



OFFICE OF PROGRAM OPERATIONS

PROGRAM LETTER 98-7 (REVISED)

TO: Program Directors

FROM: Karen J. Sarjeant, Acting Vice-President
Office of Program Operations

DATE: October 28, 1998

SUBJECT: Subgrant Agreements for 1999: Requests for Approval

This Program Letter is to provide guidance regarding submission of 1999 subgrant agreements for LSC approval.

Announcement of 1999 LSC grant awards is not expected until the first week of December 1998; however, the 45 C.F.R. Part 1627 grant approval process allows 45 days for LSC review of proposed subgrant agreements. Thus, recipients that contemplate entering into a subgrant which has a January 1, 1999 commencement date, should submit their subgrant approval requests without awaiting outcome of the grant approval process in order to avoid disruption and allow time for compliance with the prior approval procedures of 45 C.F.R. Part 1627.¹

In view of the 45 C.F.R. Part 1627 time line, subgrants with a January 1, 1999 commencement date should usually be submitted to LSC for approval by November 14, 1998. However, due to the time line of the competitive process, LSC will consider any subgrant received by December 1, 1998 to be submitted timely for January 1, 1999 approval.

Until further notice, LSC will continue the current procedures for requesting approval for subgrant agreements for 1999 and will use the same Subgrant Agreement Form used in 1998. Also included in this package are a 1999 Budget Form and a Subrecipient Profile Form, which must accompany each request for approval of a subgrant agreement. To obtain approval, recipients should submit two fully executed copies of the agreement. In addition, recipients should ensure that an audit for the 1998 subgrant, has been submitted to the Office of the Inspector General in accordance with the terms of the 1998 subgrant agreement.

¹ Submission of recipient's PAI Plan does not fulfill this requirement.

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To facilitate and expedite the review of your request for approval of 1999 subgrants , you are encouraged to use the Subgrant Agreement Form enclosed. If you do not use the Subgrant Agreement Form, your proposed agreement should, at a minimum, include the substance of the provisions in that form and must include the Budget Form and Subrecipient Profile Form, if it is to be approved.

PAI Subgrants

In addition to 45 C.F.R Part 1627, subgrants are also affected by 45 C.F.R. Part 1610. This is the regulation designed to implement statutory restrictions on the use of non-LSC funds by LSC recipients. Section 1610.7(c) is particularly relevant, which provides :

"For a transfer of LSC funds to bar associations, *pro bono* programs, private attorneys or law firms, or other entities for the sole purpose of funding private attorney involvement (PAI) activities pursuant to 45 C.F.R. Part 1614, the prohibitions or requirements of this part shall apply only to the funds transferred."

Please contact Jay Brown, Program Analyst, at (202) 336-8828, if you have any questions concerning this memorandum.

Enclosures: Subgrant Agreement Form
Subrecipient Budget Form
Subrecipient Profile Form