OFFICE OF INSPECTOR GENERAL

IMPACT REPORT: NATIONAL SERVICE TRUST EXECUTIVE SUMMARY

AmeriCorps OIG plays a crucial role in protecting the integrity of national and community service. Pursuant to our oversight authority under the Inspector General Act of 1978, et. sec, and our dual reporting requirements to the Legislative and Executive branches, AmeriCorps OIG prepared this report to examine the impact of AmeriCorps' April 2025 staff and funding reductions on AmeriCorps' programs and operations. This report examines the impacts the reductions had on AmeriCorps' National Service Trust (the Trust), the fund that pays out Segal Education Awards for members' successful completion of service. This report is part of a series.

THE IMPACT

COSTS: Following April 2025 staffing and funding reductions, AmeriCorps terminated the service of tens of thousands of AmeriCorps members. Due to litigation, AmeriCorps was ordered to restore certain members to their status quo prior to termination. As a result, AmeriCorps required grantees to provide affected members with credit hours for the time they were not able to provide service. The Trust incurred an over $23.8 million cost in reduced service from AmeriCorps members who were paid out education awards despite not serving all of the service hours. The early termination of service for AmeriCorps members also created a potential cost savings of approximately $4.3 Million for the Trust due to smaller payouts to members who would have potentially earned a full education award not having the opportunity to do so. AmeriCorps may also potentially continue to incur fewer costs due to the lowered number of enrollments across AmeriCorps programs.

OPERATIONS: April 2025 staffing reductions reduced Trust staff from 17 employees to five through August 2025. These actions prevented the implementation of the Trust's internal controls. In almost every function, the Trust's lack of separation of duties, due to the limited staff remaining, resulted in an environment where the Trust couldn't exert basic fiscal responsibility of the over $1 billion in Federal taxpayer dollars it is responsible for. AmeriCorps restored much of Trust staff following litigation. As of June 30, 2026, the Trust is staffed with 16 employees.

MEMBERS: Another result of the April 2025 staff and funding reductions was that AmeriCorps could not timely respond to AmeriCorps members' National Service Trust service requests. This resulted in backlogs for resolving education award related issues for members.

SCOPE AmeriCorps OIG initiated a series of special reviews to assess the impact of the April 2025 AmeriCorps staff and funding reductions across AmeriCorps programs and operations. This report examines the impact of staff and funding reductions on the National Service Trust and its ability to administer AmeriCorps' Segal Education Awards.