



Facing the Local Impact of a Struggling Nationwide Economy

IN RECENT MONTHS, the economy has shown signs of weakness in areas that disproportionately affect the low-income communities in New York City served by Lawyers Alliance. As the economy continues to struggle, vulnerable populations have greater difficulty establishing basic financial security. Their jobs are jeopardized, their neighborhoods face rampant foreclosure, and assets and investments that are tied to their homes are threatened.

Today, community-based organizations are reinforcing the safety net for working poor families and helping to guard against predatory lending and other unscrupulous businesses that prey on vulnerable populations. To this end, many of Lawyers Alliance's nonprofit clients are launching innovative programs designed to soften the downturn's effect on the community. Such inventive solutions often trigger challenging legal questions that Lawyers Alliance staff and volunteer attorneys work to answer.

Ensuring Regulatory Compliance

Programs are often most successful when they are tailored to address and serve a community's unique needs. **The East River Development Alliance (ERDA)** works to transform public housing by providing residents with tools for self-sufficiency and economic mobility. Located in Long Island City, ERDA works in Woodside, Ravenswood, Astoria, and Queensbridge Houses, which constitute the largest public housing development in the country. ERDA focuses on four program areas: building wealth, improving education, revitalizing communities and expanding career access. ERDA's "Debt Diet Support Group" helps participants reduce and eliminate their debt and includes a raffle prize

continued on page two



INSIDE

Nonprofits and Political Activity

also:

Award to Robert S. Whitman, Esq.

June 2008 Theater Benefit

Facing the Local Impact of a Struggling Nationwide Economy

continued from page one

to stimulate participation. Lawyers Alliance staff attorneys and pro bono counsel from **McDermott Will & Emery LLP** are advising ERDA on state regulations and federal tax implications for the

proposed program, and with drafting related rules and conditions for the incentives component of the Debt Diet program.

Kofi Cater, Ravenswood Houses resident & ERDA client, and Stephanie, ERDA Building Wealth Coordinator



Implementing Collaborations

Nonprofits may address large-scale problems through collaboration. United Way of New York City (UWNYC) recently partnered with **The Financial Clinic, Bethex Federal Credit Union**, and the Partnership for the Homeless (PFH) to launch MoneyUp, a program that offers working poor families in the South Bronx and in East New York one-to-one financial coaching to help them gain access to mainstream banking, pay down their debt, and build savings. Lawyers Alliance staff attorneys and pro bono counsel from **Skadden, Arps, Slate, Meagher & Flom LLP** are assisting The Financial Clinic with drafting, reviewing, and finalizing a range of agreements

related to MoneyUp, including grant agreements with UWNYC and operational agreements related to MoneyUp collaborators.

Structuring New Organizations

As communities across the country find themselves in similar straits, the time is ripe for new, far-reaching solutions. **The Fair Mortgage Collaborative (FMC)** seeks to develop a common national platform through which lending organizations can make fair and safe mortgage loans to low- and moderate-income individuals and families. FMC's national platform includes a trademarked certification process to identify lending organizations certified to be fair and safe and that support lending activities to low- and moderate-income, as well as minority, homeowners and purchasers. Volunteer attorneys from **Stroock & Stroock & Lavan LLP** assisted FMC by reviewing FMC's business plan, implementing an organizational structure, reviewing FMC's lending standards used to certify qualifying lending members, and providing legal guidance on the proposed certification program.

For more information on Lawyers Alliance's Economic Development work, please visit www.lawyersalliance.org/economic_development.php or contact Senior Staff Attorney **Neil Stevenson** at (212) 219-1800 ext. 273 or nstevenson@lawyersalliance.org.

The Brooklyn Cooperative Federal Credit Union recently opened a branch office in Bedford-Stuyvesant at 750 Myrtle Avenue, one of the most underserved parts of the neighborhood.



Seyfarth Shaw Partner Robert S. Whitman, Esq. to Receive Award for Pro Bono Leadership



Robert S. Whitman

Each year Lawyers Alliance presents its special Award for Pro Bono Leadership to a law firm partner who has performed exemplary pro bono service to nonprofit organizations. This year, we honor **Robert S. Whitman, Esq.**, in recognition of his 11 years of outstanding service as a volunteer attorney. Mr. Whitman, a partner at Seyfarth Shaw LLP, has stood out as a vital resource for nonprofit organizations in need of quality – and often urgent – guidance regarding employment law matters. Mr. Whitman is also one of the first attorneys to join Lawyers Alliance’s Nonprofit Employment Law Helpline panel. Lawyers Alliance will present the award to Mr. Whitman on June 5, 2008 at its annual theater benefit.

Mr. Whitman has advised numerous nonprofit organizations in the New York metro area over the years, including the **New York Center for Interpersonal Development, South Asian Youth Action, African American Planning Commission, Bailey House, City Futures, Historic Districts Council, Ridgewood Older Adult Center & Services, Foundation for Research on Sexually Transmitted Diseases, Do Something, and Supportive Housing Network of New York.** For these and other clients, Mr. Whitman has drafted and reviewed policies and procedures, advised on issues such as the proper categorization of employees and employer obligations with respect to overtime pay, and provided counsel on sensitive matters related to difficult employees and employee misconduct. These services strengthen the workforce that is so critical to the nonprofit sector and minimize employer risk.

Mr. Whitman’s practice at Seyfarth focuses on employment litigation, arbitration and counseling. Mr. Whitman is a 1986 graduate of Cornell University and received his J.D. from the University of Michigan in 1989.

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On Law Day on May 1, the New York State Bar Association honored Lawyers Alliance volunteer firm **Milbank, Tweed, Hadley & McCloy, LLP (Milbank)** with the 2008 President’s Pro Bono Service Award. Lawyers Alliance’s nomination letter recognized that Milbank has actively and successfully encouraged a culture of pro bono service. In 2006 and 2007 alone, 18 lawyers from Milbank represented 13 clients on 23 different matters. For example, Milbank has been an integral part of the **East River Development Alliance** programs, including work related to the creation of a credit union, development of affordable housing, and the negotiation of contracts with the City to provide adult financial education and services to youth.

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In Brief

Charter School Legal Assessment Day

On March 26, 2008, Lawyers Alliance unveiled a special pro bono project to benefit New York City charter schools and the children they serve. Representatives from six newly forming and 10 existing schools and 27 pro bono attorneys joined at Pfizer's offices for a series of educational and assessment activities. Staff from Lawyers Alliance, the **Pfizer** Legal Division, the law firm of **Kaye Scholer LLP**, and **New York City Center for Charter School Excellence** presented programs on board conduct and operations, the new Form 990 and other financial reporting requirements, leases and facilities issues, employment law, relationships with "friends of" organizations, and contracts with charter management organizations. The participating charter schools completed a questionnaire to help them assess their legal needs and discuss these needs with a pro bono attorney.

The next step is for Lawyers Alliance and its pro bono counsel to provide the charter schools with pro bono legal assistance on ongoing legal matters identified through this assessment day. For more information on Lawyers Alliance's work with charter schools, please contact Staff Attorney **Lindsey Jones** at (212) 219-1800 ext. 228 or ljones@lawyersalliance.org.



Happy First Anniversary to the Nonprofit Employment Law Helpline

Just one year after its debut, the Lawyers Alliance Nonprofit Employment Law Helpline has provided expedited, urgent employment law advice to 17 existing clients on a range of matters and has provided the panel of 20 volunteers with stimulating, short-term pro bono opportunities. Participating firms include: **Chadbourne & Parke LLP; Davis & Gilbert LLP; Duane Morris LLP; Hogan & Hartson LLP; Holland & Knight LLP; Hughes Hubbard & Reed LLP; McDermott Will & Emery LLP; Nixon Peabody LLP; Orrick, Herrington & Sutcliffe LLP; Proskauer Rose LLP; Schulte Roth & Zabel; Seyfarth Shaw LLP; Shearman & Sterling LLP; Sidley Austin LLP; Skadden, Arps, Slate, Meagher & Flom LLP; Stroock & Stroock & Lavan LLP; and Troutman Sanders LLP.**

Lawyers Alliance always welcomes new attorneys to join the panel. Those interested should contact Pro Bono Coordinator **Jolynda Burton** at (212) 219-1800 ext. 242. Existing nonprofit clients seeking assistance should contact Program Associate for Client Relations **Nicole Levitz** at (212) 219-1800 ext. 278.

Political Activity and Nonprofits During an Election Year

How do organizations stay within the legal limitations on political activity?

With New York City home to one of the most diverse populations, it is natural that many Lawyers Alliance client organizations strive to increase the political clout of their constituencies by mobilizing active participation in the electoral process.

How do such organizations effectively carry out that role and stay within the legal limitations on political activity?

There are several appropriate ways to sustain an active voice in the electoral process. For example, 501(c)(3) organizations ARE permitted to:

- Conduct nonpartisan programs to educate candidates and the general public on issues
- Publish nonpartisan legislative scorecards, which indicate how legislators voted on particular legislative issues. The scorecard should not comment on a candidate's qualifications or suggest support for or opposition to their candidacy
- Prepare candidate questionnaires and create nonpartisan voter guides. Questions must be framed in a way that does not suggest right or wrong answers or reflect your organization's agenda or preferences on political issues. The questionnaires must be distributed to all candidates
- Sponsor candidate debates or forums that are open to all candidates and include a broad range of nonpartisan questions
- Conduct nonpartisan voter registration drives. You may tell people how to register to vote, the dates of the primary and general election, and how to find out where to vote
- Sell, trade, or rent mailing lists to candidates at fair market value, if made available to all candidates



There are, however, limitations on activities. For instance, 501(c)(3) ARE NOT permitted to:

- Endorse candidates for public office, whether it is for local, state, or national office
- Make any campaign contributions
- Make expenditures on behalf of candidates
- Restrict rental of their mailing lists and facilities to certain candidates
- Ask candidates to sign pledges on any issue (which would imply tacit endorsement)
- Increase the volume or amount of incumbent criticism as election time approaches
- Publish or communicate anything that explicitly or implicitly favors or opposes a candidate
- Allow a candidate to campaign at your meetings or events

Lawyers Alliance clients are often engaged in “getting out the vote” and making special efforts to mobilize groups that historically have been underrepresented during election season. Our staff and volunteer attorneys can provide legal help to such clients on a range of matters from office leases and employment law issues to legal guidance on the laws and regulations pertinent to its civic participation and voter registration efforts. For example, Lawyers Alliance assisted the **New York Votes** collaboration with structuring its voter mobilization and education project so as to protect the tax-exempt status of the participating 501(c)(3) organizations. Similarly, volunteer attorneys from **Arent Fox LLP** helped prepare a collaboration agreement with **Human Services Council of New York City**, National Association of Social Workers, and a paid consultant to conduct a joint nonpartisan voter registration and get-out-the-vote drive.

For more information on lobbying and political activity by 501(c)(3) organizations, please contact Staff Attorney **Elizabeth Perez** at (212) 219-1800 ext. 232 or eperez@lawyersalliance.org.

Thursday, June 5, 2008

Join Lawyers Alliance for an Evening on Broadway!

This year our annual theater benefit features the Broadway musical *A Catered Affair* starring **Faith Prince** and **Tom Wopat**, who have been nominated for 2008 Tony Awards for Best Actress in a Musical and Best Actor in a Musical for their performances, and multiple Tony Award winner **Harvey Fierstein**. Set in the Bronx in 1953, *A Catered Affair* reveals relationships strained to their limits when a couple must decide whether to spend their life savings on a family business or to launch their only daughter's marriage with a catered affair.

The June 5th evening includes a 5:30 p.m. to 7:30 p.m. cocktail reception at The Penn Club, 30 West 44th Street, followed by the 8:00 p.m. performance at The Walter Kerr Theatre, 219 West 48th Street, New York City.

At the reception, we will honor **Robert S. Whitman** of **Seyfarth Shaw LLP** with the Lawyers Alliance Award for Pro Bono Leadership for his extraordinary pro bono work on behalf of nonprofits.

Contact **Erika Byrnes** at (212) 219-1800, ext. 230 or by e-mail at ebyrnes@lawyersalliance.org for ticket information.

A Catered Affair

