

To: Joseph R. Bartylak, Executive Director
Land of Lincoln Legal Assistance Foundation, Inc.

Date: January 13, 2003

Subject: Transfer, Subgrant and PAI Questions Involving Technology Grants

This opinion formalizes the preliminary response that I provided to you on May 3, 2002 by e-mail regarding your inquiry of December 3, 2001 involving Technology Initiative Grants (TIGs) handled by your office. In that e-mail I addressed questions 1, 4, 5 and 6 to the extent that I could. Further relevant advice can now be found in the recently released Internal Opinion 2002-2008 regarding statewide websites.

This opinion contains responses to all six questions. Below are your questions followed by our analysis. As per our discussion on January 9, 2003, please contact me if you have further questions about any of these matters.

1. Is LSC subgrant approval under Rule 1627 required for agreements between Land of Lincoln and the other two Illinois LSC recipients to compensate them for staff attorney work developing website content material taking into account that this work is not a normal, customary programmatic activity and the grant application described the grantee as "Land of Lincoln Legal Assistance Foundation, Inc. on behalf of all Illinois LSC funded programs?"

In these circumstances may the LSC recipients pay the staff attorney(s) an honorarium or bonus for this special work in addition to their regular compensation?

A: IN-2002-2008 discusses content development, which LSC generally considers a programmatic activity subject to Parts 1610 and 1627. As to agreements between your program and other Illinois programs regarding TIG funded activities, it is my understanding that your program is the only one in privity of contract with LSC for these grants. As such, the Part 1610 transfer and Part 1627 subgrant regulations apply to any transfers of LSC funds between your program and other Illinois recipients that meet the definition of a Part 1610 transfer or a Part 1627 subgrant. §1627.6(a) (Part 1627 applies to subgrants from one recipient to another recipient).

As to compensation for staff attorneys, the LSC statutes and regulations do not address the specifics of how LSC recipients structure their compensation structure. As such, there are no LSC limitations that would prevent you from compensating your attorneys or subgrantees compensating their attorneys for work on TIG matters as you have proposed through an honorarium or bonus in addition to their regular compensation.

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services would not be expected to be provided dire