

What is an Education Award?

Once you complete your AmeriCorps term of service, you will receive an education award voucher from the National Trust. You will not receive a check in the mail, rather, you will receive a voucher indicating the amount you have accrued through service.

The National Trust holds your education award, in your name, until you give them instructions on where you would like the education award to be sent. Education awards can be used in part or whole until the balance is zero. There are three options for using your education award:

- A. **Repay qualified student loans**→ If you have qualified student loans that you would like to repay, you can have your education award sent to the financial institution holding your loans. To repay student loans, they must be qualified loans (Perkins, Stafford, Federal Direct/Indirect, etc.) The education award **cannot** go toward the repayment of private loans, even if such loans were used for educational expenses. Please check with your Campus Coordinator or financial aid office to find out if the education award is appropriate for your student loans.
- B. **Pay current tuition costs**→ If you are enrolled as a student and will continue to be enrolled for the semester/quarter after completing your term of service, you can use the education award to pay part or all of your tuition. If your basic tuition is covered, the financial aid office can issue you a refund check for any amount of the education award in excess of your tuition that falls within the cost of attendance determined by the college or university. Refund checks can be used for room and board, books, and other education expenses. Please check with the financial aid office on your campus for details of how this may work for you.
- C. **Save the voucher for future education expenses**→ If you do not have any student loans, are no longer enrolled as a student, or know you will want to continue your education in the future, the voucher can be saved in trust for a maximum of seven years. You can use the education award for re-certification courses, graduate school, or individual classes not part of a degree program. Members have chosen to attend technical colleges, study abroad programs, outdoor education programs, etc. with their awards.

Earning more than one education award→ AmeriCorps members can receive up to two education awards. You can only receive an award for the first two terms of service regardless of whether they are full-time, part-time, or reduced part-time terms. If you ended a term of service early and did not earn an award, that term may count as one of your two chances to earn an award.

If you have questions about the possible uses for the voucher explained above, how to process the voucher, or general questions about the education award please contact the Site Supervisor at your institution.

Key Points for the AmeriCorps Education Award

- 🚩 If you have outstanding student loans, you can qualify for forbearance during your term of service.
- 🚩 Your voucher will be mailed to the address you put on your Exit Form.
- 🚩 Your award is valid for seven years after your service ends.
- 🚩 You can draw on your award in increments.
- 🚩 You can benefit from actively participating in the financial aid process. Make an appointment to meet with a financial aid counselor and have them explain to you your aid package and show you how it works to your greatest benefit.
- 🚩 When using the award to repay student loans, you can either use the award to reduce the principal or to defer several payments. Depending on what you do after AmeriCorps, develop a plan that best suits you and your finances.
- 🚩 You are responsible for taxes on the award in the year it is used, not in the year it is earned. If you use the award over two calendar years, you will be taxed for the amount used in each calendar year.
- 🚩 Once you have used your award, fill our Worksheet C (income exclusion) on the FAFSA correctly. Neither the AmeriCorps living allowance, nor the Education Award, count as income on the FAFSA. However, your Education award does count as a resource that can reduce your aid package in the year you use it if you are using to pay for tuition.
- 🚩 If you have moved to a new state and want to gain residency in order to qualify for in-state tuition, go to the school you wish to attend and ask for their residency requirements. These vary from state to state and may involve meeting requirements that are less than obvious.

Compiled with suggestions from Brandon Rogers, Northwest Regional Education Laboratory

Definitions & Resources

Qualified Loans- A loan backed by the federal government under Title IV of the Higher Education Act (except Plus Loans to parents of students) or under Titles VII or VIII of the Public Health Service Act. The most common include: Stafford, Perkins, Federal Direct, Supplemental Loans for Students, Federal Consolidated Loans, Health Education Assistance Loans (HEAL), and Health Profession Student Loans (HPSL). Education awards cannot be used to repay any other type of loan, even if the loan was obtained for educational purposes.

Cost of Attendance- Defined differently by each campus. It is more than just tuition and may include the following: transportation, housing, books, computer, etc. Talk to your Financial Aid office to determine what applies.

National Service Trust- An account within the US Treasury which distributes Education Awards. You can contact them directly at 1.888.507.5962 or edawardvoucher@cns.gov to request a duplicate voucher or to address specific questions about your award (address changes, etc.).

Title IV Institution- Schools that have the ability to accept federal government student aid funds (Title IV funds) can accept the AmeriCorps Education Award.

Websites

General resource: www.etr.org/NSRC/pdfs/fellows/rogers.pdf

Tax resources, institutions that augment the award, etc.: www.lifetimeofservice.org

Financial Aid: www.finaid.org

Taxes: www.irs.gov

FAFSA (Free Application for Federal Student Aid)--available at any school or on the web at www.fafsa.ed.gov