Lawyers Alliance Launches Urban Health Program

Lawyers Alliance serves a broad base of nonprofit organizations making New York City a healthier place to live, work, and learn. Continuing our practice of devoting special staff and volunteer attention to areas where nonprofit organizations have a critical role, we recently launched a new program priority: Urban Health. This program is aimed at groups working in the areas of preventative health, food security, healthy aging, and environmental health.

Preventative Health
Nonprofit organizations are actively engaged in developing, promoting, and protecting lifestyle choices and health policies that improve the health of low-income residents. Lawyers Alliance provides legal support to organizations working to keep New Yorkers healthy through health education programs and health care advocacy. Our specialized work includes guidance about HIPAA and privacy compliance, state regulations related to the employment of licensed professionals, and restrictions and obligations that surround government funding.

Case Example: Community Health Action of Staten Island ("CHASI") provides critical health services and health education to more than 22,000 people. The organization combats HIV/AIDS, substance abuse, and poverty in four permanent locations on Staten Island, in two mobile health units, and through programs in local state prisons, probation offices, and parole centers. Their LGBT Community Center promotes healthy living and wellness by connecting LGBT Staten Islanders to health care providers, resources, and information. Lawyers Alliance has provided legal services to CHASI throughout the life of the organization, including initial incorporation and tax exemption and guidance on employment related legal questions. Currently a pro bono attorney from Dentons US LLP is helping CHASI’s LGBT Center spin off as a self-sustaining not-for-profit corporation.

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Food Security
The Food Bank For New York City reports that there are approximately 1.4 million New Yorkers who receive assistance from food banks or soup kitchens. At the same time, the City has disproportionately high rates of diabetes and obesity, and approximately 3 million people lack access to affordable, nutritious food in their neighborhoods. Lawyers Alliance’s clients include food providers, child nutrition education programs, and other groups that support healthy eating.

Case Example: The Greene Hill Food Co-op’s mission is to combine healthy, reasonably priced grocery options with cooperative practices in order to provide ethically- and locally-produced food options while respecting suppliers, caring for customers, and participating positively in the local community. Greene Hill is member-owned and operated and embraces the diversity of the Clinton Hill and Fort Greene communities, working to ensure that people from all socio-economic backgrounds have access to co-operative. Pro bono attorneys at Linklaters LLP provided Greene Hill with legal advice for the financing necessary for opening the storefront co-op, so that it can now operate three days a week.

Healthy Aging
Since 2004, Lawyers Alliance has focused on providing legal support to elder services organizations. This focus is especially important now, given the intersection of new health care policies and the needs of the city’s elderly. As part of our services, we advise senior centers and other elder services organizations on managed long-term health agreements for social adult day care, subcontracts with partner organizations, and compliance with New York City’s Department for the Aging requirements.

Case Example: Since its founding in 1916, Grand St. Settlement (“GSS”) has offered a continuum of programs for all ages that support stability and empower growth. This is evident in its work with the Grand Coalition of Seniors; GSS offers an extensive, diverse menu of activities and services while strengthening seniors’ sense of belonging and community. Pepper Hamilton LLP reviewed and is negotiating a contract for a social adult day care program at GSS’s senior center. Their pro bono assistance, including reviewing obligations (beyond programmatic requirements), reimbursement mechanisms, and potential liabilities, will enable GSS to offer a social adult day program to 75 seniors. Additionally, volunteers from Milbank, Tweed, Hadley & McCloy LLP are working with GSS to review and update its bylaws.

Environmental Health
Healthy living in a densely populated, urban environment poses some challenges. Environmental pollution threatens low-income populations in a unique way, contributing to asthma, lead pollution, and lack of access to green spaces. Nonprofit organizations working to address environmental health challenges benefit from legal assistance related to business law issues, negotiating licensing agreements with the NYC Parks Department, and applicable lobbying regulations.

Case Example: Bronx River Alliance protects, improves, and restores the Bronx River corridor and greenway so that they can be healthy ecological, recreational, educational, and economic resources for the communities through which the river flows. Bronx River Alliance received pro bono guidance from Herrick, Feinstein LLP to enable it to advance its advocacy programs, including assistance in complying with federal, state, and local lobbying regulations and reporting.

If your urban health organization needs assistance, please call Senior Staff Attorney Elizabeth Perez at (212) 219-1800 ext. 232 or Fellow Kelsey Ripper at ext. 276. To volunteer to represent such an organization, contact Pro Bono Manager Michelle Maloney Friend at ext. 242.
Nonprofit organizations and businesses that receive a substantial amount of funding from New York State may be subject to new regulations governing the payment of executive compensation and administrative expenses. The regulations were first proposed in 2012 in response to Executive Order #38 by Governor Cuomo. Thirteen executive agencies each issued three different versions of draft regulations. Lawyers Alliance commented on all three versions, and the agencies in turn issued several useful clarifications. The final version took effect on July 1, 2013.

The regulations pose several tricky issues for nonprofit organizations, including how to determine whether they are subject to the regulations, whether the compensation they are paying their executives is in excess of the allowable amount, and how to seek a waiver if necessary. Lawyers Alliance is providing information through its educational programs, case representation services, and Resource Call Hotline to help nonprofit organizations understand and comply with the new procedures.

**Is the organization covered?**

Organizations are covered if they receive on average more than $500,000 yearly from one or more of 13 New York State agencies. Determining how much funding an organization receives from the 13 state agencies is no simple matter because some organizations receive state funding indirectly from a city or county government or through a subgrant from another organization. The payments must be in exchange for services (providers of pharmaceuticals and other goods are exempted). In addition, the nonprofit organization must receive at least 30 percent of its annual in-state revenues from the state.

**Is the compensation in excess of the allowable amount?**

Covered organizations may use non-state funding to pay in excess of $199,000 to their executives, so long as the total compensation is equal to or less than 75 percent of compensation given to comparable executives in organizations, and the compensation was reviewed and approved by the provider’s board of directors or equivalent governing body, including at least two independent directors, and the review assessed appropriate comparability data. Organizations must use care in determining what constitutes compensation, because the regulations use a different definition of compensation than the Internal Revenue Service definition with which organizations may be familiar. Identifying acceptable comparability data may also be a challenge, because salary surveys do not exist for some sectors of the nonprofit community.

**When and how to apply for a waiver?**

A covered provider desiring a waiver of either the administrative expenses or executive compensation requirements must apply within 180 days of the end of the reporting period. When possible, applying for a waiver earlier is preferable because, if a waiver is denied, it is unclear what the state will require of a provider that incurred administrative expenses or paid executive compensation in excess of the limits.

Lawyers Alliance is conducting outreach to offer information to groups that may be affected by the new regulations. Visit our website at www.lawyersalliance.org/workshops.php to register for Lawyers Alliance’s October 24, 2013 webinar on this topic, or call our Resource Call Hotline at (212) 219-1800 ext. 224 for assistance with general questions. Preliminary Guidance and a list of Frequently Asked Questions regarding the regulations are available on New York State’s Executive Order 38 website at http://executiveorder38.ny.gov/.
Friend Profile: Maria Mottola

Maria Mottola is Executive Director of the New York Foundation. Founded in 1909, the Foundation is a steadfast supporter of community organizing and advocacy in New York City. Ms. Mottola became Executive Director of the Foundation in 2003, after serving as a Program Officer from 1994 to 2002.

**New York Foundation first supported Lawyers Alliance in 1980. Why has the Foundation chosen to show such long-term commitment to Lawyers Alliance’s mission and work?**

Because the New York Foundation has always given priority to new organizations and untested programs, we began supporting “capacity building” 35 years ago, before it was referred to as a field. It was difficult to convince many foundations that supporting those who help nonprofits to work more effectively was a worthwhile idea. Today many more foundations support capacity building and many more nonprofits seek help to shore up their management systems, increase the effectiveness of their programs, and conduct their work within legal parameters.

**The Foundation supports Lawyers Alliance’s workshops and webinars, allowing Foundation grantees to attend trainings free of charge. What is the importance of educational programs to New York City nonprofits?**

About half of our grantees are new organizations, often founded by visionary people who have little experience managing a nonprofit. Workshops, like those offered by Lawyers Alliance, are critical because they provide new leaders information that’s not available anywhere else. In our experience, our grantees find that Lawyers Alliance attorneys understand and respect start-up nonprofits and their particular concerns.

**Each year, the New York Foundation funds Lawyers Alliance trainings and legal services for its grantees that encourage them to engage in legislative advocacy and permissible, nonpartisan political activity. Why is this work important for the Foundation?**

Our foundation has a history of supporting groups that engage in advocacy and community organizing around what can be controversial issues. Organizations we support often work on the community level, putting them in contact (and sometimes in conflict) with local elected officials and potential candidates for office. By nature, community organizing and policy advocacy involve confusing areas of law and ethics. Our relationship with Lawyers Alliance started because we knew our grantees are assertive and we wanted to make sure they are informed and protected.

**Please describe how your background in social work and direct services informs your work.**

I am not just a supporter of Lawyers Alliance, I was a client myself! Only six years out of social work school, I found myself at the helm of a new nonprofit with a mission to reform New York City’s housing court system. I had no experience managing a nonprofit and I had to learn quickly. I gained so much from Lawyers Alliance’s workshops and one-on-one consultation that people began to assume I had a law degree.

Now when new grantees ask me how to create readable bylaws, how to manage a pesky city council member who wants to hand out campaign fliers at their event, or whether they need an employee handbook – those early experiences come flooding back to me and I know exactly what to tell them. Contact Lawyers Alliance for New York!
In Brief

Strengthening NYC Public Schools

With a new school year underway, Lawyers Alliance is providing legal assistance to nonprofit organizations that support New York City public schools. Over the past several years, Lawyers Alliance has worked with more than 100 nonprofit organizations that support New York City public schools (a combination of parent associations, parent-teacher associations, charter management organizations, “friends of” organizations, and other nonprofit organizations). Our staff and pro bono attorneys work with these groups on a range of legal issues, including incorporation, tax exemption, fiscal sponsorship, fundraising laws, and agreements between the supporting organization and the school, the New York City Department of Education, or other organizations.

Currently Lawyers Alliance volunteers are assisting Friends of The Highbridge Green School, a nonprofit organization that will provide financial support to The Highbridge Green School, a new public middle school in the Bronx. The Highbridge Green School boasts a state-of-the-art facility with a host of environmentally-friendly design features, including a green house, solar panels, and a green roof that will grow vegetables and plants. Students attending the school are able to use the environmental features, which are being incorporated into their daily curriculum.

Pro bono attorneys from Paul, Weiss, Rifkind, Wharton & Garrison LLP are working with Friends of The Highbridge Green School in drafting bylaws and a conflict of interest policy, advising on a fiscal sponsorship arrangement between Friends of The Highbridge Green School and Fund for Public Schools, and applying for federal, state, and local tax exemption for Friends of The Highbridge Green School.

For more information on Lawyers Alliance’s work with nonprofit organizations that support public schools, please contact Staff Attorney Nicole Cuttino at ncuttino@lawyersalliance.org or (212) 219-1800 ext. 228.

Lawyers Alliance Welcomes New Board Members

Lawyers Alliance is pleased to announce the election of Craig A. Bowman of Debevoise & Plimpton LLP and Gerald A. Francese of DLA Piper LLP (US) to our Board of Directors.

Mr. Bowman is a Partner at Debevoise and a member of the firm’s Finance Group. He has extensive experience across a broad range of cross-border financing transactions, with a particular emphasis on acquisition finance and project and infrastructure finance transactions. Mr. Bowman is the contributing editor on project finance in the Americas to the International Financial Law Review.

Mr. Francese, a Partner at DLA Piper, concentrates his practice in financial services, private equity, corporate finance, and bank and investment adviser regulation. He has extensive experience representing financial services institutions, investment advisers and companies, public and private companies and investors in complex transactions and risk management. Mr. Francese is the Vice Chair of the Barrier Free Living organization.

SAVE THE DATE

CORNERSTONE AWARDS 2013

Wednesday, November 6, 2013
6:00 - 8:00 P.M.

Hosted by Credit Suisse

Law firm honorees:
KIRKLAND & ELLIS LLP
STROOCK & STROOCK & LAVAN LLP

The new Highbridge Green School in the Bronx features a green roof with a garden. Pro bono attorneys from Paul, Weiss, Rifkind, Wharton & Garrison LLP are assisting the Friends organization.
Law Firm Appeal Reaches New Heights

Thanks to our two outstanding co-chairs, David A. Gordon and Miles N. Ruthberg of Latham & Watkins LLP, Lawyers Alliance’s annual law firm appeal reached a new record high. The 2012-2013 appeal raised $835,433. This support is helping Lawyers Alliance and its staff-supported pro bono program to provide business law and transactional assistance to hundreds of nonprofit organizations that serve New York City’s low-income communities. We thank the co-chairs for their exemplary leadership and the 73 law firms that generously contributed to the annual appeal*:

Akerman Senterfit
Akin Gump Strauss Hauer & Feld LLP
Allen & Overy LLP
Alston & Bird LLP
Arnold & Porter LLP
Bernstein Litowitz Berger & Grossmann, LLP
Blank Rome LLP
Bracewell & Giuliani LLP
Cadwalader, Wickersham & Taft LLP
Caplin & Drysdale
Cass & Cassin LLP
Chadbourn & Parke LLP
Cleary Gottlieb Steen & Hamilton LLP
Cole, Schotz, Meisel, Forman & Leonard, P.A.
Condon & Forsyth LLP
Cravath, Swaine & Moore LLP
Crowell & Moring LLP
Davis Polk & Wardwell LLP
Debevoise & Plimpton LLP
Dechert LLP
Dentons US LLP
DLA Piper LLP (US)
Duane Morris LLP
Frankfurt Kurnit Klein & Selz, P.C.
Goodwin Procter LLP
Greenberg Traurig, LLP
Gregory P. Joseph Law Offices LLC
Herrick, Feinstein LLP
Holland & Knight LLP
Hughes Hubbard & Reed LLP
Kaye Scholer LLP
Kirkland & Ellis LLP
Kramer Levin Naftalis & Frankel LLP
Latham & Watkins LLP
Linklaters LLP
Lowenstein Sandler PC
Manatt, Phelps & Phillips, LLP
Mayer Brown LLP
McCarter & English, LLP
Milbank, Tweed, Hadley & McCloy LLP
Morgan, Lewis & Bockius LLP
Morrison & Foerster LLP
Nixon Peabody LLP
Orrick, Herrington & Sutcliffe LLP
Osler, Hoskin & Harcourt LLP
Patterson, Belknap, Webb & Tyler LLP
Paul Hastings LLP
Paul, Weiss, Rifkind, Wharton & Garrison LLP
Proskauer Rose LLP
Robinson & Cole LLP
Schulte Roth & Zabel LLP
Seyfarth Shaw LLP
Shearman & Sterling LLP
Sidley Austin LLP
Simpson Thacher & Bartlett LLP
Skadden, Arps, Slate, Meagher & Flom LLP
Steptoe & Johnson LLP
Stroock & Stroock & Lavan LLP
Sullivan & Cromwell LLP
Sutherland Asbill & Brennan LLP
Weil, Gotshal & Manges LLP
White & Case LLP
Winston & Strawn LLP
Wollmuth Maher & Deutsch LLP

*This list includes law firms that made contributions of $1,000 or more to the 2012-2013 law firm appeal, ending June 30, 2013.