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Reauthorization Desk File [1]

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November 1, 1995

MEMORANDUM FOR GENE, J AND MELINDA

FROM: RA

SUBJECT: SKELETON FOR MESSAGE DEVELOPMENT FOR REAUTHORIZATION FIGHT

Melinda has suggested that we define and then focus on addressing the critical battlegrounds in reauthorization; with J's help, this memo lays out the very barest skeleton, with the intention that we change it and flesh it out -- first through your discussion within your departments, and ultimately among the four of us. Any tactics given below are intended to be illustrative; I've deliberately stopped "answers" in mid-stream.

A. **Congress: where will we focus our attention**? (I assume our biggest risk will be death by delay, not by direct attack.)

1. Senate:
   - A. Kassebaum: push for early Committee bill that has Gregg and/or Coats on board. Use that to open door w/Dole for floor vote.
   - B. Grassley: assuming he is Caucus-anointed negotiator, use Hatfield (?) and other more-friendly members to keep Harris-level negotiations on-track
2. House:
   - A. Gingrich: try to get list of changes for a deal through Rep. intermediaries (Shays, Hoekstra?)
3. Democratic base

   Harris to give this prime focus, w/emphasis on House (leadership and CBC/other caucuses). Aim: no loss of votes; higher degree of interest; less perception that AmeriCorps is way of getting back at Administration.

B. **What will the wholesale debate be**?

1. Our general message elements to justify any continuation of AmeriCorps:
   - (i) It has proven cost-effective in solving problems
   - (ii) It's a great way of increasing the number and effectiveness of volunteers
   - (iii)It's a proven way of sparking greater business support for/involvement with non-profits
   - (iv) It reflects common American principles
   - (v) It's an effective laboratory for New Federalism/devolution
   - (vi) It's popular with both parties (outside Beltway) and public
   - (vii)We're working hard to make it more bi-partisan and more effective

   [for each of these, we need a series of tactical steps to make the case. How do we get the right outside validators to "prove-up" these points? How do we get our operations/programs to deliver on the promise inherent in each?]

2. What will their major wholesale attacks be?

(i) *Nice idea but not essential and we can't afford it* (proven by cost arguments)

<u>What we need to do to respond</u> **[this is what needs fleshing out -- following are illustrative only]**:

- Get major non-profits to make the effectiveness/leveraging point
- Show impact of volunteer generation statistically and anecdotally
- Set requirements and goals for volunteer generation (aggregate and by program) (?)
- Use Aguirre to advance cost-effectiveness argument
- Raise the match requirement; show greater aggregate private funding in year 2; announce sexy new private partnerships (including making Ford challenge work)
- Can we sell an editorial/columnist round just after appropriations ends, saying "don't waste more time -- get serious about reform"?

(ii) *AmeriCorps is the staging ground for the counterattack of the de-funded left* (proven by ACORN, etc.)

C. What will the reform debate be?

1. There are five principles we think are essential to preserve in reauthorization, all of which are likely to be contested in the Congress. We believe these elements are essential to retain the concept enunciated by the President and preserve the message components that polling and focus groups show to be the underpinnings of AmeriCorps' popular support:

(i) **A national identity for AmeriCorps**

(ii) **No means testing**

(iii) **No reduction in the education award**

(iv) **Living allowance at current levels**

(v) **Devolved federalism structure, with roles for states, non-profits and federal Corporation**

2. To win the message battle on each one, the likely conflicts will be **[I think it could be useful to think through each of these -- what follows is illustrative of what that consideration might look like]**:

(i) <u>About national identity</u>:
<u>Their tack</u>: "Hoover scholarships", no paraphernalia (including uniforms), identification with local non-profit only.
<u>Their words</u>: Overbearing bureaucrats, political brown-shirts, money wasters. "Bill Clinton never had the guts to wear our country's uniform -- now he wants you to pay for every American kid to wear his." "We want to help local charities, not build a monument to a failed Presidency."

Us: Sense of shared national purpose (tie to "core American values" and traditions from military to Peace Corps to Boy Scouts); attacks are petty partisanship

(ii) About means testing:
Their tack: Cap on family income in order to receive allowance and ed award
Their words: Smart investment means money only for those who need it. "Don't let them waste your hard-earned tax dollars on Donald Trump's kid."

I hope this helps focus the intra- and inter-departmental discussions that will lead to the reauthorization part of our External Affairs plan. Let me know what you think as soon as possible.

11/21/95
Recent for file

11/8/95

Shirley

An interesting memo as you contemplate reauthorization.

EL

Note: More Segal would agree with (b). A real challenge to National Directs!

MEMORANDUM

TO: Eli Segal
Shirley Sagawa
Diana Algra

FROM: Lance Potter

SUBJECT: **National Direct vs. State Programs**

DATE: August 30, 1995

A few weeks ago, during one of the Policy Discussion Roundtables, Trish offered to have Aguirre prepare a brief memo on the difference between National Direct and State Programs. Please find this memo attached. What Aguirre found is consistent with what we have seen in the field and during grant negotiations.

cc: Tracy Gray

AGUIRRE INTERNATIONAL

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Date: August 30, 1995
To: Lance Potter
From: Susan Gabbard and Jo Ann Intili
Subject: Differences between National Direct and State Commission Programs

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This memorandum discusses the differences between programs funded as National Directs and those funded through State Commissions. As part of our site visits in February and March, Aguirre Evaluators visited 12 National Direct programs and 56 State Commission programs.

There were a variety of differences between National Direct programs and State Commission programs, but, overall, there were more similarities than differences. Both types of programs fostered Members who worked on specific issues in their communities and accomplished things on their behalf. The differences between National Direct and other programs seemed to affect the work process rather than the outcomes from the work. The primary differences between the programs were two: (a) National Direct programs were more likely to have a well-developed model which drove their service delivery than State Commission programs, and (b) National Direct programs had some problem distinguishing AmeriCorps programs from the other work they did. The next section discusses these differences.

(a) National Direct programs were more likely to have a well-developed model which drove their service delivery than State Commission program

Most of the National Direct programs had models of service delivery established prior to AmeriCorps which specified the outcomes intended and how service activities would lead to these outcomes; and, equally importantly, they had experience in implementing these service delivery models previously. Many of the programs that were funded through State Commissions were tackling problems that were new to them (and that were not being addressed by others in the community), and therefore had to adapt others' service delivery models to their specific needs or develop new service delivery models.

Having a well-developed model helps with orientation of new Members and with monitoring progress of the work being done. This meant that the State Commission programs were often less sure of themselves and modifying the approaches they were using as they went along, based on feedback from their service partners and from the Members themselves. This is not so much a problem as it is a circumstance requiring management skills. Program supervision and management were more challenging for the State Commission programs than for programs funded as National Directs, and their staff had to be prepared to meet those challenges to be effective and to help Members manage their work. In some cases State Commission programs' staff met those challenged. This was not always the case, however; and when it wasn't Members were left to initiate and implement programs without support or assistance, following a sink or swim model.

There was no difference between National Directs and State Commission programs in the extent of the accomplishments Members achieved, or in program ability to document those accomplishments. For the first, programs of both types reported a range of accomplishments, many of which, for both program types, were impressive. For the second, neither National Direct nor State Commission programs seemed to know how to document program accomplishments or measure their impacts on either Members themselves or the communities and clients they served.

(b) National Direct programs had some problems distinguishing AmeriCorps programs from the other work they did,

National Direct programs tended to set objectives at the national level and absorb AmeriCorps as a funded expansion of their delivery model. This meant that sometimes local operating sites were not aware of the specific objectives set for AmeriCorps Members, because they were done (and submitted) at the national level. In these cases local affiliates were implementing the AmeriCorps program as if it were the same as there other service delivery programs. This also meant that it was difficult to distinguish outcomes that could be attributed to AmeriCorps program from outcomes that would have occurred from implementing the service model with others.

State Commission programs which offered other services also had some problems attributing outcomes to AmeriCorps. However, because programs funded by State Commissions had to turn in their own objectives and show how they were distinct from the other services they offered, this was less likely to be a problem.

Perhaps related to the difficulty in distinguishing AmeriCorps impact for National Direct programs, the national AmeriCorps initiative also was less likely to get recognition in National Direct programs. In State Commission programs, recipients of services and community members were more likely to identify the services provided by CNS sponsored programs as being done by AmeriCorps. In National Directs, the AmeriCorps service effort was not seen as distinct from the National Direct organization. Community members and service recipients often said they had never heard of AmeriCorps (even community members identified by National Directs as likely to be familiar with their AmeriCorps efforts).

Similarly, AmeriCorps Members in State programs had a stronger AmeriCorps identity than those at National Directs. In most cases, Members at State Programs were proud to participate in AmeriCorps. They were curious about other AmeriCorps programs and had a distinct AmeriCorps identity. At National Directs, Members were less likely to think that it was important that AmeriCorps was sponsoring their service activities. They tended to identify more with the National Direct Organization in which they served.

Message for Jospin, Debbie

From: Milton, Catherine

Date: Mon, Oct 30, 1995 3:10 PM

Subject: Exciting Planning Tool for Reauthorizati

To: Sagawa, Shirley; Jospin, Debbie

Shirley(?)
Again, how do we respond?
Deb

Brian and I were part of a very exciting process this past weekend called a "Charrette" --- which is an intensive planning process developed originally in France and now used by architects and corporations (including HP and Levi's and others) as a great way to resolve and plan complicated tasks. It occurred to me that we could use this process ---- which involves first rate facilitators, graphic artists, and a commitment to involve a lot of key stakeholders for an extended period of time (ours was three days)--- to help us in the reauthorization process.

There are two options ---- 1) would be to do a one day "town meeting" for most of the Corporation employees with a great facilitator/graphic artists (David Sibbet who is probably the best in the world loves our work and said he is willing to do it in D.C.) where the ideas for reauthorization and the future of national service would be solicited and some general consensus would be reached. The advantage of this one --- it is really fun and energizing, it would make everyone feel a part of the team, it is very efficient. David said that he has often lead such meetings with 500 plus in a room so I have every confidence with just a little up front preparation this would work very well.

2) Have a charrette for all the key players involved in reauthorization --- as a new way to develop legislation. Get the key hill staffers involved, key corporation staff, key state people, sampling of programs, community people, and develop a process that would enable you to come up with some very specific products in sub- areas like our four program areas as well as a general strategy for the legislation. I know this sounds very risky (and Terry would have to figure out how to make it comply with the federal rules) but I can say that this is the approach some of the most successful corporations are taking to solve some of their most complicated business decisions. It could be such a wow for the Corporation, an example that the Vice President talks about of how we are " reinventing" the way that government works,

To do this well would cost a minimum of $10,000 and some of the private corporations spend up to $70,000. My guess is that the foundations who are friendly to service might love this idea and put up the funding (this is how the Park Service got funding for this past weekend at the Presidio). It is high risk and high gain --- I wish you could have seen how well it worked here. (Miriam saw it and was very impressed). If you think there is any merit to this I would throw it out as an idea to Nick Bollman so he might put it out as an option at his foundation meeting (the point being that it would work better if a neutral party was the host).

In the next ten days we will be getting copies of the products from this weekend and I will send to you.

Meanwhile --- reactions????

dish file

October 13, 1995

To:	Shirley Sagawa	Rick Allen
	Gary Kowalczyk	Gene Sofer
	Terry Russell	Tom Flemming
	Tracy Gray	Diana Algra
	Mal Coles	Susan Stroud
	Jim Schiebel	

CORPORATION
FOR NATIONAL
SERVICE

From: Larry Wilson, Chief Operating Officer Larry Wilson

Subject: Reauthorization Discussion: Division G

We are scheduled to discuss Division G, which primarily concerns the Corporation's leadership and organizational structure, on Tuesday, October 24, 1995.

The attached materials are intended to identify issues and facilitate our discussion. If there are other issues you believe should be considered, or if you have corrections to make in the underlying analysis, please send an e-mail.

All those with an interest in attending are welcome. I look forward to our discussion.

Attachment

cc: Harris Wofford

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

ISSUE NO. 1 -- ESTABLISHMENT OF THE CORPORATION

ISSUE No. 1: Should those parts of the ***Statute*** relating to the establishment of the Corporation, and the transfer of functions from the Commission on National and Community Service, be modified or deleted, since the Corporation has now been fully established?

BACKGROUND:

This material, which appears as "Historical and Statutory Notes" at the beginning of *Section 12651* in *42CFR*, is included in *Sections 203* and *204* of the *National and Community Service Trust Act, PL 103-82*.

Section 203 includes a variety of authorities and provisions for the establishment of the Corporation, including "savings provisions" relating to ACTION and requirements regarding recruitment and public awareness for DVSA programs which are not clearly related to the main purposes of the section.

Section 204 defines and requires the submission of a "Business Plan" by the Corporation shortly after its establishment, which deals with a number of transition issues. This Plan was submitted as required in early 1994.

DISCUSSION:

Section 204 deals with a one-time requirement which was satisfied over a year ago. There appears to be no reason to retain it in the *Act*.

Section 203 can be divided into three parts: first, those items (such as savings provisions) which are still needed; second, items which no longer are required and can be deleted and third, the part dealing with recruitment and public awareness for DVSA programs, which would appear more properly located in program sections of the *Act* if it is required at all.

For the most part, these are legal governance issues which do not raise policy questions. The one obvious exception is the recruitment and public awareness requirements for DVSA programs, which are an important issue, especially with the NSSC project directors, but also with A*VISTA, based on past problems with ACTION. Constituencies of both programs, and their supporters in Congress, have felt, in the past, that some sort of statutory language was necessary to assure funding of both a national recruitment function for A*VISTA and adequate public awareness support for A*VISTA and Senior Corps. Attempts to eliminate the current legal protections might meet with some resistance, although there is no reason to believe supporters care where the protections are placed in the statute.

RECOMMENDATIONS:

Delete ***Section 204***, the Business Plan, which is no longer required.

General Counsel review *Section 203* to determine which parts can be deleted. Address the issue of recruitment and public awareness support for DVSA programs when considering reauthorization of those programs. In any event, move them out of *203*.

ISSUE NO. 2 -- CORPORATION BOARD OF DIRECTORS

ISSUE No. 2: Should any adjustments be made in composition, structure or authorities and duties of the Board of Directors, as currently defined in *42CFR*, *12651a* and *b*, and in *Sections 192* and *192A* of the *Act*?

BACKGROUND:

The law currently requires a 15 person Board of Directors, appointed by the President and confirmed by the Senate. There are a number of criteria for Board members spelled out in the legislation. All except one are prefaced with "to the maximum extent practicable, the President shall appoint". The exception is a requirement that one member must be between the ages of 16 and 25 and have participated in a service learning program. While such a person appears to be a desirable candidate for Board membership, the justification for singling this one type of person out for mandatory placement is unclear.

The Board has less than one year of experience as a fully functioning body. To date, nothing has occurred which would indicate any serious flaws in the legislation which might impact on the effectiveness of the Board or of the Corporation.

DISCUSSION:

To date, there does not appear to be any compelling reasons for making any substantive changes in the legislative language relating to the Board. Board Member Christopher Gallagher, who chairs the Board's Committee on Management, Budget, and Governance, has been asked to comment. He has not yet responded.

The requirement that a young person with service learning background must be a Board member could be modified in two ways: first, by removing the mandatory language and including this criterion with others which are qualified with "to the extent practicable," and, second, by expanding the criterion to include members or staff of service programs (which would include persons of all ages). However, the current requirement was apparently included by a Senator with a specific interest in service learning.

One of the duties of the Board is listed as recommending changes in the Corporation's programs based on studies, to be submitted to Congress by September 30, 1995. That one-time requirement can be deleted from the new authorization.

RECOMMENDATION:

No substantive changes, but delete the September 30 report requirement and move the reference to a "service learning" Board member from the "there shall be" category to "to the maximum extent practicable." Broaden the definition to include those who have participated in service programs (which would include, but be broader than, service learning).

ISSUE NO. 3 -- CORPORATION CHIEF EXECUTIVE OFFICER

ISSUE No. 3: Should the legislative definition of the duties and responsibilities of the Chief Financial Officer be simplified, deleting material detailing how such activities as strategic planning, relations with the Board, reports and evaluation activities are to be handled?

BACKGROUND:

The Chief Executive Officer's function and responsibilities are described in *Sections 193* and *193A* of the *Act* and in *42CFR 1251d*.

The legislation goes into considerable detail to prescribe how the CEO is to handle a number of activities, especially in strategic planning, submission of reports and evaluations and coordination with the Board. A number of special studies are also enumerated, which were to be submitted to the Board by last June 30, 1995.

It should be possible to provide a sufficient legal statement of duties for the CEO without listing, in micromanaging detail, how the CEO's relationship to the Board is to be handled. One approach would be to state that the CEO shall submit to the Board such reports as may be required, and to state that the CEO shall submit to the Board for approval certain actions (such as those described in *Section 193A (b)(2)* of the *Act*).

Consolidation of the duties into relatively general and concise legislative language might raise concerns from those who are either concerned that certain functions are carried out in specific ways, or from Members of the Board who might worry that without specific and detailed guidance, the CEO might not take some actions to the Board for approval. However, the latter concern can be dealt with by enumerating, in the Board portion of the *Act*, those actions which require approval by, or consultation with, the Board. As for strategic planning, it is a normal function of almost all complex organizations and does not require a detailed description in the *Act*.

The "June 30 studies" certainly may impact on development of the reauthorization package. However, for purposes of this discussion, there are two related issues. First, the current status of the studies and when and how they will be submitted to Congress. Second, since they are one-time requirements, it makes sense to delete them from the new legislation.

RECOMMENDATIONS:

Delete all material relating to the June 30 reports, since they are one-time requirements.

Drastically simplify *Section 193a (b) Duties*, as contained in the current *Act*, by simply requiring the CEO to submit to, gain the approval of, the Board for such actions as may be required under *Section 192a., Board of Directors*. List those items in *192a* in summary format.

ISSUE NO. 4 -- OFFICERS

ISSUE No. 4A: Should there continue to be two Presidential appointee Managing Directors?

BACKGROUND:

This matter is addressed in *Section 194(a)* of the *Act* and *42 CFR 12651e.(a)*.

Current legislation authorizes two Managing Directors, who are Presidential appointees. The "duties" statement says the CEO shall determine what programs these persons will administer and what Divisions they will head. (Program presumably means major activity, rather than being limited to a service program such as Senior Corps or AmeriCorps.)

The legislation was written before the Corporation began operations and before there was any experience to suggest how CNS might best be organized and administered. However, the very brief statements in the *Act* provide considerable latitude in determining how the two Managing Director appointments are used.

DISCUSSION:

This part of the law, at least, provides the Corporation with maximum flexibility. The issue is whether two Presidential appointee "Managing Directors" is the optimum number.

A minor issue is the inclusion of the term "Managing Director" which is never used in actual Corporation operations. Perhaps a more appropriate title could be chosen.

Internal organization of the Corporation is most appropriately left to the CEO to determine. Requesting a change in numbers or names of these two Presidential appointee level Managing Directors might open the door to other proposals. There is no evidence the management of the Corporation has been unduly handicapped by the current limitation on Presidential appointees.

RECOMMENDATION:

No changes.

ISSUE 4C: Should the requirements for an Assistant Director for VISTA and Assistant Directors for each of the National Senior Volunteer Corps be eliminated?

BACKGROUND:

Section 194(d) of the *Act* requires that one of the Presidential appointee Managing Directors shall, in turn, appoint 4 Assistant Directors; one for VISTA and the three others for the three Senior Corps programs. Those Assistant Directors are to report directly to the Managing Director.

This part of the *Act* has never been fully implemented.

These positions, along with the State Program Directors, are the only non-Presidential positions mentioned in *Subtitle G*. A Director of A*NCCC is referred to throughout the part of the law covering that program.

The rationale for citing these positions goes back to ACTION and to concerns by the Congress and by constituency groups supportive of VISTA and Senior Corps that the programs receive sufficient support and visibility.

DISCUSSION:

Generally speaking, it does not make sense to attempt to legislatively determine the internal organization of the Corporation. Management should have the flexibility to organize in such a way as to efficiently carry out the mission, which may evolve over time.

While the requirement, there be a separate "assistant director" for each of the three Senior Corps programs, was inserted at the request of the Project Directors Associations, those groups are reported to be very satisfied with the "program councils" which have been established by Senior Corps. They would probably not be upset by deletion of the three assistant directors requirement.

Deleting the VISTA "assistant director" requirement would open the door to Congressional attention to the role of VISTA within AmeriCorps, and whether the program was being submerged with the loss of its own individual identity.

The requirement for a VISTA "assistant director" can (and is) easily handled by having the executive with responsibilities for A*VISTA be given the title of VISTA Assistant Director as well as their other title.

RECOMMENDATION:

Delete the requirement for assistant directors for the three Senior Corps programs. Take no action on the VISTA Assistant Director, since it does not seriously impact on Corporation management and to propose deletion would potentially open distracting discussions on AmeriCorps and its several components.

ISSUE NO. 5 -- CORPORATION STATE OFFICES

ISSUE No. 5: Should the Corporation continue to maintain a field structure of State Program Offices and, if so, should any modifications be made in current responsibilities?

BACKGROUND:

There are currently 48 Corporation State Program Offices, headed by State Program Directors. These offices typically have 2-5 employees. They are responsible for delivery and oversight of A*VISTA and the three National Senior Service Corps Programs. Additionally, the State Director serves as the Corporation representative to the State Commission and is an ex-officio member of the Commission.

While the State Program Offices are the point of delivery for programs authorized under the DVSP, other Corporation service programs are delivered through the State Commissions (AmeriCorps*State), by State Education Departments (much of Learn and Service America) and by Headquarters staff (AmeriCorps*National, AmeriCorps*NCCC and some of Learn and Service.)

The State Directors and their offices are addressed in at least three places in the current law. *Section 195(c)* establishes a Corporation representative to each state commission. *Section 196A* requires a Corporation state office in each state and prescribes certain duties. *Section 193A (Duties of the CEO)* lists, among other reports and studies, a report that would look into "the potential for cost savings and coordination of support and oversight services from combining functions performed by (former) ACTION state offices and State Commissions."

This was a major issue in the drafting of the current Act. While the language in *Section 195(c)* of the *Act* is somewhat convoluted, the effect has been that the Corporation has designated the field-based Corporation State Program Directors as the CNS Reps serving as ex-officio members of the State Commissions.

There is now almost two years of working experience with the Corporation State Reps system. Results have been mixed, but on balance generally positive.

DISCUSSION:

There are several related issues:

1. Whether it is necessary to include in the law detailed guidance on one part of the Corporation's organizational structure. Independent of any decisions about that structure, this appears to be micromanagement through legislation.

2. The role of the State Program Director as Corporation representative to the state commission.

3. The Corporation's delivery systems and whether the current "dual delivery system" should be continued and, if so, should the current mix of program delivery responsibilities be modified or continued?

Legislative guidance as to how the Corporation organizes its delivery systems and what duties should be assigned to various staff (such as State Program Directors) appears to be micromanaging of internal operations, which parallels similar detailed involvement in the duties of the CEO and elsewhere. However, given the attention paid this issue when the law was initially debated, Congress may be reluctant to leave the issue to the sole discretion of the Corporation.

The issue of two (actually, more than two) entities in the field which administer the delivery of Corporation supported service programs can be addressed in three ways:

(1) Identify the State Commissions as the single point of delivery for all Corporation programs (including A*VISTA, the three NSSC programs, the two Learn and Serve America Programs and perhaps A*NCCC and some or all of AmeriCorps*National.) This would rationalize the delivery system (in the economic sense of the word). It might work out to be a "service block grant" and thus would be consistent with the "Contract with America" approach to social program delivery. Certainly the Corporation would lose some ability to influence or control the content and priorities of the programs. It is not clear whether there would be any actual dollar savings to the Corporation, but certainly there would be some transfer of administrative costs to the program accounts in the Corporation's budget. About 150 Corporation field employees would lose their jobs, although there might be some offsetting increase in headquarters staff.
The State Commissions are grantees, not part of the Corporation, and delivering all programs through them would remove any direct contact between the community based programs and CNS. At the same time, the State Commissions are considered "partners" and reflect and implement a strong involvement of state governors in the implementation of AmeriCorps*State.

(2) Identify the Corporation State Program Offices as the primary point of delivery for all Corporation programs. This would not necessarily impact on the current role of the State Commission, but would result in the decentralization from headquarters to the field of A*State and L&S. Headquarters program offices would then focus on policy, strategic planning and resource allocation, support and demonstration initiatives. This could be accomplished in a phased basis, with some expert HQ program staff moving to field Cluster Offices or key State Program Offices to assure program expertise is not diminished. Such a move would probably require the Corporation to deal with the current dual grants management systems, although this probably needs to be resolved anyway. It would result in some transfer of staff (or at least FTE positions) from HQ to the field and would change the nature of the job in both places. It would also change the reporting relationships for the State Commissions and would require reexamination of the Corporation State Rep role for the State Directors if they are also directly responsible for oversight of Commission grants.

(3) The third approach is to retain the current mix of delivery systems, with perhaps some adjustments. This is the least disruptive to staff, grantees, processes, etc. It also does not address the issues of "duplication" or decentralization. It would not advance the creation of an integrated organization, although the continuing old v. new tensions and disconnects may reflect the awkward organization of the Headquarters program department, which does not currently reflect the "three product lines" articulated by the CEO.

RECOMMENDATION:

Delete *Sections 195(c)* and *196A* from the *Act*. The issue of Corporation representatives to State Commissions should be addressed in *Section 178, State Commissions*.

While not covered by the *Act*, the Corporation should continue to support both State Commissions and State Program Offices. However, besides their current responsibilities for A*VISTA and the Senior Corps, Corporation state offices should assume additional responsibilities for Corporation programs authorized under the NCSTA, as should field Service Centers. The Corporation should fully commit itself to a decentralized program management system, with headquarters national program offices focusing on program policy and planning, guidance and support of field staff whose primary responsibilities would be program delivery and management. This approach would most fully utilize the skills and experience of State Program Office staff in the development and oversight of service programs. It would also retain and expand their capacity to develop cost-sharing partnerships and the state and local level and would continue to give the Corporation an on-the-scene presence when dealing with state and local governments, community groups and programs.

CORPORATION for NATIONAL SERVICE
Section-by-Section Reauthorization Review
SUBTITLE G - ORGANIZATION

SECTION	SUMMARY ANALYSIS/RECOMMENDATION
12651. Corporation for National and Community Service	
Transfer of functions from Commission	GC Review to identify dated material to be deleted.
Transfer of functions from ACTION	GC Review to identify dated material to be deleted.
Business Plan	Plan long since submitted; Delete.
EO 12819 - Presidential Youth Award	Probably should be deleted, but a Subtitle H issue.
12651a. Board of Directors	No substantive changes identified. Modify requirement that a Board member have a service learning background from "shall" to "maximum extent practicable" and broaden to reflect a general background in service programs.
12651b. Authorities and Duties of the Board	No substantive changes identified. List reports required from the CEO here, and not under CEO. Delete one-time reports (see CEO also)
12651c. Chief Executive Officer	Delete dated references to one time 6-30-95 reports. Simplify statement of duties related to submissions to the Board by just citing "such reports as may be required under 192a.
12651d. Authorities and Duties of the CEO	
12651e. Officers of the Corporation	Delete requirements for an Assistant Director for each Senior Corps Program, but retain VISTA Assistant Director at this time.
12651f. Employees, Consultants and other Personnel	Delete 196(c) and 196A, which describe the role of the State Directors, including their assignment as Corporation Reps to the State Commissions, as a micromanaging detail. However, retain and strengthen role of Corp. State Offices, including relationship to State Commissions.
12651g. Administration	No issues noted.
12651h. Corporation State Offices	Delete 196A, but retain and strengthen role of State Program Offices with added responsibilities for all Corporation programs.

MEMORANDUM

TO: Shirley Sagawa

FROM: David Rymph

DATE: October 25, 1995

SUBJECT: Reauthorization Cost Issues

When considering the issue of costs, it may be worth your time to review some results of the Summer of Safety (SOS)cost analysis we did with Harry Hatry of the Urban Institute. That study is the only one to date that tries to identify all of the Corporation's costs by program with any degree of accuracy or thoroughness. I am attaching a copy of the report and below is a list of some findings relevant to the reauthorization issues:

1. <u>CNS staff costs for the Summer of Safety were 4.6 percent of the total, approximately $ 550,000 out of a total cost of $ 12 million.</u> In many ways the SOS program was a mini-version of what CNS is today. All three program types -- NSSC, Learn and Serve, and AmeriCorps -- took part. The grant award process was essentially a smaller scale version of each program type's method now. It may not be unreasonable to believe that the 4.6 percent staff costs are close to our current staff costs.

2. <u>The costs per participant (excluding the $ 1,000 educational benefit) in the four, stipended programs were: NCCC - $ 7,914; Youth Corps - $5,139; National Service Grants - $ 4,048; and VISTA - $ 2,489.</u> The structure of the 1994 SOS programs was much like that of these programs today. We can assume that NCCC, as our only 24-hour a day, seven-day a week, residential program, will be the most expensive. In AmeriCorps*National and State, most likely the traditional youth service corps are among the more costly programs. Finally, AmeriCorps*VISTA is the least expensive of the AmeriCorps components.

3. <u>CNS staff cost per SOS participant varied greatly across the programs, from $ 328 CNS staff cost per participant in NCCC to $ 82 in VISTA</u>. The NCCC summer program cost included $ 328 CNS staff cost per participant. National Service Grants had a CNS staff cost of $ 284, while the Youth Corps cost was $ 181. VISTA's CNS staff cost per participant was $82. The staff cost per participant in NCCC is four times higher than VISTA. National Service Grants' staff costs were more than three times that of VISTA. Thus, it is not just the structure of the programs in the field that contribute to cost differentially. How programs are staffed and administered in headquarters is a factor as well.

cc: Tracy Gray
Attachment

May 30, 1995
The Urban Institute

Notes on Cost Estimates
1994 Summer of Safety Program

1. Cost estimates are for the program as a whole and for each of the six 1994 SOS programs (K-12, NCCC Summer Camp, National Service Grants, Senior Corps, VISTA, and Youth Corps).

2. We have not included in these costs some items that, while they represent time spent on the 1994 SOS program, appear to be quite small and in any case do not represent real added financial cost to the government or its taxpayers. While this time presumably took away from time available to do other work, it does not appear likely to us that any meaningful amount of additional real dollars were involved. (Another possibility is that these personnel put more of their own time in without affecting the quality or coverage of their other tasks.) These excluded items include:

   - Time spent by state office personnel on 1994 SOS;
   - Time spent by a variety of "overhead" CNS personnel, such as personnel, procurement, and high level CNS management officials who did not put in a significant amount of time specifically on SOS and did not incur any added financial costs to the government because of 1994 SOS.

3. We have not included any additional time and costs that local projects may have "donated" to the projects, nor attempted to identify the added time or costs that CNS programs in the field may have contributed to the SOS efforts (such as by VISTA or Senior Corps). These do not appear relevant to an analysis of the federal government's added costs for SOS.

4. We have provided separate cost estimates, depending on whether the compensation costs of CNS personnel are included or not. One estimate includes the salary and fringe benefit costs of full-time CNS personnel who spent substantial time on 1994 SOS but would very likely have received salary and fringe benefits even if they had not worked on SOS. This cost includes the time of both program personnel and program evaluation personnel. Table 4 shows the estimated costs of CNS personnel for the FY 1994 SOS program.

   The other estimate excludes the costs of such time on the assumption that this time did not actually result in any added cost to the federal government and its taxpayers. It would be very difficult to estimate the "opportunity cost," if any, of the time spent by these employees. However, probably, the principal opportunity cost was reduced quality or coverage of other activities and not an actual financial cost. (To the extent that these personnel put in more of their own time without hurting their other duties, this "cost" would not be relevant to this cost analysis.)

5. We have not in any way "audited" these cost or time figures. They are based on the data reported to us by CNS personnel in the budget and program offices.

6. The cost estimates are also reported both with and without the $1,000 educational benefit for participants who completed the required number of hours of work. A problem here is that participants have seven years to claim benefits. We have assumed that this educational benefit is obligated and therefore have included a $1,000 benefit for each person that is eligible. It may be that some of the eligible participants may never claim the benefit; to the extent that these educational benefits are not used, the costs presented here will be somewhat overstated.

   Note that participants in K-12 and the Senior Corps did not receive the educational benefit.

7. CNS salary costs are based on estimates of the number of days applied to the 1994 SOS program provided to us by CNS (based on figures provided by the persons themselves). These numbers are estimates; CNS staff did not keep time sheets on SOS. These estimated number of days have been multiplied by the individual's salary and a fringe benefit rate. The data on which persons are included, each's number of days, and the total dollars for each person are provided as an attachment to these tables. The salary figures were based on the U.S. General Schedule effective for FY 1994.

8. CNS personnel costs include fringe benefits of 28%. This figure was provided by David Spevacek. This rate includes only "cash" fringes, not time off work such as vacation, holidays, sick leave, etc. To consider these other fringe benefits (and their inevitable cost to the federal government and taxpayers), we calculated daily rates for CNS by dividing the appropriate annual salary for each CNS employee by 228 rather than 260. (The 228 figure assumes that Federal employees spend an average of 19 days per month at work). This adds approximately 14% to employee compensation costs per day.

9. Costs of consultants include a fringe benefit rate of 7.65% for FICA and medical insurance costs that the federal government pays for consultants.

10. The added costs for educational benefits are based on figures provided by CNS on February 26, 1995; the number of 1994 SOS participants completing the 1994 SOS program were: NCCC = 91; NSG = 688; VISTA = 934; and Youth Corps = 486. As noted earlier, the estimates included here assume that each person will ultimately (within the seven-year allowable period) use the $1,000 educational benefit.

As noted earlier, participants in the K-12 and Senior Corps program were not eligible for the educational benefits.

11. To estimate the costs for each of the six 1994 SOS programs, we identified the costs that clearly were applicable to particular programs. These direct costs include the grant cost (or grant plus educational benefit) and some other costs, such as the cost of the ethnographic studies and cost of direct program staff time that are clearly attributable to one and only one of the six programs. These costs are summarized in Table 1.

    However, allocating costs to each program that simultaneously relate to more than one of the six programs (such as the program evaluation and public information costs) inevitably is somewhat arbitrary and judgmental (i.e., on what basis should individual cost elements be allocated among the six programs). The procedures we used are identified below.

12. For estimating the full costs of each of the six SOS programs (shown in Table 3), those CNS costs that were not specifically associated with one of the specific six programs but appeared to be jointly applicable to all six programs (see Table 2) have been allocated to the individual programs as follows:

    - One-half of these (Table 2) costs have been allocated to each program on the assumption that approximately half of these costs are equally and jointly related to the six programs.

    - The other half of these (Table 2) costs have been allocated in proportion to each program's "direct program costs" (from Table 3).

    As the tables indicate, the inclusion, or exclusion of these allocated costs does not make much difference.

13. As Table 4 indicates, the total amount of dollars for CNS staff time is approximately \$550,000 out of a total cost of about \$12 million (about 4.6%).

14. Neither the costs nor number of participants (about 62 participants) in VISTA's Texas immunization project have been included in the numbers presented here. This project was not actually part of the SOS program.

15. Adding the number of participants from each of the six programs into one total number of participants and calculating an overall SOS aggregate cost-per-participant would be like adding apples and oranges. We have not done this. The counts of participants in K-12 and Senior Corps are substantially higher than for other programs. Individual participants, in most cases, probably spent substantially less time on the SOS program than participants in other programs. In addition, the NCCC program is a residential program, the only one of the six programs. The participants were on-site 24 hours each

day, seven days a week, and, thus, had to be more expensive per participant than other programs.

16. Table 5 presents the overall estimated total costs of the 1994 Summer of Safety program. It presents figures with and without the educational benefits cost. It also presents figures with and without the estimated costs of CNS personnel (since, as noted above, these latter costs may not have led to any actual additional cost to the Federal government or the public.)

17. Determining "cost per participant-hour (or day)" seems to be infeasible, at least for most of the programs. The number of participant hours was not requested for K-12. Senior Corps participants were asked to provide their total hours upon completion of the program, but about half apparently did not provide this information. As noted above, NCCC is a residential program. Should the number of hours be counted as 24 hours for each day, just the number of hours doing community service, eight hours per day counting training and community service time, or using some other formula? VISTA hours were not collected by the national office; the hours used for VISTA participants are based on CNS figures as to the number of days the participants were reported to have worked. VISTA employees are paid directly by CNS at 40 hours per week, eight hours per day, regardless of the number of hours actually worked (whether more or less than these numbers). Estimates could be provided for the number of hours "worked" by Youth Corps and NSG program based on the numbers provided by the projects.

    Given the availability of reasonably sound participant-hour data, calculations of the cost per participant-hour seem of highly limited value and appear to be infeasible to obtain in any practical and reliable way.

18. We have calculated "cost per participant" figures. These are presented in an Appendix. These figures have quite limited application. They do not appear to give any meaningful indication of the efficiency, productivity, or effectiveness of the programs. The number of participants is not an adequate measure of the product (i.e., the outcomes) of the SOS program. To measure true efficiency and productivity, information on the amount of product (e.g., outcomes) would be needed. Unfortunately, outcome information is not available on 1994 SOS, neither outcomes on community safety nor on long term benefits to the participants of the programs.

    Comparisons across these programs on these costs-per-participant are also dubious. Clearly, the unit costs for K-12 and Senior Corps should not be compared to the other four programs. The nature of the participants differs substantially. One purpose of the four programs is to help youngsters, particularly those disadvantaged, over the summer.

    Inclusion of the additional costs of CNS SOS-related staff costs does not appear to add substantially to these costs-per-participant. As the Appendix indicates, these CNS staff time costs add only about $200 to the cost per participant for any of those four programs.

Table 1: Costs That Are Directly Applicable to Specific SOS Programs

	SOS Program Costs
Grants to Programs	
K-12	$400,000
NCCC (including transportation and Misc. Expenses)	509,000
National Service Grants (NSG)	2,185,577
Senior Corps (SC)	360,000
VISTA	1,941,789
Youth Corps (YC)	2,001,582
Subtotal	7,397,948
Grant Review Panel	
K-12	76,000
National Service Grants (NSG)	76,000
Youth Corps (YC)	76,000
Subtotal	228,000
Program Consultants - Youth Corps (1)	22,406
- Senior Corps (2)	33,739
Subtotal	56,145
Ethnographer Contracts	
K-12	10,935
NCCC	20,000
National Service Grants	25,320
Senior Corps	9,965
VISTA	18,751
Youth Corps	8,600
Subtotal	93,571
Educational Benefits	
K-12	0
NCCC	91,000
National Service Grants	688,000
Senior Corps	0
VISTA	934,000
Youth Corps	486,000
Subtotal	$2,199,000
TOTAL WITHOUT CNS PERSONNEL COSTS OR EDUCATIONAL BENEFITS	**7,775,664**
TOTAL WITH CNS PERSONNEL COSTS (Table 4) BUT WITHOUT EDUCATIONAL BENEFITS	**8,118,221**
TOTAL WITH EDUCATIONAL BENEFITS BUT WITHOUT CNS PERSONNEL COSTS	**9,974,664**
TOTAL WITH CNS PERSONNEL COSTS (Table 4) AND WITH EDUCATIONAL BENEFITS	**10,318,221**

Table 2: Costs That Are Applicable Jointly to All Six Programs

	SOS Program Costs
National Events/Public Information	
April New York City Public Safety Forum	49,660
May Leesburg Project Leaders Training	126,927
June St. Louis SOS Kickoff	7,000
August Chevy Chase "Wrap-Up" and Assessment Meeting	131,600
Media Support	23,300
Training and Technical Assistance (NCPC)	250,000
Program Evaluation	
Consultants (4)	129,330
Travel for Staff and Consultants (includes Program and PE Staff)	22,356
Evaluation Contracts (2)	74,800
Accomplishment Survey and Entrance and Exit Forms: Postage, Printing, and Contract Services	38,328
Program consultants applicable to all programs (2)	58,399
Travel of program staff and consultants not assignable to individual programs	81,171
Temporary personnel (e.g., administrative assistance, grant revenue, etc.)	364,204
Supplies	8,750
Furniture rental (7th floor)	7,000
Outside printing/copying	2,000
TOTAL Without CNS Personnel Costs	1,374,825
TOTAL With CNS Personnel Costs	1,583,047

Table 3: Costs by Program

	SOS Program Costs	
	Excluding CNS Personnel	**Including CNS Personnel**
K-12		
Grants to program	400,000	400,000
Grant review panel	76,000	76,000
Program staff	---	90,010
Ethnographer	10,935	10,935
Total Direct Program Cost	486,935	576,945
Support allocation: Equal share	114,569	131,921
Support allocation: Share based on program direct costs	43,048	56,245
Total	644,552	765,111
Educational Benefits	0	0
Total	**644,552**	**765,111**
NCCC		
Grants to program (including $25,000 for participant transportation and Misc. Expenses)	509,000	509,000
Program staff	---	7,029
Ethnographer	20,000	20,000
Total Direct Program Cost	529,000	536,029
Support allocation: Equal share	114,569	131,921
Support allocation: Share based on program direct costs	46,767	52,256
Total	690,336	720,206
Educational Benefits	91,000	91,000
Total	781,336	811,206
National Service Grants		
Grants to program	2,185,577	2,185,577
Grant review panel	76,000	76,000
Program staff	---	130,480
Ethnographer	25,320	25,320
Total Direct Program Cost	2,286,897	2,417,377
Support allocation: Equal share	114,569	131,921
Support allocation: Share based on program direct costs	202,175	235,664
Total	2,603,641	2,784,962
Educational Benefits	688,000	688,000
Total	3,291,641	3,472,962

Table 3: Costs by Program (Continued)

	SOS Program Costs	
	Excluding CNS Personnel	**Including CNS Personnel**
Senior Corps		
Grants to program	360,000	360,000
Program staff	---	31,749
Program Consultants	33,739	33,739
Ethnographer	9,965	9,965
Total Direct Program Cost	403,704	435,453
Support allocation: Equal share	114,569	131,921
Support allocation: Share based on program direct costs	35,690	42,451
Total	553,963	609,825
Educational Benefits	**0**	**0**
Total	**553,963**	**609,825**
VISTA		
Grants to program	1,941,789	1,941,789
Program staff	---	37,390
Ethnographer	18,751	18,751
Total Direct Program Cost	1,960,540	1,997,930
Support allocation: Equal share	114,569	131,921
Support allocation: Share based on program direct costs	173,323	194,773
Total	2,248,432	2,324,624
Educational Benefits	934,000	934,000
Total	3,182,432	3,258,624
Youth Corps		
Grants to program	2,001,582	2,001,582
Grant review panel	76,000	76,000
Program staff	---	46,899
Program consultant	22,406	22,406
Ethnographer	8,600	8,600
Total Direct Program Cost	2,108,588	2,155,487
Support allocation: Equal share	114,569	131,921
Support allocation: Share based on program direct costs	186,411	210,133
Total	2,409,568	2,497,541
Educational Benefits	486,000	486,000
Total	2,895,568	2,983,541

Table 4: CNS Personnel Costs

Applicable to Particular Programs:		
K-12	$ 90,010	
NCCC	7,029	
National Service Grants	130,480	
Senior Corps	31,749	
VISTA	37,390	
Youth Corps	46,899	
Subtotal		$ 343,557
Applicable Jointly to All Six Programs:		
Work with NCPC in Training and Technical Assistance	32,616	
Program Evaluation		
CNS Personnel	105,244	
Program Personnel Special Site Visits	12,000	
CNS Program Personnel Applicable to all programs	55,758	
Budget Personnel	2,604	
Subtotal		208,222
Total		$ 551,779

Table 5: 1994 Summary of Summer of Safety Costs

	Costs Without Educational Benefits		With Educational Benefits	
	Not Including CNS Staff	Including CNS Staff	Not Including CNS Staff	Including CNS Staff
Direct Costs	7,775,664	8,119,221	9,974,664	10,318,221
Indirect (Allocated) Costs	1,374,825	1,583,047	1,374,825	1,583,047
TOTAL	9,150,489	9,702,268	11,349,489	11,901,268

Appendix
Total Costs Per Participant Completing 1994 SOS Program

	Costs Without Educational Benefits		With Educational Benefits	
	Not Including CNS Staff	Including CNS Staff	Not Including CNS Staff	Including CNS Staff
NCCC (91)	$7,586	$7,914	$8,586	$8,914
National Service Grants (688)	3,784	4,048	4,784	5,048
VISTA (934)	2,407	2,489	3,407	3,489
Youth Corps (486)	4,958	5,139	5,958	6,139
K-12 (1980)	326	386	N/A	N/A
Senior Corps (2461)	226	248	N/A	N/A

Note: (1) The number in parenthesis are the numbers of participants used for these calculations.

(2) NCCC is a 24-hour per day residential program, unlike the other programs.

(3) National Service Grants, VISTA, and Youth Corps are stipended, include Education Awards, and involve full-time service.

(4) The numbers for the K-12 and Senior Corps program are <u>not</u> comparable to the other programs. "Number of participants" for these two programs has a substantially different meaning than for the other four programs. These programs are primarily non-stipended, do not include Education Awards, and involve part-time service.

BASIC TIME DATA

1994 SOS COSTS Sheet1

Benefit Rates Used
. 28% for CNS employees
. 7.65% for Consultants + "Temps" (Encore)

5/24/95

PERSON	CALENDAR PERIOD COVERED	TOTAL NUMBER OF DAYS ON 1994 SOS	TOTAL SALARY $ FOR THESE DAYS	TOTAL SALARY AND FRINGE BENEFITS	ANY COMMENTS
Program Evaluation-Full Time Employees					
David Rymph	3/1/94-12/31/94				
Carylon Kari	3/1/94-2/10/95				
Ryan Ferrara	4/1/94-2/10/95	50			
Bernie Halloran	3/1/94-12/31/94	35		21,189.76	GS-15 STEP X 5
Charles Helfer	3/1/94-12/31/94	150 ~~20~~		11,126.53	GS-14 STEP 1
Marie Wallace	1/4/94-2/10/95	40		20,746.00	4/1/94-9/31/94=12PER HOUR9/31/94-PRESENT=$13 PER HO
Tony Williams	9/1/94-12/31/94	100		12,716.08	GS-14 STEP 1
TOTAL		18		34,970.88	GS-13 STEP 10
Consultants		10		3,117.60	~~100 PER HOUR~~ 21
				1,377.02	GS-6 STEP 7
Mitchell Ratner	4/15/95-2/10/95				
William Milsap	3/7/94-12/31/94				
Johnnie Daniels	8/22/94-11/11/94	193	$63,890.72		
Jamie Merisotis	2/21/94-10/21/94	86.75	$22,208	68,779 ~~$60,000.72~~	$41.38 PER HOUR
TOTAL		10	$2,600	23,907 ~~$22,208~~	$32 PER HOUR
Director Program Administration		95	$31,448.80	2,799 ~~$2,000~~	$32.50 PER HOUR
Full Time Employees				33,865 ~~$31,448.80~~	$41.38 PER HOUR
Catherine Pierce	2/28/94-2/10/95				
A.T. Bostic	2/28/94-5/27/94	231 ~~20~~			
Miles Wilson	3/14/94-8/1/94	60			
Tim Silard	4/11/94-8/31/94	59		97,896.95	GS-15 STEP 5
Barbrara Neighbors-Glass	5/1/94-8/31/94	94		11,325.70	GS-11 STEP 1
David O'Brien	3/1/94-10/1/94	50		14,682.60	GS-12 STEP 4
		147 ~~1X~~		32,872.63	GS-13 STEP 10
K-12				13,899.52	GS-13 STEP 2
Calvin Dawson	3/15/1994-1/30/95			46,731.00	GS-14 STEP 1
Valerie Wheeler	12/1/93-9/1/94	100			
VISTA		112		24,886.76	GS-12 STEP 4
Kelly Daly	3/14/94-9/30/94			28,716.44	GS-12 STEP 5
Jim Kriedler (VISTA)	3/14/94-9/30/94	137 ~~100~~			
Jim Kriedler (David O'Brien-SOS)	3/14/94-9/30/94	25			
Senior Corps		56		32,028.00	GS-12 STEP 2
Douglas Ricker	5/10/94-1/6/95			4,030.08	GS-9 STEP 2
Donna Whitaker	5/10/94-1/6/95			9,027.28	GS-9 STEP 2
Cari Keller	5/10/94-1/10/95	108			
Sue Fahy	5/9/94-2/10/95	25		14,934.08	4/1/94-9/31/94=12$PER HOUR9/31/94-PRESENT=$13 PER HOUR 1/
		136		10,283.52	GM-15, [redacted]
Budget		64		18,805	4/1/94-9/31/94=12$PER HOUR9/31/94-PRESENT=$13 PER HOUR 2/
Larry Bevan	3/1/94-3/30/94			20,133.44	GM-14, [redacted]
Jessica Marshall	5/1/94-9/31/94	9			
Consultants		9		2,663.31	GM 13
Mike Russell	3/1/94-8/31/94			2,605.36	$51,564 PER YEAR
R. Sampson	1/10/94-1/7/95				
Dick Staufenberger	5/2/94-9/23/94	105 ~~30~~ 471 HOURS=58.875 DAYS		34,418	~~GS 15 STEP 10~~ \$331/day + 7.65%
		503 HOURS=62.875 DAYS	$19,489.98	20,981 ~~$19,489.98~~	$41.38 PER HOUR
			$20,814.14	22,406 ~~$20,814.14~~	$41.38 PER HOUR
				*ALL SALARIES BASED ON GROSS PAY	

1/ 50% as a current employee @ $12/hr + F.B.
50% as a "temp" (Encore) @ $21.65

2/ 100% as a "temp" @ $21.65

SOURCES: Ryan Ferrara, Jessica Marshall, David Sporchek, David Rymph, and 1994 G.S salary schedule

Changes From March 14, 1995 Total Costs
Based on CNS Memos of
May 2, May 12, and May 25 1995

1.	Addition of three CNS staff	+ 82,752
2.	Revision of costs of national meetings and NCPC technical assistance and training ($722,000 to 588,687)	- 133,313
3.	Double-Counting cost of ethnographer contract for NCCC	- 56,500
4.	Deletion of Computer investment cost	- 26,979
5.	Reduction of supplies ($21,000 to 8,750)	- 12,250
6.	Addition of NCCC Travel Costs for participants	+ 25,000
	Net Change	- 121,290

May 10, 1995

SUMMER OF SAFETY ACCOMPLISHMENTS
PRIVATE SECTOR COST ESTIMATES

The following list reports estimated costs from a private building construction contractor. The items in italics are numbered according to their corresponding number on the "Summer of Safety Accomplishments List of 50 Reasons Why the Corporation for National Service Can Be Proud of Its First Corporation-Wide National Program." The final "cost" is rounded to the nearest thousand.

ACCOMPLISHMENT — COST

Community Policing

1. *Freed up 26,413 hours of police officers' time.*

- $35/hour + 35% Fringe — $1,248,000

Improvement of Household Security

8. *Performed 13,513 household security surveys or audits.*

- $225/house* — $3,040,000
  * as performed by private contractor

OR

- 1 hour each @$35/hour + 35% Fringe for surveys and audits performed by police or fire dept. — $638,000

9. *Installed 1,001 new window and door locks.*

- 1 hour each @ $25/hour + 35% Fringe — $34,000

Building and Neighborhood Cleanup

39. *Boarded up 711 abandoned buildings.*

- 3 workers times 1 day per building
  $25/hr per worker (+ 35% Fringe) times 24 hours — $576,000

- Materials @ $600 per building — $427,000

- Hauling and miscellaneous
  materials/wastes @ $175 per building — $124,000

41. *Removed graffiti from 1,467 walls and fences.*

- Assume 12' high by 25' = 300 square feet
  1/4 hour per square feet = 75 hours per fence
  $12/hour + 35% Fringe times 75 — $1,782,000
  (includes hauling and misc. materials)

Environmental Restoration

43. *Planted 74,329 trees.*

- $2/tree
  Plant 1 each 30 minutes = $16.88
  Hauling, etc @ 10 per tree 10.00

  Total $29 per tree — $2,156,000

45. *Built or renovated 44 miles of trails.*

- Asphalt 1 mile approx is $600,000 (with curbing)
  (too expensive, go with the following...)

- Narrow dirt trail, no asphalt compact dirt, clear grub
  approximately $25,000/ mile — $1,100,000

Park and Playground Restoration

46. *Constructed 15 playgrounds.*

• new playground approx. $500,000 includes clearing site, design, asphalt, fence around, equipment	$7,500,000

47. *Renovated 45 playgrounds.*

• 2 weeks times 2 men = $5,000 for one	$225,000

48. *Maintained 65 playgrounds.*

• $1,000 each	$65,000

49. *Repaired or painted 242 pieces of playground equipment.*

• 2 pieces per day = 121 days Paint @ $5,000	$39,000

50. *Bagged and removed 2,016 trash bags or barrels of debris from neglected park and playground areas.*

• 1 bag each hour = 27,216 Disposal costs approximately $500 each truckload and 30 bags each truckload = $33,600	$61, 000

Reauth

MEMORANDUM FOR DISTRIBUTION

from: Shirley

re: Questions for staff input on reauthorization of AmeriCorps*State/National

date: October 18, 1995

Attached for your comment is a draft of questions that I think we need to get staff input on asap.

A less detailed list for the field might include:

How can we develop an AmeriCorps that costs less but delivers more?
What is the appropriate role for state commissions and the Corporation?
How can we guard against politicization of AmeriCorps?

Please note that I have not included questions on other Corporation programs. We will need to do a similar exercise for these programs in the near future.

distribution

Harris Wofford
Gene Sofer
Rick Allen
Debbie Jospin
Tracy Gray
Gary Kowalczyk
Terry Russell

AmeriCorps*State and National
Background information to inform future policy discussions on issues of concern to Congress

For the purpose of this exercise, assume the alternative is NOT the system we have now, but no program at all.

Cost issues

What is the lowest per member grant amount we should agree to, both on average and for any individual program? How would you achieve these cuts (please consider ALL elements, including living allowance, education award, federal and state administrative funds, etc)? What would be the effect of these cuts on the program, including quality, program disng options, etc.? What can be done to mitigate any negative effect?

How can we design a system for training and technical assistance that costs less but delivers more?

What is the maximum amount in-cash and in-kind in non-federal, non-Corporation, and private funds that programs can be expected to raise so that 75 percent of current programs could continue to participate in AmeriCorps? At a 50 percent match, how many AmeriCorps programs could participate?

Politicization

What more can we do to guard against politicization and advocacy?

National identity

If asked in a secret ballot, what percentage of programs would choose to keep the AmeriCorps national identity and what percent would choose to drop it? What elements of national identity are most important?

Structure

If we had a system in which most AmeriCorps funds (say 75%) went to states to administer through a block grant (i.e. Corporation does not approve individual programs), how would we ensure national identity and quality? What if certain states could achieve greater flexibility based on performance? How would this work?

How would we administer a system in which payroll for all AmeriCorps Members was paid centrally with a standard program support grant o no program support grant going to program sponsors?

If state commissions received a formula grant that they could spend on any service program, how would they divide it up among AmeriCorps, stipended programs not part of AmeriCorps, Learn and Serve America, Senior Corps, and other volunteer programs?

<u>Leveraged volunteers</u>

What goals can we agree to for numbers of additional volunteers and numbers of volunteer hours that can be leveraged per Member and per program?

October 18, 1995

MEMORANDUM

TO: Harris Wofford
Shirley Sagawa, Rick Allen, Gene Sofer, Terry Russell, Debbie Jospin

FROM: Melinda Hudson

RE: Reauthorization Outreach

As a complement to Shirley's reauthorization review of the legislation, Public Liaison is organizing outreach to national, community, and volunteer service organizations throughout the fall. There are several potential objectives to the exercise: to seek areas of consensus in the national service field to inform and guide our thinking; to hear new delivery ideas from our now seasoned partners; to reach out to those potential partners who perceive barriers in our current systems and policies; to develop an early warning system on issues that may be presented to authorizing committee staff; and to begin to build a broad, theoretical coalition for our winter/spring negotiations.

The process will be to invite a series of leaders and operators in the field to informal discussions (some guided questions, some open though time) with a representative sample of Corporation staff --- Program, Legal, Congressional, Public Liaison, etc. These staff level/Washington type discussions will proceed in tandem with more senior discussions between Harris and the leaders of these groups and fields.

Because this process is exclusive, Shirley has suggested that we also launch an open call for feedback through the Federal Register. This would also generate more candidates for in-depth discussion. Terry Russell is handling.

Before we get rolling on this, I'd like your feedback on the participants, topics, and process.

Participants

Representative sample from a "relationship" standpoint ... from funder to partner to oughta be a partner:

grantees to explore our relationship as a funder;
non grantees but partners in service at the local level (i.e. the Girl Scouts)
national nonprofit/volunteer networks that are not either of the above but have parallel interests (Lions, Kiwanis, Rotarians)

Cross section of types of organizations:

volunteer/membership organizations -- i.e. Salvation Army, Lions, etc.
youth corps -- NASCC, YVCA, YSA
religious organizations -- Catholic Volunteer Network, Jesuits
education institutions -- SEA's, Campus Compact
public safety arms - police and sheriff, fire marshalls
local and state governments
veterans
thought leaders, fathers and mothers of service (meet with Harris)
commissions and state offices

Topics:

Ask a handful of common questions, then allow time for more open discussion. The tone is informal, forward-looking and productive. These meetings are part of a continuous process of improvement. The objective is to seek ideas and expertise on how to deliver national service. The final question will always be "who else should be consulted?"

1. The philosophy/theory/objectives --- national service as a part of the "river". what are the key elements and benefits? what core aspects should tie a national service network together (living allowances, ed. benefits, training, etc.) what is the relative value of these aspects?

2. The current AmeriCorps model --- is it working, getting things done? what has been the best benefit? the biggest hurdle? what substantive changes would you highlight for review? what political/public relations changes would you point out? what is the relationship to and impact upon volunteers?

3. The price of AmeriCorps -- is this program too expensive? which categories of costs should be reconfigured --- living allowance, benefit package, ed. award, program operating costs, and state/fed administrative infrastructure? what level of private sector funding is desirable/achievable and on what time frame?

4. The process/customer service feedback --- how is it working with us? what are the benefits of association with a national network? what is the most nonproductive part of your life with us?

5. The balance of power --- our objective has been to combine the best of a national network with locally-driven programs. how are we doing on this? are we balancing quality control with local control?

6. Anything else?

Reporting mechanism

Capture the feedback according to the 6 topics above. Write up after each session, but consolidate into themes from the field.

Feedback, please on the following:

1. your designee on implementation --- program, legal, congressional, etc.
2. advice on including Learn and Serve in the process --- this is obviously AmeriCorps-driven, but should it be?
3. your thoughts on the topics --- do we have the right ones? at the right level of specificity?
4. edits and additions on the following, starter list for the process. Specifically, who /how/when on commissions and state offices?

   Grantees (at the national level) with a year under their belts:

   Youth Volunteer Corps of America
   United Way of America
   YSA
   Habitat
   YMCA
   National Center for Family Literacy
   Summerbridge
   Aspira
   City Year
   Tribe, ie Kickapoo
   National AIDS Fund
   NYU
   National Council of the Churches of Christ

   National nonprofits with local partnerships:

   Scouts - Girl and Boy
   Youth Volunteer Corps of America
   Boys and Girls Clubs
   Big Brothers/Big Sisters
   YMCA
   National 4H Council
   Future Farmers of America
   Catholic Volunteer Network
   Veterans - a separate process

Networks of community-based volunteer organizations with whom we should/would like to work:

- Kiwanis
- Lions Clubs, Intl.
- Rotary, Intl.
- Association of Junior Leagues, Intl.
- Knights of Columbus
- B'nai Brith
- National Council of Jewish Women
- Goodwill
- Salvation Army
- American Library Association

REAUTHORIZATION QUESTIONS

Corporation programs
Given the mission, vision, and goals of the Corporation, what changes should be made in the its programs to make them more effective?

Ethic of service
Beyond the programs of Learn and Serve, AmeriCorps, and National Senior Service Corps, what can the Corporation do to further the mission, vision, and goals?

Price of national service
How can we deliver national service in a way that costs less but that is as or more, effective?

> *For AmeriCorps programs, think in light of common aspects such as: direct service, living allowance and benefits, education award, diversity, community-driven partnerships, non-federal match, and national national identity*

Increasing the non-federal share of the budget
What functions and activities might be the most attractive to outside funders? What kinds of incentives might be necessary? What is a realistic time table for increasing the percentage of funds from the private and independent sectors?

Corporation structure

What is an effective and efficient field structure? What are the appropriate roles for state commissions and the Corporation, including the state offices?

Politicization

How can we guard against the politicization of national service? Are there any aspects of current Corporation programs and practices that create a perception of politicization?

Partnership Relations

What products, assistance, information do you need from the Corporation? What services would make the partnerships more effective?

General issues
Any other thoughts you would like to share that should guide and inform the reauthorization process?

REAUTHORIZATION OUTREACH PROCESS

Objectives

- to seek areas of consensus in the national service to inform andguilde our thinking
- to hear new delivery ideas from our partners
- to reach out to those potential partners who perceive barriers in our current systems and policies
- to develop and early warning system on issue that may be presented to authorizing committee staff
- to building a broad, theoretical coalition fof our winter/spring negotiations

Stakeholders

1. grantees (through the regional renewal conferences and the mail)
2. national networks of community-based service organizations that have local partnerships with our programs but are not national grantees
3. national networks of community-based service organizations that have comparable
4. constituences with a shared interest in national service

Process

Common questions
Target list of each group of stakeholders
(MBH to do 1 and 2, Gloria, Rita, and Jina to do 3, 4, and 5)
Facilitated discussions
grantees at the renewal conferences
small groups of the rest
individual meetings where appropriate
CEO-level meetings where appropriate
Drive to outcomes - consolidate feedback, search for themes, circulate
(congressional, program, legal, pliaison)
Mass mail promotion of feedback

file

TO: Shirley Sagawa
Gary Kowalczyk
Diana Algra

FROM: Rina Tucker RT

SUBJECT: Minutes from Reauthorization Discussion: National Service Participants (Division C)

DATE: October 25, 1995

In attendance: Diana Algra, Bruce Cline, Tom Flemming, Tracy Gray, Karen Hallerman, Peter Henairu, Julie Huffaker, Gary Kowalczyk, Myung Lee, Lance Potter, Peg Rosenberry, Michael Russell, Terry Russell, Mikki Seidman, Rina Tucker, and Julie Wang.

Diana Algra opened the discussion by stating that Bruce Cline was the facilitator. She also declared that this discussion was only the beginning because Harris Wofford wants to get State Commissions and their Executive Directors involved in these issues.

SUMMARY OF PROPOSED AMENDMENTS

The consensus of the group on proposed amendments was as follows:

1. References to Training and Technical Assistance and Evaluations should be stated in Divisions B,.C, and H.

2. Disability funds should be available to all programs.

3. Delete language in the statute that states "jobs".

4. Commission on National and Community Service's Subtitle D programs should not be given preference for AmeriCorps funds.

5. To ensure that the Federal Advisory Committee Act does not apply, modify language requiring the Corporation to establish panels of experts to reflect that we will utilize experts to review applications.

6. To ensure that AmeriCorps Leaders have worker compensation and tort liability coverage, modify language assigning Leaders to AmeriCorps programs to include a statement that these individuals are covered by Federal worker compensation and tort liability laws.

7. 3 year part-time programs should not be eligible for AmeriCorps funds.

8. Modify the statute to ensure that Members cannot receive a living allowance and Federal work-study compensation for the same service.

9. Modify the statute to ensure that a non-profit organization engaging in a substantial amount of lobbying could not receive direct benefits from an AmeriCorps program.

DISCUSSION

1. Training and Technical Assistance
42 U.S.C. § 12575

Training and technical assistance funds are only provided under Division C. This limits the use of these funds. State Commissions would like to use these funds for other purposes.

It was recommended by Peg Rosenberry that training and technical assistance funds also be available in Division H. It was also recommended that these funds be available for Division B programs.

Consensus: Make training and technical assistance funds available under Divisions B, C, and H.

2. Provision of Assistance and Approved National Service Positions by Competitive
42 U.S.C. § 12581(d)(5)(B)(i)

Under the statute, formula grantees cannot receive any disability funds. Myung Lee recommended that the language in the statute be changed so that the Corporation may provide assistance to any Corporation funded programs which place individuals with disabilities.

Peg Rosenberry agreed that disability funds should be available to all programs. She, however, believes that programs should demonstrate a "substantial number" of individuals with disabilities who need placement. She also indicated that this provision was necessary to ensure that the Corporation increases the number of individuals with disabilities in its programs.

Lance Potter suggested that we delete the "substantial number" requirement in sections B(II) and B(III).

OGC has drafted language to make the disability funds available to all programs.

Consensus: Amend this section to include language as written by OGC.

Proposed Amendment

42 U.S.C. § 12581(d)(5)(B)

"The Chief Executive ~~shall~~ may make grants from a portion of the funds reserved under subparagraph (A) to entities that–

(I) receive ~~a grant to carry out a national service program under paragraph (1) or (2)~~ assistance under this subchapter;

(II) demonstrate that the entity has received ~~a substantial number of~~ applications for placement in the national service program of persons who are individuals with disability and who require a reasonable accommodation (as defined in section 12111(9) of this title), or auxiliary aids and services (as defined in section 12102(1) of this title), in order to perform national service; and

(III) demonstrate that additional funding would assist the national service program in placing ~~a substantial number of~~ such individuals with a disability as participants in projects carried out through the program."

3. Provision of Assistance and Approved National Service Positions by Competitive and Other Means
42 U.S.C. § 12581(d)(5)(C)(i)(I)

This subsection references section 12651d(b)(10) that has a June 3, 1995 reporting deadline.

Bruce Cline suggested amending this date. Lance Potter stated this requirement was a one time study. It, therefore, should be deleted. David Rymph agreed and further declared that all one time reporting requirements should be deleted.

Consensus: Delete any reference to section 12651d(b)(10).

Proposed Amendment:

42 U.S.C. § 12581(d)(5)(C)(i)(I)

"~~providing information about the programs specified in section 12651d(b)(10) of this title to such individuals with a disability who desire to perform national service; and~~"

4. Application for Assistance and Approved National Service Positions
42 U.S.C. § 12582(b)

Peg Rosenberry suggested that this section should be deleted because it includes information that the Corporation may require to be provided in the application. She believes that this section restricts us.

Myung Lee stated that we should leave this section in the statute. Terry Russell declared that it is a policy decision as to whether this section should remain in the statute.

Diana Algra stated that in the spirit of reinventing government, we should delete some of these requirements. Terry Russell suggested that we review the points set forth in the section to determine whether we want to retain this section.

Consensus: Before recommending a course of action, we need to consult with the program staff.

6. Application for Assistance and Approved National Service Positions
42 U.S.C. § 12582(c)–Required Application information

The statute provides the information that must be contained in an application for assistance. After two grant review periods this guidance is no longer needed.

Consensus: Before recommending a course of action, we need to discuss this issue with the program staff.

6A. Application for Assistance and Approved National Service Positions
42 U.S.C. § 12582(c) Required application information

The statute declares that the programs must provide a description of the jobs into which participants will be placed.

It has been suggested that the term "jobs" be deleted, because the language is contrary to the characterization of the programs.

Consensus: Deleted the word "jobs".

<u>Proposed Amendment</u>

" A description of the ~~jobs or~~ positions into which participants will be placed using the assistance provided under section 12571 of this title, including descriptions of specific tasks to be performed by such participants."

7. National Service Program Assistance Requirements
42 U.S.C. § 12583(c)

The statute currently requires programs that are not funded by the State Commission to "consult with" the Commissions. These programs, however, are not required to get the State Commission's approval to operate the program. The statute also requires State Commission to develop and implement a comprehensive plan that includes statewide service activities. The question is whether these programs must received the state's approval prior to receiving a grant.

Mikki Seidman stated that if the states have to approve these programs, then the Corporation would be relinquishing its role to the states. Lance Potter indicated that the states should not have this responsibility. To do otherwise, the states would decide if a national direct receives any funds. David Rymph suggested modifying the application to describe how the programs have consulted with the states. Diana Algra indicated that the Corporation's applications do have this requirement.

Consensus: Before recommending a course of action, we need to discuss this issue with the national nonprofits and the State Commissions.

8. National Service Program Assistance Requirements
42 U.S.C. § 12583(d)

The statute requires that program perform impact evaluations. David Rymph suggested that the programs may not be capable of performing these evaluations without significant additional resources. He indicated that this section could be changed to give the program option to "(1) do impact studies if they want and have the resources to do so, or (2) do process evaluations."

Lance Potter disagreed with this recommendation. He indicated that process evaluation is not easier than impact evaluations. He further declared that the government is moving towards performance based evaluations.

Consensus: No change in this provision.

9. Ineligible Service Categories
42 U.S.C. § 12584(a)(1)

The statute prohibits programs from providing a direct benefit to a business organized for profit. Bruce Cline indicated that there are some human service businesses that are for-profit in name only and whose missions are similar to non-profit entities. Myung Lee stated that some businesses are eligible to receive benefits. She further declared that the statute does allow for child care providers to receive support because the direct benefit is to the children. Gary Kowalczyk asked whether the Corporation wants to fund businesses' volunteer programs. He indicated that such an idea may be politically beneficial.

Consensus: No changes to the statute on this issue. Discuss with the Senior Staff, the issue regarding whether programs may provide assistance to a company's volunteer program.

10. Ineligible Service Categories
42 U.S.C. § 12584(a)(5)

The statute prohibits programs from engaging in services that provide a direct benefit to organizations that fail to comply with the restrictions set forth in the section 501(c) of the Internal Revenue Code. Section 501(c) merely delineates and describes 25 different types of nonprofit organizations that may be exempted from federal income tax.

Myung Lee indicated that, as currently written, the statute <u>does</u> <u>not</u> limit the pool of direct beneficiaries to only those organizations that comply with the lobbying restrictions set forth in section 501(c)(3) of the Internal Revenue Code. Terry Russell stated that the way the statute is written now is confusing. Gary Kowalczyk indicated that the proposed language is sufficient as long as it is more restrictive than the current language.

OGC has drafted language to clearly restrict organizations, who violated the lobbying restrictions set forth in section 501(c)(3) of the Internal Revenue Code, from receiving a direct benefit from program activities.

Consensus: Amend this provision to include the language as written by OGC. Nevertheless, there should be a preamble clarifying that this new language is more restrictive than the current provision.

Proposed Amendment

"nonprofit organization where a substantial part of the activities of such organization consists of lobbying. Nothing in this section shall be construed to prevent participants from engaging in lobbying activities undertaken at their own initiative. Lobbying shall be defined as carrying on propaganda, or otherwise attempting to influence legislation."

11. Consideration of Applications

42 U.S.C. § 12585(c) Assistance Criteria

The statute currently states the criteria that the Corporation must use in evaluating who will receive program funds from Division C. The statue also allows the Corporation to use "other criteria as the Corporation considers to be appropriate." The question is whether volunteer generation should be included as a criteria to be applied in evaluating applications.

Bruce Cline stated that the Corporation informally has indicated that it favors programs that generate and utilize volunteers. He further declared that including volunteer generation has a criteria would strengthen the Corporation's position that members are different from traditional volunteers.

Peg Rosenberry stated that a volunteer generation evaluation criteria should be indicated in the regulations. She further declared that if the Corporation's programs do not generate volunteers Congress may hold it against us. David Rymph also agreed that such a requirement should be in the regulations. He also indicated that specificity should not be included in the statute; however the regulations are the proper place to indicate such specificity. Diana Algra declared that Shirley Sagawa should be aware of this issue. She also stated that if it is not necessary to include this requirement in the statute, then the statute should not be changed.

Consensus: Before recommending a course of action, this issue needs to be discussed with the Senior Staff.

12. Consideration of Applications
42 U.S.C. § 12585(d)(2)(G)(i)

The statute currently provides that the Corporation will give priority to programs that "received funding under Subtitle D of this Act as in effect on the day before the September 21, 1993."

It was suggested that this subsection be deleted because these programs were given a chance to apply for assistance. For two years, these programs have been given priority. It does not seems appropriate to maintain a preference for them.

Consensus: This subsection should be deleted.

Proposed Amendment

"the Corporation may include–programs that–
~~(i) received funding under subtitle D of this Act, as in effect on the day before September 21, 1993;~~

13. Consideration of Applications
42 U.S.C. § 12585(d)(4) Review Panel

To ensure that review panels are not subject to the Federal Advisory Committee Act, this subsection should be revised.

OGC proposed the amended language.

Consensus: To adopt the proposed language as written by OGC.

Proposed Amendments

The Corporation shall (A) ~~establish panels of experts for the purpose of securing recommendations on~~ utilize experts to review applications submitted under section 12582 of this title for more than $250,000 in assistance, or for national service positions that would require more than $250,000 in national service educational awards;

14. Description of Participants
42 U.S.C. § 12591

The statute provides that in general a participant must be at least 17 years of age in order to participate in the program. In limited circumstances, a participant may be eligible to participate at the age of 16 years.

Diana Algra stated that we want to embrace youth corps. She further declared that we, however, should not encourage a 16 year old to participate in the programs except for the youth corps programs. Tracy Gray declared that if a 16 year old participated there may be potential liability and disciplinary problems. Myung Lee indicated that if a 16 year old is eligible to participate, she should only participate on a part-time basis.

Consensus: Do not change this section of the statute.

15. Description of Participants
42 U.S.C. § 12591(a)(3)

The statute provides that an individual is eligible to be a participant if he/she "will serve in the program for a term of service . . . before, during, or after attendance at an institution of higher education."

Myung Lee indicated that this provision is meaningless because it requires individuals to perform service before, during, or after attendance at an institution of higher education. Bruce Cline stated that members are not out of compliance if they do not go to college. David Rymph suggested that the language should not be changed because we want to encourage people to go to college. Gary Kowalczyk suggested that if it is meaningless, the statute should not be changed.

Consensus: Do not change this section of the statute.

16. Selection of National Service Participants
42 U.S.C. § 12592(c) Second Term

The statute states that "acceptance into a national service program to serve a second term of service . . . shall only be available to individuals who perform satisfactorily in their first term of service."

Myung Lee stated that the statute currently does not clearly indicate who can and cannot serve a second term of service because "perform satisfactorily in there first term of service" is not defined. Myung Lee suggested amending this language. She suggested that the statute reflect that people who resign are eligible to serve a term of service. Tracy Gray declared that programs don't want to accept people who were released for cause or other reasons. Myung Lee stated that the proposed language does not require programs to accept a member. She further declared that the program ultimately decides who will serve in its program. Gary Kowalczyk stated that we should ask programs if they even apply this criteria in accepting second year applicants. Tracy Gray concurred.

Proposed Language:
"Acceptance into a national service program to serve a second term of service under section 12593 of this title ~~shall only be available to individuals who perform satisfactorily in their first term of service~~ shall not be available to individuals who are released for cause as a result of disciplinary actions."

Consensus: Before recommending a course of action, this issue needs to be discuss with the programs.

17. Selection of National Service Participants
42 U.S.C. § 12592(e)

The statute currently provides that the Corporation may assign individuals who complete leadership training to programs. Presently, the Corporation assigns AmeriCorps Leaders to programs pursuant to this statutory authority. Rina Tucker indicated that, unlike other Corporation operated programs such as AmeriCorps VISTA and NCCC, AmeriCorps Leaders are not covered by Federal workers compensation and tort liability coverage. She further stated that the programs that receive AmeriCorps Leaders are unable to provide workers compensation or tort liability coverage because they do not pay the Leaders' living allowances.

OGC recommended amending the section to allow for AmeriCorps Leaders to be considered Federal employees for the purpose of Federal workers compensation and tort claims coverage.

Consensus: Amend this section to include the language as written by OGC.

Proposed Amendment

"For the purposes of subchapter I of Chapter 81 of Title 5, relating to the compensation of Federal Employees for work injuries, any individual assigned under this paragraph shall be considered an employee of the United States within the meaning of the term "employee" defined in section 8101 of Title 5. An individual assigned under this paragraph shall also be considered an employee of the United States for purposes of Chapter 171 of Title 28 relating to tort claims liability and procedure."

18. Terms of Service
42 U.S.C. § 12593(b)(2)(B)

The statute provides that members may participate on a part-time basis for not less than 900 hours during a period of "(A) not more than 2 years; or (B) not more than 3 years if the individual is enrolled in an institute of higher education while preforming (sic) all or a portion of the service."

This question is whether member should be allowed to serve three years in a part-time capacity (potentially less than 10 hours a week).

It was mentioned that the Corporation has informally moved away from allowing 3 year part-time programs. In addition, there was a belief that as members' weekly hours decrease the argument that volunteers could not be used to perform the same service becomes more tenuous.

Bruce Cline indicated that some State Commissions are wrestling with this issue. Myung Lee stated that these 3 year part-time programs tend to have high cost per participant. David Rymph also indicated that these programs are often the weakest. Lance Potter stated that programmatically the 3 year program should be abolished. He further declared that if it is abolished, we will be able to strengthen our argument that there is a distinguish between members and traditional volunteers.

Consensus: 3 year part-time programs should not be eligible to receive funds.

Proposed Amendment

"Except as provided in paragraph (3), an individual performing part-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 900 hours during a period of ~~-(B) not more than 3 years if the individual is enrolled in an institute of higher education while preforming (sic) all or a portion of the service.~~"

19. Living Allowances for National Service Participants
42 U.S.C. § 12594

The statute does not address whether or not the living allowance is taxable. IRS has determined that the allowance is subject to federal taxes. The question is whether the allowance should be taxable.

Bruce Cline indicated that a program officer believes that the VISTA stipend is not subject to federal taxes. Rina Tucker, however, stated that the VISTA stipend is subject to federal taxes. Gary Kowalczyk indicated that he did not believe that the VISTA stipend is subject to local or state taxes. Rina Tucker disagreed with him. According to Diana London and the OGC, the VISTA stipend is not exempted from state or local taxes.

Consensus: This section should not be changed.

20. Living Allowances for National Service Participants
42 U.S.C. § 12594

Under Division F, the statute declares that living allowance may affect a member's eligibility for programs under the Social Security Act. These programs include AFDC, SSI, SSDI, Medicaid, and Medicare.

It was mentioned that the statute should be amended so that member's eligibility for these programs will not be affected because he/she participates in a national service program. Rina Tucker suggested that such amended should be made to Division F: Administrative Provisions.

Consensus: This issue should be addressed in Division F.

21. Living Allowances for National Service Participants
42 U.S.C. § 12594(a)

Under the statute, it is possible for a member to receive a living allowance and work-study compensation for the same activity.

OGC suggested language to clarify that a member cannot receive a living allowance and work-study compensation for the same service. Myung Lee stated that this amendment would prevent double dipping. Gary Kowalczyk stated that we should indicated that this is only a clarification.

Consensus: Amend this section to include the language as written by OGC. But, we should note that this is only a clarification.

Proposed Amendment

"(a)(7) Adjustment to living allowance provided to work-study students."

"Individuals shall not receive a living allowance for service hours which they have also received Federally-funded work-study compensation."

22. Living Allowances for National Service Participants
42 U.S.C. § 12594(d) Health Insurance

The statute states that a grantee may provide a basic health care policy for full-time members. The question is whether health insurance should be extended to Members' dependents.

Marlene Zakai provided information to Bruce Cline as to why members' dependents should be covered by the program's health insurance. She indicated that AmeriCorps has strongly supported programs which develop children of all ages. "It is ironic, therefore, that the health care offered by the Corporation cannot include a dependent child even just a slightly higher cost."

Myung Lee stated that a better approach would be to use the DVSA income disregard. The income disregard prohibits the federal, state, and local government from limiting an AmeriCorps public benefits because she participates in the program.

Consensus: Health insurance should not be extended to Members' dependents.

23. Living Allowances for National Service Participants
42 U.S.C. § 12594(h)–Limitation on number of terms of service for federally subsidized living allowance.

The statute provides that an individual cannot receive Federal funds to serve a third or subsequent term of service in a national service position.

The question is whether members should be able to serve and receive benefits for the equivalent of two full-time terms of service.

Bruce Cline stated we want people to serve 2 full-time equivalent terms of service. Myung Lee declared that by providing this statement in this section the Corporation is tying the living allowance to hours served. She further stated that this statement does not help our argument that the living allowance is not a wage.

Consensus: It is not necessary to make changes to this section. This issue can be clarified in Division D: National Service Trust Provisions.

Technical Amendments

1. Description of Participants
42 U.S.C. § 12591(c) Waiver

There is a typo. This section should state the proposed language set forth below because "(a)(5)(A)" does not exist.

Consensus: Change to the proposed language.

"The Corporation may waive the requirements of subsection (a)(5)~~(A)~~ of this section with respect to an individual if the program in which the individual seeks to become a participant conducts an independent evaluation demonstrating that the individual is incapable of obtaining a high school diploma or its equivalent."

Research memo file

October 25, 1995

CORPORATION
FOR NATIONAL
SERVICE

MEMORANDUM

TO: Harris Wofford
Shirley Sagawa

FROM: Gary Kowalczyk

SUBJECT: Living Allowances Above the "Minimum"

In a recent meeting, I committed to putting together preliminary information on living allowances to inform the development of Corporation position(s) in dealing with the Hill and reauthorization.

A brief document is attached which attempts to respond to the issue. There are some data problems because the primary sources are grant documents, some of which are still under negotiation. The results show there are about 4,400 Members and over 300 team leaders or equivalents who receive more than $7,900 per annum. The high end of the range is $16,000 per Member.

The issue itself is fairly complicated, and should be discussed at some length. Further, if the information is intended to be shared outside the Agency, I would like the opportunity to verify some of the specifics with individual programs.

Bridget Beyea on Mike Kenefick's staff deserves credit for putting this together in a relatively short time frame.

Attachment

cc: Mike Kenefick
Peter Heinaru

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

DISCUSSION OF LIVING ALLOWANCE

Living allowances are generally set by statute. Note the following statutory requirements.

1. AmeriCorp*VISTA. Requirements include: a mininum allowance such that an individual Member receives not less than 95% of poverty [for a single individual]; an average subsistence allowance, across the program, that is no less than 105% of such poverty line; and a requirement that adjustments be made in areas of higher cost of living.

2. AmeriCorps*NCCC. Director may establish the amount of the allowance at any amount not in excess of the amount equal to 100 percent of the poverty line that is applicable to a family of two. Other allowances are authorized.

3. AmeriCorps*National and AmeriCorps*State. Requirements include: a minimum allowance for an individual serving full time equal to the average subsistence allowance provided to VISTAs; a cap of 85% of the average paid to VISTAs that may be paid per Member with Corporation and other Federal funds; a maximum amount per individual of no more than 200% of the average VISTA level; prorated amounts for those serving reduced terms of service; and a separate provision for professional corps which may pay any amount but, in such instances, the Corporation will not pay any portion of the living allowance.

An amount of $7,945 is the current VISTA average rate, set at a minimum of 105% of the poverty level for a single individual. [Note: VISTA frequently sets its rate in advance of the poverty statistics being published. The current VISTA rate is actually, on a weighted average, approximately 106% of the poverty level for a single individual.]

Although the amount of $7,945 is an average rate, by law the VISTA living allowance must vary according to the cost of living. Hence, individual Members of VISTA actually receive between 95-115% of the poverty level for a single individual, or between $7,200-$8,700. By law, the VISTA average subsistence rate is the basis for making the 85% calculation to determine the amount the Corporation will support under grant programs.

The following tables show:

1. All Programs Where Members Receive Above the VISTA Standard. [Due to the fact that individual VISTAs actually receive from $7,200 to $8,700, we have omitted programs paying any amount less than $8,000.]

2. Team Leaders/Other Categories Where Individuals Receive More Than Members

NOTE: These amounts are preliminary, and are based on budget and other information submitted through the grant process. They have not been verified 100%; given the decentralized nature of the program, such verification would require detailed conversations with individual grantees. This can be done, depending on the level of accuracy required.

PROGRAMS WHERE MEMBERS RECEIVE MORE THAN $8,000 PER MEMBER

THE ATTACHED TABLE SHOWS 97 PROGRAMS WITH OVER 4,400 MEMBERS WHO RECEIVE MORE THAN $8,000 PER MEMBER.

EXCLUDING TEACH FOR AMERICA, THERE ARE ABOUT 800 MEMBERS RECEIVING MORE THAN $10,000 AS A "LIVING ALLOWANCE."

3.

1995 AmeriCorps State Programs-Living Allowance

	For those State Commission Programs that				
	pay all FTs more than $8000				
State	**Program Name**	**Ave Per FT Total**	**Total**		
		Living Allow	**FTs**		
FL	Centro Campesino-Farmworker Center, Inc	$8,000	22		
FL	United Way of the Big Bend	$8,000	20		
IA	Iowa Coalition Against Domestic Violence	$8,000	20		
KY	Eastern Kentucky University	$8,000	22		
LA	Vernon Community Action Council Inc	$8,000	6		
MI	Ecumenical Project SAVE	$8,000	20		
MS	Southern Coalition for Educational Equity	$8,000	15		
OH	Youngstown State University	$8,000	10		
OR	Multnomah County District Attorney's Office	$8,000	20		
PA	Visions International, Inc.	$8,000	50		
TN	Nashville Healthcare Partnership/Middle Te	$8,000	40		
WI	Community Adolescent Program, Inc.	$8,000	16		
CA	Sacramento Child Abuse Prevention Council	$8,047	22		
CA	Sonoma County People for Economic Opport	$8,075	15		
IL	Latino Youth, Inc.	$8,075	5		
OR	Oregon Coalition Against Domestic and Sexu	$8,075	24		
WV	Regional Family Resources Network (RFRN)	$8,075	6		
NC	Day Care Services Association	$8,100	22		
CA	Imperial County Office of Education	$8,106	27		
WV	West Virginia Coalition Against Domestic Vi	$8,133	12		
HI	Hawaii Lawyers Care	$8,250	10		
CA	California Conservation Corps	$8,257	118		
MN	Southeastern Minnesota Initiative Fund	$8,309	55		
WA	Community Youth Services	$8,330	23		
MD	University of Maryland at Baltimore	$8,386	44		
FL	Lake County Board of County Commissioner	$8,419	13		
WA	Educational Service District 101	$8,423	22		
WI	Operation Fresh Start, Inc.	$8,465	16		
AK	South Alaska Guidance Association (SAGA)	$8,500	40		
DC	Latin American Youth Center	$8,500	15		
MA	Corporation for Public Management	$8,500	3		
NC	City of Wilmington, Wilmington Police Depa	$8,500	4		
UT	Salt Lake County - YOUTH FORCE	$8,500	15		
UT	Association for Utah Community Health	$8,500	18		

1995 AmeriCorps State Programs-Living Allowance

NY	Oneida	$8,500	25		
CA	California Conservation Corps	$8,533	54		
IA	Des Moines Independent Community School	$8,556	20		
CT	Southend Community Services, Inc.	$8,613	30		
MI	Grand Rapids Service Corps	$8,897	34		
KY	The Neighborhood Place	$8,925	18		
NV	University of Nevada, Las Vegas	$8,925	5		
GA	Metro Atlanta Task Force for the Homeless	$9,000	22		
NJ	Community Agencies Corporation	$9,000	12		
RI	The Rhode Island Children's Crusade for Hig	$9,000	32		
NC	NC Low Income Housing Coalition	$9,147	22		
RI	Public Education Fund	$9,200	19		
MT	Fort Belknap	$9,282	25		
IL	Illinois Department of Energy and Natural Re	$9,350	10		
MI	Eastern Michigan University	$9,350	8		
IN	City of Elkhart	$9,358	18		
CA	Bay Area Youth Agency Consortium	$9,676	52		
OH	Greater Columbus Arts Council	$9,758	15		
MI	United Way of Saginaw County	$9,774	20		
MD	Montgomery County Government, Departme	$10,000	15		
NY	YMCA of Greater New York: AmeriCorps Pr	$10,000	20		
WA	YMCA of Snohomish County	$10,000	6		
WA	Department of Ecology	$10,090	100		
NY	Bronx Youth Conservation Corps (BYCC)	$10,210	35		
WI	Milwaukee Community Service Corps	$10,400	19		
UT	Grand County Council	$10,596	4		
MN	Minnesota Department of Natural Resources	$11,028	64		
MD	Volunteer Maryland/Governor's Office on Vo	$11,450	120		
IL	Cornerstone Services, Inc. (pending revision)	$11,960	20		
CA	Volunteer Center of San Francisco	$12,207	24		
FL	United Way of Martin County	$12,263	20		
WA	Neutral Zone	$13,387	5		
MO	YouthNet of Greater Kansas City	$13,710	10		
IL	Public Allies - Chicago	$14,880	40		
CA	Partners In School Innovation	$15,000	14		
NC	The University of North Carolina at Chapel H	$15,000	2		
	Sum:		**1749**		
	Average:	**$9,367**			

1995 AmeriCorps National Direct Programs-Living Allowance

For those National Direct Grantees that pay FTs more than $8000					
The sites and subgrantees are listed in order to show more easily where the high living allowance costs arise. "All sites" indicates the Grantee average.					
Legal App	**Subgrantee**	**Average FT Living Amt**	**# of FTs**		
Magic ME America	Baltimore	$8,105	19		
Northwest Service Academy/ESD 112	Troutdale	$8,288	75		
Environmental Protection Agency	Portland	$8,500	3		
Mid-Atlantic Network of Youth & Fami	Washington	$8,500	11		
National Council of La Raza	Chicago	$8,500	6		
I Have a Dream Foundation	Portland	$8,556	18		
Environmental Protection Agency	Newark	$8,585	15		
US Catholic Conference	Hartford	$8,647	3		
Public Education Fund Network	all sites	$8,647	31		
CLEARCorps	all sites	$8,800	30		
University of Texas at Austin	all sites	$8,925	7		
The Arc of the United States	all sites	$8,925	5		
Youth Volunteer Corps of America	Overland Park	$8,951	45		
National Center for Family Literacy	Los Angeles	$9,027	3		
US Department of Agriculture	all sites	$9,835	1237		
Summerbridge National	all sites	$10,000	17		
YMCA of the USA	all sites	$10,000	42		
YouthBuild USA, Inc.	Philadelphia	$10,000	12		
Environmental Protection Agency	Lacey	$10,400	15		
New York University	all sites	$10,901	15		
US Catholic Conference	Los Angeles	$11,050	4		
National Endowment for the Arts	all sites	$11,900	15		
Public Allies	all sites	$15,000	96		
Teach for America	all sites	$15,000	900		
Legal Services Corp/Nat'l Assoc for Pul	all sites	$15,890	34		
YouthBuild USA, Inc.	St. Louis	$15,890	1		
Local Initiatives Support Corporation	all sites	$15,890	80		
Sum:			**2739**		
Average:		**$11,869**			

6-

LEADERS OR EQUIVALENTS

THE ATTACHED TABLES SHOW APPROXIMATELY 127 LEADERS IN AMERICORPS STATE AND DIRECT PROGRAMS RECEIVING A LIVING ALLOWANCE IN EXCESS OF $8,000. THIS MAY BE UNDERSTATED.

IN ADDITION, THERE ARE APPROXIMATELY 55 VISTA LEADERS WHO RECEIVE $10,345 (AVERAGE) AND 120 NCCC/AMERICORPS LEADERS WHO RECEIVE $14,880. THE TOTAL LEADER POOL, WHO QUALIFY AS MEMBERS AND RECEIVE MORE THAN $8,000, IS ABOUT 300.

1995 AmeriCorps State Programs-Living Allowance

State	Program Name	Ave Per FT Total Living Allow	Total FTs	# pd over	% of FTs paid over	AmtTotal
State Commission Programs that provide Living Allowances in excess of $7945 to Team Leaders						
NY	Youth Resource Development Corporati	$8,022	20	1	5%	$15,280
KS	Topeka Youth Project	$8,051	24	3	13%	$8,795
FL	Frostproof Care Center, Inc.	$8,070	20	4	20%	$8,845
CA	California Conservation Corps	$8,085	40	2	5%	$10,749
CA	California Conservation Corps	$8,087	95	6	6%	$10,200
NY	The Institute for Human Services, Inc.	$8,135	20	6	30%	$8,578
GA	Georgia Dept. of Community Affairs	$8,144	60	6	10%	$9,931
MO	American Youth Foundation	$8,228	43	3	7%	$12,000
MO	American Youth Foundation	$8,235	28	2	7%	$12,000
MI	American Youth Foundation-Miniwanca	$8,239	21	3	14%	$10,000
TX	Greater Dallas Community of Churches	$8,248	33	5	15%	$9,945
MI	Big Brothers Big Sisters of Metropolitan	$8,298	16	4	25%	$9,356
CA	Kern County Superintendent of Schools	$8,303	26	3	12%	$11,050
KY	Homeless and Housing Coalition of Ken	$8,384	40	5	13%	$13,334
CA	The June Burnett Foundation	$8,507	18	4	22%	$10,472
FL	Legal Aid Service of Broward County, Ir	$8,740	20	2	10%	$15,890
AK	Rural Alaska Community Action Progra	$11,900	9	8	89%	$12,431
	Sum:		**533**	**67**		
	Average:	**$8,268**			**13%**	**$10,759**

1995 AmeriCorps National Direct Programs-Living Allowance

National Direct Grantees that provide Living Allowances in excess of $7945 to Team Leaders

The sites and subgrantees are listed in order to show more easily where the high living allowance costs arise. "All sites" indicates the Grantee average.

Legal App	Subgrantee	Average FT Living Amt	# of FTs	# of FTs paid above	% of FTs pd above	Amt of stipend for Leaders
Green Corps	all sites	$8,156	58	4	7%	$11,000
National Center for Family Literacy	Philadelphia	$8,365	7	1	14%	$10,200
National AIDS Fund	Washington	$8,472	45	5	11%	$10,000
Northwest Service Academy	Trout Lake	$8,632	35	5	14%	$12,500
ASPIRA Association, Inc.	all sites	$8,670	44	6	14%	$10,560
Woodrow Wilson National Fellowship I	all sites	$8,723	194	19	10%	$15,890
US Dept of Energy/Earth Conservation	The Dalles	$9,500	80	20	25%	$11,250
Sum:			**463**	**60**	**13%**	
Average:		**$8,745**				**$12,616**