

throughout the state on housing issues, including working with MidPenn. This work will include administering a mortgage assistance program, disseminating housing law information to legal aid offices, working with legal aid offices on housing law issues, and helping to plan and coordinate the activities of the statewide housing law group of the Pennsylvania Legal Aid Network, of which MidPenn is a participant.

LEGAL BACKGROUND

45 C.F.R. §1610.8 sets out three separate requirements for a grantee to have program integrity from an organization engaging in restricted activities. All three requirements must be met: 1) “The other organization is a legally separate entity.” §1610.8(a)(1); 2) “The other organization receives no transfers of LSC funds, and LSC funds do not subsidize restricted activities.” §1610.8(a)(2); and 3) “The recipient is physically and financially separate from the other organization.” §1610.8(a)(3). The physical and financial separation requirement “will be determined on a case-by-case basis and will be based on the totality of the facts.” While separate accounting and timekeeping is a factor, “[m]ere bookkeeping separation of LSC funds from other funds is not sufficient.” The separation factors include, without limitation, separate personnel, separate accounting, separate timekeeping, separation from facilities in which restricted activities occur, the extent of restricted activities and the extent of signs and forms of identification distinguishing the recipient from the other organization. *Id*

CONCLUSION

The proposed arrangement between MidPenn and RHLS, as described, would maintain program integrity between the two entities. This analysis is based on the facts provided and not on any specific restricted activities of RHLS. Please contact us if you have any further questions.

Very truly yours,



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