote civic education. Here are six possibilities:

1. **Support AmeriCorps.** AmeriCorps, our national service program that was created last year with bipartisan support in Congress, will be launched on September 12. As many as 20,000 AmeriCorps Members will begin serving in communities across this country in programs that address needs in education, the environment, public safety, and human needs.

By participating in the AmeriCorps program, institutions of higher education can strengthen ties to their communities and enhance their students' civic education. Colleges and universities can develop AmeriCorps programs to engage students in service on a full- or part-time basis, and can apply for program support to the Corporation for National Service. Perhaps your college could join a few pathfinders and match the AmeriCorps education award.

2. **Include community service as a significant criterion for college admission.** Service and higher education require many of the same qualities, including perseverance, responsibility, and decency. At institutions that have selective admissions, including service will send a bold message to high school guidance counselors, parents, and students that high academic and civic standards count.
3. **Redirect your work study money.** The Higher Education Act Amendments currently require that at least 5 percent of your work study funds be available to eligible students who wish to perform community service. I ask you to enable even more of our young people to pay their way through school by serving in the broader community. Not only will your students serve those who most need help, but they also will enhance their own education in incomparable ways.
4. **Let every student serve.** Many students want to serve and need your assistance in finding meaningful ways to apply their energy and talent. This presents a unique challenge if you serve a large number of part-time students, many of whom have additional family and work responsibilities. Yet this new spirit of community involvement must embrace these non-traditional students as well. Many students already actively participate in your communities, and finding formal ways to celebrate the value of such experiences may help blend these students' academic and personal lives.
5. **Bring service into the classroom.** Service can be much more than an extracurricular activity. If carefully designed, it can be a powerful educational experience. By bringing the community into the classroom and the classroom into the community, you will enable your students to apply the lessons they have learned to the critical issues that affect our communities. You also can reward faculty who engage in service.
6. **Smooth the path from school to service.** Too often, students who want to take public service jobs are unable to find them, or they work in fields that fail to fulfill their desire to serve. Our student loan programs have been redesigned to meet these students' needs. For your part, colleges and universities can connect recent graduates with alumni already working in service organizations.

The Corporation for National Service is preparing a brochure for current and prospective college students that will include examples from some of the best community service programs at institutions of higher education throughout the country. We need your ideas, and students everywhere will be eager to learn of your efforts. Please write to Eli Segal at the Corporation for National Service, 1100 Vermont Avenue, N.W., Washington, D.C. 20525.

Thank you for what you are doing to strengthen American higher education. I welcome your involvement in inspiring an ethic of service.

Sincerely,

Bill Clinton

FACSIMILE TRANSMISSION**-- URGENT --****CORPORATION
FOR NATIONAL
SERVICE**From the Office of the
Executive Director
Shirley S. Sagawa

Please deliver to: GENE SPERLING

Organization: THE WHITE HOUSE

Fax number: 456-2878

Phone number:

From: SHIRLEY SAGAWA

Date: 5/8/96

Re: PRESIDENT'S SPEECH

Total number of pages (including cover): 3

Message:

MEMORANDUM

To: Bruce Reed
Ken Apfel
Gene Sperling
Pam Van Wie

From: Shirley Sagawa

Re: President's Speech on Service and Education

Date: May 8, 1996

This is a sketch of the proposals we discussed yesterday. We are working on the examples and will forward a revised version later this afternoon.

1. High School
 - a. Leader Schools

Because service is a proven strategy to reduce absenteeism, teach citizenship, and motivate students, high schools that make a substantial commitment to involving students in service will be designated "National Service Leader Schools."

Evidence of substantial commitment may include:

- service as a graduation requirement;
- a required course using service-learning;
- involvement of students in service that involves an education component;
- providing training to teachers in service-learning methods;
- partnership with community organizations to involve students in solving a serious community problem as evidenced by a plan with measurable goals; or
- development of a program for high school students to tutor middle school or elementary school students, including a plan with measurable goals

- b. National Service Scholarships

The President challenges schools and community groups to reward young people who make have given to the community through significant service. The President will propose funding to be provided on a dollar for dollar matching basis toward \$1,000 scholarships for 20,000 high school students who best exemplify commitment to service.

2. College Work Study

The President has proposed a significant increase in College Work Study and will ask Congress to insure that half of the proposed increase will be earmarked for community service placements, in addition to the current earmark of five percent. But colleges shouldn't wait for Congress: The President challenges colleges and universities to restore the Work Study program to its original mission -- providing community service opportunities to students.

3. I Have A Dream

All middle school students should have the opportunity to dream of a college education. I Have A Dream, founded by Eugene Lang, has proven that if young people receive one-on-one mentoring accompanied by the promise of funds for college, they are far more likely to succeed than their peers.

The President challenges all colleges and universities to adopt a middle school class or school that has a high percentage of children who are underrepresented in the college population. Using resources like college work study and AmeriCorps education awards, colleges can pair their students with the young Dreamers and help prepare them for college.

Better yet, college students can lead these middle school students in service that will connect them to their communities and expose them to career possibilities.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

26-Mar-1996 08:06am

TO: Gene B. Sperling
FROM: Martha Foley
 Office of the Chief of Staff
CC: Jason S. Goldberg
SUBJECT: National service -- urgent for Gene's attention

See attached. We don't know that they are going to do this but the appropriators hinted that they were working on "improvements" to the program.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

25-Mar-1996 03:53pm

TO: kenneth S. Apfel

FROM: Pamela B. VanWie
 Office of Mgmt and Budget, HRD

CC: Larry R. Matlack
CC: Barry White
CC: Mary I. Cassell
CC: Carole Kitti

SUBJECT: Proposed conference language for the CNCS

The Corporation for National and Community Service (CNCS) faxed me a copy of the proposed VA-HUD Conference language that the House Authorizing Committee is shopping around. (The original House bill provided no funds for the CNCS.)

In addition, to the bothersome earmarks for each individual national service program the language does several more awfull things. Specifically, it incorporates language written as a result of last week's Hoekstra hearing on the IG's auditability study of the CNCS. (I will fax you over a copy of the language with the specific problems marked by paragraph number.)

1) The amount appropriated for the CNCS under this language is calculated as follows: " . . . an amount equal to \$_____ minus the total of the funds made available for such expenses under Federal laws enacted after September 29, 1995 and before the date of enactment of this Act: . . .". This language subtracts the amount apportioned thus far under the CRs from the total amount to determine the amount for the rest of the year. This is a big problem for the CNCS since it assumes that the CNCS has obligated all funds made available thus far under CRs. CNCS has not obligated all the funds apportioned because the agency has been setting aside a portion of the money to be used to make grants. These unobligated funds from the previous CRs would not be available under this language.

2) The CNCS is prohibited from making any AmeriCorps grants until the Inspector General submits to Congress a certification that the CNCS has taken 75 of the 102 steps recommended in the IG contracted auditability study and the CNCS has "taken action reasonably necessary to complete the remaining 27 steps recommended by the end of FY 1996." As the CNCS testified last week before Hoekstra's committee the CNCS has

completed 23 of the steps. However, these steps have not been verified by the IG. This language puts the noose for the CNCS in the hand of the IG. From experience we know that the IG will not be easily satisfied and it is possible that the completion and certification process could take over a year or more. The CNCS cannot make grants until the process was completed. In addition, the IG must submit a report within 90 days of the first report detailing the progress the CNCS is making in completing the recommendations.

3) No funds are provided for national service programs carried out by federal agencies. (We don't have any problem with this since it was an extremely expensive program.)

4) Prohibits the CNCS from making AmeriCorps grants until the CNCS submits certification that total cost per participant in all activities for FY 1996 is projected not more than \$18,000. (This includes Federal, State, and local funds, funds from private sources, and in-kind contributions.) According to the CNCS this is impossible. Under the plan that Harris and Shirley produced, the average CNCS cost per participant would be reduced to \$15,000 by 1999 after implementing other cost-cutting measures and a plan for 25% of all participants to receive only education awards (no stipend, no program support costs).

5) Increases the match to 50% for all AmeriCorps programs. (Match cannot include Federal funds.) Again according to the CNCS this would be impossible for organizations to comply with immediately and many organizations would not be able to participate. An increase in the match should be phased in gradually. Currently organizations match between 15%-25% of the costs and most of the match funds come from federal sources.

6) Prohibits the spending of federal funds for political activities, national identity (i.e. purchasing uniforms, contracting with public relations firms, etc.) and training outside the scope of service performed. The CNCS has already asked each grantee to provide assurances that it will not engage in political activities. Some specialized programs uniform costs have been quite high (more than \$500 per participant) due to the nature of the work and the equipment required.

7) The amount appropriated for the Inspector General is calculated in the same manner itemized in #1 above. The amount apportioned thus far under the CRs is subtracted from the total appropriated for the IG. Since the IG has not obligated all of its funds (it has been setting funds aside from each CR period for audit contracts) and the unobligated funds would not be available for the rest of the year, the IG may be hampered in its duties to audit the CNCS.

March 14, 1996

STATEMENT OF HARRIS WOFFORD
CEO, CORPORATION FOR NATIONAL SERVICE

FINANCIAL STATEMENTS FOR FISCAL YEAR 1994

CORPORATION
FOR NATIONAL
 SERVICE

Yesterday, Sen. Chuck Grassley (R-IA) and I announced a ten-point plan to improve national service and cut costs. Additionally, the Corporation for National Service is engaged in developing a modern financial management system to meet current and future needs of the organization. The Corporation is now nearing completion of an in-depth survey of the audibility of its financial statements and systems. The survey is being carried out by independent accounting firms under contract to the Office of the Inspector General.

It is important to recognize that the financial review covered the period from October, 1993 to September, 1994. The organization of the Corporation was not completed until April, 1994, and AmeriCorps was launched in September 1994. Therefore, much of the financial review covers systems used by the predecessor agency ACTION, and the Commission on National and Community Service. Each had its own accounting system and had never been required to produce an auditable financial statement.

The purpose of the review is to determine whether fiscal year 1994 records can be audited according to generally accepted accounting standards and to assess the adequacy of internal controls, as required by the Government Corporation Control Act.

It is worth noting that similar audit requirements are being implemented in larger government agencies. Experience has shown that auditors have been unable to audit the financial statements of most federal agencies preparing financial statements for the first time.

The review identified steps to strengthen internal controls and concluded that the financial statements from the first year of Corporation operations are not auditable according to generally accepted accounting standards. I am committed to resolving all operational issues raised in the report over the next 12 months and have already taken the following steps:

- Establish a single point of approval, documentation of approvals, and periodic reviews of approvals as a means of strengthening controls over access to the accounting system.
- Improved cash receipts control by segregating duties related to the receipt of cash and the entry of information into the accounting system.
- Initiated a detailed cash reconciliation between CNS and Treasury records for FY1996.
- Reconciled data between the payment system used for grants and the accounting system.
- Provided for a second review of all investments decisions made by CNS.
- Improved the comprehensiveness of procurement policies.
- Enhanced the security of computer systems.

These steps, in addition to the ten reforms announced yesterday, will help us achieve the best possible programs at the lowest possible cost.

###

1201 New York Avenue, NW
Washington, DC 20575
Telephone 202 606 5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

March 14, 1996

STATEMENT OF HARRIS WOFFORD
CEO, CORPORATION FOR NATIONAL SERVICE

FINANCIAL STATEMENTS FOR FISCAL YEAR 1994

CORPORATION
FOR NATIONAL
 SERVICE

Yesterday, Sen. Chuck Grassley (R-IA) and I announced a ten-point plan to improve national service and cut costs. Additionally, the Corporation for National Service is engaged in developing a modern financial management system to meet current and future needs of the organization. The Corporation is now nearing completion of an in-depth survey of the audibility of its financial statements and systems. The survey is being carried out by independent accounting firms under contract to the Office of the Inspector General.

It is important to recognize that the financial review covered the period from October, 1993 to September, 1994. The organization of the Corporation was not completed until April, 1994, and AmeriCorps was launched in September 1994. Therefore, much of the financial review covers systems used by the predecessor agency ACTION, and the Commission on National and Community Service. Each had its own accounting system and had never been required to produce an auditable financial statement.

The purpose of the review is to determine whether fiscal year 1994 records can be audited according to generally accepted accounting standards and to assess the adequacy of internal controls, as required by the Government Corporation Control Act.

It is worth noting that similar audit requirements are being implemented in larger government agencies. Experience has shown that auditors have been unable to audit the financial statements of most federal agencies preparing financial statements for the first time.

The review identified steps to strengthen internal controls and concluded that the financial statements from the first year of Corporation operations are not auditable according to generally accepted accounting standards. I am committed to resolving all operational issues raised in the report over the next 12 months and have already taken the following steps:

- Establish a single point of approval, documentation of approvals, and periodic reviews of approvals as a means of strengthening controls over access to the accounting system.
- Improved cash receipts control by segregating duties related to the receipt of cash and the entry of information into the accounting system.
- Initiated a detailed cash reconciliation between CNS and Treasury records for FY1996.
- Reconciled data between the payment system used for grants and the accounting system.
- Provided for a second review of all investments decisions made by CNS.
- Improved the comprehensiveness of procurement policies.
- Enhanced the security of computer systems.

These steps, in addition to the ten reforms announced yesterday, will help us achieve the best possible programs at the lowest possible cost.

###

1201 New York Avenue, NW
Washington, DC 20575
Telephone 202 606 5100

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

CNS
FACSIMILE TRANSMITTAL SHEET

TO: Gen. Sperling
LOCATION: White House
FAX #: 202 456-2878 PHONE #: 202 456-2620
FROM: Shirley Sagawa, Corp. for ntl service
FAX #: (202) 565-2784 TELEPHONE #: (202) 606-5000, Ext. 394

COMMENTS:

NUMBER OF PAGES (INCLUDING COVER SHEET) 6

IF THERE IS ANY PROBLEM WITH THIS TRANSMISSION, PLEASE CALL THE EXTENSION NOTED ABOVE.

AMENDMENT NO. _____ EX. _____ CALENDAR NO. _____

PURPOSE:

IN THE SENATE OF THE UNITED STATES - Cong. 104th Sess. 2nd
S.

(title)

- () Referred to the Committee on
and ordered to be printed
- () Ordered to lie on the table and to be printed

INTENDED to be proposed by

Viz: Strike p. 692, line 21 through p. 696, line 2 and insert:

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

National and Community Service Programs

Operating Expenses

(Including Transfer of Funds)

For necessary expenses for the Corporation for National and Community Service (referred to in the matter under this heading as the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (referred to in the matter under this heading as the "Act") (42 U.S.C. 12501 et seq.), \$400,500,000, of which \$265,000,000 shall be available for obligation from September 1, 1996, through September 30, 1997: Provided, That not more than \$25,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)): Provided further, That not more than \$2,500 shall be for official

reception and representation expenses: Provided further, That not more than \$59,000,000, to remain available without fiscal year limitation, shall be transferred to the National Service Trust account for educational awards authorized under subtitle D of title I of the Act (42 U.S.C. 12601 et seq.): Provided further, That not more than \$175,000,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the Americorps program): Provided further, That not more than \$5,500,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.): Provided further, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12581(b)): Provided further, That not more than \$40,000,000 of the funds made available under this heading may be used to administer, reimburse or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)): Provided further, That, to the maximum extent feasible, funds appropriated in the preceding proviso shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: Provided further, That not more than \$18,000,000 of the funds made available under this heading shall be available

for the Civilian Community Corps authorized under subtitle B of title I of the Act (42 U.S.C. 12611 et seq.): Provided further, That not more than \$43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (41 U.S.C. 12521 et seq.): Provided further, that not more than \$30,000,000 shall be available for quality and innovation activities authorized under subtitle II of title I of the Act (42 U.S.C. 12853 et seq.): Provided further, That not more than \$5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639), of which up to \$500,000 shall be available for a study by the National Academy of Public Administration on the structure, organization, and management of the Corporation and activities supported by the Corporation, including an assessment of the quality, innovation, replicability, and sustainability without Federal funds of such activities, and the Federal and non-federal cost of supporting participants in community service activities: Provided further, That no funds from any other appropriation, or from funds otherwise made available to the Corporation, shall be used to pay for personnel compensation and benefits, travel, or any other administrative expense for the Board of Directors, the Office of the Chief Executive Officer, the Office of the Managing Director, the Office of the Chief Financial Officer, the Office of National and Community Service Programs, the Civilian Community Corps, or any field office or staff of the Corporation working on the National and Community Service or Civilian Community Corps

programs: Provided further, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, shall expand significantly the number of educational awards provided under subtitle D of title I, and shall reduce the total Federal cost per participant in all programs.

Sense of Senate

It is the Sense of the Congress that accounting for taxpayers' funds must be a top priority for all federal agencies and government corporations. The Congress is deeply concerned about the findings of the recent audit of the Corporation for National and Community Service required under the Government Corporation Control Act of 1945. The Congress urges the President to expeditiously nominate a qualified Chief Financial Officer for the Corporation. Further, to the maximum extent practicable and as quickly as possible, the Corporation should implement the recommendations of the independent auditors contracted for by the Corporation's Inspector General, as well as the Chief Financial Officer, to improve the financial management of taxpayers' funds. Should the Chief Financial Officer determine that additional resources are needed to implement these recommendations, the Corporation should submit a reprogramming proposal for up to \$3 million to carry out reforms of the financial management system.

HOUSING PROGRAMS

Annual Contributions for Assisted Housing

On page 624 of the bill, line 10, strike "\$10,103,795,000"
and insert "\$10,084,295,000", and on page 626, line 23, strike
"\$209,000,000" and insert "\$189,500,000"

Office of
CONGRESSIONAL AND INTERGOVERNMENTAL RELATIONS
FACSIMILE TRANSMITTAL SHEET

DATE: 3/13/96

CORPORATION
FOR NATIONAL
★ SERVICE

TO: Gene Sperling

LOCATION: _____

FAX #: 456-2878 PHONE #: _____

FROM: Gene Sofer / Shirley Sagawa

FAX #: (202) 565-2784 TELEPHONE #: (202) 606-5000, Ext.

COMMENTS: _____

NUMBER OF PAGES (INCLUDING COVER SHEET)

13

IF THERE IS ANY PROBLEM WITH THIS TRANSMISSION, PLEASE CALL (202) 606-5000, Ext. 235

1201 New York Avenue, NW
Washington, DC 20525
Telephone 202-606-5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

release



AmeriCorps National Service

Release: March 13, 1996 3 p.m.

Contact: Jill Kozeny/Sen. Grassley 224-1308

J. Toscano/AmeriCorps 606-5000

ext 277

CORPORATION
FOR NATIONAL
SERVICE

AMERICORPS CRITIC & AMERICORPS CHIEF FIND COMMON GROUND TO IMPROVE NATIONAL SERVICE INITIATIVE

Senator Chuck Grassley (IA) and National Service Chief Harris Wofford have agreed upon a plan to improve AmeriCorps, the national service initiative created by the National and Community Service Act of 1993.

The 10 point agreement includes cutting per member costs, raising private sector and non-federal match requirements for programs that sponsor AmeriCorps members, eliminating grants to federal agencies, and expanding college scholarships for service (see attachment).

Senator Grassley, a fierce critic of government waste, has focused on AmeriCorps since early reports on its actual costs were released in early 1994. He has worked closely with Wofford, a former Democratic Senator from Pennsylvania who was sworn in as Chief Executive Officer in October, 1995, to develop a plan which strengthens the initiative while cutting costs.

Senator Grassley said, "Based on high costs identified in a nonpartisan GAO audit, I have urged the administration to reinvent AmeriCorps. Above all, I want tax dollars to be spent wisely so that the maximum number of young people can get money for college through this program. Under the able leadership of Harris Wofford, the Corporation for National Service has committed itself to meaningful reforms. If these changes succeed, the Corporation will be a better managed program that rewards community service and enables more young Americans to seek a college education. For this reason, I will support the appropriation's committee's recommendation to fund the Corporation at a level of \$383 million for fiscal year 1996. And I will continue my watchdog work for the taxpayers with the President's AmeriCorps program and other federal government programs."

Chief Executive Officer Wofford said, "This shows that a tough critic can become a good working partner. I am delighted that Senator Grassley and I have found a common ground that strengthens AmeriCorps while making it more cost-effective. As we downsize government, national service can play an effective, non-bureaucratic role in solving social problems. We are committed to working together to get national service established as a non-partisan institution in which all Americans can take pride."

AmeriCorps is funded at 81 percent of last year's level in the Continuing Resolution proposal being considered by the Senate. The National and Community Service Act of 1993, which created the program, is due for reauthorization this year.

###

1201 New York Avenue, NW
Washington, DC 20535
Telephone 202 606 5000

Giving Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

MIKULSKI AMENDMENT ON NATIONAL SERVICE

Increases amount for National Service in Title I of the Omnibus CR by \$26.5 million -- from \$383.5 million to \$410 million.

Increases funding for the National Service Trust (post-service educational awards) by \$ 11 million -- from \$59 million to \$70 million

Increases funding for AmeriCorps grants by \$2.5 million--from \$215 million to \$217.5 million.

- Funds 23,000 AmeriCorps Members in FY '96--up from 21,000 at the current level although slightly below the 25,000 who served in FY '95.

Removes language which limited funding of National Direct applicants to only \$40 million and retains language terminating grants to federal agencies and addressing criticisms of the grant administration process.

- The change allows funding for applicants who don't apply through states--such as Habitat for Humanity, YMCA, and the National Council of Churches.

Increases funding for innovation/training and technical assistance by \$10 million dollars -- from \$15 million to \$25 million.

- In addition to other things, enables 500 individuals with disabilities to participate in AmeriCorps and funds 150 AmeriCorps members serving to generate an additional 1,000 community volunteers.

Increases funds for Learn and Serve America K-12 by \$ 1 million--from \$43 million to \$44 million.

- Allows an addition 15,000 school children to participate in service learning activities.

Increases funding for Points of Light Foundation by 2 million--from \$3.5 million to \$5.5 million.

As a separate provision to the IG's line item, add \$250,000 for the IG.

Add following report language on Financial Management reform:

"It is the sense of the Congress that accounting for taxpayers' funds must be a top priority for all Federal agencies and government corporations. The Congress is deeply concerned about the findings of the recent audit of the Corporation for National and Community Service required under the Government Corporation Control Act of 1945. The Congress

urges the President to expeditiously nominate a qualified Chief Financial Officer for the Corporation. Further, to the maximum extent practicable and as quickly as possible, the Corporation should implement the recommendations of the independent auditors contracted by the Corporation's Inspector General, as well as the Chief Financial Officer, to improve the financial management of taxpayers' funds. Should the CFO determine that additional resources are needed to implement these recommendations, the Corporation should submit a reprogramming proposal for up to \$3 million to carry reforms of the financial management system."

OFFSET

Offset of \$26.5 million in budget authority comes out of HUD Multifamily Property Disposition.

- HUD identified \$29 million in excess funding in this program--HUD only needs \$180 million for tenant protection rather than the \$209 million currently in the bill.
- A previous CR included full-year language allowing rehabilitation activities to be funded out of the FHA Fund (mandatory).

Governors' Excerpts on National Service

"Now that we have a Republican congress that is finally serious about getting America's house in order I have only one word of caution, AmeriCorps. This is the baby that should not be thrown out with the bathwater. AmeriCorps Members will help us build a better tomorrow one of the most intelligent uses of taxpayers dollars ever."

**--Remarks by Governor William Weld (Massachusetts)
AmeriCorps Swearing in Ceremony
October 12, 1995**

"Today is a great day for service in Michigan--the kick-off for Michigan's AmeriCorps. Soon members of Michigan's AmeriCorps will be getting things done to meet the important needs of our communities, demonstrating that our greatest resource remains our people. AmeriCorps captures the promise found in all citizens, young and old, who see problems in their communities and work together to solve them. . . . You have come together, as have others in communities across the country, in the true spirit of service. Today, we celebrate the beginning of AmeriCorps and reaffirm traditions that we hold so dearly in Michigan--community, volunteerism, and service to others."

**--Remarks by Governor John Engler (Michigan)
to Michigan's AmeriCorps Members
September 12, 1994**

"AmeriCorps USA, California's new national service program, is another significant part of the state's service movement. In California alone there are over 2500 AmeriCorps members, engaged in service, who will be doing a wide range of work, from reducing juvenile crime, and providing service participants valuable skills and experience to encouraging adult and youth role models to mentor and tutor students at risk of dropping out of school or academic failure and encouraging preventive approaches to meeting unmet human needs."

**--Letter from Governor Pete Wilson (California)
California Conference on Service and Volunteerism
January 26, 1995**

"While balancing the budgets, fighting unfunded mandates, and streamlining government, I am committed to this community service program for Montana communities and citizens. If we can be as creative and constructive with other federal dollars in Montana as we are with our community service efforts, Montanans will inevitably win."

**--Letter from Governor Marc Racicot (Montana)
to State Representative Dick Green
February 24, 1995**

"North Carolina is proud to host a wide range of national service programs in more than three fourths of our 100 counties. Already, AmeriCorps programs are having a tremendous impact on communities across our state because they provide service at the local level, where real change can happen.

Our AmeriCorps members are tutoring children, creating new after-school enrichment programs, teaching adults to read, caring for the elderly, constructing affordable housing and working in day care centers. They have brought volunteers who would not otherwise be involved to work in AmeriCorps programs.

The success of AmeriCorps in North Carolina has relied on the input and commitment of citizens who have worked together at the local level to create programs that address our state's most pressing needs. Community organizations, schools, civic groups, volunteers, government agencies and business leaders are involved in developing solutions that really work. Citizens and elected officials across the political spectrum have shown support for national service as an ideal way to get things done in the state."

**--Letter from Governor James Hunt (North Carolina)
to the Corporation's Chief Executive Officer
March 21, 1995**

"During these tight budgetary times, we must carefully consider the total impact of each dollar we spend. The AmeriCorps program represents an investment in our young people and in our communities that not only provides immediate benefits but will also pay huge dividends in the future. It harnesses old-fashioned citizen power and focuses on the roots of fundamental societal problems. AmeriCorps has made a tremendous difference in Kentucky in a very short time. It is one of the most creative, innovative and successful federally funded programs operating today."

**--Statement from Governor Brereton Jones (Kentucky)
March 23, 1995**

"I continue to be extremely pleased with the way our State Commission for National and Community Service has been able to support and expand AmeriCorps projects. . . . I also believe we are off to an excellent start in this new federal-state partnership where local decision making can have an impact. The President is to be commended for providing the vision for National Service which permits Governors through the State Commission the ability to design programs which address critical state needs."

**--Letter from Governor Mike Lowry (Washington)
to the Corporation's Chief Executive Officer
April 27, 1995**

"I am enthusiastic and impressed with the work of the AmeriCorps programs in Arizona. . . . AmeriCorps is not government as usual, but rather an investment in local programs -- building public/private partnerships and delivering measurable, tangible results."

**--Letter from Governor Fife Symington (Arizona)
to Mr. Richard H. Carter
May 9, 1995**

"Growing out of federal legislation initiated in the Bush Administration, today's national service programs are a truly non-partisan effort that has had a demonstrable effect on the quality of life in Rhode Island. We are proud of our AmeriCorps programs--City Year, Children's Crusade and Community Partnership--and their committed members of all ages who are working every day in community service programs to assist their fellow citizens."

**--Statement from Governor Lincoln Almond (Rhode Island)
June 6, 1995**

"The National Service program has been a great success in the State of New Hampshire and I anticipate it will continue to be in the future. The growth and prosperity of the AmeriCorps program in New Hampshire is directly related to the outstanding commitment of our volunteers, as well as our State Commission on National Service. These motivated individuals make AmeriCorps work for New Hampshire and I am pleased to be a partner in this process."

**--Letter from Governor Stephen Merrill (New Hampshire)
to the Corporation's Chief Executive Officer
July 10, 1995**

"The new national service effort -- AmeriCorps -- has only existed a short time, but we believe it can be a valued partner with communities and volunteers working to meet local needs in Chicago and across Illinois. It, along with another Corporation for National Service initiative -- Learn and Serve America -- is a needed and potentially valuable member of our community service network. . . . Our Commission on Community Service will do all it can to make sure the Corporation for National Service programs are effective as they continue to work to enhance the structure of service throughout Illinois. We welcome your participation and leadership as all Americans are challenged to take an active role in strengthening their communities from the grass roots upward."

**--Letter from Governor Jim Edgar (Illinois)
to the Corporation's Chief Executive Officer
June 2, 1995**

**AGUIRRE INTERNATIONAL**

1735 North Lynn Street, Suite 1000 • Rosslyn, VA 22209-2019

411 Borel Avenue, Suite 402 • San Mateo, CA 94402

AmeriCorps*USA at Five Months

A Summary of Accomplishments from 52 Randomly Selected Sites¹

March 22, 1995

The following report aggregates and summarizes the bulk of the accomplishments of 1,654 AmeriCorps*USA Members serving at 52 sites that were selected randomly from across the nation. Listed accomplishments represent the efforts of approximately 8% of AmeriCorps*USA's operating sites during the first five months of operation--from September, 1994 through January, 1995.

The accomplishments are grouped within AmeriCorps*USA's four issue areas: education, public safety, health and human needs, and environmental and neighborhood restoration. The list, while both long and diverse, is not exhaustive; not every accomplishment has been captured. Nevertheless, the list summarizes the major accomplishments of the selected sites.

¹ Accomplishments listed are from reviews conducted with each operating site by Aguirre International evaluators between February 7 and March 9, 1995.

Education

The AmeriCorps Members helped children and youth from impoverished urban and rural communities to succeed in school. They taught in classrooms, established new learning programs in and out of school, and prepared preschoolers for the demands of school. Specific accomplishments include the following:

- Taught 1,430 and tutored 7,638 pre-school, elementary, and junior high school students in basic educational skills.
- Conducted enriched learning programs and initiated new ones — such as computer-based reading instruction, peer tutoring, scientific experimentation, and programs for children with special needs — for 6,414 children.
- Established after-school and vacation programs to reinforce the academic involvement of 4,656 children.

The AmeriCorps Members helped at-risk children succeed in school by assisting them and their families to develop their sense of civic and community responsibility and to become more stable, more self-sufficient, and more involved in the community. Specific accomplishments include the following:

- Organized and supervised community service projects for 4,469 at-risk children and youth. Projects included neighborhood cleanups and providing food for elderly people.
- Counseled, taught parenting skills, and/or provided problem solving assistance to 390 families, 183 teen parents, and the low-income families of 440 children at risk of failing in school.
- Provided literacy or employment-related training for 694 adults.
- Provided intensive educational support — including regular counseling — to 30 troubled teenagers living in group homes and 33 low-income children, including 22 homeless preschoolers.

Public Safety

The AmeriCorps Members started neighborhood safety programs, mobilized neighbors, and improved community/police relations, resulting in safer communities. Specific accomplishments include the following:

- Escorted 8,500 children to school through safe corridors.
- Started 258 neighborhood safety programs and patrolled 250 vacant buildings to prevent violence, drug-dealing and other illegal activities.
- Initiated 2 programs to improve community/police relations, including assisting a police mobile unit.

The AmeriCorps Members worked to prevent violence in school by teaching mediation techniques, resulting in decreased incidence of violence and negative behavior. Specific accomplishments include the following:

- Resolved 414 school conflicts that might otherwise have ended in violence or with students dropping out of school because of fear of violence.
- Taught conflict resolution techniques to 8,119 school children.
- Counseled and taught alternatives to violence to 1,350 potential or actual gang members and 54 parents of children at risk of becoming involved in gangs.
- Initiated 3 programs to train school and community members to implement violence prevention activities.
- Secured donated materials and created a memorial garden and mural in memory of 3 children slain in the streets.

The AmeriCorps Members worked to prevent violence and drug abuse in families and communities and provided direct assistance to victims of crime as well as referring them to needed services. Specific accomplishments include the following:

- Conducted workshops for 220 at-risk individuals about family violence prevention.
- Answered crisis hotline calls and made referrals for 878 victims of sexual and domestic violence.
- Provided each of 470 victims of sexual and domestic violence with 30 days of counseling and assistance.
- Counseled 35 elementary or high-school students in crisis as a result of rape, violence, or home difficulties.
- Counseled 1,180 teenagers about alcohol and drug abuse.
- Conducted home visits about drug or alcohol abuse prevention with 120 community residents.

Health and Human Needs

The AmeriCorps Members made independent living easier for disabled, elderly, or hospitalized individuals by providing direct support service and by recruiting and organizing community volunteers. Specific accomplishments include the following:

- Helped 123 elderly persons, 50 visually impaired adults, and 9 visually impaired children live independently.
- Provided job-related training, independent living assistance and/or medical referrals for 135 mentally ill or developmentally disabled persons.
- Organized weekly social activities for 400 elderly nursing home residents.
- Constructed wheel-chair accessible trails, ramps, or sidewalks at 3 parks, 5 low-income homes, and 4 public buildings.
- Obtained donated materials, trained 58 volunteers, and repaired the homes of 296 elderly persons.

The AmeriCorps Members provided emergency medical services, as well as health training and education. Specific accomplishments include the following:

- Trained 1,144 inner-city residents in CPR.
- Provided emergency medical services to over 1,500 people.
- Screened 1,100 low-income children for lead toxicity and other health risks.
- Provided health counseling, education, or referrals and transportation to 220 low-income families and over 5,000 individuals.
- Disseminated health care information to 4,567 individuals.
- Distributed 150 children's car seats to low-income families.
- Conducted immunization screenings — immunizing 158 individuals and notifying 500 others of their families' need to be immunized.
- Administered 301 HIV tests and counseled patients regarding results.
- Conducted workshops and distributed information on AIDS and tuberculosis to over 7,000 people.

The AmeriCorps Members helped meet the basic needs of low-income and homeless people for food and shelter. They improved low-income housing, fed the hungry, and improved the methods of service referral and delivery. Specific accomplishments include the following:

- Renovated 238 inner-city housing units and 99 rural homes; began renovation of 121 more.
- Refurbished 2 homeless shelters and began to renovate 3 buildings — one for seniors, one for battered women, and one for the formerly homeless.
- Distributed food to more than 16,625 low-income people and packed 7,000 dinners and 32,000 breakfasts for the hungry.
- Found shelter for 400 homeless families, and sorted and distributed clothes to 350 homeless individuals.
- Secured hospice housing for 27 people with AIDS and helped feed (on a weekly basis) 1,250 people who have AIDS or who are HIV positive.
- Provided housing information or counseling to over 500 low-income and homeless families.
- Secured donated furniture, repaired it, and delivered it to 300 newly-housed families.

Environmental and Neighborhood Restoration

The AmeriCorps Members responded to emergencies, including post-disaster environmental restorations, and worked to improve emergency response capacity in parks and public lands. Specific accomplishments include the following:

- Inspected and repaired 87 small dams, protecting 200 farms.
- Provided disaster recovery assistance to 350 land owners recovering from a flood; activities included sand and soil deposit mapping, advice on pasture and hayland management, watershed mapping, and computer simulations to plan floodplain management.
- Fought 2 major forest fires and saved 1 national park road from washing out.
- Joined at least 5 search and rescue efforts.

The AmeriCorps Members restored and stabilized the natural environment and wildlife habitats. Specific accomplishments include the following:

- Planted 212,500 trees.
- Restored 320 acres of wild land areas by repairing fire and flood damage, re-planting to prevent erosion, and fencing off wetlands to prevent illegal dumping.
- Restored or stabilized 27 miles of riverbed and stream banks to improve the habitat of salmon; fenced another 7 miles to keep cattle from destroying spawning grounds; repaired three aquaculture tanks with a capacity to rear 1,000,000 salmon fry per year.
- Removed 2,000 lbs. of trash from an urban river.
- Monitored water quality in 2 parkland areas.
- Surveyed 5,700 acres of National Forest land as part of reforestation programs to monitor reforestation efforts; conducted biological inventories on 12,000 acres of wetland.
- Built, restored, or maintained 311 campsites, 88 miles of parkland trails, 17 bridges, and 1 mile of forest service road.
- Cleaned up storm debris and trash on 3 beaches, protected sand dunes on one beach, and built one wildlife observation platform and 3 duck blinds.

The AmeriCorps Members improved neighborhoods, parks, and recreation facilities by converting vacant lots, renovating buildings, repairing public facilities, and conducting recycling and conservation programs, resulting in a heightened sense of community ownership. Specific accomplishments include the following:

- Renovated 11 community buildings, including an inner-city medical clinic, community centers, and public schools.
- Converted 29 overgrown lots into green space; built 7 community gardens; planted trees along 30 city blocks.
- Cleaned 27 miles of road, restored 1 community reservoir, removed illegally dumped garbage from one community; and unclogged more than 14,000 storm drains.
- Created 4 playgrounds, designed 1 picnic area, and improved safety at 1 scenic overlook.
- Restored, repaired, or maintained 19 historical landmarks and a traditional tribal longhouse.
- Completed 61 inner-city neighborhood clean-ups — including a city-wide graffiti removal.
- Distributed 1,375 low flush toilets and 1,700 water conserving showerheads in low-income neighborhoods — along with over 1,400 water conservation guides.
- Recycled 920 inefficient toilets and 1,120 inefficient showerheads.

MEMORANDUM FOR DISTRIBUTION

FROM: Harris Wofford and Shirley Sagawa

Re: AmeriCorps Reauthorization and Cost-Cutting Proposal

Date: March 6, 1996

Reauthorization Strategy

We need to come to consensus, as quickly as possible, on a strategy that will enable AmeriCorps to continue to thrive in 1997 and beyond. Our authorization expires at the end of FY 1996. Some of the options we have considered are:

1. Pursue a "traditional" reauthorization, with a Senate-first strategy, with the Administration submitting a reauthorization bill with only modest changes, or preparing a "statement of principles" for discussion.
2. Pursue a reauthorization with no Administration bill, but asking a bipartisan group of supporters off of the Labor and Human Resources Committee to introduce a bill and push the Committee to take action.
3. Assume no reauthorization this year, due to election year politics and the short schedule, seek an appropriation without an authorization, and work on a reauthorization bill next year.
4. Develop and unveil a "reform plan" that will inoculate the program against criticisms of opponents. The plan may be either a legislative package that could be part of a FY 1997 appropriations deal, the basis for a reauthorization bill, or a set of administrative changes.

These strategies are not mutually exclusive. We are currently preparing for any of the above options to unfold. We have reason to believe that our most vocal critic, Senator Grassley, would be willing to endorse AmeriCorps if we could publicly agree to a reform plan that would limit AmeriCorps costs. This memo lays out the core of a cost-cutting plan that could allow us to gain Senator Grassley's support while enabling the program to grow more rapidly. We believe these changes can be achieved without amending the statute, although they may also form the basis of a reauthorization proposal, appropriations deal, or reform package.

Cost-Cutting Proposals

1. Establish cost-savings goals.

We believe we could responsibly agree to an average per Member cost to the Corporation of not more than \$15,000, to be phased in by FY1999. In addition, we could agree that no AmeriCorps program would have a per Member cost exceeding \$20,000, to be phased in by FY1999. The per

Member cost would be calculated by adding the budgeted Corporation costs of the education award, AmeriCorps grant (living allowance and Member support, plus program support), and Corporation and State Commission overhead that is directly attributable to AmeriCorps. The GAO estimated that the comparable figure for the average per Member cost in FY1995 was \$17,629; we believe it is actually slightly higher. See the options at the end of the discussion for achieving this objective.

2. Living allowance

In order to achieve the above goals, we would need to review our policies relating to the living allowance paid to Members. Under the existing statute, the standard living allowance is \$7,945. For a 52-week program, that works out to a little bit more than \$150 per week with the Corporation share being a little more than \$125 per week. However, due to the way the statute is written, a 40 week program (in which the Members serve the full 1700 hours over 40 weeks instead of 52 weeks), end up providing a living allowance of almost \$200 a week-- this amount is derived by dividing the annual living allowance of \$7945 by the number of weeks of the program. We may be able to save money by using our waiver authority to enable programs that operate for less than 52 weeks to pay \$150 per week, rather than the higher amount they are now required to pay. The net effect would be that the Corporation's share of the living allowance would go from \$6,800 to \$5,200 for those programs that are 40 weeks, and the Member's actual pay would go from \$7,900 to \$6,100 for that period, unless the local program increases the match.

3. Program costs

There are several ways to reduce program costs (the amount of the grant provided to programs that is not used for Member living allowances and benefits). Program costs cover staff, Member training, transportation, insurance, recruitment, and other items. Currently, the average grant amount to cover program costs is about \$5,500, although the range is large. To reduce this amount and simplify the program, we could determine a flat amount that the Corporation would provide per full-time Member and increase the matching funds required. To ensure continued participation of high quality programs for whom the restricted grant amount would pose a hardship, we might reserve a fund that could be tapped by rural programs, new start-ups, residential programs, etc.

Options range from a cap of \$3,000 plus 10% in a hardship fund; to \$5,000 plus no hardship fund; to varying caps per type of program, with an average of no more than \$5,000.

3. Cost-share partnerships

To bring down the average per Member cost, the Corporation plans to work aggressively to develop partnerships with organizations that can pay the living allowances and program costs of AmeriCorps from other sources, with the Corporation providing only the education award. We might emphasize:

- A. VISTA cost share arrangements, in which VISTA sponsors receive a VISTA free of charge for two years, but agree to pay the VISTA living allowance in subsequent years.
- B. Higher education part-time programs, especially those that use college students to organize younger volunteers. Students would serve a minimum of 900 hours over two years.
- C. Programs operated by religious organizations, such as Catholic, Protestant, or Jewish lay volunteers, who do not want to apply for grant money.

The suboptions under this cost saving option are related to what percent of the total program is comprised of such "cost share partnerships." The potential range is between 10-25%.

Summary of Potential Options for Meeting Corporation Cost-Cutting Goals**Average Corporation Costs Where Corporation Supports All Items**

<u>Member Costs</u>	<u>Current Program</u>	<u>Reform</u>
Education Award	4,725	4,725
Living Allowance	6,800	up to 6,800
Other	1,800	1,800
Subtotal	13,325	up to 13,325
Program grant	5,500	up to 5,000
Recruitment, admin., etc. 2/	2,000	2,000
TOTAL	20,775	up to 20,275

Average, taking into account cost share proposals/other items	19,000	15,000 1/
--	---------------	------------------

1/ By 1999. Assumes about 25% of program will be "cost share proposals," that living allowance will be lowered an average of \$1,000, and that program grants will be lowered an average of \$1,500.

2/ Rough calculation that includes administration, recruitment, evaluation, etc.

EXECUTIVE OFFICE OF THE PRESIDENT

Office of Management and Budget
Program Associate Director for Human Resources
260 Old Executive Office Building
Washington, DC 20503

Fax #: 395-5730

Phone #: 395-4844

FACSIMILE COVER SHEET

DATE:

3-4-96

TO:

Dan Taberski

Fax Number: _____

Voice Number: _____

Number of pages (including cover sheet):

3

FROM:

Debbie Kramer

REMARKS:

Corporation for National and Community Service (CNCS) Reauthorization Issues

What should be the Administration's reauthorization strategy?

- Prepare a formal reauthorization bill to send to the Hill.
- Propose no changes.
- Prepare broad principles for Hill negotiations.
- "Inoculate" against Congressional opponents by proposing administrative reforms and revisions based on experience over past two years and results of successful programs.

Regardless of the strategy, the goal is to preserve National Service while addressing major criticisms (primarily cost per participant). Discussed below are some cost-saving measures some of which can be accomplished administratively, some of which require legislation.

Cap Participant Living Allowances at \$100/week.

Reduce the current CNCS portion of the weekly stipend of between \$130-160 to \$100. Sponsoring programs may match up to that amount for a total of \$200/week or more. Consider exception for up to 10-20% of programs, providing more than \$100 per week for unusual circumstances. Legislation required.

Pros:

- Combats perception that compensation is too generous; adds an element of sacrifice.
- Similar to other programs (City Year, Catholic lay ministry) which provide stipends of \$100 per week or less.
- Would greatly simplify and streamline CNCS grant negotiations.

Cons:

- Probably will lose middle class participants altering demographic mix in program.
- Requires additional funds from locals if they want to pay minimum wage. (Paying the minimum wage is an organized labor concern and sometimes a State requirement.)
- Programs with highly skilled participants (Legal Corps, Public Allies) that provide between \$10K and \$14K stipends must raise more money or drop out of the program.

Cap Federal Program Support (overhead) to \$5,000 Per Participant.

Program support includes: travel, uniforms, project materials, materials, training, program staffing costs, overhead, and evaluation. Local programs could match dollar-for-dollar up to an additional \$5,000. Consider an exception for up to 10-20% of programs for unusual situations. Can be done administratively.

Pros:

- Require more local buy-in by enlisting more private sector, local, and state support
- Would greatly simplify and streamline CNCS grant negotiations.

Cons:

- Require a larger match and could lead to some programs dropping out.
- Problems in auditing match funds and in determining types of funds allowed for match.
- Support needs vary widely based on program design, location, size, and demographics.

Increase to 25% the Proportion of Participants Receiving Only Education Awards.

The CNCS currently provides: 1) education awards only to nearly 700 participants, and 2) some program support and the education award to an additional 2,800 participants. Most are through the "Teach for America" program, with the rest through VISTA projects where local sponsors provide the VISTA stipend and program support costs. Can be done administratively.

Pros:

- Large increase in participants with modest increase in costs (\$4,725 vs \$19,000).
- Infinite number of opportunities for creating education award only programs.

Cons:

- May be rewarding persons already engaged in "volunteer" service rather than expanding the number of participants engaged in national service.
- Difficult to monitor and maintain CNCS high quality standards for its programs.
- Limited near-term cost savings; resource intensive to market to higher ed institutions, States, and municipalities; will take several years to reach the 25% level.
- Greater potential for inequitable treatment among volunteers.

Eliminate the National Civilian Community Corps (NCCC).

The NCCC was created as demonstration to assess: 1) whether residential service programs administered by the Federal Government can increase support for national service and 2) whether former members of the military can provide guidance and training in such programs. There have been approximately 865 participants in each of the past two years. Participants are 18-24 years old and serve full-time for 10-11 months. Change can be done administratively.

Pros:

- Eliminates an extremely costly program: 1996 NCCC participant costs are estimated to be \$25,428 without the educational award; 1997 will be cut to \$19,800 (without award).
- No clear federal role; many States already operating similar programs.

Cons:

- Lose ability for a Federal rapid volunteer response to disaster situations.
- High visibility, especially in disaster situations, brings good local press for the CNCS.
- Ties to military enable the NCCC to have access to DOD facilities and resources.

Eliminate the Federal Agency AmeriCorps Programs.

The CNCS already has taken steps to eliminate this program by notifying federal agency grantees that the CNCS will no longer provide grants to federal agencies. This cutback was initiated in response to cost and related concerns raised by Senator Bond and Senator Grassley. In a letter sent to the President last fall, Senator Grassley suggested eliminating the Federal agency program. High cost programs have been a lightning rod for critics.

Make the CNCS a Non-Governmental Entity.

In his confirmation testimony, Harris Wofford stated that it would be worthwhile to consider making the CNCS more of a "trust of the American people, chartered by Congress, like the American Red Cross, but not controlled by the government." Further work needed to examine viability and legal ramifications. Legislation required.

MEMORANDUM FOR DISTRIBUTION

FROM: Shirley Sagawa 
RE: AmeriCorps Proposals
DATE: February 28, 1996

CORPORATION
FOR NATIONAL
 SERVICE

Attached, for your consideration, are three documents:

- 1) Draft response to Senator Grassley's letter to the Corporation. We believe that Senator Grassley, our most vocal critic, may be willing to endorse AmeriCorps if we can work out a package of "reforms." The letter is designed to lay out steps the Corporation has already taken that address his concerns. A second round of letters might work to formalize a deal.
- 2) Memorandum outlining proposed long-term "reforms." Although we are very satisfied with the quality and cost-effectiveness of AmeriCorps, we believe that steps should be taken to further reduce costs, increase private sector involvement, simplify the program, and expand the number of AmeriCorps Members. This memo suggests legislative reforms that move in these directions which might be negotiated in the reauthorization bill or 1997 appropriations agreement.
- 3) Analysis of reform proposal. I prepared this analysis of the reform proposal for Harris. It may be helpful to you in understanding the effects that the proposal, if implemented, would have on our existing portfolio of programs.

Finally, not included in this package are a series of more minor and technical amendments that we would like to propose. These will be provided to our OMB contact as soon as they are available, within the next two weeks. Please note that several authorizing and appropriations committee hearings have been scheduled for the Corporation over the next two months. We hope to be able to talk about the long-term direction of the Corporation in our testimony, and therefore would like to reach consensus with you and the President as soon as possible.

Distribution:

Alice Rivlin
Jack Lew
Ken Apfel
Melanne Verveer
Gene Sperling

cc:

Eli Segal

1201 New York Avenue, NW
Washington, DC 20525
Telephone 202-606-5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

DETERMINED TO BE AN ADMINISTRATIVE

MARKING INITIALS: gm DATE: 10/25/18

2013-0661-t-3 W

CONFIDENTIAL/DRAFT

MEMORANDUM

TO: Distribution

FROM: Harris Wofford and Shirley Sagawa
Corporation for National Service

SUBJECT: Draft Outline of Proposed Long-Term Reforms

DATE: February 28, 1995

CORPORATION
FOR NATIONAL
★ SERVICE

These proposals were designed to significantly expand the political support for AmeriCorps while simultaneously strengthening its existing mission. They would make it possible to (1) expand the size of the program to bring it closer to the original goal of 100,000 or more; (2) ensure that AmeriCorps is viewed as service that involves sacrifice; (3) strengthen the link between service and education; (4) reduce costs; (5) simplify the structure and reduce red tape; and (6) increase private sector involvement.

The net effect of these changes should be to reduce the per person cost by at least \$3,600. And, even without any increase in overall funding, it would increase the number of participants by up to 25 percent, and possibly much more.

Clearly, the reforms should be phased in, starting with the passage of legislation (either the reauthorization or 1997 appropriations) that gives us the flexibility to move in this direction. One possibility is to start with the National Direct programs (one third of AmeriCorps assignments), and for at least the first year to leave it optional to state commissions and their grantees.

The key ingredients would be:

Reducing Corporation Spending on the Living Allowance -- The Corporation would provide \$100 a week for a stipend, the amount originally proposed in the 1992 campaign. (Currently the federal government puts up about \$150/week.) Programs could supplement the wage if they wish up to another \$100/week.

This has several advantages. First, it would lower the cost per member, thereby answering critics and allowing expansion of the program. Second, it would combat the perception that AmeriCorps compensation is overly generous. The more Spartan living allowance, combined

1201 New York Avenue, NW
Washington, DC 20525
Telephone 202-606-5000

Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

with a continued emphasis on "getting things done," would ensure that AmeriCorps, like the military and the Peace Corps, is viewed as service and not a jobs program. Yet this approach would also provide programs the flexibility to supplement the living allowance if necessary to guarantee a diversity of participants.

Giving Program Money Through a Challenge Grant System -- The Corporation would provide program assistance on a matching basis -- programs that put up money would get money -- up to a certain amount, perhaps \$5,000. This would be far simpler and less bureaucratic than the current system in which program officers negotiate in painstaking detail each item in a program's budget. It would effectively establish a cap on federal spending per participant that is significantly below the current maximum, and it would encourage programs to seek private sector, as well as state and local government funding. There are ways of phasing this in gradually--perhaps doing a 3 for 1 match or including in-kind contributions as part of the calculations--so as not to adversely affect bootstrap programs in rural and urban low income areas.

In addition to limiting federal costs per person, this approach would have the added advantage of ensuring more local buy-in for individual programs and AmeriCorps generally.

Providing More "National Service Scholarships" -- The Corporation could increase the number of members who receive only the education voucher. This should have a special appeal to religious organizations and other large non-profit groups. The competition for these awards should have a key criterion a plan to expand the numbers of those serving in their programs. The Act already authorizes such education-only awards and it has been tried on a small pilot scale. We have both been interested in trying it on a larger scale. It happens also that this is an idea of Senator Grassley's, who suggested it in his letter to the President last August, and would undoubtedly help with other Republicans as well. Even more important, this approach would allow for a larger number of Americans to earn their way through college by performing service.

Eventually Making the Corporation a Non-Governmental Entity -- In Harris Wofford's confirmation testimony before the Senate Labor and Human Resources Committee, he stated that we should consider making the Corporation more of a "trust of the American people, chartered by Congress, like the American Red Cross, but not controlled by the government." In recent months, in meetings with leaders of major corporations, foundations, educational institutions and non-profit agencies, we have been posing the question: To what extent can the private and independent institutions -- including colleges and universities, and also units of state and local government such as schools and police forces -- contribute more of the resources and assume even more of the responsibility? There are many practical and legal questions that would need to be addressed, but the concept is powerful. It could establish national service as a permanent fixture of American society, effectively wiping out partisan opposition.

MEMORANDUM FOR HARRIS WOFFORD

FROM: Shirley Sagawa
RE: Analysis of reform proposal
DATE: February 16, 1996

A group of us spent some time analyzing the reform proposal. The following represents our conclusions about the effect of the proposal and steps we should take to prepare to implement it.

Our assumptions about the proposal are as follows:

- o The Corporation would provide \$100 per week living allowance (or "field fellowship") plus \$100 per month in health insurance (and would foot all child care costs for eligible members as under current law).
- o The Corporation would provide up to \$5,000 per member in program costs, provided on a one to one matching basis. (We understand that the exact formula might vary, and discuss options later in the memo.)
- o The education award stays the same as under current law.
- o We would set a target for the number of education awards only Member we would hope to enroll.

We assume that some of the goals of the proposal are:

- o To decrease the average federal cost per FTE for AmeriCorps Members significantly below the GAO-reported average of \$17,629 (Corporation costs).
- o To increase the proportion of federal funds going to Member support verses program support.
- o Potentially, to decrease the average Member living allowance so that it is clear that AmeriCorps Members are making a sacrifice.
- o To gain the support of a significant number of Republicans for the funding and reauthorization of the program.

On the next page is a chart showing our current program and the reform program, as we understand it. The chart is a little confusing because the current program numbers are **not** the average costs, but rather, the "normal" costs assuming (1) a grantee provides the minimum

matching funds for Member support, and (2) the actual "average" program support grant. Therefore, the numbers seem high relative to what we know to be the overall average per FTE amounts. For state programs, the average per FTE amount is about \$17,125 including all Corporation costs. About 60% of that amount goes to members (this percentage increases to about 66% if you exclude Commission and Corporation "overhead").

What the chart does show is that for the average program, the reform plan would not pose a serious hardship, **depending on what type of funding counts toward the match.** The implications of various match restrictions are discussed later in the memo.

Current program -- full time members

<u>MEMBER COSTS</u>	<u>Corporation</u>	<u>Other</u>	<u>Total</u>
Ed award	4,725	0	4,725
Living allowance	6,753	1,192(+)	7,945(+)
FICA*	516	92(+)	608(+)
Health care	1,020	180	1,200
Child care**	250	0	250
 <u>SUBTOTAL</u>	 13,264	 1,464	 14,728
 Program grant (state average)	 5,511	 5,236	 10,747
State Commission	400	100	500
Corporation***	1,600	0	1,600
 <u>SUBTOTAL</u>	 <u>7,511</u>	 <u>5,336</u>	 <u>12,847</u>
 TOTAL	 20,775	 6,800	 27,575

Reform proposal -- 52-week full-time members (shorter programs would have lower costs)

<u>MEMBER COSTS</u>	<u>Corporation</u>	<u>Other</u>	<u>Total</u>
Ed award	4,725	0	4,725
Living allowance	5,200	up to 5,200	up to 10,400
FICA*	398	up to 398	up to 796
Health care	1,200	0	1,200
Child care**	250	0	250
 SUBTOTAL	 11,773	 up to 5,598	 up to 17,371
 Program grant	 up to 5,000	 up to 5,000	 up to 10,000
State Commission	400	100	400
Corporation***	1,600	0	1,600
 <u>SUBTOTAL</u>	 <u>up to 7,000</u>	 <u>up to 5,100</u>	 <u>up to 12,000</u>
 TOTAL	 up to 18,773	 up to 10,698	 up to 29,371

*FICA is calculated based on 7.65% of living allowance. Not all programs have had to pay FICA, although currently most do. It is a legal determination. To get an across the board exemption for AmeriCorps Members would require the support of the Finance/Ways and Means Committees.

**Child care is calculated based on current total expenditures for child care benefits divided among all AmeriCorps Members. In reality, some Members receive a benefit of up to several thousand dollars, but most do not qualify for this assistance.

***Corporation costs are a very rough calculation that includes federal administration, t/ta, recruitment, evaluation, etc.

Policy issues related to this proposal:

Living allowance

Capping the living allowance at \$10,000 would affect approximately 23 existing programs. These programs tend to recruit higher skilled, more highly educated Members.

Lowering the minimum living allowance to \$100 per week would possibly cause concern to the youth corps community and labor unions, who have lobbied in the past for a minimum wage-level living allowance.

Requiring amounts of the living allowance that exceed \$100 per week to be raised by the programs would increase the "match" burden for most current programs by about \$1,500.

We have assumed that the Corporation would continue to pay most or all of a health care policy and child care benefits. If these are eliminated, the effect of lowering the living allowance would be more severe, and would effectively eliminate most single parents from AmeriCorps.

Assuming that many programs end up dropping the living allowance to the minimum amount by not augmenting it, there may be an effect on the demographics of the program; based on current data, it is the middle class Members who say they are most likely to forego AmeriCorps if the living allowance were lowered or eliminated.

Program support

Current program support grants range from almost nothing to more than \$10,000 per member, with the average being about \$5,500. The reform proposal would have the effect of requiring a larger match from most programs (currently about one-third programs are providing a 50% or better match).

We are assuming that programs would be free to raise and spend more than the required match, and that the proposal does not cap total available resources. If this is true, the effect would mainly be that most programs would have to raise more funds than they are now raising or lower costs significantly. (In a few cases, programs that want to maintain their current levels of support from the Corporation would have the incentive to increase overall program costs -- for example, Volunteer Maryland currently receives \$5,224 per Member from the Corporation and contributes only \$3,723. Such a program might want to increase its contribution so it could receive the maximum.)

Significant issues are raised around the administration of a challenge grant. If the challenge works like a typical government match, in which the grantee says "I will go out and raise \$5,000 if you give me \$5,000," with compliance being monitored after the fact, no such problems arise. If, on the other hand, grantees must have the cash in hand in order to draw down the corresponding amount of the grant, there would have to be a significant auditing capacity put into place that does not now exist. When such challenge grants have been proposed in the past, the Corporation

has not been able to administer them in this fashion. If, as City Year has proposed, we rely on an independent audit to verify that funds are indeed in the bank, there would be a timing problem -- in many cases, it takes up to 18 months for an audit to be completed. We are investigating other challenge grant systems (like the FEC) and hoping to find a simple way to administer the dollar for dollar match.

A policy issue to be decided is what would count toward the "challenge." Federal agency funds would presumably not count. Would the funds have to be in cash or could it be in kind? Programs have an easier time with in kind, but could more easily "pad" an in-kind match. Perhaps that matters less when the amount of the Corporation grant is effectively capped at \$5,000. If more than 10 - 15% of the match must come from nongovernmental sources, staff predict a majority of programs would drop out.

The effect on the actual design of programs is hard to predict. Consider a few circumstances:

Rural programs tend to have high transportation costs, tend to use federal funds as their base of support, and have more difficulty raising nongovernmental funds. Would we provide a "rural supplement"?

Programs that exist primarily as national service programs tend to have higher overhead costs attributed to AmeriCorps than those that are organized by entities that exist to carry out other missions.

Geographically dispersed programs tend to have high travel costs. Many programs would have to be redesigned to eliminate large group trainings and other events demanding that Members gather together. Would this have an effect on quality (usually the trainings are conducted by the substantive experts) and the sense of unity Members have? Could this be offset by more local gatherings across programs, new training designs that do not require travel, and use of technology (such as internet)?

Youth corps and other programs involving at-risk youth tend to rely heavily on federal funds. Eliminating use of federal funds as a match (coupled with our cutting off of grants to federal agencies) will cause a good portion of these programs to drop out.

Education award only issues

A key part of this proposal is that "education awards only" programs would become a significant part of the AmeriCorps portfolio. Currently, the Corporation has 3 education awards only programs in AmeriCorps*State and National and another 13 in which the Corporation provides only minimal program support and no Member support. (In another 16 programs, the Corporation provides significant program support, but no Member support.) In addition, there are currently 40 A*VISTA cost share agreements (covering 600 A*VISTAs). Staff estimate that most of the current "ed awards only" and "cost shares" are supported by federal funding. Concerns about ed award only programs in the past have centered on quality and fit with AmeriCorps. For that reason, other than in the federal partnerships arena, we have not worked aggressively to promote this option outside of the existing grantee universe. A*VISTA on the other hand, has made it a priority to pursue these kinds of relationships. Interestingly, as we learned in the meeting yesterday, most A*VISTA cost-shares were created after an organization had had experience with fully funded A*VISTAs. This will be critical to our marketing plans for cost-shares.

Does the field have the capacity to significantly increase the number of ed awards only and cost share agreements? That depends on the assumptions about who will pay the related costs. Here are options:

Federal programs: We have pursued these aggressively through the Office of Federal Partnerships, which at one time had as many as 6 staff. We are down to 1 staff person in this office and have determined that this is no longer a priority. However, this is the most likely source of funding for additional cost-share arrangements.

State funding: State funding could be a fertile source of cost-share funds, especially if national service can be positioned as a strategy to solving critical social problems targeted by states for reform. State Commissions and state offices could pursue these arrangements more effectively than Washington-based staff.

Higher education: Higher education institutions may be an excellent source of cost-share funds, provided that we are comfortable with part-time Members. A review of our part-time portfolio indicates that most of our part-time programs are higher education-sponsored programs or those that use college students as Members. Issues to consider are the fact that part-time programs have tended to be lower quality than full-time programs; implications of providing education awards to unstipended part-time Members; whether we would be effectively "displacing" current volunteers with AmeriCorps Members (by providing an education award to those who would otherwise be regular volunteers); and whether we are concerned with creating more situations in which individuals receiving ed awards are serving alongside those who are not.

Local government funds: We have not fully explored whether school districts, police, and municipalities might be a source of cost-share funds. Currently, municipal funds are the funding source for a few education awards only programs. Note potential union issues (AFSCME has been our closest ally among the unions up to now).

Existing service programs: Providing education awards to existing service programs could be

perceived as "displacing" current full-time servers (if we end up simply providing ed awards to an existing corps or program for their existing slots). If we expect these programs to add additional members, staff feel it is unlikely that many will want to participate due to the high cost involved.

Non-profits: Given the costs of operating a program of a significant size (a program of 20 full-time Members would cost more than \$100,000), staff believe it is unlikely that many non-profits would be interested in paying for an education award only program similar to the programs funded by AmeriCorps. Much more attractive would be a A*VISTA-style cost-share arrangement for one or two Members. Either would have to be marketed strategically and aggressively to achieve the large numbers contemplated.

Next steps

The issues identified in this analysis suggest several action steps that should be taken immediately, if we are to pursue the reform plan.

- o We should firm up the specifics of the proposal and provide a memo to OMB for review.
- o We should do a legal review to determine if legislative amendments would be needed to implement any of the pieces of the plan.
- o We should develop a plan for consulting with our constituency groups and the staff about the proposal.
- o We should consider differential matching rates or dedicated "pots" of funding for certain types of programs and funding. For example, we might provide two dollars for every private dollar (2:1), no dollars for each federal dollar (0:1), one dollar for each dollar of other types of funding (1:1); we might also have a higher (2:1 or 3:1) matching rate for start-up programs, rural programs; programs that have other kinds of hardships, etc. Providing these kinds of incentives could mitigate against unintended negative effects on the portfolio of programs.
- o We should develop a phase in for the plan.
- o We should come to terms with what kind of assignment appropriately constitutes an AmeriCorps assignment.
- o We should develop a plan to market and manage more education award-only programs and A*VISTA cost-share partnerships.
- o We should explore additional ways to support local programs' fundraising capacity, including technical assistance, partnership agreements, the Partnership for National Service, and new initiatives.

DRAFT

D R A F T (2:00 p.m.)

February 28, 1996

The Honorable Charles E. Grassley
135 Hart Senate Office Building
United States Senate
Washington, D. C. 20510-1501

Dear Senator Grassley,

Thank you for your letter of February 9, 1996, and for the special concern for AmeriCorps you have shown during the last year. I have appreciated our talks and the constructive spirit with which you have worked with me, as you say, not to terminate but to improve AmeriCorps. Working together with you and your colleagues in Congress, I'm convinced we can make it a program in which all Americans -- Republicans as well as Democrats -- take pride. I look forward to your being a partner in that effort, just as you are with the senior programs of the National Senior Service Corps which the Corporation also administers.

I also appreciate the emphasis you put on fulfilling President Clinton's original vision of helping young people to pay for college by serving their communities. I would add my own emphasis that this principle of reciprocity, like the G.I. bill's investment in veterans' education after their national military service, is a longstanding ground for bipartisan agreement. As one who paid for college through the G.I. bill after World War II service in the Air Force, I was a beneficiary of that bipartisanship.

Though the Peace Corps was President Kennedy's favorite program and is his special legacy, it earned -- and has maintained -- strong bipartisan support. The same is true of the Points of Light initiative of President Bush, which is retained as part of our national service legislation. As you well know, the National Service Trust Act of 1993, through which AmeriCorps was created, built on the first National Service Act signed by President Bush in 1990. Under that Act's Commission on National and Community Service, the same kind of grants to support full-time and part-time national service were made, albeit on a smaller scale. And the National Civilian Community Corps (now a branch of AmeriCorps) was created in 1992 with support from both sides of the aisle and was also signed by President Bush. That bipartisanship in Congress and nonpartisanship in the country is the key to the success of national service and community volunteering, and it is my goal to reclaim that tradition, even in this inevitably partisan political year. I welcome your help in doing this.

DRAFT

The Honorable Charles E. Grassley
Page two
February 28, 1996

Turning to the particular points and proposals of your letter to me of February 9, 1996, and your letter to President Clinton of August 29, 1995, I want to assure you again that I am committed to achieve the cost and performance goals set by the President and Congress. Specifically, I am committed to reducing costs per full-time AmeriCorps member. This will enable more corpsmembers to serve and to get help to pay for college or job training. We will also take steps to increase substantially the contributions to the programs by the private sector and by all nonfederal sources. This will enable us to decrease the proportion of federal dollars going into program support and administrative overhead.

And, as you know, I am especially interested in your proposal that AmeriCorps increase the number of programs where the Corporation provides only educational awards. I believe that approach can be undertaken in a way that will benefit many nonprofit service organizations, enabling them to increase the numbers serving in their programs and enabling more of those serving in their programs to go to college, pay off their student loans, or receive approved job training through the educational awards.

Let me report some of the steps we have been taking in recent months, which I think you will find move AmeriCorps in the direction you favor. While I very much appreciate the contributions made by your criticisms and proposals, I also want to underscore that these are directions that I supported when I took this job. These directions, as you have noted, are also consistent with President Clinton's original vision; and I am happy to report they are directions that the Corporation, by its own trial and error process, has been quietly and diligently pursuing.

1. Reduce Member Costs

The Corporation has held itself out as a new kind of entity -- sensitive to the bottom line, actively involved with our partners in the private and independent sectors, aggressively promoting competition to achieve quality and economy. We are committed to producing the best possible program at the lowest possible cost.

As you know, most start-up enterprises have high costs as investments are made in infrastructure and system-building. Those costs come down as the investments pay off. The Corporation for National Service has already reduced costs from our first year to now. Our second year awards in the AmeriCorps state grant program represented an average real reduction of about 7 percent per member when compared to first year costs, when accounting for inflation. In the renewal process this third year, we are asking grantees whose grant costs exceed the average to reduce their per full-time equivalent cost by 10 percent. We are also eliminating funding for planning grants and for relocation costs for AmeriCorps members. Our goal is to focus Corporation resources directly on corpsmember support, not on program overhead and administrative costs. In addition, we have cut \$7 million out of the Corporation's 1996 administrative budget -- \$2 million in personnel and the rest in travel and other expenses.

DRAFT

The Honorable Charles E. Grassley
Page three
February 28, 1996

Regarding the National Civilian Community Corps (AmeriCorps*NCCC), our residential CCC program, we have taken significant steps to reduce our first year per member start up cost. We closed the Aberdeen, Maryland, Campus for a savings of \$1 million. We reduced members' living allowance from \$8,000 to \$6,000 this year, and plan to reduce it further to \$4,000 in FY 1997. By consolidating functions and making other structural changes, we cut headquarters staff by 25 percent, and plan additional cuts in campus staff of 30 percent next year.

2. Eliminate Grants to Federal Agencies

In response to concerns raised by Senator Bond and others, we have notified our federal agency grantees that we will no longer provide grants to federal agencies. Local nonprofits who had been affiliated with the federal agency programs will be free to apply for funding on their own to support AmeriCorps members utilized by those nonprofits.

3. Continue to Enforce Prohibitions Against Lobbying

We have also addressed concerns raised by Senator Bond and Representative Hoekstra by again requesting that state commissions and national direct grantees firmly remind AmeriCorps sponsors of all prohibited service activities, including lobbying and partisan political activities. In their renewal requests, programs must now delineate specific actions they will take to ensure that members do not engage in improper political activities. Such actions could include programs signing a certification, highlighting prohibitions in a member training manual, and adding a clause to the member contract. The Corporation will continue to investigate, on a priority basis, every allegation brought to our attention. It is important to note, however, that fewer than two percent of AmeriCorps programs have been accused of such activities. The Corporation has investigated every case brought to its attention and, in the case of ACORN Housing, acted quickly to terminate the grantee for improper activities.

4. Decrease Reliance on Corporation Funding

As a group AmeriCorps programs exceeded goals for private sector fundraising, raising more than \$41 million last year. To further encourage such private sector partnerships, in the 1996-97 renewal documents the Corporation makes it clear that all AmeriCorps programs should secure some funding from nongovernmental sources. We are also increasing the matching requirement for program support for which grantees are responsible from 25 to 33 percent.

5. Increase "Education Award Only" Programs

As you have urged, we are developing a plan to expand substantially the number of sponsors who receive no direct funding from the Corporation, but whose members receive education awards from the National Service Trust. This arrangement may have special appeal

DRAFT

The Honorable Charles E. Grassley
Page four
February 28, 1996

for religious organizations, higher education institutions, and other organizations with alternative sources of funding. The Act authorizes such awards, and we have piloted a program providing such awards on a competitive basis to the nation's governors. Expanding this program will increase the Corporation's cooperation with the larger world of nonprofit service organizations.

6. Increased Collaboration with National Nonprofit Organizations

We are strengthening and increasing our collaboration with national nonprofit service organizations. Working with such groups as Habitat for Humanity, Big Brothers/Big Sisters, the American Red Cross, and with a growing number of religious service organizations such as the Sisters of Notre Dame de Namur and the National Council of Churches, members of AmeriCorps and of other programs of the Corporation such as Learn and Serve America and the Senior Corps are contributing directly to the strengthening and expansion of the independent civic and service sector of our society. Our special partnership with the American Red Cross, for instance, is enabling hundreds of Red Cross trained AmeriCorps members to respond on call by the Red Cross to serve as team leaders in natural disasters such as the recent floods along the Susquehanna River.

When I recently visited AmeriCorps teams working to help the 10,000 families hit by the flood in Pennsylvania, Red Cross officers emphasized the vital role they were playing in helping to utilize effectively more than 2,000 local volunteers. Millard Fuller, founder of Habitat for Humanity, turned from skeptic to enthusiast for the work of AmeriCorps members by seeing how their dedicated service in Habitat projects multiplied the number of unpaid volunteers effectively used and the number of houses built. We intend greater emphasis on such partnerships.

7. Increase State Autonomy

From the beginning, the Corporation has been a partnership between the Federal Government and the states. Consistent with this outlook, we have informed the governor-appointed national service commissions in each state that if they have instituted appropriate peer review processes, the Corporation will no longer review their formula grant selections. As the states enhance their capacity, further devolution will occur.

8. Improve the Grant Review Process

As you know, Senator Bond has expressed interest in the Corporation's grant review process. Our Inspector General has recently completed an examination of that process. While concluding that the Corporation acted within its discretion in those few instances when it awarded grants to lower ranked applicants at the expense of higher ranked applications, the Inspector General also finds some areas where we could strengthen grant competitions. We are

The Honorable Charles E. Grassley
Page five
February 28, 1996

currently reviewing the Inspector General's draft recommendations regarding the improvement of the peer review process and plan to implement quickly those that are workable. We will keep you informed of the steps we take. We have identified other ways to improve this critical process as well, and will pilot test them during our next review of new grant proposals.

9. Expand Efforts in Evaluation

The Corporation has taken seriously its commitment to make evaluation a central component of the management of AmeriCorps. The evaluation system we have in place provides valuable information about the impact of the program and encourages individual sponsors to track their efforts. As AmeriCorps matures, however, our evaluation needs will change, and as it becomes larger and more decentralized, we will be increasingly constrained in our capacity to monitor and evaluate. Among our goals are to develop evaluation systems that make increasing use of our network of service programs and their expertise, and to encourage and work in close coordination with private and independent sector efforts to evaluate service programs.

10. Increase and Strengthen Unpaid Volunteers

George Romney called full-time national service and traditional unpaid community volunteering "the twin engines" for civic action that pulling together could solve some of our critical educational, environmental, and social problems. A few days before he died George proposed that the Act itself, when reauthorized, should be named the "National Service and Community Volunteering Act of 1996". I agreed with him to propose that change and other changes emphasizing the role of AmeriCorps members as recruiters, organizers, and leaders of part-time, unpaid volunteers. I assured him I would do everything in my power within the present law to see that in AmeriCorps projects, high priority is given to such assignments.

Many of the best programs in which AmeriCorps members work already do just that, multiplying the number of community volunteers and the things that get done by the two forces working together. In addition to the examples already noted of volunteer generation in our work with such large nonprofits as Habitat for Humanity and the Red Cross, we are increasing the number of projects in which AmeriCorps members organize and lead secondary school or college volunteers in unpaid community service. We have now made this volunteer-generation factor a priority in the 1997 competition for project renewals.

I should note that the AmeriCorps record in volunteer generation in its first year was quite remarkable. In the fourth quarter, over three additional community volunteers were recruited for every AmeriCorps member serving. From July 1, 1995, through September 30, 1995, it is estimated AmeriCorps members recruited at least 73,000 volunteers who contributed over 700,000 hours of service to their communities, or an average of about ten hours for every

DRAFT

The Honorable Charles E. Grassley

Page six

February 28, 1996

volunteer recruited. By further emphasizing this role we will increase the value added by each AmeriCorps member and by each federal dollar invested in national service.

* * *

The President and the Congress intended that the Corporation for National Service evolve to face changing situations with creativity, agility, and lack of bureaucracy. From the beginning, we have been engaged in a process of continuous improvement to lower our costs, to improve the ability of our partners to increase the share of costs they bear through fundraising, to devolve responsibility to the states, to root ourselves squarely in the continuum of service that runs from traditional volunteering to full-time service with living allowances and education awards, and from school-based service to Senior Corps programs, to be nonpartisan and firm in our policies against political advocacy, and to make our internal systems more effective.

The items I have outlined above are some of the steps we are taking to achieve these goals. These are steps we can take under the existing statute. These changes significantly address concerns raised by our critics. Further reform can occur during the reauthorization process this spring and summer. That process, which I hope will begin soon, will be the appropriate venue to determine other significant changes.

You have proposed increasing the private sector or nonfederal match, and have suggested a specific cap on costs per AmeriCorps member. As you know, this is a complex matter and we want to consider carefully any unintended consequences that would adversely affect rural areas and economically disadvantaged urban communities whose access to the private sector may be limited, or affect the autonomy of local nonprofit organizations and youth service corps supported in part by state or local governments. Nevertheless, I believe an increase in the match can be phased in, and per member Corporation costs can be further reduced and limited, whether through a cap or other measures.

In my Senate confirmation hearing, I said that I would put to leaders of major corporations, foundations, and educational and nonprofit organizations the question: To what extent can the private and independent institutions, including colleges and universities, and also units of state and local government such as schools and police forces contribute more of the resources and assume even more of the responsibility? I am pursuing that possibility actively and will keep you up-to-date.

DRAFT

The Honorable Charles E. Grassley

Page seven

February 28, 1996

I am ready to sit down with you and other Members of Congress to consider all the above -- and other -- ways to improve and strengthen the program. I look forward to such discussions with you about legislative or administrative changes that can be accomplished to move us further along the lines you and I and the President favor.

So I hope very much you will work with Senator Bond and Senator Specter in the 1996 and 1997 appropriations process for AmeriCorps and other Corporation programs, and with Senator Kassebaum and the Committee on Labor and Human Resources to reauthorize the Corporation. Together I believe we can create a national service program in which we can all be proud partners.

Sincerely,

Harris Wofford
Chief Executive Officer



DEPARTMENT OF HEALTH & HUMAN SERVICES

Melissa T. Skolfield

Assistant Secretary for Public Affairs

Phone: (202) 690-7850

Fax: (202) 690-5673

To: Gene Spelling
NEC

Fax: 450-2878 Phone: _____

Date: 2/29 Total number of pages sent: 4

Comments:

FYI - it went ok I think.

Medicare, 1st Ld-Writethru, a0723,490
Cabinet Officials Defend Handling of Medicare Shortfall

WASHINGTON (AP) Two Cabinet secretaries denied Thursday that the Clinton administration tried to hide reports that Medicare's hospital trust fund began losing money in 1995.

But the fact that a shortfall did occur two years earlier than had been forecast underscores the need to revamp the program, said Treasury Secretary Robert Rubin and Health and Human Services Secretary Donna Shalala.

Rubin and Shalala were called before the House Ways and Means Committee to explain why the administration did not announce the \$35.7 million shortfall in October when it was discovered in a preliminary analysis of the fund's activity for fiscal 1995.

The analysis came as a surprise and increased the sense of urgency for bolstering the program. Instead of going broke in 2002 as previously projected, Medicare could be bankrupt by 2001 if nothing is done, according to the most recent estimates.

In fact, that analysis was distributed to all members of Congress, but no one paid much attention until a story about it appeared Feb. 5 in The New York Times.

"It was revealed as a sliver in a 45-page statement," said Ways and Means Chairman Bill Archer, R-Texas, explaining why almost everyone missed it. "I believe this was an inadequate and inappropriate way to highlight a major milestone in Medicare."

Rubin said he could not remember learning of the shortfall until the Times story appeared. Both he and Shalala are members of the Medicare Board of Trustees.

Shalala said she learned of the shortfall at a meeting of Medicare trustees in December, but she said she was told the figures for the year were still subject to change.

Both she and Rubin both said that even if final figures show that less was taken in from payroll taxes devoted to Medicare than was paid out in 1995, the long-term outlook for Medicare has not changed.

"Without intervention the trust fund will be exhausted within the next five years or so," Shalala said.

"The key is that last year's information does not change whatsoever the fundamental need, as we expressed in our report to the Congress last April, to reform Medicare to ensure the solvency of the hospital insurance trust fund," Rubin said.

It has been known that the \$129.5 billion surplus in Medicare's hospital fund would begin to drop as the population aged and more elderly entered the program. But the surplus had been forecast to start dropping in 1997.

Democrats and Republicans have been fighting over on the extent to which the health insurance program for the elderly should be changed. The dispute has been a key factor in the budget impasse between the White House and Congress.

APWR-02-29-96 1759EST

Copyright (c) 1996 The Associated Press
Received by NewsEDGE/LAN: 2/29/96 6:02 PM

^BC-CONGRESS-MEDICARE@

^Administration not candid on Medicare -Republicans@

WASHINGTON (Reuter) - House Republicans charged Thursday that the Clinton administration failed to warn them that Medicare's hospital trust fund could go broke a year sooner than expected, saying the findings gave new urgency to their call for major changes in the program.

Health Secretary Donna Shalala and Treasury Secretary Robert Rubin brushed off the accusations at a House hearing, saying the administration released figures to Congress and the press in October showing the program ran a \$36 million deficit in fiscal 1995. Most lawmakers learned of the numbers from a newspaper story this month.

The two cabinet officers said they did not take pains to highlight the numbers, buried in larger budget documents, because they were only preliminary and the change in spending estimates was within the range of normal variations for the program.

Medicare had been projected to run a \$4.7 billion surplus in 1995.

Shalala and Rubin, who are on Medicare's board of trustees, said the figures did not change the recommendation they made last year that Congress move quickly to reform the program of health insurance for 37 million elderly Americans.

"The key is that last year's information does not change whatsoever the fundamental need ... to reform Medicare," Rubin said.

The figures mean the program's hospital trust fund could go broke in mid-2001 rather than the end of 2002 unless other factors change in coming months. The quicker spending may have been caused by hospitals submitting claims faster than expected.

Ways and Means Committee Chairman Bill Archer, R-Texas, said he was disappointed Shalala did not raise a red flag when she learned of the numbers in December, since Congress and the White House were in the midst of intense budget negotiations, including major cuts in Medicare.

"Considering the fact a surplus was expected in 1995, I consider this unexpected shortfall to be a major milestone," Archer said, saying Medicare had not run a deficit since 1972.

Republicans say they also worried about the present level of spending from the trust fund. Congress's General Accounting Office said the trust fund ran a \$747 million surplus in the first quarter of fiscal 1996, compared to \$3.3 billion for the same period in 1995.

Republicans questioned Rubin's statement that he did not

recall learning of the numbers in a December trustee meeting.

Shalala pointed to a document issued by Republicans on the Senate Budget Committee that said the findings did not significantly alter the Medicare situation, and ridiculed the idea of an administration plot to hide the data.

As part of their seven-year balanced budget plan, Republicans originally proposed \$270 billion in Medicare cuts, but are now considering \$168 billion in reductions. The White House has recommended \$124 billion in cuts.

^REUTER@
Reut16:55 02-29-96

Copyright (c) 1996 Reuters Information Services, Inc.
Received by NewsEDGE/LAN: 2/29/96 4:57 PM

February 29, 1996

NOTE TO JACK LEW
GENE SPERLING
MELANNE VERVEER

FROM: Ken Apfel



RE: National Service

Attached please find a CLOSE HOLD document that my staff has prepared on National Service. It is a quick summary of the packet which was delivered to us on Wednesday evening from the Corporation for National and Community Service. For your convenience, I have attached the packet as well.

I will see you at 10:00 in my office to discuss the issue further.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

February 29, 1996

MEMORANDUM

TO: Ken Apfel

THROUGH: Barry White *BW*
Larry Matlack *LM*

FROM: Pamela B. Van Wier *PBW*

SUBJECT: Response to National Service "Reauthorization Paper"

You received a package of documents from the Corporation for National and Community Service (CNCS) comprised of the following: 1) a draft response to Senator Charles Grassley's February 9, 1996 letter in which he asked the CNCS to implement reforms; 2) a memorandum outlining proposed long-term "reforms"; and 3) an analysis of the reform proposal. The issues raised below by the Corporation are in their very early stage of development. We do not believe they have thoroughly explored these or other options for efficiencies. The draft response to the Grassley letter and the ideas raised in the other documents do not necessarily track in all cases.

The CNCS is pressing for guidance so it can respond to Senator Grassley and in the House Subcommittee on Labor-HHS Appropriations on March 12th testifying on the FY 1997 budget and, more importantly, the House Oversight Committee on March 21st testifying on AmeriCorps.

The CNCS does not intend to submit a formal reauthorization package to the Hill. This is probably wise considering the beating it has taken on the budget and the GAO report. What CNCS hopes to do is assemble some broad principles and concepts on reforms that the Administration approves and use them as a basis to begin negotiations on the Hill. This tactic is similar to what was used in Job Training legislation.

Because AmeriCorps took such a beating for its high federal program costs, most of the issues are for cost cutting or cost shifting. The key ingredients of the CNCS reform proposal are:

- 1) reduce CNCS spending on the national service participants' living allowance;
- 2) limit the program overhead financed by federal contributions to \$5,000 per member and require a local match;

- 3) expand the number of participants who receive only education awards; and
- 4) make the CNCS a non-governmental entity.

Reduce CNCS spending on living allowance for participants

The CNCS would provide \$100 per week rather than the current almost \$130 per week while allowing sponsoring programs to supplement the wage up to another \$100 per week. This would reduce the CNCS cost per member and combat the perception that compensation received is overly generous as depicted in the GAO report and highlighted by many members of Congress. We think this is a good idea, however, this will affect AmeriCorps programs. If programs choose not to supplement the living allowance, the demographics of the program may be affected. Based on current data, middle class AmeriCorps members are most likely to forego participation in AmeriCorps if the living allowance were lowered or eliminated. Similarly, if the CNCS eliminates the health and child care benefits currently provided (not under consideration at this time), most single parents would choose not to participate in AmeriCorps.

Limit program support (overhead) to \$5,000 per member on a matching basis

The CNCS would provide funds to support AmeriCorps members on a matching basis up to \$5,000 per member. This would cap federal spending per participant (currently up to \$10,000 + per member) and would encourage the programs to seek private sector as well as state and local funding. This is a good idea but several issues would have to be worked out regarding determining the availability of the match funds and what types of funds could be counted towards the match, i.e. in-kind, only non-federal, etc.

Expand the number of participants who receive only education awards from the CNCS

This was Senator Grassley's idea and the CNCS has already tried this in a small pilot project with the Jesuit based "Teach for America" program. Expanding this program would allow larger numbers of students to earn their way through college performing service. Possible areas for expansion would include federal agencies, state financed opportunities, higher education, opportunities using local government funds (e.g. school districts, police departments and municipalities).

Make the CNCS a Non-Governmental Entity

Harris Wofford stated in his confirmation testimony that we should consider making the CNCS more of a "trust of the American people, chartered by Congress, like the American Red Cross, but not controlled by the government." The CNCS is exploring and will continue to explore this idea with leaders of major corporations, foundations, educational institutions and non-profit agencies. While it is a worthy goal, it is not a realistic option in the near future.

Although mentioned in the draft response to Senator Grassley, the CNCS needs to explore thoroughly options to target AmeriCorps dollars to young people who are attending college or accredited vocational programs, further reduce total costs for the National Civilian Community Corps (NCCC) program, and eliminate the underlying authorization for Federal agencies to run AmeriCorps programs.

To: Bruce Reed
From: Eli J. Segal
Date: January 26, 1996
Re: National Service 1996



Legislative crisis & political crisis:

Shows (possible)

Purpose of the Meeting

Somewhere along the line, Bill Clinton's commitment to national service went from a major campaign rallying cry to a relatively invisible legislative victory and modest government program to a political football. What was once a graphic metaphor for "opportunity, responsibility and community" now has all the potential earmarks of a political liability in 1996 and/or a long term hostage to a Republican Congress.

This is a discussion about moving national service back onto the high ground. This is vital for two purposes: first, as a campaign theme; second, as a method to save it during the 1996 legislative session when it comes up for reauthorization. If we're successful, by the end of his second term, President Clinton should begin to see a key element of his legacy in formation. If we're unsuccessful, national service could be dead.

At the heart of this task is a repositioning of national service from an afterthought element of our education package to the cutting edge of our emerging citizenship focus. AmeriCorps Members are the living embodiment of the movement from Big Government to Big Citizens: ordinary people doing ordinary things, but in the process changing their country, their communities and themselves.

Subjects to be Covered

1. Thoughts on how we got into this box: "pet project"; "getting things done"; 1995 State of the Union.
2. Legislative update, including appropriations, reauthorization issues and rationale for repositioning.
3. Nature of opposition: political and philosophical.
4. Assets: the President; other stakeholders.
5. Course of action.

~~\$500~~

\$10.16

The National Service Briefing

YOUTH
SERVICE
AMERICA

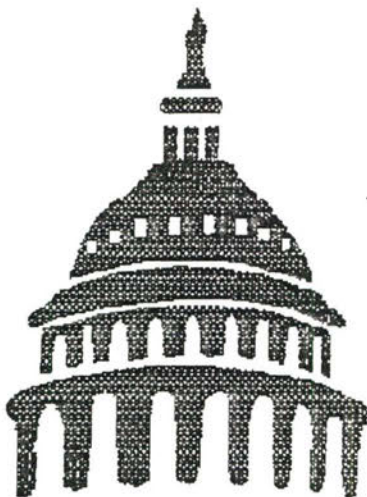
A weekly publication of Youth Service America for the national and community service field.
January 22, 1996

Volume 3, Number 3

GOP Panelists Predict Tough Times for National Service

Last Friday, at a special "Capitol Hill session" of YSA's Working Group on National and Community Service Policy, a panel of Congressional Republican staff members agreed that federal funding of AmeriCorps is in serious jeopardy. They even went as far as expressing grave doubts as to whether reauthorization would occur on the National and Community Service Trust Act. This special event, entitled **The Congressional Agenda on National Service: A Republican Perspective** was co-sponsored by Youth Service America and the National and Community Service Coalition. Republican staff members on the panel included: Mary Elizabeth Larson, Senate Committee on Labor and Human Resources; Derrick Max, House Committee on Economic and Educational Opportunities; Sherry Kaiman, Office of Senator James Jeffords; Dean Zerbe, Office of Senator Charles Grassley and Katy Anderson, Office of Congressman Christopher Shays.

The panel agreed that it is likely there will not be a budget deal this year which means that the Corporation for National Service will likely continue to operate with decreased funding under an expected series of Continuing Resolutions (CR) enacted to keep the government open. In the current CR the Corporation is funded at 75% of the appropriated level. While recent reports have indicated that the Republican Congress may proceed with targeted appropriations (i.e., sending the president bills funding Veterans, NASA and other GOP favored programs and leaving out programs they dislike including national



service and the Department of Commerce), the panelists from the Senate side thought the Senate was more likely to proceed by CR. Although neither the Administration nor Congress wants to be blamed for a third government shutdown, the panel indicated that they may also fail to agree on a permanent CR, thereby foreboding a tumultuous year of temporary spending bills that will keep government functioning, though subject to debate and uncertainty every three or four weeks. It appears that the budget will become an election issue and that national service will be caught up in the bigger debate concerning the structure and role of the federal government in the life of each citizen.

When asked about the future survival of federal funding for national service, both Zerbe and Max said that it was competing for limited dollars against too many other popular programs that impact large constituencies with vital services (i.e., public housing, education, veterans and science programs). Moreover, Larson said it was unfortunate that reauthorization of the NCSTA must occur during a difficult election year of continual budget warfare. Kaiman noted that with the Senate in session only about 15 weeks this year, it looks like there will be not be enough time (or perhaps interest) to take up reauthorization of the Trust Act. The panel also expressed that if there was reauthorization of the Trust Act, "major, structural changes" would have to be made.



On the issue of AmeriCorps itself, Zerbe and Max argued that the program undermines traditional volunteerism at a cost which is detrimental to a balanced budget. They added other criticism ranging from political advocacy among members, to the manner in which the Corporation awards its grants, to the issue of national identity being used to create a "federal army" of Democratic ideologues. Larson and others argued for much less of a top down approach to national service with more devolution to the state level. Zerbe and Max argued that, while very little support exists for a full-time stipended program they were open to the possibility of an educational awards only program that would operate in partnership with more traditional volunteer programs or occur in conjunction with collegiate work study or financial aid

programs. Zerbe and Max didn't buy the "volunteer generator" model of AmeriCorps as a particularly effective program, stating that while AmeriCorps members may generate some traditional volunteers, they could think of many more cost-effective ways to do so. Discussion on national directs produced agreement that funding to federal agencies will be terminated. There were mixed feelings about the efficacy of national direct grants to non profits.

continued-->>

For up-to-date legislative and programmatic information and resources, go to SERVENet--the on-line action network for national and community service professionals. an access point network. On America On Line, go to keyword SERVENet. For more information, software and 10 free on-line hours, call 202/296-2002, ext. 12.

The National Service Briefing -page 2

GOP PANEL - continued from page 1

All in all, the panelists did not paint a bright picture. It was clear that the field must move very quickly to establish broad, bipartisan support. Kaiman suggested that all members of Congress be invited to visit programs in their districts and states. Zerke noted that the Corporation for National Service should not wait for reauthorization, but should "proactively" make important changes under its current regulatory authority. Kaiman advised advocates in the field to form a "brain trust" to devise effective structural changes and core principles for national service that will attract bipartisan support, including the conservative Democrats that have expressed reservations about funding national service in this tight budget year. It is not too late--though without action, it may be too late for federal investment soon. Now is the time to let Congress and the American people know about the strength and vision of national and community service.

YSA and the Coalition will host the second session in this Congressional series of the Working Group--The Democratic Perspective on National Service in February on Capitol Hill.

Detailed minutes of this discussion are available on SERVENet--the online action network for national community service. For more information about this meeting, the Working Group, or SERVENet, contact Michael Evans or Joe Riccardo at 202-296-2992.

From the Field...

Lansing, MI - "Youth Making a Difference" National Youth Philanthropy Conference will be held July 25-27, 1996, and focus on involving young people in philanthropy and the growing community foundation concept. Target audiences include youth advisory committees, community foundation trustees and staff members, private foundation officers and staff, youth serving organizations and others who are interested in involving young people in philanthropy and service. The conference will be held at the Amway Grand Plaza Hotel in Grand Rapids, Michigan. For more information contact Terry Langston, Youth Project Manager, Council of Michigan Foundations, at 616-842-7080.

Washington, DC - The Caring Institute, which was established in 1985 to promote selflessness and teach the value of caring, is seeking youth nominations for the 1996 National Caring Awards. The purpose of these awards is to identify twenty adults and youths from across the nation who have demonstrated extraordinary compassion and caring, to celebrate and reinforce their activities, and to create role models for our society. To submit a nomination for students include grade, address, school name, and a summary of his or her activities by the end of March to: Youth Nominations, Caring, Institute, 320 A Street, NE, Washington, DC 20002.

Nationwide - YOUTH VOTE '96

In January 1994, the **National Student Campaign for Voter Registration**, the PIRG's, **Campus Green Vote** and **Rock the Vote** came together to forge a partnership of youth based organizations committed to the involvement of young people in the democratic process. That coalition was successful in registering over 250,000 voters and building a broad and diverse partnership committed to realizing the power of the youth vote. This year, Campus Green Vote, Rock the Vote and the PIRG's are at it again with **Youth Vote '96**, a nonpartisan campaign dedicated to registering, educating and mobilizing young people to vote in the upcoming election. The kick-off for this year long effort will be held at Harvard's Institute of Politics on February 16-18. The first field activity, aimed at turning out young voters for the Presidential Primary in New Hampshire, will be on February 18-20. For more information about the Youth Vote '96 campaign, contact Sarah Williams at 202-234-5993 or via e-mail at yv96@access.digex.net.

Looking for a Change...

Los Angeles, CA - The Boyle Heights Elementary Institute (BHEI) is seeking an Executive Director to take over its leadership. The BHEI is a community based non-profit serving elementary school kids just east of downtown L.A. BHEI seeks a dynamic leader/manager to oversee the after-school, parent and mentor programs for 3rd-5th graders. Bilingual Spanish, bicultural preferred. Salary: approximately \$35,000. Interested individuals should send a resume and cover letter to: Pilar O'Cadiz, the Boyle Heights Elementary Institute, Room 101 Graduate School of Education and Information Studies, UCLA, 405 Hilgard Avenue, Los Angeles, CA 90024-1521, or fax to 310-206-8498.

The National Service Briefing is a weekly field update for YSA's National Service Affiliates. For more information or if you would like to include an item in a future issue, please fax it to Stephanie Bernardo at 202-296-4030.
Special thanks to Joe Riccardo, Kenny Rogers, Terry Langston and Jeff Hough for contributing to this issue.

Should We Take Clinton Seriously?

By ARIANNA HUFFINGTON

Welcome aboard, Mr. President.

That was my first reaction to the State of the Union address. After all, to have Bill Clinton announce before the nation that "the era of big government is over" and "applaud the work of church and community groups that care for the poor," while urging that "every one of us should join with them" is a good thing, yes?

Actually, no. These are ideas central to America's renewal, and using them as rhetorical flourishes diminishes them. Further, using them as rhetorical cover for a different agenda corrupts their meaning and subverts their aim.

Words and Actions

We find ourselves at a unique moment in American history when thoughtful people all across the political spectrum are coming together to recognize the primacy of civil society to our national health. But ideas have consequences, and the president's words appeared to be little more than instruments to manipulate polls. How else can one explain the fact that the one specific initiative mentioned was yet another government program: a \$1000 merit scholarship for the top 5% of graduates in every high school? When the president addressed Congress in 1993, he spoke of "what government can do because I believe government must do more." Three years later, it is clear from the substance of Tuesday's speech that this remains the president's position.

Every time the president spoke of teamwork, he clearly meant government work; every time he talked of our "common effort," there was government involved; and every time he said "we," it was we the government. "We must also provide childcare so mothers can go to work without worrying about their children," he said, in justifying his recent veto of a welfare reform bill. Elevating desirable objectives like childcare into political imperatives has always provided the moral justification for big government. And there was every



Bill Clinton

indication in the State of the Union address that the president continues to believe that nothing really important can happen in this country unless government either makes it happen or is the star of the "team."

The most pernicious expression of this belief was the president's statement that our "challenge is to help every American achieve economic security," with government again assuming the role of Providence in ensuring "education and training for a lifetime, more support for families raising children, retirement security, and access to health care." As Hayek taught us in "The Road to Serfdom," there has been one consistent theme running through the

ents' choosing. To talk about adopting "national standards of excellence," as he did last night, and teaching "character education, good values and good citizenship" when children remain trapped in failed schools where they can't learn and from which they cannot escape, is to put politics and special interests above the lives of children.

• Is the president willing to work to remove government regulations that are wasteful, cumbersome and invasive, and that strangle the growth of a healthy civil society? For example, there are licensing and credentialing requirements that have threatened the life of Teen Challenge, one of the most successful faith-based drug-re-

The president continues to believe that nothing really important can happen in this country unless government either makes it happen or is the star of the "team."

cacophonous chorus of post-war leaders: The individual must surrender more and more of his rights to the state, which in return will guarantee more and more of what social scientists and politicians have decided are his needs. But every time we are offered more security we give up more freedom.

The president should go back and read the preamble to the Constitution about providing for the common defense and promoting the general welfare. The trouble began when the government assumed responsibility for providing for the general welfare. And no matter how many euphemisms of partnership and togetherness the president used on Tuesday night, he remains an unapologetic heir to that tradition.

The president can clearly talk the talk of community and civil society. But here is a litmus test he must pass if his challenges to American citizens are to be taken seriously.

• If our first challenge is indeed "to cherish our children," does the president have the courage to put children's interests ahead of the interests of the teachers' unions and to support—at a minimum—vouchers for poor children, so they can have the same opportunity that Chelsea Clinton has to attend a school of her par-

habilitation programs in the country. Government regulations of food preparation nearly closed down Kid-Care in Houston because Carole Porter's home kitchen, from which she prepares over 20,000 meals a month, did not meet government specifications.

Would he be prepared to take on the labor unions and the Davis-Bacon provisions that make it illegal for craftsmen to volunteer their labor on government-funded housing and inner-city infrastructure projects? And would he work to repeal the Fair Labor Standards Act provisions that inhibit workers from donating their labor for projects helping the poor? The list of government barriers to civil society is long, and a serious attempt to deal with them would pit the president against some of his most ardent supporters, including First Amendment absolutists and his own wife.

• Is the president willing to accept that volunteerism fundamentally depends on a moral decision made by an individual to help others in need? If so, how can he justify an Americorps "volunteer" costing the American taxpayer an average of \$25,000 a year? The idea that the U.S. government ought to pay people to volunteer—part of the total cost being a benefits package and part of it overhead

costs—makes nonsense of the president's challenge to all American citizens to become engaged in their communities and undermines a central precept of civil society: Helping those in need is a moral imperative, not another taxpayer-subsidized entitlement.

• Is the president ready to endorse the Istook-McIntosh-Ehrlich Amendment that, among other things, would end the practice of using taxpayer funds to lobby the government for more taxpayer funds to help those in need? Endorsing this amendment would demonstrate the president's seriousness when he acknowledged in his speech Tuesday night that "there is not a program for every problem." (In last year's State of the Union address, he said: "Not every problem has a government solution.")

• The president called for a renewal of our "religious, charitable and civic associations." To put these words into action, he should endorse legislation put forward by Sen. Dan Coats (R., Ind.) that would give tax credits to those giving money to organizations serving the poor. We know that he has talked to Sen. Coats about it. Will he now do more than talk?

He's No Kennedy

The president used the word "challenge" 47 times in his speech Tuesday night. Echoing President Kennedy's famous plea ("Ask not what your country can do for you; ask what you can do for your country"), he said that "America was built on challenges, not promises." But he turned it on its head. At a time when challenging the American people to be the best they can be is more crucial than ever, Mr. Clinton has taken an idea full of promise and made a mockery of it.

If we are going to replace 30 years of bankrupt Great Society thinking and successfully redefine the problem-solvers as the people and the local communities—not the federal government—we need political leaders who will not only talk a different language but who will mean what they say and have the courage to act on what they preach.

Ms. Huffington is a senior fellow at the Progress and Freedom Foundation, where she chairs the Center for Effective Compassion.



SOCIETY

Conservatives pin hopes on a new kind of citizenship

Civic involvement must be redefined, they say, if we are to move beyond the tired solutions of liberalism

BY DAVID M. SHRIBMAN

WASHINGTON — THE first stage of modern American conservatism was easy to define if not exactly easy to accomplish: to slim down government. The second stage isn't even easy to define: to come up with something better.

But slowly, quietly, in meetings, in think tanks, in the forbidding gray pages of policy journals and even in cloakroom conversations on Capitol Hill, the broad contours of that next stage are emerging. The debates aren't finished, to be sure, and many battles remain, but already it is clear that conservatives want to emphasize a new conception of citizenship as *they* see it to develop an alternative to the liberal welfare state.

"It's not impossible to imagine an expansion of what it means to be a citizen—more than just voting and going home," says Michael S. Joyce, president of the Bradley Foundation in Milwaukee, which concentrates on conservative public-policy issues. "Some of this sounds like the critique the left made in the 1960s. We're talking about community, and people actually getting involved in solving their community's problems."

Indeed, in the next several months and years, the word *citizenship* is likely to be on the lips of conservatives from coast to coast. It will stand as a symbol for a new vision of American society, one where many of the functions that governments play will be undertaken by private, sometimes voluntary, entities with few if any ties to Washington or perhaps even to state capitals.

The emerging philosophy is taking shape in many quarters. In the January/February edition just now circulating in Washington, the conservative Heritage Foundation has reshaped *Policy Review*, giving it a telling subtitle: *The Journal of American Citizenship*. Conservative thinkers such as John P. Walters, the president of the New Citizenship Project, are taking a newly aggressive approach, talking about how conservatives can help communities and the less fortunate and touting a series of local initiatives they believe can

CONSERVATISM, Page 83

David M. Shribman is chief of the Globe's Washington bureau.

Conservatives hoping for new 'citizenship'

■ CONSERVATISM
Continued from Page 79

replace government programs.

"We want to make Washington less significant in the scheme of things," says Rep. Charles Bass, a freshman Republican from Peterborough, N.H., and one of the leading voices in the effort to reshape government.

In redefining citizenship, these conservatives want to redefine American culture. That's a broad, ambitious goal, more the stuff of the faculty club than of the political clubhouse. But if conservatives retain the momentum they have today in Washington and at ground level beyond the capital, it will take concrete form in redefining government and the role it plays — taking the discussion beyond Ronald Reagan's most enduring nostrum (that the government isn't the solution but the problem) to a new plan.

The new conservatives want to go beyond the notion that government should be smaller and hope actually to win a broad consensus on precisely what is appropriate for government and what is not.

"This is one of the biggest questions we face," says Rep. David M. McIntosh, the Indiana Republican who is perhaps the most devout deregulator among the House freshman firebrands. "We've stopped talking about getting government off our backs and now are talking about rethinking how we solve problems."

Like the initiatives it hopes to foster, this new conservatism is highly decentralized.

"The very word 'movement' fills me with absolute dread, but there are a lot of people who are growing interested in this and asking these kinds of questions," says Peter L. Berger, a Boston University sociologist. "It's an issue not only in America but in every industrial nation. A lot of countries can't afford their welfare states anymore and want to restructure them."

This idea has been on the fringes of conservative rhetoric all year, touched upon lightly in stream-of-consciousness remarks by House Speaker Newt Gingrich. But, in part because of Gingrich's promotion, it is rapidly moving to the center of the conservative agenda. Gingrich has repeatedly praised the work of Marvin Olasky, who has been one of the pioneers in this area.

"The essential genius of American politics when it works well is to fight for things that embody both liberty and virtue," says Olasky, who is something of the philosopher to the Gingrich movement. "The tendency in the past 30 years on both the left and the right is to exalt liberty. This new movement is to try to make people take personal responsibility in their communities."

This concept won't reach final form in the new year, or maybe even by the new century, but the thinking, the debating, the jostling and the polishing are beginning now. And it is an essential exercise for conservatives to tackle, because it answers the next question they will face — not only from liberals but from within their own ranks. "It's not enough just to dismantle government," says Adam Meyerson, the editor of *Policy Review*. "We've got to show the private sector and local governments things that work better."

The new philosophy seeks to go a step beyond the Republican argument, made repeatedly during the Reagan years but elevated to social policy during the new GOP ascendancy last year, that federal programs should be shifted to the states. Increasingly that view is regarded as retro, the old conservatism rather than the new. The irony, of course, is that some tender roots of the

new philosophy sprouted in the Thousand Points of Light initiative of former President Bush, who is regarded as hopelessly retro by the new conservatives.

"I'm not particularly excited about devolving power from bureaucrats in the federal capital to bureaucrats in state capitals," Joycesays. "That's federalism. We're thinking of something else. It's very important to devolve power and resources to as close to citizens as possible. There are signs around that people living with a problem have better ideas than social workers and government officials."

The laboratory for these citizenship initiatives is Milwaukee, where citizens helped save Messmer High School when the Catholic archdiocese moved to close it for lack of money; where a woman named Cordelia Taylor turned a duplex into a residence for poor inner-city senior citizens; where a group called Community Enterprises fosters small businesses; and where a woman named Lessie Handy trains welfare mothers to become business receptionists.

Conservatives argue that these projects provide a stark contrast with President Clinton's volunteer service program, AmeriCorps. They argue that the Clinton plan, which has become a battleground in the fight over the future of social initiatives, relies too heavily on government and bureaucrats. "It tries to help communities and the less fortunate, but it has the federal government come in and provide the program and the money to local organizations to do local things," Walters says. "The fallacy is that healthy local philanthropic community service is not consistent with federal grants and federal budgeting."

At the heart of conservatives' objections to AmeriCorps is their belief that it perpetuates the idea that if there's something good going on, the federal government can come in, buy a lot of it and make America better. "The real integrity of these programs depends on having to get the resources by making the case locally and in the private sector," Walters argues. "Nationalizing all these things undermines that responsibility."

The new conservatives are determined to offer more than simple opposition to Clinton's most cherished domestic initiatives. "We haven't been afraid to deal with questions that have been shoved under the table for 40 years," says Rep. James B. Longley Jr. of Falmouth, Maine, another Republican freshman.

Indeed, conservatives are rushing to fill the vacuum — political as well as intellectual — left by liberals. "The welfare state took 60 years to build," Meyerson says. "It did a lot of great things — the civil rights movement, providing opportunity through educational programs, environmental protection. But it is at a dead end now. It cannot solve the problems we face."

But the conservatives' citizenship offensive remains more an idea than a reality. It exists in conservatives' minds, has taken form on paper and has dropped roots in a few, isolated areas. It is far from complete, and far from winning public endorsement or enthusiasm.

"What we've done so far is to lay out fundamental principles," says Rep. Mark Neumann of Wisconsin, one of the leading voices of the GOP freshman revolt. "We haven't made the changes necessary to achieve them. We've made the philosophical changes. We haven't made the internal changes yet."

Clinton Presidential Records Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.



FIRST-YEAR REVIEW

AMERICORPS

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

07-Feb-1996 02:52pm

TO: Gene B. Sperling

FROM: Pauline M. Abernathy
 National Economic Council

SUBJECT: Background on Americorps and tuition tax deduction statistic

You said you wanted to know the background on commonly used statistics.

Americorps:

Regarding Americorps, it makes a big difference whether you are looking at the fiscal year or the school year (on which the program is run).

25,000 young people were funded in FY95 for the current school year (95-96). So we can continue to say, that this year, 25,000 young people are in national service.

In FY96, under the CR, OMB currently projects that about 22,500 young people will be able to participate in Americorps during the next school year (96-97).

\$10,000 Education Tax Deduction:

On the number of students that will benefit from the \$10,000 education tax deduction, Treasury had estimated that 16.4 million students in 14.3 million families would benefit when the program is fully phased in. Using a better data set, Education estimates that 17.1 million students in 14.3 million families would benefit, and Treasury agrees that this is a better number, and that we should use it. Treasury says this revision does not change their revenue estimate.