

duration with an option for a grant renewal of three years, if the grantee's performance and compliance with grant terms and conditions are satisfactory. AmeriCorps will terminate funding to a grantee when AmeriCorps determines that the grant should not be renewed for an additional three year period.

[76 FR 20246, Apr. 12, 2011, as amended at 83 FR 64656, Dec. 17, 2018; 89 FR 70545, Aug. 30, 2024]

**§ 2553.72 What are project funding requirements?**

(a) *Is non-AmeriCorps support required?*

(1) An AmeriCorps grant may be awarded to fund up to 90 percent of the total project cost.

(2) A sponsor is responsible for identifying non-AmeriCorps funds which may include in-kind contributions.

(b) *Under what circumstances does AmeriCorps allow less than the percentage identified in paragraph (a) of this section?* AmeriCorps may allow exceptions to the local support requirement identified in paragraph (a) of this section in cases of demonstrated need such as:

(1) Initial difficulties in the development of local funding sources during the first three years of operations; or

(2) An economic downturn, the occurrence of a natural disaster, or similar events in the service area that severely restrict or reduce sources of local funding support; or

(3) The unexpected discontinuation of local support from one or more sources that a project has relied on for a period of years.

(c) *May AmeriCorps restrict how a sponsor uses locally generated contributions in excess of the non-AmeriCorps support required?* Whenever locally generated contributions to RSVP projects are in excess of the non-AmeriCorps funds required (10 percent of the total cost), AmeriCorps may not restrict the manner in which such contributions are expended, provided such expenditures are consistent with the provisions of the Act.

(d) *Are program expenditures subject to audit?* All expenditures by the grantee of Federal and Non-Federal funds, including expenditures from excess locally generated contributions, are sub-

ject to audit by AmeriCorps, its Inspector General or their authorized agents.

[64 FR 14135, Mar. 24, 1999, as amended at 67 FR 6875, Feb. 14, 2002; 83 FR 64657, Dec. 17, 2018; 89 FR 70545, Aug. 30, 2024]

**§ 2553.73 What are a sponsor's legal requirements in managing grants?**

What rules govern a sponsor's management of grants?

(a) A sponsor shall manage a grant in accordance with:

(1) The Act;

(2) Regulations in this part;

(3) 2 CFR part 200 and 2 CFR part 2205;

(4) All applicable AmeriCorps policies; and

(5) All other applicable AmeriCorps requirements.

(b) Project support provided under a AmeriCorps grant shall be furnished at the lowest possible cost consistent with the effective operation of the project.

(c) Volunteer expense items, including transportation, meals, recognition activities and items purchased at the volunteers' own expense and which are not reimbursed, are not allowable as contributions to the non-Federal share of the budget.

(d) Costs to bring a sponsor into basic compliance with accessibility requirements for individuals with disabilities are not allowable costs.

(e) Payments to settle discrimination complaints, either through a settlement agreement or formal adjudication, are not allowable costs.

(f) Written AmeriCorps approval/concurrence is required for a change in the approved service area.

[79 FR 76078, Dec. 19, 2014, as amended at 83 FR 64657, Dec. 17, 2018]

**Subpart H—Non-AmeriCorps Funded Projects**

**§ 2553.81 Under what conditions may an agency or organization sponsor an RSVP project without AmeriCorps funding?**

An eligible agency or organization who wishes to sponsor an RSVP project without AmeriCorps funding must make an application through the designated grants management system which is approved by AmeriCorps and