

ARPA PAYROLL ADJUSTMENTS

Programs that received federal funds to increase member living allowance should take the following steps to ensure that members are paid properly, document adjustments to the Member Service Agreement and to member payroll. Program staff must complete MSA Amendments for each member who is receiving a living allowance increase. A [template MSA Amendment](#) has been shared for program use. Once signed and dated by the member and program, the amendments must be uploaded in OnCorps.

Example 1 - As an example – If your member had been receiving \$15,500 and they’ve received 2 of 24 pay periods. The remaining living allowance for 22 pay periods is \$14208.34. If your new FT living allowance is \$16,000, then this member would receive an increase of \$500. The remaining living allowance plus the increase leaves a total living allowance of \$14708.34 to be allocated across the remaining 22 pay periods or \$668.56/pay period

This way requires only one adjustment and is easy. Your payroll people will likely prefer this method.

Example 2 – if your member has been receiving \$15,500 and they’ve received 2 of 24 pay periods. The remaining living allowance for 22 pay periods is \$14208.34. If your new FT living allowance is \$16,000, then this member would receive an increase of \$500. The increase over the entire 24 payroll period would equal \$20.84 a pay period. So, to make up for the missed pay periods, you’d could issue an additional one-time payment of \$41.68 (\$20.84 for each of the two pay periods that have already been paid out) along with the new/increased living allowance amount moving forward of \$666.67 This example gets the increase into the member’s hands more quickly; however, in this example the increase is \$500, which only equates to an approximately \$40 total increase. If the living allowance increase is larger, then this method may be the most reasonable one.

If your accounting/payroll system is not set up to handle the adjustment this way, please reach out to your program officer to discuss alternatives. To support this change, the program should document the payroll change and any changes to your program policies to reflect the receipt and use of ARP funds. As part of the documentation, Volunteer Iowa suggests you include the memo from AmeriCorps, the Agency regarding the required change in member living allowance. Here a [link](#) to the memo.

	EXAMPLE 1	EXAMPLE 2
Original living allowance amount	\$15,500	\$15,500
Amount of living allowance already paid	\$1291.66	\$1291.66
New living allowance amount	\$16,000	\$16,000
Amount of new living allowance to be paid out over remaining 22 pay periods	\$14708.34	\$14708.34
One-time adjustment		\$41.68
Amount of new living allowance payment for each of the remaining 22 pay periods	\$668.56	\$666.67