

November 17, 2014

Mark Freedman  
Senior Assistant General Counsel  
Legal Services Corporation  
3333 K St., N.W.  
Washington, DC 20007

Dear Mr. Freedman,

Thank you for reaching out to discuss the issue of whether Legal Services Corporation (LSC) funds may be used as matching funds for grants issued by the Corporation for National and Community Service (CNCS). This letter confirms that CNCS is not aware of any prohibition on the use of LSC funds as matching funds for CNCS grants. CNCS expresses no opinion regarding whether this use of LSC funds meets any other CNCS or LSC requirements.

In general, CNCS does not opine on whether other federal funds can be used as match for CNCS grants even though the CNCS statutes and regulations do not prohibit the use of federal funds as a match for CNCS grants. *See* 42 U.S.C. 12571(e)(2) (permitting the use of funds from “other Federal sources” to meet CNCS matching requirements).<sup>1</sup>

As described in the Department of Treasury memorandum GLS-107648-11 (March 26, 2011), LSC is not a federal agency and LSC funds provided through grants are not federal funds for purposes of federal grant matching restrictions. Nonetheless, LSC funds are appropriated by Congress. Thus, LSC permits LSC grantees to use LSC funds for matching requirements in federally financed programs only when “the agency whose funds are being matched determines in writing that [LSC] funds may be used for federal matching purposes.” 45 C.F.R. § 1630.3(a)(8).

In light of this Memorandum and LSC’s regulation, CNCS concludes that LSC funds, like other non-federal funds, are eligible to be used by CNCS grantees as matching funds provided they meet all other applicable match-related federal rules and regulations.

Please let me know if you have any questions or would like to discuss this further.

Best,



Valerie Green

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<sup>1</sup> Indeed, I am aware that other federal agencies have interpreted their authorities to allow their funds to be used as match for CNCS funds.