



July 19, 2002

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Eva Pratt  
Director of Finance  
Capital Area Legal Services Corp.  
200 Third Street  
P.O. Box 3273  
Baton Rouge, Louisiana 70821

**RE: Request for Opinion on Subgrantee Timekeeping, External Opinion  
No. 2002-1009**

Dear Ms. Pratt:

I am writing in response to your inquiry to Willie Abrams, Program Counsel in the Legal Services Corporation's (LSC) Office of Program Performance, regarding LSC's timekeeping regulation, 45 C.F.R. ' 1635. You indicated that a subgrantee of Capital Area Legal Services Corporation ("CALSC") has two *pro bono* coordinators who place cases with *pro bono* attorneys. One coordinator is a paralegal and the other is an attorney. Both coordinators' positions are funded only partially by LSC. You have inquired whether these employees of the subgrantee are subject to the requirements of Part 1635, in light of the fact that they do not actually handle cases but merely place them with *pro bono* attorneys.

The answer to your question is that the *pro bono* coordinators are *not* subject to the requirements of Part 1635, but this conclusion rests on the fact that they are employees of a subgrantee, rather than on the fact that they do not actually handle cases.

Section 1635.3(b) provides that "[t]ime spent by attorneys and paralegals must be documented by time records which record the amount of time spent on each case, matter, or supporting activity." Regulation 1610 extends the general requirement of timekeeping to subgrantees, although not with the same level of stringency that it applies to direct recipients. Section 1610.7(b)(2) provides that "[i]n regard to the requirement of timekeeping, persons or entities receiving a transfer of LSC funds are required to maintain records of time spent on each case or matter undertaken with the funds transferred." 45 C.F.R. ' 1610.7(b)(2). The preamble to regulation 1610 notes, however, that:

The statutory provisions on timekeeping . . . are administrative requirements more appropriately applicable to a recipient's own use of its funds. The intent is to assure greater accountability for the recipient's use of its funds without imposing unnecessary administrative burdens. Thus, this section applies the administrative requirements on . . . timekeeping only to the funds transferred and only to the extent to ensure accountability for those funds. . . . *In regard to timekeeping, the language tracks the statutory requirement so that entities that receive a transfer of LSC funds are required to maintain records of time spent on each case or matter undertaken with the funds transferred. However, they are not required to keep time in accordance with the Corporation's timekeeping regulation, 45 CFR part 1635.* [Emphasis added.]

Accordingly, the *pro bono* coordinators at issue are required to keep general records of their time spent on each case or matter undertaken with LSC funds, but they are not required to keep time in accordance with the particular requirements contained in 45 C.F.R. ' 1635.3.

I hope that this information adequately addresses your inquiry. If you have any additional questions regarding this matter, please feel free to contact me at (202)336-8871.

Sincerely,

Dawn M. Browning  
Assistant General Counsel

Victor M. Fortuno  
General Counsel