



NEVADA VOLUNTEERS
LIVING ALLOWANCE DISTRIBUTION POLICY (revised 8.24)

Overview

This document is intended to outline the rules and federal requirements of distributing living allowances for AmeriCorps programs. This guidance is based on AmeriCorps requirements found in 45 CFR §2522.240–45 and the Terms and Conditions for AmeriCorps State and National Grants for the corresponding grant year.

Distribution Guidelines

POLICY STATEMENTS:

- The agency, an applicant, or a grantee can define the AmeriCorps State and National AmeriCorps member living allowance as the living allowance that a program is paying a member. No other member benefits are required to be included in a program's calculation to determine the minimum living allowance amount or whether the program is in compliance with the maximum living allowance amount.
- A member may waive all or part of the payment of a living allowance if, for example, they believe their public assistance may be lost or decreased because of the living allowance. A member who has waived the living allowance may revoke the waiver at any time and may begin receiving the living allowance going forward from the date the individual revoked the waiver. A member may not receive any portion of the living allowance for the period of time the living allowance was waived.
- Living allowance is not a wage. It is designed to help members meet the necessary living expenses incurred while participating in the AmeriCorps program.
- Subgrantees must not pay a living allowance on an hourly basis. It should not fluctuate based on the number of hours members serve in each pay period.
- Subgrantees should pay the living allowance at regular intervals and in regular increments such as weekly, bi-weekly or monthly.
- Living allowance must be distributed in equal amounts over the term of service regardless of time served or absences unless specified in the member service agreement.
- A living allowance distribution schedule must be determined by the program following the above requirements and included in the member service agreement.
- Living allowance distributions should include deductions for federal tax as well as FICA.
- In most instances, members of the same slot type with the same position description and length of service should receive the same total living allowance amount. If there is a situation where a program would like to pay different amounts to different groups of members with the same position description, the program must discuss the specifics with Nevada Volunteers to receive approval.

- All subgrantees must develop a slot enrollment worksheet for each grant year that outlines the start and end dates of their proposed member positions, the associated position description title, the number of pay periods, the living allowance amount per pay period, and the total living allowance amount to be received if the member completes their term of service. This worksheet must be approved by Nevada Volunteers prior to grant start. All member positions enrolled should follow this worksheet. Changes to the slot enrollment worksheet throughout the grant year must be approved by Nevada Volunteers.
- A member who completes their service early or starts service late should receive whatever portion of the living allowance that would be provided for that period of participation under the program's living allowance distribution policy.
- In most instances, if a member does not serve the full term of service as designed, the member will not receive the full minimum living allowance provided in their member service agreement.
- Subgrantees may not provide a lump sum payment at the end of a term or give a member who starts late a larger living allowance distribution at the beginning of the term to catch up for what they missed.
- Subgrantees may not provide a lump sum payment to a participant who completes the originally agreed-upon term of service in a shorter period of time.
- Only members with an active status in eGrants should be receiving a living allowance. Members who are suspended or exited early should not be receiving a living allowance while not in service.
- Living allowance payments may only be made to a participant during the participant's term of service and must cease when a member's service ceases.
- All programs must have a written living allowance distribution policy that is reviewed and approved by Nevada Volunteers. Any changes to this policy must be approved by Nevada Volunteers.

INCREASING PER PAY PERIOD LIVING ALLOWANCE AMOUNTS DURING A TERM OF SERVICE:

Living allowance schedules generally should not be altered during a member's term of service. However, if there are extenuating circumstances that severely affect all members' living allowance expenses, programs may request approval to increase the per period living allowance amount. All changes to living allowance amounts require prior approval from Nevada Volunteers.

PRO-RATING LIVING ALLOWANCE FOR A PAY PERIOD:

If a member either starts later in the pay period or exits early in a pay period, their living allowance may be pro-rated based on their start or end date. However, this is not required.

- For example: If a sub-grantee pays members monthly, it may set a policy that if a member comes on board within the first two weeks of the month, they would still receive the full living allowance for the month. But if they start their service later than that, they could pro-rate the amount based on the number of days in the month that they serve. The same would hold true for the end of service.
- Programs that choose to pro-rate must establish a written pro-rating policy that it is reasonable, documented and followed consistently.

INCENTIVES AND LEADERSHIP STIPENDS:

Cash Performance-Based Incentives for Members

- Programs are allowed to provide cash performance-based incentives to members, as long as it is an option for all members in a program.
- Programs that choose to provide cash performance-based incentives must develop a policy that is reasonable, documented and followed consistently.
- Any offering of cash incentives to a certain segment of members in a program must be approved in advance by Nevada Volunteers.

Increased Stipends for Members with Additional Leadership Responsibilities

Programs are allowed to provide leadership stipends for certain members placed in additional leadership roles, subject to the following conditions:

- The leader member positions are a strategic addition to the program design and are necessary or provide enhancement to the work proposed
- The leader members have a different service position description than the other members. The service position description describes the leadership duties.
- The program design drives the number of leader positions that will exist and be filled, rather than the number of individuals who are qualified.

Although these positions are in a leadership role, the members may not engage in any activities prohibited of AmeriCorps members. These include:

- Supervising other AmeriCorps members
- Performing non-direct service duties related to management and operations of the AmeriCorps program (e.g. completing reports for Nevada Volunteers, entering timesheet data for all members into a database, tracking performance measure data for the program as a whole)
- Performing other work for the organization that is unrelated to the service activities in the approved grant application

LIVING ALLOWANCE POLICIES:

All subgrantees must have a written living allowance distribution policy that is reviewed and approved by Nevada Volunteers. Any changes to these policies must be approved by Nevada Volunteers.

Living allowance distribution policies must include the following information at a minimum:

- Language clarifying that the living allowance is not an hourly wage but a stipend to support basic living needs during a member's service term.
- When and how the living allowance is distributed, including information on pro-rating for members who start or end service outside the regular schedule.
- Requirement that the living allowance amount, distribution schedule, and initial distribution date must be included in the member service agreement.
- The protocol for living allowance distribution if a member is suspended, leaves service early, or serves zero hours. Include language addressing minimum hour requirements, if applicable.
- How living allowances are handled for members who complete their service early or start after the official start date, ensuring no lump sum payments or increased distributions are provided to catch up missed time.
- Documentation of member payments, including FICA deductions and W-2 distributions, and ensure regular review by program staff.
- Specify any circumstances under which living allowances would be suspended, such as failure to meet minimum hour requirements, lack of timesheet submission or member suspension.
- Detail policies around cash or performance-based incentives, ensuring equitable application across all members (if applicable)

If leadership stipends are offered, include guidelines for these positions, specifying that leadership roles must be strategic and necessary for program enhancement.