

National Service Or Urban Service?



The Decline of National Service in Non-Urban America:
A White Paper on Keeping National Service *National*



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Executive Summary

The Iowa Commission on Volunteer Service (ICVS) believes in national service and the value it offers to every community and every citizen in our country. However, as a state service commission in a rural state, we have been discouraged by developments in the field that are preventing small, mid-sized, and rural organizations from successfully applying for or operating national service programs. We believe that the Corporation for National and Community Service (CNCS), working together with state service commissions, still has time to reverse this trend and fulfill the promise that national service offers. Specific problems and suggested solutions include:

- 1) *Problem:* State service commissions are not given the resources or information to help small, mid-sized, and non-urban programs develop and compete equally with large and urban programs.
Solution: Strengthen the partnership between CNCS and state service commissions.
Rationale: Implementing high quality, impactful service programs is our shared goal and is best achieved when we work in partnership.
- 2) *Problem:* Inequities in the AmeriCorps application process and system create a competitive disadvantage for non-urban programs.
Solution: Make technical and content changes to the AmeriCorps application to clarify and simplify requirements.
Rationale: Unpredictable and late-breaking changes to the application process cause disproportionate challenges for small, single-state applicants.
- 3) *Problem:* Non-urban communities do not have the concentrated need or the capacity to make large, single-issue programs feasible. Locally important issues in non-urban communities may not be a priority on a national scale. These factors put such programs at a disadvantage for being awarded funds or operating under current CNCS structure.
Solution: Acknowledge the value of service itself and the unique role of CNCS programming. Recognize the broad needs for and impact of service in communities.
Rationale: Increased community volunteerism and civic engagement are an important end goal for many rural communities seeking to build their social capital. CNCS and state service commissions best demonstrate their expertise when they help communities identify service solutions to their own unique problems.
- 4) *Problem:* The management and performance evaluation requirements of national service programs, particularly AmeriCorps State and National grants, have become onerous and unduly burdensome for small grantees.
Solution: Reduce the reporting and tracking burdens on national service programs, state service commissions, and partners.
Rationale: Report formats are developed without sufficient input from the users and new program requirements are added without consideration for the value they add. Program management responsibilities should be proportional to the funding received.
- 5) *Problem:* Non-urban communities and organizations lack the philanthropic base and outside funding sources to sustain the increasing costs of national service programs. Federal funding has not increased proportional to increased program operational requirements and costs.
Solution: Reduce the financial burdens for small and rural programs.
Rationale: The AmeriCorps programs were designed to be inclusive, but more flexibility and assistance needs to be provided to ensure equitable funding opportunities no matter the program size.

Making national service accessible and successful across the diverse U.S. landscape is no easy task, but this paper offers many recommendations that will bring us closer to achieving that goal. The ICVS is ready and willing to work with CNCS and other state service commissions to help all communities use service to fulfill their missions and to offer all citizens the opportunity to serve.

Introduction

In recent years, the Iowa Commission on Volunteer Service has witnessed as opportunities for small, mid-sized, and rural programs to engage in national service steadily diminish. Many nonprofit and public institutions in our state are small and locally based. The prospects for future national service opportunities hosted by these organizations look ever more grim, as the Corporation for National and Community Service implements new rules, policies, and guidance that create structural barriers and bias against these types of programs.

However, we believe in national service. We believe that the Corporation for National and Community Service and the state service commissions still have the opportunity to work together to address these concerns and strengthen the national service field. This cooperative effort will ensure that national service programs can be as diverse as our communities and secure the opportunity for every citizen, in every part of the country, to be able to serve. This white paper outlines recent developments in the national service field that create barriers to access for these programs. Solutions are proposed to address these barriers and expand national service opportunities across the country, to a diverse range of charitable and nonprofit organizations.

Background

The Iowa Commission on Volunteer Service (ICVS) is one of a network of state service commissions that work to administer AmeriCorps State programming and lead other volunteer efforts in their states. State service commissions work in conjunction with the Corporation for National and Community Service (CNCS), a federal agency with oversight over all national service programs, including AmeriCorps, Senior Corps, the Volunteer Generation Fund, and others. For AmeriCorps State and National, the largest national service program, each state is allocated a set amount of funding for AmeriCorps State programs to operate solely within that state (formula funding), while another pool of funding is awarded to AmeriCorps State or National programs that compete against each other nationally (competitive funding). Other CNCS programs also utilize this two-tiered funding model.

ICVS is proud of its record in securing competitive CNCS funding under AmeriCorps, Learn & Serve, Volunteer Generation Fund, and other programs. However, in recent years we have seen a decline in the number of new applicants for national service programming, in particular for AmeriCorps State grants. We've also seen some of our existing programs decline to re-apply or struggle to maintain their programs. The following quote highlights the challenges we face in trying to find new Iowa organizations that can become sponsors of AmeriCorps programs.

Thank you for taking the time to meet with us. You have been very helpful. However, after extensive discussion and consideration, Polk County Conservation has decided not to submit an application.

The main reason we are not submitting is that the amount of paperwork and regulations required are just too much. We believe it is too difficult to expect a local government or other non-profit to provide the level of detail required to provide a community service. We certainly would like to meet the goal of the program to address a community need and provide training to members, but find the level of commitment of our time and resources too great to be worth the unsure reward of selection.

Again, these comments are not reflective of you or the services your organization provides. In fact, you are very accommodating. Please feel free to convey our sentiments to the federal program representatives.ⁱ

This quote came from a grant writer for the county conservation office for the most populous county in Iowa. After serving as a host site for a national AmeriCorps program for several years, this office submitted a pre-application to host their own AmeriCorps program, to better target member activities to their needs. However, even after receiving staff feedback on their pre-application and participating in an applicant technical assistance work day, they sent us the message above and withdrew their application. We agree with the applicant's assessment that the increasing complexity in AmeriCorps program application and management procedures prohibits many Iowa government and nonprofit agencies from hosting a program.

If CNCS hopes to continue to grow national service, it is imperative that federal and state legislators, Governors and other constituents connect national service messaging with successful programming in their communities. CNCS' emphasis on evaluation, performance measures, experimental study-based approaches and ever-more narrow program models has stifled the innovation and community-based approaches that built the strong bipartisan support that AmeriCorps and Senior Corps have historically enjoyed. These emphases also endanger the newer support that we have seen for the Volunteer Generation Fund, which focuses on strengthening volunteer infrastructure and addresses the more traditional "volunteer". While CNCS prominently touts the achievements of the Social Innovation Fund grantees, the Volunteer Generation Fund, which is more accessible to rural communities, is barely visible on the CNCS website. The expansion of the Social Innovation Fund in the newest CNCS budget proposal, at the same time significant cuts were made to Senior Corps, is reflective of current priorities that favor programs designed for urban areas.

While we understand that the formula portfolio is commonly viewed by CNCS as the vehicle to advance service at the state level, we believe that is a short-sighted viewpoint. First, many of the factors discouraging new or re-competing programs from submitting an application are the same whether a program is funded at the formula or the competitive level. Second, there are limits to how formula funding can be used to grow and expand the programs that do apply. Suggesting that formula funding is the solution for non-urban programs fails to acknowledge that this is the equivalent to restricting these programs to limited funding (since formula funding is only a portion of AmeriCorps funding), whereas large urban programs have the opportunity to compete at both the national competitive level and in state formula competitions. Moreover, if states want to see growth in the number of national service programs in their states, they must use their formula funding as a tool to help develop programs that can eventually compete for national funding, which means that states also have a disincentive for using their formula funds for ongoing programs that serve local needs but have little chance of securing competitive funding.

With our current complicated national service environment, development of new programs and projects also requires a significant investment. While national and large state nonprofits have the capacity to respond to these shifting and increasingly burdensome requirements and complex management scenarios, most small and rural nonprofits do not. It is up to the commissions to ensure that these smaller programs continue to exist. Not only is it important for national service to be available to address the grassroots needs of rural communities, but on a strategic level we need national service to be accessible everywhere so that Governors, legislators and other constituents see national service working in their own communities, thereby building a network of support for national service in all parts of the country. Commissions handle the bulk of the program development work because CNCS does not have the capacity to provide the more than two years of one-on-one support it takes (in our experience) to develop a locally-based national service program.

Summary

We need to ensure that national and community service is a viable solution across the country, not just in large metropolitan areas or through large national or state nonprofit organizations. Additionally, we need to make sure that national service provides opportunities for Americans to serve in meaningful ways in all types of communities. We believe that some of the challenges facing small and rural programs could be addressed if CNCS would recognize the negative impact that is occurring and act upon the recommendations we outline.

Problems & Solutions

- 1) *Problem:* State service commissions are not given the resources or information to help small, mid-sized, and non-urban programs develop and compete equally with large and urban programs.

Solution: Strengthen the partnership between CNCS and state service commissions.

Rationale: Engage state service commissions in a collaborative relationship with CNCS, working in true partnership to advance and maximize the potential for high quality national service and volunteer infrastructure

opportunities. The implementation of high quality, innovative national and community service programs designed to meet community needs is our shared goal and through this work, we are inextricably linked. We both benefit from working closely together to meet this mutual goal. In fact, the Corporation and commissions are statute-based partners in this endeavor.ⁱⁱ The state service commissions are well-positioned to help CNCS address the wide-range of needs exhibited in local communities and to advance the national service message through our state and community partners.

Recommendations: Some specific suggestions for improving the working partnership between our two entities include:

- a) When special initiatives such as the Governor/Mayor initiative are being considered, CNCS should consult with commissions and involve them in the development process. This will help CNCS ensure the proposed projects can actually be successful in the states/communities being targeted and that potential organizations and communities are not eliminated through structural bias. Furthermore, state and local entities are often already engaged with their local elected officials and by interjecting new initiatives into this relationship without consulting first with commissions, CNCS often creates more work and additional burdens for local programs.
- b) Communicate with state service commissions about anticipated changes in funding so we can share information with local grantees. Without a commitment from leadership to provide stable funding, small and rural programs hear only the threats and uncertainty, making them less likely to invest their time in creating applications. CNCS' own Social Innovation Fund recently promoted research on scaling impact that included the following quote from Katie Mellow on the importance of strong and stable funding for building organizational capacity:

Grantees need consistent, multiyear support in order to build strong leadership, effective operations, community partnerships, and the other pieces of infrastructure necessary to scale up impact.ⁱⁱⁱ

- c) Return to a centralized and regular communication process and repository of guidance and information, rather than requiring commission staff to sign up for multiple listservs which focus more on stories than monitoring and compliance requirements. The CNCS website formerly contained an AmeriCorps communications page where copies of important messages sent to the field were posted. This page dealt with program management information, such as providing contact information for new child care providers, noting when updated program provisions are posted, etc. It is difficult now to track when updates to program requirements are issued. These communication gaps and lapses have a disproportionate impact on small and rural programs that do not have capacity to respond to issues on the short timeline often created by poor communication.
- d) Restore state-based or local training funds so directors of small programs can afford to attend in-person training and so that trainings can be relevant to state-specific requirements. Each state government and commission has its own rules and regulations impacting AmeriCorps programs, and regional or national trainings do not often allow sufficient time or space to cover individual state topics. Even if they do, the increased travel costs to attend an out-of-state training can put attendance beyond the reach of program staff (and even some commissions' staff).
- e) Engage commissions in discussion and consultation on grant mechanics. We are a statutory partner in this regard and CNCS has a duty to coordinate with us to ensure an efficient delivery system for national service. National service is intended to be a joint federal-state program and both sides have the obligation to coordinate with each other to ensure a fair process for the programs we fund.
- f) Increase overall support for state service commissions. This includes financial support and training for commission staff. State service commissions are directed to carry out program development, grant review, and monitoring activities for CNCS programs in our states with decreased funding and without specific training or advance notice from CNCS on new program guidance, new types of funding opportunities, or

new and changing terminology. We appreciate the recent increase in support grant minimums for small state service commissions and think these resources will strengthen the capacity of commissions to respond to state and federal priorities. Making commissions stronger will lead to stronger national service programs at the local level. Strong commissions can provide technical assistance on the many programmatic requirements for small programs and also utilize a systematic approach to develop programming to address state needs. The CNCS Congressional Budget Justification for Fiscal Year 2014 proclaims the importance of State Service Commissions to CNCS work; increasing support for commissions would put this praise into practice:

Today, the nation's 53 State and Territory Service Commissions operate at the state and local level administering approximately two-thirds of CNCS's AmeriCorps grant funds. Commissions perform many essential tasks: outreach to prospective AmeriCorps grantees, conducting grant competitions, overseeing and monitoring grants and AmeriCorps programs through desk reviews and site visits, and providing the training and technical assistance necessary to build the capacity of faith-based and community organizations seeking to operate AmeriCorps programs. They are uniquely well-suited to this work because they know and understand the local needs. Commissions are often closely connected with governors' offices. They are critical to implementing the goal of increasing performance impact and accountability. State Service Commissions are also essential to the effective oversight of federal funds, having frontline responsibility for ensuring grantees comply with all federal rules and regulations.^{iv}

- 2) Problem: Inequities in the AmeriCorps application process and system create a competitive disadvantage for non-urban programs.

Solution: Make technical and content changes to the AmeriCorps application to clarify and simplify requirements.

Rationale: For more than ten years, the CNCS application process has been unpredictable and has included the release of incomplete drafts with final versions released midway through many state application periods. The frequent changes in the application timeline and requirements make it difficult for small/rural organizations to allocate adequate staff time to complete an application. These challenges are compounded by the fact that commissions must base their own requests for applications on the federal instructions and format. As a consequence, local programs have even less time to apply and/or encounter more changes throughout their application process than do large national applicants.

Recommendations: Suggestions for addressing this challenge:

- a) Involve commissions in developing the AmeriCorps NOFO each year, or at least provide key information in advance of the official release date so that commissions can develop state-level requests for applications to correspond to changes in the federal NOFO. For example, we need to know the timeline for release and the anticipated due dates as soon as CNCS knows them.
- b) Issue complete and timely NOFOs and application instructions. Allow for a more equitable application timeline for national programs compared to state-based programs. Single state applicants have a very condensed timeline, due to commission processes for issuing requests for applications and CNCS requirements on the review that commissions must provide of their subapplicants. Late changes to the application materials have a disproportionate impact on single state programs that must spend more time revising and resubmitting their applications given states' earlier deadlines.
- c) Do not prominently publish the national application deadline without making individual state application deadlines equally prominent. While guidance about contacting state service commissions for our deadlines is contained within the application instructions, it can only be found by reading several pages into the materials. Individuals (especially busy staff at small agencies) who look only at the posted due date on the website or at the first pages of the NOFO or Instructions may see the later national deadline and wait to revisit the detailed information until close to that deadline, only to learn that it is too late to apply in their state.

- d) Ask each state service commission for the contact person for the application process in their state and publish an updated list each year. Often, commission executive directors are not providing day to day management of the state's application process yet they are the commission staff contact listed on the CNCS website.
 - e) Streamline the application materials, particularly the national performance measure packet. Programs find it difficult to ensure they are following the instructions dispersed among many different documents (state service commission request for applications, AmeriCorps NOFO, AmeriCorps application instructions, performance measure instructions, etc.). State programs have additional layers of complexity compared to national programs and smaller agencies do not have separate staff dedicated to grant writing. The time needed to simply read the application materials can discourage some small organizations from applying.
 - f) Balance the value of the member experience and AmeriCorps identification with the value of the performance measures, evaluation, and theory of change. The member factors have been, for the most part, removed from the application.
 - g) Allow for more meaningful commission review of and input on AmeriCorps National applicants proposing to operate in states. The current process provides commissions no information from the submitted application beyond the name of the legal applicant and the executive summary; therefore we do not have enough information on the activities proposed in our state to give compelling feedback to CNCS. We are only aware of the activities that the national organization shares with us during the consultation process. In our experience, every year there are national direct applications that appear on our eGrants consultation page that have not actually consulted with us. Furthermore, we are not provided with any instructions or definitions on the type of input sought and we do not know how, when or if our feedback is used in making funding or member placement determinations.
 - h) Have more transparency, especially with commissions, in how grants are reviewed so we can ensure that small and rural programs undergo a review process that factors in their unique circumstances. The regulations require equitable treatment of applicants from rural areas and small programs.^v
- 3) Problem: Non-urban communities do not have the concentrated need or the capacity to make large, single-issue programs feasible. Locally important issues in non-urban communities may not be a priority on a national scale. These factors put such programs at a disadvantage for being awarded funds or operating under current CNCS structure.

Solution: Acknowledge the value of service itself and the unique role of CNCS programming. Recognize the broad needs for and impact of service in communities.

Rationale: We believe service is both an outcome in itself and a strategy for achieving other outcomes. Accordingly, we were happy to see CNCS incorporate capacity-building measures into its current strategic plan. However, we ask that CNCS also continue to support other efforts that focus on general community volunteerism and civic engagement as an end goal. This would include, for example, full support of the Volunteer Generation Fund. Many small organizations and businesses cannot support a paid staff person as a volunteer manager, so having a local volunteer center promotes their involvement in service. In small communities, the act of coming together as volunteers, no matter the activity, can improve social capital.

We also urge CNCS to better recognize that service is a solution for many issues, and that our sector's unique expertise comes in identifying ways to use volunteering and national service to address any community need. Other organizations and agencies are experts in specific issue areas such as education, health, and the environment. By failing to acknowledge the importance of service for its own sake, we undercut our sector and our unique role in promoting individual and community wellbeing. Furthermore, not every community issue falls neatly under a current national focus area or into a national performance measure. AmeriCorps and other national service programs addressing local community needs should not be punished if their issues do not rise to

prominence nationally. CNCS should be accommodating and responsive to state needs, and support innovative programming.

Recommendations: Specific suggestions for improvement:

- a) Support programs and funding sources that create quality volunteerism, independent of the volunteer/member activities. If we know volunteers are serving well, they have impact no matter what service they perform.
- b) We ask that CNCS re-start the intermediary working group and/or create the multi-focus program working group that was promised during the development of the current CNCS strategic plan. We found the working group for capacity-building measures provided a good framework for input on the development of national performance measures in this focus area. We believe a working group for intermediary programs could help CNCS better understand this issue and develop ideas to accommodate these programs.
- c) Allow for broader focus, rather than the current, very narrow national performance measures and focus areas. Smaller communities and cities, due to scarcity of resources, tend to take holistic approaches to problems and often work on a variety of indicators within each program. This comprehensive approach is effective locally and on a community scale, but the multi-issue program model does not fit well into CNCS' national performance measure structure.
- d) Allow programs to develop their own performance measures, within the boundaries of the CNCS strategic plan, without penalty. Current funding priorities have been established in a way that penalizes programs that develop their own measures (even if they have high quality measures showing strong impact). We certainly understand and support the use of standardized performance measures for common activities to make aggregation and reporting easier. However, the funding priority tiers should be eliminated because they dictate community need based on national priorities, rather than letting communities define and tackle their own most important needs. Research by Kathleen Enright recently shared in a CNCS email update concurs that reporting and tracking works best as a collaborative effort between funders and grantees:

Grantmakers for Effective Organization's (GEO) vision for the sector is one in which philanthropic leaders can't imagine making strategic decisions in isolation. It's a sector where grantees aren't compelled to adopt a grantmaker's measures of impact but rather are supported to identify and track the measures that make the most sense for them. In this future, grantmakers and nonprofits work in concert through wide-ranging networks, and the watchwords for philanthropy are flexibility, collaboration, and respect.^{vi}

- e) Change the grant review process to provide for a more equal competition between complex programs adapted to specific local realities and single-issue programs with standardized, simplified member activities. Smaller communities, by necessity, often develop place-based programs where one major organization acts as an intermediary for national service member placements addressing the comprehensive problems of that community or region. These grants do not fare well in the current grant review process, when compared to more narrowly focused programs. Modifications to the application requirements could include a special section for these applicants to explain their process and program design, or a higher character limit for these applicants.
- f) Factor in commission funding recommendations more strongly in the national competitive review. Commissions have defined state priorities and have a strong understanding of which state programs are functioning well and truly address state priorities. Giving priority only to programs that fit national performance measures disadvantages rural programs because their problems may never be significant at the national level.
- g) Utilize the local knowledge and input of the CNCS State Office staff in the grant making process. Local CNCS staff often collaborate with state service commission staff and understand local programs overseen by their own office and the commissions. These local CNCS staff have strong knowledge of the realities of

operating CNCS programs in their states and can provide input on how to make CNCS programs more accessible to all communities in their states.

- 4) *Problem:* The management and performance evaluation requirements of national service programs, particularly AmeriCorps State and National grants, have become onerous and unduly burdensome for small grantees.

Solution: Reduce the reporting and tracking burdens on national service programs, state service commissions, and partners.

Rationale: Most of the report formats and requirements for national service programs are developed at the national level with little input from the front-line staff doing the day-to-day work of collecting, tracking, and compiling the requested data. And, CNCS sometimes interprets requirements in ways that require increased cost and staff time, without providing a commensurate benefit in program quality, member experience, or community impact. Furthermore, the costs of many new requirements have not been offset by a comparable increase in the maximum cost per MSY allowed. Program management and commission reporting and monitoring requirements should be reviewed and revised so there is a reasonable level of accountability and liability given the program design and funding received.^{vii}

Recommendations: Our ideas for reducing administrative burdens:

- a) Streamline the performance measure guidance (currently 125 pages) and maximize flexibility. For example, allow academic growth to be measured other than by standardized test results from a school district. While standardized measures and reports may have been created to help programs by simplifying requirements, this has not been the result.
- b) Expand fixed-amount grants for more than education-award only or full-time/full-time equivalent only programs. Intermediaries often have multiple funding streams so CNCS financial reporting can be overly burdensome and costly. Smaller organizations lack the time and staffing to document expenditures for a detailed budget. Small and rural programs may also find it more difficult to operate education-award only programs due to their low philanthropic resources and may have a greater need for less than full-time members due to their smaller scale.
- c) Revise the National Service Criminal History Check rule and/or CNCS guidance to maximize flexibility for programs to meet requirements.
 - i) The cost of running background checks is an issue for small programs because their overall budgets are smaller.
 - ii) Small organizations do not have a dedicated human resource person to manage the requirements.
 - iii) The recent OIG questioned costs related with the timing of background checks create significant financial liability that put the existence of small programs at risk. This factor may prevent program continuation.
 - iv) At a minimum, CNCS should mitigate the impact of the timing of the check on the financial liability of the organization. For example, failing to conduct the check according to the timeline would be considered a compliance issue, but financial liability would result only in cases where individuals' background check results rendered them ineligible for service according to the rule.
 - v) Consider CNCS-run background checks on members, similar to citizenship verification.
 - vi) Other options, such as allowance for name-based FBI checks, etc. should be considered.
 - vii) Speed up the timeline for approvals of Alternate Search Procedures to the criminal background check requirements. Currently, it takes nearly a year for exceptions to criminal history records check requirements to be approved by CNCS. This timeline is detrimental to the functioning of programs.

- viii) Increase transferability of approved Alternate Search Procedures from one program to another in cases where the alternate procedures have the same basis or are at a statewide level. For example, if one program receives approval for background checks conducted at a school, other programs should benefit from this approval without having to request a separate Alternate Search Procedure for the same circumstance.
 - d) Evaluate all current monitoring and records requirements for AmeriCorps State programs to maximize flexibility, including allowing flexibility at the state level for applying standards to small and rural grantees. The requirements on AmeriCorps State/National are much more burdensome than requirements for AmeriCorps VISTA programs, so small nonprofits are held to a higher standard than CNCS itself in terms of member management.
 - e) Eliminate the new evaluation language and start over to develop the evaluation requirements in partnership with state service commissions. The level of requirements proposed is unachievable for most of our programs. The expected program evaluations are expensive, and independent local agencies do not have access to evaluation protocols and results developed by large, “name-brand” organizations. Increase flexibility, particularly for smaller and rural programs:
 - i) Allow small and rural programs to forego the evaluation requirement if their program design is based on an evidence-based model.
 - ii) Require CNCS to develop and carry out evaluations for small and rural models.
 - iii) Allow programs to conduct evaluations on member impact.
 - iv) Provide template evaluation materials (particularly for member impact) to be used by all programs so data can be aggregated at the state level.
 - f) Allow programs to provide greater context to their performance measure results and not just raw data. Building homes for three households in a small community is much more meaningful than building homes for ten households in a large city. Quantitative data, without qualitative context, does not tell a program’s whole story.
 - g) Do not rely on the public comment process as the only means for getting input from the field on program forms and procedures. The public comment process on Regulations.gov gets input only after a form is drafted; a better method would be to consult with program officials and members as new or revised program management tools are developed.
 - h) Work with state service commissions to conduct a review of current commission reporting and monitoring requirements in order to identify areas for improved efficiency. For examples, currently there is significant redundancy in the information commissions must provide to CNCS in the progress reports, applicant recommendation summaries, and that applicants provide within their own grant narratives. Other report deadlines are communicated on such short notice that it is difficult for commissions to respond at all, let alone provide quality responses. We have already observed CNCS taking steps to make improvements in this area and we appreciate those efforts, but we think that the changes could be even better if made in partnership.
- 5) *Problem:* Non-urban communities and organizations lack the philanthropic base and outside funding sources to sustain the increasing costs of national service programs. Federal funding has not increased proportional to increased program operational requirements and costs.

Solution: Reduce the financial burdens for small and rural programs.

Rationale: While Iowa has a strong network of 501(c)(3) nonprofits and a strong record of volunteerism, our nonprofits are primarily very small and our population’s annual charitable giving is below the national average.^{viii} Like many rural states, Iowa has a strong spirit of service but our programs need additional assistance and

flexibility to make national service accessible and cost-effective. The AmeriCorps regulations permit a higher cost per MSY and greater flexibility in matching requirements than CNCS is currently allowing.^{ix}

Recommendations:

- a) Allow a higher cost per member for programs from rural, philanthropically poor areas where it is difficult to secure cash match. Engage the state service commissions to verify circumstances that merit a higher cost per member.
- b) Increase the cost per MSY when there is an increase in living allowance or other required program expenditures. Especially with rising health care costs, there is a very narrow margin between funding provided and the expense of supporting a member.
- c) Make it more feasible for programs to operate without a cash match. While currently there is not a cash match requirement, the margin between the actual member costs and the cost/MSY is so low that a program would be unable to function effectively without cash match. Allow increased flexibility for match waivers and alternative match schedules for economically distressed communities. Consider broadening the criteria under which an applicant may be considered and approved for these waivers. Use the commissions to provide an accurate picture of the economic hardship in an area from a more broad and realistic perspective, rather than solely based on Beale Codes, foreclosures, unemployment rates, or other current criteria. For example, the Social Innovation Fund allows for a match reduction for intermediaries that demonstrate they are serving communities that are “significantly philanthropically underserved.” Similar criteria should be allowed for AmeriCorps and other national service grants.
- d) Allow single state portfolio averages to vary, up to the maximum cost per MSY requirements, recognizing that some states lack philanthropic assets and so may need a higher average cost per MSY than other states.
- e) Expand access to fixed cost program funding. Current programs do not benefit from the alternative match schedule because the cash required to run the program is in excess of the alternative match level.
- f) Include additional funding in program grants specifically set aside for covering the costs of evaluation. CNCS, in its Social Innovation Fund Notice of Funding Opportunity, acknowledges that “rigorous evaluations are expensive,” and that, “many funders do not make evaluations a priority.”^x If CNCS wants strong evaluations, it should provide the funding for strong evaluations. Alternately, CNCS could cover the cost of national, state, regional or local evaluations. This would promote aggregation of data across programs and states.

Conclusion

We recognize that CNCS has a large task in satisfying the service needs of a broad range of communities and organizations across the country. We pledge to help CNCS meet the needs of all types of programs, to assist citizens in all communities be engaged in service, with the greatest possible impact.

The recommendations outlined here start with a request for true partnership between CNCS and the state service commissions. If CNCS reaches out to state commissions to engage in meaningful dialogue, with a commitment to substantive change in the identified issues, we are confident the trends toward elimination of non-urban national service programs can be reversed. Together, CNCS and the state service commissions have the tools and the will to keep national service a viable and vibrant program for every community.

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- ^{ix} SEC. 121. [42 U.S.C. 12571] Authority to Provide Assistance and Approved National Service Positions. (e) Matching Funds Requirements.— (4) WAIVER; and SEC. 189. [42 U.S.C. 12645c] Limitation on Program Grant Costs.
- ^x 2014 Social Innovation Fund Notice of Funding Availability. Available at http://www.nationalservice.gov/sites/default/files/documents/2014_SIF_NOFA_1.pdf.