

Legal Services Corporation

§ 1640.4

(a) Litigation challenging laws or regulations enacted as part of an effort to reform a Federal or State welfare system.

(b) Rulemaking involving proposals that are being considered to implement an effort to reform a Federal or State welfare system.

(c) Lobbying before legislative or administrative bodies undertaken directly or through grassroots efforts involving pending or proposed legislation that is part of an effort to reform a Federal or State welfare system.

§ 1639.4 Permissible representation of eligible clients.

Recipients may represent an individual eligible client who is seeking specific relief from a welfare agency.

[62 FR 30766, June 5, 1997, as amended at 67 FR 19343, Apr. 19, 2002]

§ 1639.5 Exceptions for public rule-making and responding to requests with non-LSC funds.

Consistent with the provisions of 45 CFR 1612.6 (a) through (e), recipients may use non-LSC funds to comment in a public rulemaking proceeding or respond to a written request for information or testimony from a Federal, State or local agency, legislative body, or committee, or a member thereof, regarding an effort to reform a Federal or State welfare system.

§ 1639.6 Recipient policies and procedures.

Each recipient shall adopt written policies and procedures to guide its staff in complying with this part.

PART 1640—APPLICATION OF FEDERAL LAW TO LSC RECIPIENTS

Sec.

1640.1 Purpose.

1640.2 Applicable Federal laws.

1640.3 Contractual agreement.

1640.4 Violation of agreement.

AUTHORITY: 42 U.S.C. 2996e(g).

SOURCE: 80 FR 21656, Apr. 20, 2015, unless otherwise noted.

§ 1640.1 Purpose.

The purpose of this part is to ensure that recipients use their LSC funds in accordance with Federal law related to

the proper use of Federal funds. This part also provides notice to recipients of the consequences of a violation of such Federal laws by a recipient, its employees or board members.

§ 1640.2 Applicable federal laws.

(a) LSC will maintain an exhaustive list of applicable Federal laws relating to the proper use of Federal funds on its Web site and provide recipients with a link to the list in the contractual agreement. The list may be modified with the approval of the Corporation's Board of Directors at a public meeting. LSC will provide recipients with notice when the list is modified.

(b) For the purposes of this part and the laws referenced in paragraph (a) of this section, LSC is considered a Federal agency and a recipient's LSC funds are considered Federal funds provided by grant or contract.

§ 1640.3 Contractual agreement.

As a condition of receiving LSC funds, a recipient must enter into a written agreement with the Corporation that, with respect to its LSC funds, will subject the recipient to the applicable Federal laws relating to the proper use of Federal funds. The agreement must include a statement that all of the recipient's employees and board members have been informed of such Federal law and of the consequences of a violation of such law, both to the recipient and to themselves as individuals.

§ 1640.4 Violation of agreement.

(a) LSC will determine that a recipient has violated the agreement described in § 1640.3 when the recipient has been convicted of, or judgment has been entered against the recipient for, a violation of an applicable Federal law relating to the proper use of Federal funds with respect to its LSC grant or contract, by the court having jurisdiction of the matter, and any appeals of the conviction or judgment have been exhausted or the time for appeal has expired.

(b) A violation of the agreement by a recipient based on recipient conduct will result in the Corporation terminating the recipient's LSC grant or

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contract without need for a termination hearing. While an appeal of a conviction or judgment is pending, the Corporation may take any necessary steps to safeguard its funds.

(c) LSC will determine that the recipient has violated the agreement described in §1640.3 when an employee or board member of the recipient has been convicted of, or judgment has been entered against the employee or board member for, a violation of an applicable Federal law relating to the proper use of Federal funds with respect to the recipient’s grant or contract with LSC, by the court having jurisdiction of the matter, and any appeals of the conviction or judgment have been exhausted or the time for appeal has expired, and the Corporation finds that the recipient has knowingly or through gross negligence allowed the employee or board member to engage in such activities.

(d) A violation of the agreement by the recipient based on employee or board member conduct will result in the Corporation terminating the recipient’s LSC grant or contract. Prior to termination, the Corporation will provide notice and an opportunity to be heard for the sole purpose of determining whether the recipient knowingly or through gross negligence allowed the employee or board member to engage in the activities leading to the conviction or judgment. While an appeal of a conviction or judgment or a hearing is pending, the Corporation may take any necessary steps to safeguard its funds.

PART 1641—DEBARMENT, SUSPENSION AND REMOVAL OF RECIPIENT AUDITORS

Subpart A—General

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- 1641.1 Purpose/Applicability.
- 1641.2 Definitions.
- 1641.3 Scope of debarment, suspension and removal.
- 1641.4 Duration of debarment, suspension and removal.

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- 1641.5 Debarment.
- 1641.6 Procedures for debarment.
- 1641.7 Causes for debarment.

- 1641.8 Notice of proposed debarment.
- 1641.9 Response to notice of proposed debarment.
- 1641.10 Additional proceedings as to disputed material facts.

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- 1641.11 Suspension.
- 1641.12 Procedures for suspension.
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- 1641.14 Notice of proposed suspension.
- 1641.15 Response to notice of proposed suspension.

Subpart D—Removal

- 1641.16 Removal.
- 1641.17 Procedures for removal.
- 1641.18 Causes for removal.
- 1641.19 Notice of proposed removal.
- 1641.20 Response to notice of proposed removal.
- 1641.21 Additional proceedings as to disputed material facts.

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- 1641.22 Decisions of debaring official.
- 1641.23 Exceptions to debarment, suspension and removal.
- 1641.24 Appeal and reconsideration of debaring official decisions.

AUTHORITY: 42 U.S.C. 2996e(g); Pub. L. 105–277.

SOURCE: 64 FR 67507, Dec. 2, 1999, unless otherwise noted.

Subpart A—General

§ 1641.1 Purpose/Applicability.

In order to assist in ensuring that recipients receive acceptable audits, this part sets out the authority of the Legal Services Corporation (“LSC”) Office of Inspector General (“OIG”) to debar, suspend or remove independent public accountants (“IPAs”) from performing audit services for recipients. This rule informs IPAs of their rights to notice and an opportunity to be heard on actions involving debarment, suspension or removal, and the standards upon which such actions will be taken. This part applies to IPAs performing audit services for recipients, subrecipients or other entities which receive LSC funds and are required to have an audit performed in accordance with guidance promulgated by the OIG.