



## Cornerstone Awards Honor Outstanding Pro Bono Services to Nonprofits

ON DECEMBER 13, 2007, nonprofit, legal, and business leaders gathered for a room-filled Cornerstone Awards ceremony to celebrate volunteerism by business and transactional attorneys. Lawyers Alliance announced this year's awardees – Citigroup Inc., Hughes Hubbard & Reed LLP and ten individual attorneys – and highlighted their outstanding pro bono legal services to nonprofits that are improving New York neighborhoods. In addition, Lawyers Alliance thanked its entire pro bono network, of more than 900 attorneys from 105 law firms and corporations, for valuable legal assistance and dedication to the nonprofit sector in 2007.

### **A decade of Cornerstone Awards**

In his welcoming remarks Edward F. Greene, Chair of the Board of Directors of Lawyers Alliance, commended honorees: “This is the tenth anniversary of Lawyers Alliance’s initiation of the Cornerstone Awards, which have come

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L to R: David Goldberg on behalf of Citigroup Inc.; Felicity Fridman; Terri J. Seligman; Teresa Schiller accepting for Victoria Manthas; Dennis J. Henderson; Board Chair Edward F. Greene; Steve Buffone; Carolyn B. Levine on behalf of Hughes Hubbard & Reed LLP; Corey S. Biller; Ellen H. Clark; Matthew W. Mamak; Herschel Goldfield; and Alan M. Klinger.



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# Cornerstone Awards Honor Outstanding Pro Bono Service



Maggie Romine, Julia Moran, Mara Byrne of Citigroup Inc. with Deputy Executive Director Elizabeth Guggenheimer



Casey Hail, Christina Migally, U. Arinze Ike, Carolyn Levine, Remi Silverman, and Amy Danner of Hughes Hubbard & Reed LLP



Marie Mamak, Cornerstone Honoree Matthew Mamak, and New York Mission Society clients Stephanie Palmer and Maria Orengo



Cynthia Arato of Gibson, Dunn & Crutcher LLP, Do Something client Lezlie Wheeler, Cornerstone Honoree Steve Buffone, and Do Something client Nancy Lublin

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to represent the very best tradition of the legal profession – a tradition and honor that the staff and Board are more fervent about now than ever.” This year’s honorees, he recognized, “reflect the breadth of outstanding talent among the private bar” and “share a deep commitment to the ideals of pro bono work.”

## **This year’s honorees**

**Elizabeth Guggenheimer**, Deputy Executive Director of Lawyers Alliance, presented the traditional red brick Cornerstone Award to the institutional honorees:

**Citigroup Inc.** received a Cornerstone Award for the corporate legal department’s exemplary CitiLegal Pro Bono Initiative. During the past two years, Citigroup has conducted Legal Assessment Days for 30 nonprofit organizations serving low-income seniors and is providing ongoing legal assistance for five of these groups. As a result, these organizations are better able to provide a wide range of social services to elderly New Yorkers, from food and shelter to information and supportive services. Plus, Citigroup extended this pro bono model to its annual Nonprofit Day.

**Hughes Hubbard & Reed LLP** received a Cornerstone Award for the substantial breadth, complexity, and significance of the firm’s pro bono work. In recent years the firm has handled 35 different pro bono matters through Lawyers Alliance, reflecting a large institutional commitment to make a positive difference in New York communities. The firm’s business and transactional attorneys are regularly using their legal talents to help nonprofit organizations to foster economic development, provide affordable housing, and educate youth.

**Sean Delany**, Executive Director of Lawyers Alliance, presented the individual Cornerstone Awards:

**Corey S. Biller, Davis & Gilbert LLP:** For his trusted employment counsel to several nonprofit organizations that work with immigrant and other underserved communities, enabling these organizations to address both immediate and long-term human resources needs.

**Steve Buffone, Gibson, Dunn & Crutcher LLP:** For leading a team of lawyers who provide valuable corporate and intellectual property law guidance to Do Something, Inc., including his assistance with the BRICK Awards, which celebrated the achievements of outstanding young people in front of a national primetime audience.

**Ellen H. Clark, DLA Piper US LLP:** For providing several Head Start programs and other nonprofit organizations with expert legal guidance on corporate governance and regulatory compliance issues.

**Felicity Fridman, McDermott Will & Emery LLP:** For assisting Concrete Safaris, an organization that helps to improve the health and fitness of inner-city youth in East Harlem, with formation and its expansion to a larger facility that will serve more children.

**Herschel Goldfield, Proskauer Rose LLP:** For using his corporate law and regulatory expertise to strengthen the capacity of several nonprofit organizations, including Campaign for Fiscal Equity and Go to Health!-Ambulatory Care.

**Dennis J. Henderson, Arent Fox LLP:** For representing Upper Manhattan Council Assisting Neighbors, Inc. in the acquisition and financing of two low-income housing projects, creating more than 140 units of affordable housing in the Bronx.

**Alan M. Klinger, Stroock Stroock & Lavan LLP:** For his and the firm's long-term pro bono commitment as volunteer general counsel to Partnership with Children, which provides early intervention, preventive services, and counseling to New York City's children and youth.

**Matthew W. Mamak, Alston & Bird LLP:** For using his corporate legal skills and positive attitude to assist dynamic organizations, such as Sutphin Boulevard Business Improvement District and The New York City Mission Society.

**Victoria Manthas, Clifford Chance US LLP:** For advancing economic development in Brooklyn by advising East Williamsburg Valley Industrial Development Corporation on a project that will create and retain manufacturing and industrial jobs in the East Williamsburg neighborhood.

**Terri J. Seligman, Loeb & Loeb LLP:** For ten years of dedicated pro bono legal service to Dress for Success, from its founding in New York through its development of affiliate programs in the United States and abroad that now annually reach more than 40,000 women in four countries.

**On lawyersalliance.org:** For a complete list of current and past Cornerstone Award recipients, see *A Decade of Cornerstone Awards 1997-2007* at [www.lawyersalliance.org/cornerstone\\_winners.php](http://www.lawyersalliance.org/cornerstone_winners.php).

## CORNERSTONE AWARDS

This volunteer recognition event was made possible with funds raised from sponsors of Lawyers Alliance's 2007 Theatre Benefit:

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*Dewey & LeBoeuf LLP*

We also thank *Pfizer Inc* for hosting the 2007 Cornerstone Awards.

## New Faces at Lawyers Alliance

Four new staff members bring a wealth of experience and energy to Lawyers Alliance.

**Chris Anjesky**, the new Director of Development, is responsible for Lawyers Alliance's relationships with a diversity of funders. Prior to joining Lawyers Alliance in August 2007, Ms. Anjesky was the development director at Make the Road by Walking in Brooklyn and a senior director at the American Red Cross in Greater New York.

Staff Attorney **Lindsey Jones** coordinates the Children and Youth Services program area, aimed at nonprofits that provide childcare, improve public education, foster youth development and leadership, and operate other vital youth programs. Previously Ms. Jones was an associate at Paul, Weiss, Rifkind, Wharton & Garrison LLP.

Staff Attorney **Elizabeth Perez** coordinates the Immigrant Communities program area, which helps nonprofits that are improving the quality of life of low-income immigrants, and advises

Lawyers Alliance's full range of other nonprofit clients about business and transactional law issues. Prior to joining Lawyers Alliance, Ms. Perez was an associate at Clifford Chance US LLP.

Administrative Assistant **Hunter Polese** handles numerous inquiries from the public and provides support to our entire staff. Previously she was a Provider Data Services Analyst with ActiveHealth Management.



L to R:  
Lindsey Jones,  
Hunter Polese,  
Chris Anjesky, and  
Elizabeth Perez.

## Lawyers Alliance Staff

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## In Brief

### Clare O'Brien and Gregory K. Palm Join Lawyers Alliance Board

Lawyers Alliance for New York is pleased to announce the appointment of two members of its Board of Directors. **Clare O'Brien** is a partner in the New York office of Shearman & Sterling LLP. She is in the Mergers & Acquisitions Group, where she has worked on a large variety of public and private transactions, including public company restructurings, joint ventures and large public transactions. **Gregory K. Palm** is an Executive Vice President of Goldman Sachs and is the General Counsel and head of the Legal Department. Prior to joining Goldman Sachs, Mr. Palm was a Partner at Sullivan & Cromwell. Welcome, Clare and Gregory!



Clare O'Brien



Gregory K. Palm

### Foundations Fund Legal Assistance For Grantees

To help strengthen the capacity and impact of the nonprofit organizations they fund, private foundations increasingly are providing financial support to Lawyers Alliance to guide and counsel their grantees. Thanks to the **New York Foundation**, Lawyers Alliance recently presented a new workshop, *Lifecycle of a New York Foundation Grantee*, which brought together 20 nonprofit representatives to discuss legal milestones and recommended best practices for them to grow successfully. During the past year alone, Lawyers Alliance provided legal representation or consultations to over 25 New York Foundation grantees on topics ranging from bylaws and lease reviews to strategic alliances, and we will continue this initiative in 2008.

The *Actualizing Good Governance* project, jointly funded by the **Clark, Tiger** and **Altman Foundations**, provides specially developed

technical assistance from Lawyers Alliance and the Volunteer Consulting Group (VCG). Lawyers Alliance focuses on three core accountability topics – sound board governance, fiscal transparency, and proper personnel management – while VCG provides guidance on board development. Since late 2006, more than 30 foundation grantees have participated in seminars presented by Lawyers Alliance and VGC, and 11 are currently receiving direct legal assistance based on in-depth organizational assessments conducted by Lawyers Alliance.

If your nonprofit grantees or partners would benefit from educational or legal services, Lawyers Alliance has the expertise to develop a specialized program. For more information, contact Development Director **Christine Anjesky** at [canjesky@lawyersalliance.org](mailto:canjesky@lawyersalliance.org) or 212-219-1800 ext. 230.

### Lawyers Alliance Presents CLE Program on Advising Nonprofit Organizations

We welcome current and prospective volunteers and other interested attorneys to attend the February 1, 2008 Continuing Legal Program: *Current Issues in Advising Nonprofit Organizations*. This year's seminar includes a morning seminar on Life Cycle of a Nonprofit Organization and afternoon breakout sessions

(choose two) on Fundraising, Creating Affordable Housing, Community Lending, and Ethical Issues in Pro Bono Representation.

The program will be held at Duane Morris LLP, 1540 Broadway, New York City from 9 a.m. to 4:30 p.m. For registration information and other details, visit [www.lawyersalliance.org/cle.php](http://www.lawyersalliance.org/cle.php).

# How to Run Your Housing Development Fund Corporation

To protect the sponsor from potential liability when starting a new housing project, affordable housing organizations often establish a separate entity to own and operate each new project. Frequently, this involves forming a new housing development fund corporation (HDFC). Active nonprofit housing developers may have from one to several HDFCs affiliated with their organization. With the exception of passing resolutions and preparing certificates that lenders require before a closing, many groups have not regularly followed corporate formalities for these HDFCs.

To help nonprofit housing developers become more vigilant about running their affiliates, Lawyers Alliance offers guidance on governance and maintenance of such organizations.

**Certificate of Incorporation.** Check your HDFC's certificate of incorporation to confirm that the purpose clause meets your funders' requirements and accurately reflects your organization's activities. For example, for nonprofits that develop adult shelters, the New York State (NYS) Office of Temporary and Disability Assistance requires that the HDFC's certificate of incorporation include a provision that the organization is providing a shelter for adults – language that is not in the HDFC certificate of incorporation boilerplate proposed in Section 573 of the NYS Private Housing Finance Law. Amending a certificate of incorporation for an HDFC is a lengthy process due to the required approvals. So if you are preparing for a closing, start that process as early as possible.



Saint Teresa of Avila senior housing sponsored by Progress of Peoples.

**Board Meetings.** Nonprofits must hold at least one board meeting a year for the election of officers and, as necessary, directors. However, many boards need to meet at least three times a year to effectively conduct business. Separate minutes need to be maintained for the board meeting of each affiliate and for the sponsoring organization.

**Financial Filings.** For each HDFC, confirm that the organization's tax filings are up-to-date. Form 990 must be filed with the Internal Revenue Service (IRS) by the 15th day of the 5th month after the organization's annual accounting period ends. NYS Char500 Form must be filed with the Charities Bureau of the NYS Attorney General's office within the same timeframe as the Form 990. Note these dates on your calendar at the beginning of each year so you will not miss the deadlines.

**Tax Exemptions.** HDFCs formed under the NYS Not-for-Profit Corporation Law are exempt from New York State and local sales and use tax. However, the exemption is not granted automatically. An application for exemption, which is Form ST-119.2, must be filed with the NYS Department of Taxation and Finance. Contact Lawyers Alliance for help in completing and filing the form.

**End of Advance Ruling Period.** Check your HDFC's 501(c)(3) determination letter from the IRS to see if your organization is operating within an advance-ruling period or if such period has expired. Organizations that cannot meet the public support test upon filing their application for exemption may still be treated by the IRS as a "public charity" for a five-year advance ruling period, but they must file Form 8734 with the IRS within 90 days of the end of the organization's fifth tax period. Otherwise they risk reclassification as a "private foundation" retroactive to incorporation. If the filing date has not passed, note it on your calendar and prepare to file Form 8734 on time.

While this summary is not an exhaustive list of issues for nonprofit organizations to monitor, it is a helpful start for ensuring good governance practices by HDFCs. For information about other legal developments affecting nonprofits, visit [www.lawyersalliance.org/news\\_legal\\_alerts.php](http://www.lawyersalliance.org/news_legal_alerts.php).

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# 2008 New Year's Resolutions for Not-for-Profit Corporations

In the spirit of looking ahead, and seeing a healthy and hearty new year, the staff at Lawyers Alliance offer 10 New Year's Resolutions for not-for-profit corporations to ensure sound board governance, fiscal transparency and proper personnel management. Please visit [www.lawyersalliance.org/news\\_legal\\_alerts.php](http://www.lawyersalliance.org/news_legal_alerts.php) to learn more about each New Year's Resolution.

1. Institute internal policies and procedures that ensure charitable funds are used for the charitable purposes for which they were raised.
2. Review new Form 990 that was released by the Internal Revenue Service in December 2007. For smaller organizations (those with gross revenue below \$25,000) file new Form 990-N.
3. Assess organization's insurance coverage for sufficient coverage of all programs, board, staff, volunteers, and clients.
4. Evaluate executive director's performance and consider reasonableness of compensation package.
5. Examine hiring procedures including job applications, procedures for background checks and new I-9 Form U.S. Citizenship and Immigration Services.
6. Update harassment and non-discrimination policies. Consider holding harassment training.
7. Adopt whistleblower and document retention policies.
8. Ensure the organization has necessary licenses to offer professional services such as creative arts therapy, mental health counseling, and social work.
9. Understand how an exempt organization can raise political awareness without violating federal tax law.
10. Call the Lawyers Alliance Resource Call Hotline (212) 219-1800 ext. 224 the next time we have a legal question.

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