



## Promise Fellow Benefits

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### Living Allowance

Promise Fellows receive a modest living allowance distributed twice a month on the 15th and last day of the month. The living stipend is considered taxable income by the IRS. Members will fill out a W-4 when they complete their Promise Fellow onboarding paperwork. Full-Time Promise Fellows are expected ~40 hours per week, Reduced-Time Promise Fellows are expected to serve ~30 hours per week, and Part-Time Promise Fellows are expected to serve ~20 hours per week. All Promise Fellows submit timesheets twice a month. Members will receive their first living allowance ~1 month after service begins. Travel for Alliance required trainings will be reimbursed by the Host Site based on the Host Site's travel reimbursement policy.

### Qualified Student Loan Forbearance

Many members are excited to learn that most **federally**-backed student loans in the member's name are eligible for [forbearance](#) during their service term. Forbearance means that you neither make payments nor pay interest on your loans while actively serving. In other words, members will not have to make payments on their loans while they serve. After successfully completing service, the National Service Trust will pay up to all of the interest that accrued over the service term ([accrued interest formula](#)). National service forbearance **does not apply** to [Parent PLUS loans](#), [Federal Perkins loans](#), or [private loans](#). It is important to understand that the Corporation for Community and National Service (CNCS) verifies service as an AmeriCorps member, **but the loan holder ultimately approves/rejects forbearance requests**. Members should be in touch with loan holders now to verify what types of loans they have and if they will be eligible for AmeriCorps forbearance!

### Requesting Forbearance on Student Loans

Forbearance is not automatic, members will need to apply online through the MyAmeriCorps account. Members will be able to apply on their first day of service.

When considering forbearance:

- Ask each loan servicer directly about your loan eligibility, terms, interest, etc. as these may differ from one servicer and from one loan to the next.
- Members get the greatest benefit if requesting forbearance at the beginning of their service.
- Requesting forbearance through your MyAmeriCorps portal is the easiest way to track the process.

### Private Loans, Parent PLUS loans, and Federal Perkins loans

Private loan companies may not recognize AmeriCorps forbearance. Federal loans not in a member's name, such as Parent PLUS loans, are also not eligible for AmeriCorps forbearance. Be sure to pursue all available forbearance or deferment options available through the loan holder – economic hardship, for example, is a common option. If the loan holder does not accept national service as a justification for forbearance, ask if service qualifies for other type repayment options or for a deferment.

Many loan servicers will use their discretion to grant forbearance for Perkins loans. Reach out directly to the loan servicer to explore options.

### Loan Interest Accrual Payoff

Certain types of student loans will continue to accrue interest even while in forbearance. Always check with the loan servicer for the specific details. A portion of the interest that accrues during service on qualified loans in AmeriCorps forbearance is eligible for payoff through CNCS (in addition to the education award). Upon successful completion of a term of service, members can request an Interest Accrual Payment through their MyAmeriCorps Portal. This request is then sent to the loan servicer. Learn more about [Postponing Student Loan Payments and Getting Interest Paid](#).

*\*It is important to know that both the Education Award and any interest that CNCS pays is considered taxable income in the year payment is made. [Learn more here](#).\**

### Education Award

The Segal AmeriCorps Education Award is a benefit VISTA, AmeriCorps, and NCCC members receive upon successful completion of their term of service. The award can be used to [pay for future educational opportunities at eligible schools or to repay qualified student loans](#). Find out if a school is an "[eligible institution](#)." **It is the candidate's responsibility to determine if their loans are qualified student loans.**

It is important to understand that the Award is not disbursed directly to the member at the completion of service. Instead, members will request the award be distributed to an educational institution or loan holder through their MyAmeriCorps account. [Learn more about disbursement to schools here](#).

Although an individual can serve more than two AmeriCorps terms, a single person can NOT earn more than the value of two, full-time Education Awards. Members have 7 years to use or [transfer](#) the award. Awards can be transferred by Promise Fellows who are 55 years of age or older at the beginning of their term of service to their children, grandchildren, foster children, or stepchildren (cousins, siblings, spouse, friends, etc., are not eligible). Only the amount of the award is transferred, not eligibility for interest payments. For a transferred award, the recipient of the transferred award can use it for up to ten years from the original award earner's service completion date.

*\*It is important to know that both the Education Award and any interest that CNCS pays is considered taxable income in the year payment is made. [Learn more here](#).\**

### Health Insurance

All Full-Time AmeriCorps Promise Fellows must have health insurance coverage during their term of service. Promise Fellows may be covered under their family or spouse's health insurance plan, through the marketplace, Medicaid, or can elect to enroll in Minnesota Alliance With Youth's health insurance coverage under **The Corps Network Health plan**. The plan offered by the Alliance through CIGNA is ACA compliant and includes health, dental, vision, and life insurance benefits; the Alliance covers all monthly premiums for members, this coverage is not available to spouses or dependents. Coverage begins the first day of service and ends on the last day of the month that the member exits service. For example, if a member completes service on July 15th they will be covered until July 31st. Members are eligible for a special enrollment period following the end of their service.

Members are not eligible for this plan if they are not serving in a Full-Time position, are covered under another plan, want secondary coverage, or will have other coverage during their term of service. In addition,

members cannot elect to only enroll in a portion of the plan (i.e., dental only). If a member is already covered by another health insurance plan, but wishes to join The Corps Network plan instead, they must waive their other coverage by their service start date. If a member loses health insurance at any point during their term of service they may enroll in the Alliance's insurance. Please note that AmeriCorps members are not considered employees, if applying for coverage through the marketplace do not list the Alliance as an employer.

Find the most up to date health insurance benefit summary information in the [Promise Fellow Toolbox](#).

## Metro Transit Assistance Program Pass

AmeriCorps Promise Fellows are eligible to enroll in the Transit Assistance Program (TAP). Once approved, members receive a metro pass with \$1.00 fares on metro transit for one year. More information will be provided at Kickoff!

## Qualified Childcare Assistance

The AmeriCorps Child Care Benefits Program offered through [GAP Solutions](#) provides benefits paid to qualified child care providers for all or part of a Full-Time member's child care costs during their active time of service with AmeriCorps; child care benefit payments cannot be paid directly to AmeriCorps members.

To qualify for the child care benefit, the member must meet the following eligibility requirements:

- The member must be serving in a Full-Time (~40 hours per week) position.
- The Promise Fellow member's household income must not exceed 75% of the state's median income for a family of the same size; this limit is different for each state and may change annually.
- The member must not currently receive a child care subsidy from another source at the time of acceptance into the program (including a parent or guardian) which would continue to be provided while the member serves in the program.
- The member must be the parent or legal guardian of a child under the age 13.
- The child must reside with the member. The member must certify that they need child care in order to participate in the AmeriCorps program.

**Members must apply through the Alliance.** Questions about child care or ready to apply? Contact Bette Benson, Compliance and Program Manager, at [bbenson@mnyouth.net](mailto:bbenson@mnyouth.net).

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This info sheet is a brief overview of benefits available to AmeriCorps Promise Fellows. Members will receive more information on benefits when confirmed as members, in addition to training throughout the service year. Questions? Check the Promise Fellow [toolbox](#) or email Bette Benson, Compliance and Program Manager, at [bbenson@mnyouth.net](mailto:bbenson@mnyouth.net).

Thank you for your interest in serving as a Promise Fellow through Minnesota Alliance With Youth!