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Preparing for a New Year
Five Commonly Overlooked Legal Housekeeping Projects

As you anticipate the fresh start of the new year, remember that Lawyers Alliance stands ready to assist with legal projects that enable nonprofits to strengthen their institutional capacity. Below is a list of legal projects you should consider tackling as part of an effort to ensure your organization is engaged in legal best practices. If you need assistance with any of these issues or another business or transactional legal need, please contact Eleanor Brandmeyer at 212-219-1800 ext. 278 or ebrandmeyer@lawyersalliance.org.

1. Prepare to explain how (and why) your conflict of interest policy operates.

Most nonprofit organizations have made necessary updates to their governance documents, including bylaws, conflict of interest policy, and whistleblower policies, but you should keep in mind that each year, Board members are legally required to complete a conflict of interest disclosure form. This administrative task is a good reminder of the importance of Board and management's active engagement to protect charitable assets from improper financial transactions with organizational insiders.

2. Assess how well your organization protects private information.

Even organizations that do not hold health records for clients need to consider how they protect the confidential information they do have. This information may range from staff employment records to donors' financial information to confidential case management records. A careful assessment of what information your organization holds can be the first step in obtaining legal guidance on what obligations your organization may have to protect that information.

3. Review your intellectual property.

Not every organization needs to register its logo with the federal trademark office, but every nonprofit organization should regularly confirm it is taking appropriate legal measures to protect its valuable intellectual property. Nonprofits that own assets with proprietary information, those working with outside vendors, and those considering expansion of program services beyond New York State borders should all consider whether the organization's assets are appropriately protected.

4. Update any form contracts your organization uses with vendors or independent contractors.

Even a form contract document that has never “caused problems” for your organization can benefit from a legal review, and an attorney can help your organization understand whether it can better mitigate potential risks in its contractual relationships with third parties. This is especially true if your current form contract leaned heavily on an internet search for its creation!

5. Consider whether your organization needs (or needs to update) a social media policy.

While there is currently a wide range of engagement with social media tools across the nonprofit sector, every organization can benefit from a review of its social media policies (or lack thereof). This is particularly true for organizations working with minors, and those that engage with volunteers and stakeholders through social media. An attorney can draft a social media policy that helps avoid unnecessary problems and complies with legal requirements regarding communications about the workplace between employees.

This alert is meant to provide general information only, not legal advice. If you have any questions about this alert please contact Elizabeth Perez at (212) 219-1800 ext. 232, eperez@lawyersalliance.org, or visit our website at www.lawyersalliance.org for further information.

Lawyers Alliance for New York is the leading provider of business and transactional legal services for nonprofit organizations and social enterprises that are improving the quality of life in New York City neighborhoods. Our network of pro bono lawyers from law firms and corporations and staff of experienced attorneys collaborate to deliver expert corporate, tax, real estate, employment, intellectual property, and other legal services to community organizations. By connecting lawyers, nonprofits, and communities, Lawyers Alliance for New York helps nonprofits to develop and provide housing, stimulate economic opportunity, improve urban health and education, promote community arts, and operate and advocate for vital programs that benefit low-income New Yorkers of all ages.