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Memorandum

To: Matt LeMaster, Chair WSBA Business Law Section
From: Ann Merryfield, WAACO Program Manager
Date: 12/5/08
Re: WAACO Funding

We would like to thank the Business Law Section of the WSBA for its generous support of Washington Attorneys Assisting Community Organizations (WAACO) over the past six years. Your continued financial support of \$10,000 each year has allowed us to continue to provide meaningful pro bono opportunities for business lawyers in Washington State. We are grateful for your vote of confidence, and are proud to report on the way your contribution assisted WAACO in meeting its mission during this past year.

Matching business attorneys with pro bono opportunities. Since opening its doors in 2004, WAACO has provided transactional pro bono opportunities to 118 Washington attorneys who have helped 154 Washington nonprofit organizations on 187 distinct legal matters. To date, attorneys have reported spending a total of 2,256 hours in assisting nonprofits. At a conservative hourly rate of \$225 per hour, your Section has helped to leverage over \$500,000 in attorney time to support community nonprofit activities. In 2007 alone, your section's \$10,000 donation supported 713.2 hours of reported attorney volunteer time.

The volunteer attorneys' time, expertise, and compassionate professionalism have brought welcome results to the nonprofit organizations they have served. Here are some examples of the ways the volunteer attorneys have helped our community, as reflected in comments we have recently received:

- An organization that provides emergency shelter and services to homeless youth received advice and assistance with corporate restructuring. It writes: "[The WAACO volunteer] was incredible to work with - exceptionally thorough and professional. It's a pity we did not have the monies to pay for his services because he would have earned every penny. I also would like to thank your organization for its help in assisting us. [We] appreciated the time and effort your organization spent in trying to locate counsel for us . . . you serve a valuable purpose for our community."
- An organization that works to expand cancer screening into underserved communities received assistance with incorporating and successfully applying for 501c3 status. The organization wrote that the WAACO volunteer "also guided the organization through its initial board meeting, and trained the organization on the basics of managing a nonprofit. The [WAACO volunteer] is extraordinary. She is guiding us through every step and writing the documents. . . . I don't know how to thank you for providing us with legal counsel. Really we could not have done this without the assistance of WAACO."
- An organization that advocates for arts programming in underserved public schools received much-needed assistance in revising its bylaws. The organization expressed its "grateful thanks for the work [the WAACO volunteer] has done to assist us. We really appreciate the care and attention he has given to this work. We will now feel secure that we are operating in compliance with our governing documents and within the law. Always a good thing! . . . I am really confident that we have a clean bill of health of the governance aspect, thanks to this comprehensive overhaul."
- An organization that provides health services to a minority constituency, is receiving very helpful advice on a financial crisis and possible dissolution. The organization writes: "[The WAACO volunteer's] generosity, kindness and willingness to go well above and beyond any expectations has been just incredible."

Lawyer Training. In addition to its primary activity of connecting needy nonprofits with volunteer attorneys, WAACO also continues to provide CLEs on nonprofit matters to Washington attorneys. In May, we presented our annual "Nuts and Bolts of Representing Nonprofit Organizations" CLE. This half-day seminar covers the procedures necessary to incorporate a nonprofit in Washington State and apply for 501(c)(3) status with the IRS, as well as unique issues that nonprofits face in maintaining their tax-exempt status. The WSBA videotaped the CLE, which is available on DVD to attorneys around the state who were unable to attend in person. We also presented lunchtime CLEs on lobbying and political issues facing nonprofits and on ethical issues in representing nonprofit organizations. Finally, we presented an hour and a half workshop at this year's Access to Justice Conference in Vancouver, Washington on board duties. Over 100 attorneys attended these four seminars.

Educational services to nonprofits. In 2008, WAACO also expanded outreach to nonprofit organizations by sponsoring workshops geared primarily for nonprofit leaders, with the goal of educating those leaders on legal issues that frequently face nonprofits. These workshops also provide attorneys with an opportunity to speak before very attentive and engaged

audiences in their area of expertise. Our two workshops in 2008 focused on employment law and on the new IRS Form 990. Sixty-nine nonprofit representatives attended the two workshops.

Microenterprise opportunities. In October, WAACO began a pilot project of providing business legal assistance to low-income business owners. Initially, WAACO volunteers are staffing a monthly clinic at the offices of Washington CASH, a south Seattle organization that provides microloans, training and support to low-income entrepreneurs. The business attorneys participating in this clinic have provided guidance to the low-income business owners on a variety of legal topics, from license and noncompete agreements to tax matters. From this legal clinic, we anticipate referrals for more substantial transactional pro bono work for next year, which we will make available to our volunteer attorney base. We will continually assess the project to determine the best way to expand it into a program providing many new pro bono opportunities for business and transactional lawyers to provide valuable services to low-income business clients.

The future. WAACO is undergoing a strategic planning process in order to prioritize issues with respect to growth, and in particular to be able to offer a more comprehensive microenterprise pro bono program. We will also be considering how to increase outreach, education, and pro bono referrals outside of the Puget Sound area. We are also working with a website developer to substantially improve our website. This will allow us to provide greater educational resources for both attorneys and clients.

Request for support in 2009. WAACO continues to operate on a lean budget. We rely on the donation of office space from the Stoel Rives law firm, and operate with one part-time Program Manager. Our fifteen-person volunteer board of directors actively assists in keeping the organization operational, while our eight-person screening committee guides us in determining appropriate cases for our volunteers to handle. We are fortunate to have received financial support in 2008 not only from the Business Law Section but also from the Real Property, Probate and Trust Section, from the law firms of Davis Wright Tremaine, Garvey Shubert Barer, Perkins Coie, Riddell Williams, K&L Gates, Foster Pepper, and DLA Piper, and from individual donors and WAACO board members. However, we continue to need financial support in order to increase the number of pro bono cases handled each year, maintain quality legal education for our volunteers, expand our services into new areas, and provide valuable legal resources to the nonprofit community.

We hope that the WSBA Business Law Section will continue to generously support WAACO by matching its past financial contributions in the amount of \$10,000. Your support will assist us in continuing to provide pro bono opportunities for attorneys in your Section by increasing their access to CLEs and practice related resources, and will help us assist your members in meeting their pro bono obligations under RPC 6.1.

Thank you for your consideration. We look forward to speaking with you in person at your December 11 Executive Committee meeting. If we can answer any questions in the meantime, please do not hesitate to contact our Program Manager, Ann Merryfield, by email at contact@waaco.org, or by phone at 866-288-9695.