

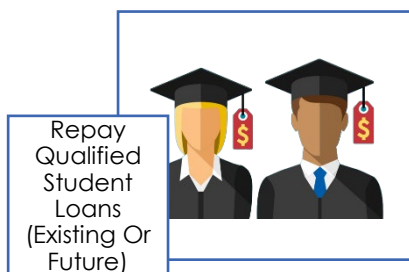
# Segal AmeriCorps Education Award Fact Sheet

## 10 FACTS ABOUT THE SEGAL EDUCATION AWARD

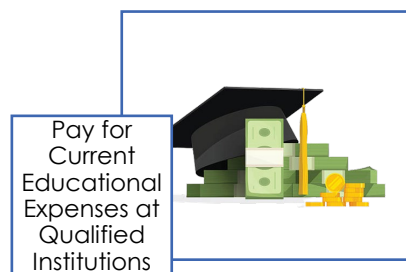
1. To earn the Award, members must successfully complete their term of service (required hours, serve to the end date, and complete all necessary paperwork)
2. The amount of the Award is based on the value of the Pell Grant, the year a member served, and their term of service (slot type)
3. Members may not receive more than the aggregate (total) value of two (2.0) full-time Education Awards
4. Members will be able to access their Award approximately 30-60 days post-service
5. Members have 7 years to use their Award
6. Members can request for extensions to use their Award (for compelling reasons)
7. Members can access their Award through their MyAmeriCorps Portal
8. The National Service Trust sends award payments directly to institutions (not members)
9. The Award is considered taxable income (amount used, in the year it is used)
10. The Award can be used all at once, or in portions at different times (within 7 years)

AmeriCorps Members have up to **SEVEN YEARS** to use their Segal Education Award. The clock starts when the term of service is successfully completed. Requests for extensions can be made if the member was unable to use the Award for a compelling reason during that seven-year period or if the member served another term of service within the seven-year period. To be considered for an extension, the request must be made before the end of the seven-year period.

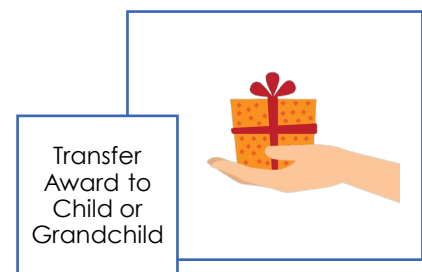
## HOW TO USE THE SEGAL EDUCATION AWARD



- Federal loans
- State agency loans
- Advance payments
- Pay the principal



- Expenses included in the institution's Cost of Attendance
- [Title IV schools](#)
- [Schools of National Service](#)



- Members who are at least 55 years old
- Award can be transferred to child or grandchild (up to 2 recipients per Award)

## Repay Qualified Student Loans

### Qualified loans include:

- Stafford Loans
- Perkins Loans
- William D. Ford Direct Loans
- Federal Consolidated Loans
- Supplemental Loans for Students
- Primary Care Loans
- Nursing Student Loans
- Health Education Assistance Loans
- Loans issued by state agencies

The Segal AmeriCorps Education Award cannot repay any other type of loan, even if the loan was obtained for educational purposes at eligible schools or programs. Members can use their Award to repay defaulted student loans, as long as the loan meets the definition of qualified student loan.



## Pay for Current Educational Expenses at Eligible Educational Institutions

### Definitions

- Current – post-service
- Educational Expenses – based on Cost of Attendance
- Eligible Institutions – Title IV schools



### The Education Award is disbursed to the institution in TWO installments

1<sup>st</sup> payment – beginning of enrollment period

2<sup>nd</sup> payment – midpoint date of enrollment period

### FAQ: How can AmeriCorps members use their Education Award to purchase books, supplies, laptops, etc.

AmeriCorps members can use their Education Award to pay for **current educational expenses** at eligible educational institutions. First, make sure that the educational expenses such as books, supplies, laptop, etc. are included in the school's **cost of attendance**. Contact the school's financial aid office or the bursar's office – the staff in these offices will work with students to determine if they are able to use their Education Award as payment for these specific items.

Once the request is approved and certified by the school's financial aid or bursar's office, the payment is NOT made directly to the student; however, if the total amount of financial aid, (including Education Awards) exceeds the student's fees, then any excess funds may be reimbursed to the student or applied to their student account. Contact the school's financial office to find out their policy.

## GI Bill Approved Programs

The Education Award can be used for educational expenses associated with enrollment in programs of education, apprenticeships, or job training under the GI Bill (at Title IV schools). If an AmeriCorps member is a veteran, their Award can be used for GI-Only Programs that are offered at non-Title IV institutions.



## Transfer the Education Award

ASN AmeriCorps members who are at least 55 years of age at the start of service are eligible to transfer their Education Award to a child or grandchild (includes stepchild/grandchild or foster child).



Things to know:

- The child/grandchild must meet AmeriCorps citizenship requirements
- The Award must be transferred before it expires (within 7 years of earning)
- Members may transfer all or part of their Award to up to 2 recipients
- Recipients have 10 years to use the Award (starting from the date the member completes their service term)

## STUDENT LOANS

Full-time AmeriCorps service can count as qualifying employment for Public Service Loan Forgiveness (PSLF).

Full-time AmeriCorps members can make qualifying monthly payments during service – which can count towards PSLF OR members can receive credit for up to 12 qualifying payments toward PSLF while qualified student loans are in forbearance during service (when using the Award post-service and enrolled in a qualifying repayment plan).

## FINANCIAL AID

The Segal Education Award (as well as the living allowance and interest accrual payments) can maximize or reduce the amount of need-based aid for which students are eligible.

When completing the FAFSA, the Segal Education Award, living allowance, and interest accrual payments should be excluded from calculations determining a student's financial need. This could **maximize** the amount of "need-based" aid for which a member is eligible.

[\[See Notes page 22.\]](#)

### Amount of college grants, scholarships, or AmeriCorps benefits reported as income to the IRS

\$

*The student paid taxes on these grants, scholarships, or benefits. These usually apply to those renewing their FAFSA form, not to first-time applicants. If the student is married, include the amount their spouse reported.*

### College Grants, Scholarships, or AmeriCorps Benefits Reported to the IRS:

Taxable college grant and scholarship aid reported to the IRS as income. Includes AmeriCorps benefits (awards, living allowances, and interest accrual payments), as well as grant and scholarship portions of fellowships and assistantships.

The Free Application for Federal Student Aid (FAFSA) is used to apply for federal student financial aid, including grants, loans, and work-study. It is also used by most states and schools to award non-federal student financial aid. There is a section on the FAFSA to enter AmeriCorps benefits.

Under different circumstances, using the Segal Award can **reduce** the amount of other need-based student aid for which students are eligible. Financial aid offices must consider the Segal Award as a resource that students have available toward their cost of attendance when considering their eligibility for campus-based aid (34 C.F.R. § 673.5(c)). This includes the Federal Supplemental Educational Opportunity Grant (SEOG), Federal Work-Study Program, and the Perkins Loan.

Please consult the institution's Financial Aid Office to ensure financial assistance needs are properly addressed.

## TAXES

[IRS Publication 970 - Tax Benefits for Education](#) | [IRS FAQ – 1099-MISC](#)

### Is the Segal AmeriCorps Education Award taxable?

Yes, the Segal Education Award is considered taxable income (the amount that is used, in the year it is used).

AmeriCorps does not withhold taxes from the award. AmeriCorps will send an [IRS 1099 Form](#) to all AmeriCorps members who have made payments from their education awards and for whom interest payments have been made totaling \$600 or more during the previous year. The 1099 Form reflects the amount that AmeriCorps/CNCS reports to the IRS as taxable miscellaneous income.

## HOW TO ACCESS THE SEGAL EDUCATION AWARD

National Service Hotline 1-800-942-2677

The Trust is staffed by live operators from 9:00-7:00 EST (closed Fridays)



Walk-through video on how to access the Education Award



Click here to access the My AmeriCorps Portal

## AmeriCorps Resources

<https://americorps.gov/members-volunteers/segal-americorps-education-award>

<https://americorps.gov/members-volunteers/segal-americorps-education-award/find-out-more>

<https://americorps.gov/members-volunteers/education-award-faqs>

<https://americorps.gov/partner/partnerships/schools-national-service-search>

## Federal Student Aid Resources

[Title IV Schools list](#)

[FAFSA updates](#)

[Public Service Loan Forgiveness \(PSLF\)](#)