

Bill of Rights Day Naturalization

Kay Kyungsun Yu, a member of the Philadelphia Bar Association Board of Governors and chair of the Philadelphia Commission on Human Relations, addresses new American citizens at a Dec. 13 naturalization ceremony at the U.S. Courthouse. The ceremony, presided over by U.S. District Court Judge Stewart Dalzell and sponsored by the Bar Association, featured 99 people from 42 countries taking the oath of citizenship on Bill of Rights Day. Yu is also a naturalized citizen.



Photo by Jeff Lyons

Nonprofit Boards Protect Mission

By Mary-Kate Breslin

BOARDS OF DIRECTORS FOR NONPROFIT ORGANIZATIONS are the stewards and protectors of the organization's mission, nonprofit consultant Laura Otten told members of the Young Lawyers Division at the Dec. 6 Live, Lunch & Learn CLE program.

Otten, an instructor for The Nonprofit Center at LaSalle University's School of Business for more than 20 years, and director since 2001, is an expert in nonprofit leadership, governance, strategic planning, evaluation, and various aspects of organizational management.

The program covered best practices for financial oversight within nonprofit organizations. There was a particular focus on the role of the board of directors such as setting financial policies, monitoring money, and allocating costs. Otten opened the conversation by naming two key components within a nonprofit organization: a good finance committee, and all board members understanding and executing their responsibilities. It is the board's responsibility to question the integrity of the finance committee.

Otten first served on a nonprofit board when she was a teenager, and her weekly blog posts on www.nonprofituniversityblog.org are read around the world.

She described three individual responsibilities of board members: First, give out of your own pocket; second, open doors to funders, foundations, corporations, and individuals; and, third, cultivate relationships.

Regarding oversight and management, setting policy is one of the main responsibilities of the board of directors. Policies are created to improve efficiency, increase consistency, and protect the organization. Every policy should be put into writing, and reviewed periodically. One policy example is creating an internal control system. An example of an internal control system is a procedure for signing checks – whose signature, and how many signatures are needed for checks of varying amounts. The board must ensure there is a system of checks and balances in effect that protects the organization's money. A separation of du-

ties is a key component of this type of internal control.

"The board is a critical part of the internal control system because at every board meeting they look at financials, look at projected and actual, and make sure they protect and steward the money," advised Otten. Another internal control is the organization's budget. The budget should be reviewed at every board meeting to determine whether the organization is on target. It also serves as a financial policy in that it instructs anyone associated with the organization where money comes from, and how it is spent.

Otten noted "too few boards pay enough attention to budgets." Boards should budget for growth and work towards being a profitable enterprise by building a surplus. A best practice would be to set aside three to six months of financial reserves with which the organization could sustain itself if necessary. Furthermore, remember that nothing is outside of the budget, e.g. Hurricane Sandy damage.

Otten provided several real-world examples of nonprofit oversight and management gone awry. For example, where one individual is in a position of total autonomy of the complete cycle of a process, that is a red flag. This process could mean complete discretion of ordering, buying, and signing for something. She described this circumstance as "fertile grounds for financial trouble."

There are also conflicts of interest policies to consider. For instance, the organization should not be conducting business with board members or their respective families. By disallowing this practice from the beginning, the organization's reputation can be insulated.

Board members should also consider a code of ethics policy. Otten warned her audience, "If you ever doubted the need for a code of ethics for your organization, I have two words for you – Penn State."

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Go Social, But Don't Forget About Traditional Media

By Annie M. Kelley

TRADITIONAL MEDIA IS JUST ONE WAY LAWYERS can raise both individual and professional exposure, corporate communications and public relations strategist Jeff Jubelirer recently told members of the Women in the Profession Committee.

Jubelirer said it is increasingly difficult to get positive messages and stories out there, as media is drawn toward drama and controversy. He said the good news is "that we are all the media now." Anyone can start a blog, can comment on a story online, and can get their name out there. Attorneys no longer have to rely on traditional media, and can market themselves.

Looking beyond newspaper, television and radio, Jubelirer discussed how social media is an exceedingly helpful medium for public visibility. As nearly two out of three adults are currently active on social media sites, he said sites like Facebook, Twitter, LinkedIn and YouTube are great ways to be your own part of the media.

While being careful not to ignore traditional media and newsrooms in order to raise one's professional exposure, one must know what makes a good story. Newsrooms are drawn to drama, controversy, winners and losers, and also trends. He said attorneys must know the current trends in each discipline, whether that be labor, employment, immigration, real estate, etc., and think, how can I contribute? What do I do, or what can my firm offer, that can add to that? Jubelirer recommended "knowing the beat," meaning, who covers the legal industry for a particular newspaper. Learn the different beats by reading the paper and looking online on a regular basis to learn who is writing about what.

As for television and radio, be tactical. Newspapers are appropriate to give context and length, but television provides a quick visual where the picture tells

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Expecting to Remain on Recovery Path in 2013

IN THIS MONTH'S INTERVIEW, I sat down with E. William Stone, chief investment strategist for PNC Wealth Management® and PNC Institutional Investments®, who keeps a close eye on the many factors that influence the direction of both domestic and international financial markets. We discussed his outlook for the new year.

By Jackie B. Lessman



this as illustrative of deep woes for countries such as Portugal. Spain's and Italy's yields escalated in 2012 but seem to have calmed since September.

Second, according to the Congressional Budget Office, the collection of tax changes and spending cuts that are scheduled to take effect at the beginning of

2013 would result in the U.S. economy slipping into recession. The longer the president and Congress take to hash out a solution, the greater the odds the U.S. fiscal situation will unhinge the economic progress made during the past three years.

Finally, the jobs picture in the United States has the biggest causal relationship to a slow economy. Tracing back, the current unemployment rate of 7.9 percent is significantly improved from the 10 percent peak reached in October 2009. However, job growth remains slow, keeping the unemployment rate well above pre-recession levels. Through October 2012, just over half of the jobs lost during the recession have been recovered. (Source: Bureau of Labor Statistics)

What indicators help you assess the pace of our economic recovery?

We have used three main sustainability indicators that have been very effective as we monitor our economic recovery. First is housing. Economists now are able to ascertain that the housing recovery is fi-



nally under way. The outlook for housing appears promising, and while it is likely to be a small contributor in the overall picture in 2013, it can help provide an offset to slowdowns in other areas. New and existing home sales are both on upward trajectories. Mortgage rates continue to be at very low levels, which bodes well for housing affordability. Home prices also appear to be on a firmer and upward path.

Next, we look at consumer spending. While consumers still have a way to go to fully repair their financial conditions, one thing is clear: consumers owe less than they did during the financial crisis. The improvement in consumers' balance sheets alone, though, is not enough to sustain 2011's pace of spending. We believe the cure for maintaining healthy spending will be increasing incomes through stronger job growth. We believe consumer spending will not grow significantly faster than overall GDP for a sustained period through 2013, but consumers will still make an important contribution to overall economic growth.

Finally, jobs are key to the continued sustainability of the economic recovery and remain the biggest impediment to the economic recovery in our opinion. Even modest job growth and small improvements in the unemployment rate are beneficial in terms of consumer spending, confidence, and the housing market. Considering the long-run unemployment rate is estimated to be around 5.2 to 6 percent, according to the Federal Reserve's September 2012 long-run central tendency forecast, the United States has a

way to go to get to a healthier pace.

Do you have any advice for investors as we begin the New Year?

Heading into 2013, we believe that the U.S. economy will continue on a path of recovery through 2013. Still, we recognize the need for investors to be agile and diligent. The S&P 500® has moved toward catching up with the strong earnings growth from 2011; yet from a long-term perspective, valuations remain modest. We believe that investors should focus primarily on valuation and fundamental factors, keeping in mind their longer-term expectations, goals, and risk tolerance when making asset allocation decisions.

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the story, or a brief sound bite gets right to the point. Jubelirer cautioned that radio is the most underrated medium that is not taken full advantage of. If you are concerned that no one listens to the radio, repurposing the clip can still be highly beneficial. One can always take a link, send it out, or post it on a website as a great way to gain exposure and credibility. Radio stations are often looking for a local expert or availability to talk about things that are going on in the news. Not

only can you be an expert in an individual practice area, but you can supply context. Remember that reporters aren't lawyers and need legal background information, which you are able to provide.

Posting articles and thoughts on social media, building connections and monitoring news is vital. Jubelirer reminded to "endorse and share" – the more you help others get their information out, the more they will help you.

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