

Quality, Affordable Legal Services Make a Difference

A New Law on Managing Your Organization's Finances

Our attorneys help nonprofits with:

- » Application of Prudence Standard
- » Appropriation Questions
- » Board Resolutions
- » Creation of Endowment Funds
- » Expenditure Questions
- » Gift Agreements
- » Modification of Gift Restrictions
- » NYPMIFA Notices to Donors
- » Restricted Gift Analyses
- » Written Investment Policies

Visit www.lawyersalliance.org/nonprofits.php to learn more about our legal services for nonprofits.



Lawyers Alliance
for New York

Connecting lawyers, nonprofits, and communities

Nonprofit organizations that maintain “institutional funds,” including but *not* limited to endowment funds and other restricted gifts, are governed by the recently enacted New York Prudent Management of Institutional Funds Act (NYPMIFA). The new law replaces the obligation to preserve the “historic dollar value” of endowment gifts with a prudence standard and eight factors to be considered when appropriating from endowment funds. The new law also contains a prudence standard with specific factors for the investment and expenditure of institutional funds generally. Lawyers Alliance staff and pro bono attorneys help nonprofits comply with NYPMIFA and appropriate funds for their programs.

Do Good is a not-for-profit New York corporation that offers educational programs for children. Prior to the recession, it raised an endowment for scholarships, but the value of its investment holdings has fallen below the value of the original gifts. It is launching a new fundraising campaign to increase the size of its endowment. Pro bono attorneys from a major national law firm are advising Do Good on its endowment and helping it update its investment policy.

LAWYERS ALLIANCE AND ITS NONPROFIT
CLIENTS ARE WORKING TO IMPROVE LIVES
IN NEW YORK CITY

Lawyers Alliance is pleased to direct you to our website. Visit www.lawyersalliance.org.

Program Tip

Even if your organization does not have an endowment or invest any restricted assets, the new law requires your organization to have a written investment policy and to meet the new legal standards in the way that you manage your finances.

Web Tip

Lawyers Alliance posts periodic news and legal alerts on nonprofit board governance and investment issues at www.lawyersalliance.org/news_legal_alerts.php, including a recent memorandum on NYPMIFA.



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171 Madison Avenue
6th Floor
New York, NY 10016