



7050-01

## **LEGAL SERVICES CORPORATION**

### **Notice of Proposed Revisions for the LSC Grant Assurances for Calendar Year 2016**

#### **Funding**

**AGENCY:** Legal Services Corporation.

**ACTION:** Notice of proposed changes and request for comments.

**SUMMARY:** The Legal Services Corporation ("LSC") intends to revise the LSC Grant Assurances for calendar year 2016 funding and is soliciting public comment on the proposed changes. The proposed revisions affect Grant Assurances 2, 14, 16, and 17. In addition, LSC is proposing one new Grant Assurance, which requires LSC recipients to have a whistleblower protection policy and a conflicts of interest policy. The proposed LSC grant assurances for calendar year 2016 funding, in redline format indicating the proposed changes to the current "LSC 2015 Grant Assurances," are available at <http://grants.lsc.gov/sites/default/files/Grants/ReferenceMaterials/2016-GrantAssurances-Proposed.pdf>.

**DATES:** All comments and recommendations must be received on or before the close of business on [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**ADDRESSES:** You may submit comments by any of the following methods:

- Agency Web Site: <http://www.lsc.gov/contact-us>. Follow the instructions for submitting comments on the website.
- E-mail: [LSCGrantAssurances@lsc.gov](mailto:LSCGrantAssurances@lsc.gov).
- Fax: (202) 337-6813.
- Mail: Legal Services Corporation, 3333 K Street NW, Washington, DC 20007.

Instructions: All comments should be addressed to Reginald J. Haley, Office of Program Performance, Legal Services Corporation. Include “2016 LSC Grant Assurances” as the heading or subject line for all comments submitted.

**FOR FURTHER INFORMATION CONTACT:** Reginald J. Haley, [haley@lsc.gov](mailto:haley@lsc.gov), (202) 295-1545.

**SUPPLEMENTARY INFORMATION:** The purpose of the LSC grant assurances is to delineate the rights and responsibilities of LSC and the recipient pursuant to the provisions of the grant. As a grant-making agency created by Congress, LSC has grant assurances that are intended to reiterate and/or clarify the responsibilities and obligations already applicable through existing law and regulations and/or obligate the recipient to comply with specific additional requirements in order to effectuate the purposes of the Legal Services Corporation Act, as amended, and other applicable law. A summary of the proposed changes follows.

Grant Assurance – 2 notifies LSC recipients that they are subject to all provisions of Federal law relating to the proper use of Federal funds; of recipients’ responsibility to inform their employees and board members of the laws governing Federal funding; and of the consequences of violating the laws as required by 45 C.F.R. Part 1640. The proposed change refers recipients to a list of Federal laws related to the proper use of Federal funds, and notifies recipients that a violation of any of the Federal laws listed could result in summary termination of the LSC grant. LSC proposes this change to conform the 2016 Grant Assurances with the revisions to 45 C.F.R. Part 1640, which will become effective on or around May 18, 2015.

Grant Assurance – 13 is new. It requires LSC recipients to: a) have a whistleblower policy and a conflicts of interest policy, b) distribute these policies to all parties who may be affected by them, c) provide training on these policies to staff and board members, and d) document its distribution of and training on the policies. The purpose of the proposed grant assurance is to promote program governance and oversight.

Grant Assurance – 14 prohibits recipients from taking or threatening to take disciplinary action against any person for cooperating with, or the appropriate release of information to LSC. It also requires grantees to notify its staff and volunteers that it will not take retaliatory actions for any appropriate cooperation with LSC or other entity authorized to receive such cooperation. The proposed change makes a stronger anti-retaliation statement. It notifies recipients that retaliatory action is prohibited for good faith cooperation with LSC or other authorized entity.

Grant Assurance – 16 requires LSC recipients to notify LSC of any crime, fraud, misappropriation, embezzlement, or theft or loss of \$200 or more or theft involving property regardless of whether the funds or property are recovered; when local, state, or Federal law enforcement officials are contacted by the program about a crime; or when it has been the victim of a theft that could lead to a loss of \$200 or more. The proposed change to the grant assurance further clarifies that recipients must notify the OIG within two business days about an actual, perceived, or reported crime.

Grant Assurance – 17 requires recipients to notify LSC when the recipient receives any notice of a claim for attorney's fees from the recipient; any monetary judgment, sanction, and any penalty entered against the recipient; a force majeure event;

or if any of the recipient's key officials is charged with fraud, misappropriation, embezzlement, theft, or any similar offense, or is subjected to suspension, loss of license, or other disciplinary action by a bar or other professional licensing organization. The proposed change to the grant assurance specifies that in addition to recipient's key officials, employees with fiscal responsibilities who are charged with a similar offense, or are subjected to suspension, loss of license, or other disciplinary action must also be reported to LSC, and that recipients are to notify LSC of an occurrence within 10 days.

Dated: April 14, 2015

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