Changing Lives, Changing Minds



LAMBDA LEGAL ANNUAL REPORT 2004



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CHANGING LIVES, CHANGING MINDS

We are in the midst of enormous changes. From the time we published last year's Annual Report up until this very moment, Lambda Legal has been at the forefront of a shifting legal, political and social climate the likes of which we haven't seen for many years in this country. Think for a moment just how thoroughly the debate over LGBT rights has advanced in the past couple of years. We have hit stumbling blocks along the way, but we are making undeniable — unstoppable — progress toward our goal of full equality for lesbian, gay, bisexual and transgender people and those with HIV.

Every day Lambda Legal makes real changes in people's lives, and those changes mean more freedoms and more choices. Take, for example, our victory this year on behalf of Kevin Dunbar, a salesclerk at Foot Locker who was subjected to vicious antigay harassment at two of the company's stores. Our win brought not only a successful settlement for Kevin but also a strong commitment from the company to address antigay discrimination at all levels of its operations. Additionally, the case sent a message to employers across the nation that discrimination against LGBT people in the workplace will not stand. You'll read more about Kevin's story later in this report, but I can't stress enough how important that single Lambda Legal victory is for all people who value fairness in the workplace.

We're changing lives and we're changing minds. It's that simple — and that effective. As a direct result of our cutting-edge litigation, education and policy advocacy this year, more LGBT people and people with HIV are able to pursue a career, raise a family, get an education and go about their life with unparalleled levels of security and confidence. And that's progress.

As we move forward at this remarkable pace, Lambda Legal's strategy remains steadfast: We are on the offense. We choose lawsuits that will affect the greatest number of people, transform the cultural landscape and lead to broader rights and freedoms for all Americans. A good example of this is Lambda Legal's marriage work. You don't have to look too far to see how we've helped propel the national dialogue on marriage for same-sex couples this past year, even though we have marriage lawsuits in only four states. We chose those states because we believe they are places where we can win. As we begin 2005, we're armed with three powerful lower court rulings in our cases in New York, Washington State (with the Northwest Women's Law Center) and California (with the National Center for Lesbian Rights and the ACLU), each declaring that same-sex couples in those states must have the right to marry. There will be more ups and downs in 2005 and in the years to come. But by staying on the offense I am certain that we will one day see a world where same-sex couples can marry anywhere in this country.

It will not be easy. As we saw in last year's elections, we face unprecedented opposition from a presidential administration that has allowed antigay bigotry to help shape its political agenda. But Lambda Legal is more prepared than ever to combat this discrimination. We enter 2005 with a new Legal Director, Jon Davidson, a longtime Lambda Legal attorney and one of our movement's greatest strategic minds. Jon is leading a Legal Department with 19 attorneys into new and exciting areas of law (including a heightened focus on transgender issues) while continuing to strengthen the high quality of our ongoing litigation and policy work. On the education front, we're introducing a range of innovative programs, including our "Courting Justice" campaign, where we'll be working closely with other LGBT and civil rights groups to keep our nation's courts fair and independent. This campaign is both vital and timely: All supporters of fairness know the importance of fair courts in the fight for full equality.

And that's only the beginning. Every year, as the stakes for our community get higher, Lambda Legal's work becomes more critical. With your help, we're changing people's lives and we're changing people's minds — and we're changing the world.



Kevin Cathcart Lambda Legal Executive Director

CHANGES AT HOME AND IN THE COMMUNITY

Lambda Legal hit an institutional milestone this year, when for the first time in our 32-year history the organization's staff list neared the 100 mark and our budget surpassed \$10 million. These numbers are small when compared to the resources and finances of the antigay groups who oppose us. But when we think about the fact that Lambda Legal came into being after a couple of volunteers set up shop in a small New York City apartment, and that our first lawsuit was to establish our legal right to exist (a right initially denied by New York State), we know we've come a long way.

Today Lambda Legal's staff of attorneys, educators, fundraisers and administrators work out of five offices throughout the country: our national headquarters in New York City and regional offices in Atlanta, Chicago, Dallas and Los Angeles. This structure allows us to address the needs of local communities from coast to coast while continuing to build the national strategies our movement needs. Our groundbreaking lawsuits create building blocks that allow more and more people every year to live safely and proudly in the state they call home. Our pioneering education work helps us shape the national debate and gives members of our community the tools they need to exercise their legal rights. Our policy advocacy ensures that LGBT people and people with HIV are treated equally in the eyes of the law.

Over the past three decades Lambda Legal's mission has steadily expanded into an ever larger and stronger LGBT legal defense and education organization. As our goals, our work and our staff have broadened, our board of directors has grown as well. More than ever before, our board is truly diverse. From New York to Miami, from Seattle to Dallas, and numerous cities in between, our board members hail from every part of the country. And while in the early days Lambda Legal's board was made up almost entirely of lawyers, today we represent the diversity and sophistication of the organization's work, bringing together attorneys and industry leaders in finance, business, government, communications and more.

It is no wonder Lambda Legal has become the nation's most powerful force for safeguarding and advancing the legal rights of LGBT people and people with HIV. As we continue to expand, the demand for our work also grows. This past year Lambda Legal staff have been called on to share their expertise widely — from a Navajo reservation in New Mexico to the Capitol steps in Olympia, Washington, and from an inner-city church in Michigan to a university campus in suburban New Jersey. And members of our legal and education departments were sought out almost daily by the media as LGBT issues — and our families — were thrown into the national spotlight. Our cultural currency also has increased. Some of that is reflected by our growing presence in the LGBT community, particularly since *Lawrence v. Texas*, our groundbreaking U.S. Supreme Court victory that struck down all remaining sodomy laws. Indeed, a measure of Lambda Legal's success became evident when Senator Orin Hatch, attempting to rouse support for the Federal Marriage Amendment, used a speech on the floor of the Senate to single out both Kevin Cathcart and Lambda Legal as especially dangerous forces. Clearly, we are becoming a target of the antigay forces, as a direct result of our victories in the courtroom and in the court of public opinion.

Evidently, the more we grow, the harder those who oppose us will try to fight back, making our work more challenging than ever and our mission even more urgent. We are ready for whatever obstacles emerge in the coming year, thanks in large part to the continuing generosity of our supporters. As we publish this year's Annual Report, the Lambda Legal board pays tribute to our community, our generous supporters, our brave clients and our tireless staff. Together we celebrated the victories and weathered the storms of 2004. And together we will continue our march forward. We look forward to even more victories and progress in the year ahead.





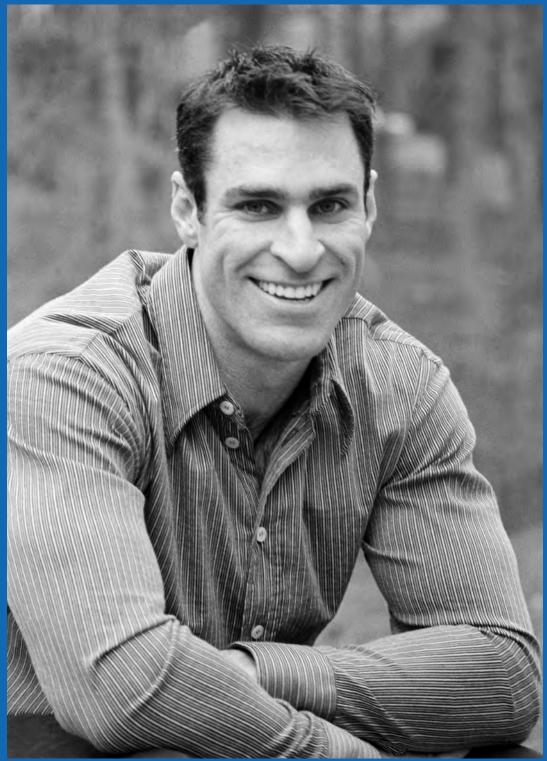
Cynthia Homan Board Co-chair

Charles Marlett Board Co-chair

"There is no typical Lambda Legal case that's one of the great things about the work we do. But the one common denominator of every lawsuit we bring is that it has the potential to make real changes in people's lives."

Kevin Cathcart, Lambda Legal Executive Director

At any given time, Lambda Legal maintains a docket of 50 or more cases. Some lawsuits are resolved quickly while others may take years to work their way through the courts. On the following pages, you'll find step-by-step studies of two Lambda Legal cases that we resolved successfully in 2004 one through a high-profile settlement and the other in a court victory.



Matthew Cusick's case against Cirque du Soleil began with a call to Lambda Legal's Help Desk.

CASE STUDY: MATTER OF MATTHEW CUSICK AND CIRQUE DU SOLEIL

1 Matthew Cusick calls Lambda Legal's Help Desk saying he was fired from performing as a gymnast by Cirque du Soleil because he has HIV. Lambda Legal researches his claim and agrees to represent him.

2 Lambda Legal sends a letter to Cirque requesting that the company reconsider its decision to fire Cusick, citing more than two decades of scientific and medical evidence that people with HIV pose no threat to themselves or anyone else at Cirque. Cirque stands by its decision.

Lambda Legal files a complaint with the Equal Employment Opportunity Commission (EEOC), which begins an investigation of the case.

4 Lambda Legal begins a media campaign to raise awareness of Cusick's firing by a supposedly "progressive" company and stages protests at Cirque performances with local groups.

Cirque and Lambda Legal conduct preliminary negotiations.

6 Numerous supporters including Tony Kushner, Chita Rivera, the Fog rugby team and others sign on to Lambda Legal's education campaign, in a groundswell of public support for Cusick and people with HIV.

The EEOC makes a favorable determination that evidence indicates that Cirque most likely discriminated against Cusick.

Lambda Legal begins mediated negotiations with Cirque in an EEOC forum.

Q Lambda Legal negotiates a \$600,000 settlement for Cusick, the largest settlement of an HIV-discrimination claim within the EEOC system. Cirque agrees to changes its company policy worldwide regarding HIV discrimination and provide its employees with antidiscrimination training.



Jennifer (top) and Cheryl McKettrick enlisted Lambda Legal's help to protect their relationship with their son, Joshua.

CASE STUDY: IN RE BABY J

A trial judge denies a co-custody agreement for Cheryl and Jennifer McKettrick, which would have established both women as legal co-custodians of their son, Joshua ("Baby J"), whom they'd been raising since birth. The judge found that the co-custody agreement would provide "no present or future benefits" for Joshua.

Ohio attorney Sallee Fry contacts Lambda Legal's Midwest Regional Office seeking Lambda Legal's involvement in a possible appeal of the trial court's order.

Lambda Legal agrees to co-counsel the appeal and helps prepare court documents filed with the Court of Appeals for the 12th Judicial District of Ohio.

Lambda Legal also asks the trial court to reconsider its decision. An amended co-custody agreement is filed with the trial court, but the trial court judge refuses to enter it.

5 Lambda Legal files its brief with the Court of Appeals. We argue that the trial judge erred by refusing to follow clear precedent from the Ohio Supreme Court, which directs lower courts to enter appropriate co-custody agreements so that parents can secure a legal relationship with their children.

Lambda Legal Senior Counsel Heather Sawyer argues the case before the Court of Appeals for the **12**th Judicial District, located in Middletown, Ohio.

Lambda Legal launches a media campaign to coincide with the oral argument, focusing on the hardships same-sex couples face in securing legal protection for their families.

8 The Court of Appeals reverses the trial court, finding that Joshua benefits "from having two caregivers legally responsible for his welfare" and that entry of the co-custody agreement would provide several significant protections for Joshua.

The case is a victory for Lambda Legal and for all lesbian and gay parents in Ohio, and it now returns to the trial court with instructions to adopt the co-custody agreement.

"I feel very fortunate to be living at a time when we're seeing enormous changes in every aspect of life for LGBT people and those with HIV. I feel doubly fortunate to go to work every day and spend my time fighting for even more changes."

- Kevin Cathcart, Lambda Legal Executive Director

Lambda Legal's groundbreaking work covers a range of critical issues for LGBT people and those with HIV. Our victories in the courtroom literally change people's lives. Our education and policy work changes the hearts and minds of the public — and gives our community the tools we need to stand up for our rights. The next few pages offer highlights of the changes Lambda Legal brought about in 2004 and a glimpse of what's ahead.

HONORING OUR RELATIONSHIPS

From domestic partnership to civil unions to marriage, Lambda Legal's relationship work involves a range of cases and educational efforts designed to protect relationships between same-sex couples by winning the same rights, protections and responsibilities that heterosexual couples have.

LAUREN ABRAMS AND DONNA FREEMAN-TWEED

Donna Freeman-Tweed was the first person to hold her son Elijah after he was born. But before her rights as his mother could be recognized through a second-parent adoption, she and her partner, Lauren Abrams, had to ask friends to write letters to the state saying that Donna would make a good parent. They were subjected to a home visit from a New York State probation officer and also had to pay thousands of dollars in legal fees to protect their family.

Now they're going through the entire process again for their second child, Micah. "Once more, the fate of our family is in the hands of a complete stranger," Lauren says. "The entire experience is intrusive and very unjust, and it's only one example of how we're treated differently because we can't marry."

In 2001, after they'd been together for three years, Lauren and Donna registered as domestic partners in New York City and committed to spending the rest of their life together. They share parenting responsibilities and have close relationships with each other's relatives. Every year they celebrate Jewish holidays with Lauren's extended family and Christmas with Donna's mother. They take Elijah, and now Micah, on frequent outings to the zoo, the aquarium and different museums around the city. In short, they are no different than many other families — except in the eyes of New York State law.

Last year Lauren and Donna became plaintiffs in Lambda Legal's New York marriage case, *Hernandez v. Robles.* They were overjoyed earlier this year when a state judge ruled in their case, declaring that same-sex couples in New York have the right to marry. (The case is now on appeal.) "Sometimes a lawsuit can get very technical, but that day was so emotional —

and now we're one step closer to getting married in New York," says Donna. "We were elated." THE IMPACT: Bolstered by a strong lower court victory, this case could change the lives of thousands of samesex couples in New York State who might someday want the right to marry. Beyond that, Lauren and Donna and the couples in all of Lambda Legal's marriage cases are helping people across the country see that, in the words of the Washington State judge who also ruled in our favor last year: "There is no worthwhile institution that they would dishonor, much less destroy." ALSO IN 2004: Lambda Legal's marriage lawsuits moved forward in three other states: New Jersey, California (with NCLR and the ACLU) and Washington State (with the Northwest Women's Law Center). In 2004, we won similar lower court victories in California and Washington. At the same time California's comprehensive domestic partner legislation, which Lambda Legal drafted for state legislators, took effect. The law grants couples virtually all of the rights and obligations of married couples in the eyes of the state.

WHAT'S NEXT: As all four marriage cases work their way through the courts, Lambda Legal will continue our large-scale education campaign around marriage equality. We'll also be hard at work defending California's new domestic partner law and New Orleans's domestic partner policy from right-wing attacks.



Donna Freeman-Tweed (left) and Lauren Abrams want the right to marry.

PROMOTING EQUALITY IN THE WORKPLACE

Statewide protections against workplace discrimination exist in only 17 states; in the rest of the country, employees fired for being gay generally have no legal recourse unless they work in a locality with its own antidiscrimination ordinance. Lambda Legal's cases and public education initiatives advance workplace protections and promote equal employment benefits for LGBT workers.

KEVIN DUNBAR

All people deserve to have their work performance evaluated by how they do their job, not by who they are. But for many LGBT people and people with HIV, this basic right isn't always honored.

Kevin Dunbar discovered this the hard way.

A salesclerk at Foot Locker, Kevin was subjected to vicious antigay harassment and physical threats by coworkers. Instead of addressing Kevin's complaints, the chain transferred him to another location. At the new store, the manager set the tone by telling Kevin, "I don't want your faggot ass in my store," and his daily nightmare continued.

"Once I became a target, every morning when I woke up and I was scheduled for work, I knew that my supervisors and coworkers would verbally insult and degrade me, probably in front of customers," Kevin recalls. "At best, they'd talk behind my back and make my every task twice as difficult, just because I'm gay."

Kevin was fired after he and others — including a few customers — stepped up to complain about the harassment. Oddly enough, Foot Locker has a policy that supposedly prohibits sexual orientation discrimination in the workplace. But simply *having* the policy did nothing to protect Kevin. And because Kevin lives in South Carolina, a state that doesn't explicitly prohibit antigay discrimination, he didn't know where to turn. Lambda Legal took the case and within months won a successful settlement that compensates Kevin and protects other Foot Locker employees who are gay. THE IMPACT: This case will directly affect the tens of thousands of Foot Locker employees worldwide who, as part of our settlement, will now receive training on how to protect themselves and their coworkers against antigay discrimination. Beyond that, it sends a message to employers everywhere that they must not only create nondiscrimination policies but also enforce them.

ALSO IN 2004: Lambda Legal launched our "Blow the Whistle on Workplace Discrimination" campaign, to help LGBT people and people with HIV know about their employment rights and how to enforce them and to educate the general public about the importance of workplace fairness. In addition to the Foot Locker litigation, other cases in that campaign include a lawsuit against Harrah's Casinos for firing bartender Darleen Jespersen because she didn't meet the company's standards for how female employees are supposed to present themselves. Lambda Legal also published Out at Work: A Guide for LGBT Employees, a tool kit (in English and Spanish) that addresses a range of issues that LGBT people face on the job. WHAT'S NEXT: "Blow the Whistle on Workplace Discrimination" continues with a series of town hall meetings designed to help LGBT people learn about their rights in the workplace. A dozen forums will take place in cities from Boise to Miami. In an increasingly powerful component of the campaign, we're distributing information and enlisting volunteers at these forums to directly press employers for fair policies.



Kevin Dunbar stood up for workplace fairness.

LISTENING TO LGBTQ YOUNG PEOPLE

Lambda Legal's youth work focuses on three primary areas: helping young people learn about and enforce their rights in school; providing critical information for teachers and school professionals; and working to make the nation's foster care system safer for LGBT and questioning (Q) youth.

KSENIYA PALLEGEDARA

Kseniya (Ksen) Pallegedara, a 19-year-old immigrant from Russia, considers himself lucky. Just over two years ago, his mother, after discovering he was queer — specifically transgender slammed his head into a sink and told him that was just the beginning if he didn't repent his "sin." Within three hours, authorities at his New York City school had called in someone from the Administration for Children's Services, who tried to convince him to return home that afternoon. Months later, he discovered that they'd told his mother he could be "cured."

But Ksen still says he's fortunate: Years of abuse suffered at home and a developing sense of his sexuality and gender identity had forced him to prepare for the day he knew he wouldn't be able to go home again. He had already enlisted a counselor at New York's Hetrick Martin Institute and an advocate at the Urban Justice Center, and he was in daily contact with his very attentive school guidance counselor. They supported Ksen, and after a brief period of homelessness, he was placed in foster care.

Here again, Ksen says he feels privileged because his foster care agency respects LGBTQ young people. But there are still many challenges. "I had a roommate who had homophobic foster parents who tried to change her," Ksen says. "It's even worse if you're transgender, because a lot of people in the system have no idea what to do with that."

Ksen is now working to transform the system. He's part of "Fostering Transitions," Lambda Legal's initiative with the Child Welfare League of America (CWLA) to change how the foster care system treats LGBTQ youth. He is on the initiative's National Advisory Committee, and he's the only youth member of a New York City child welfare task force dedicated to examining LGBTQ issues. "Being a kid in foster care is hard and being a queer kid in foster care is even harder," Ksen says. "So if I can help make the system a little more bearable and a little bit safer, then this is what I have to do."

THE IMPACT: By joining the Lambda Legal/CWLA initiative and advocating for LGBTQ youth in foster care, Ksen is helping to change the system for the countless LGBTQ young people in foster care in this country. And by sharing his own personal story, he sheds light on the discrimination LGBTQ youth experience in the foster care system — and on the particular hardships transgender people face, even when trying to access basic services. **ALSO IN 2004:** In September, Lambda Legal launched "Out, Safe & Respected," a national

campaign that uses public service announcements, a tool kit and a special website to inform LGBTQ young people about their rights at school and how to enforce them. Earlier in the year, Lambda Legal and the National Youth Action Coalition published *Bending the Mold: An Action Kit for Transgender Youth*, which provides much-needed resources for transgender youth. WHAT'S NEXT: This year the Lambda

Legal/CWLA initiative will publish findings from its series of listening forums around the country. Meanwhile, Lambda Legal's "Out, Safe & Respected" campaign is pressing ahead, with PSAs continuing to air on local TV and radio stations nationwide and thousands of tool kits being distributed to youth in all 50 states.



Pallegedara speaks out for youth in foster care.

PROTECTING OUR FAMILIES

Lambda Legal seeks fair treatment for LGBT families and works to strengthen the legal bonds between parent and child through adoption (and second-parent adoption in places where it's available), custody and visitation rights and birth certificates and other documents that reflect our families' lives.

ANNE MAGRO AND HEATHER FINSTUEN

After half a decade of building a life together, Anne Magro and Heather Finstuen decided it was time to start a family. Anne gave birth to twins, and the couple — who were living in New Jersey at the time — solidified Heather's relationship with the girls through a second-parent adoption. But life



Anne Magro (left) and Heather Finstuen fight Oklahoma's antigay family law.

took a frightening turn when the family moved to Oklahoma just before the state passed one of the most extreme antigay adoption laws in the country.

The new law was passed in 2003 after Lambda Legal successfully obtained a birth certificate for a Washington couple who had adopted a child from Oklahoma. Legislators added the

antigay language, which prohibits state officials from recognizing adoptions by "more than one individual of the same sex from any other state or foreign jurisdiction," to an unrelated adoption bill that was already on the floor of the legislature. This left virtually no opportunity for families or child welfare agencies to voice their opposition to the law.

Now a sense of uncertainty colors Anne and Heather's life. They worry that the state may challenge Heather's legally established relationship with her daughter. "I ask myself, What would happen to the girls if Anne died tomorrow?" Heather says. "Would the state of Oklahoma consider me their parent or would they come and take the girls away from me?"

Lambda Legal filed a lawsuit on behalf of Anne and Heather and two other couples, seeking to strike down the new law. Late last year, a judge gave the green light to Lambda Legal's case, rejecting the state's attempt to dismiss the lawsuit. The judge recognized that if the governor and attorney general enforce the law, "no state agency will recognize these plaintiffs as a family and they could be deprived of all the legal rights and obligations associated with that relationship." THE IMPACT: If this law is allowed to stand, children adopted in other states could lose their legal protections if their family moves to or visits the state of Oklahoma. This could harm many children throughout the country. Striking down the Oklahoma law could also help prevent other states from passing laws like it, thus protecting thousands of families around the country. ALSO IN 2004: Lambda Legal launched a range of new cases and initiatives to protect the rights of LGBT parents. In Ohio, we successfully fought for a couple seeking a formal shared-parenting agreement in case anything happens to one of them; in Idaho, we supported a gay father in his battle against a court order forcing him to choose between his children and his partner; in California, we pressed ahead in our case on behalf of a woman who was denied fertility treatment because she's a lesbian. We also published new parenting tools, including a brochure on second-parent adoption. WHAT'S NEXT: In a heartbreaking - and important — case, Lambda Legal is cocounsel for a Vermont woman whose former partner took their child to Virginia and secured a court order there saying that she was the sole parent and that the couple's civil union wouldn't be recognized. We're also working on behalf of lesbian and gay parents and their children in cases in Maryland, West Virginia, California, Indiana and elsewhere in the year ahead.

FIGHTING FOR PEOPLE WITH HIV

Since the early days of the AIDS epidemic, Lambda Legal has battled HIV discrimination in such areas as employment, housing and access to health care. We also fight to ensure the privacy of people with HIV and to make sure that laws like the Americans with Disabilities Act protect people with HIV.

WILLIAM JEAN GOUGH

Plagued by life-threatening liver disease, William Jean Gough was denied a liver transplant by Medicaid shortly after being accepted as a transplant candidate at the renowned Thomas E. Starzl Transplant Institute at the University of Pittsburgh. Medicaid said the procedure was considered experimental because William, a native of Altoona, Pennsylvania, has HIV.

William tested positive for HIV and hepatitis C in 1996. Although he suffered no disabling symptoms from HIV, the hepatitis had caused an advanced form of liver disease, the effects of which were so debilitating that William often had to rely on his longtime partner, Bob Hoffman, to care for him.

Lambda Legal appealed Medicaid's decision, citing a decade of scientific and medical research that found no evidence of poor survival rates after organ transplants among otherwise healthy HIV-positive people. We argued that transplants for people with HIV must be considered on a case-by-case basis, just like transplants for other patients. In late 2003, we won a judgment ordering Medicaid to approve the lifesaving transplant.

Last year, William received his liver transplant and has been recovering well ever since. "Aside from the liver disease, I was totally fine, so it made no sense for Medicaid to deny the one procedure that could make me healthy," William says. "And now I'm healthier than ever — I feel like I've been given my life back."

THE IMPACT: William's victory, along with other similar Lambda Legal transplant victories, means that thousands of people with HIV across the country will have access to lifesaving transplants, if they need them. It also highlights the kind of health problems - and discrimination people with HIV are facing two decades into the epidemic as new treatments allow them to live longer lives. ALSO IN 2004: Lambda Legal took on the U.S. Department of Veteran Affairs on behalf of

a Vietnam veteran who was denied a transplant because he has HIV. We forced the VA to reconsider its transplant policies for people with HIV. After pressing Texas officials to maintain the state's HIV medication program, Lambda Legal worked with advocates in other states to make sure low-income people with HIV didn't lose access to their medications. WHAT'S NEXT: On behalf of Lorenzo Taylor,

Lambda Legal is challenging the U.S. State Department policy of barring people with HIV from joining the Foreign Service. Lambda Legal is also fighting for a medical technician in Denver who was fired because he has HIV, and we're representing a Wisconsin man who was denied back surgery by his doctor — just after the doctor informed him that he is HIV-positive.



Lorenzo Taylor speaks three languages, holds a Foreign Service degree from Georgetown University and easily passed the entrance exams required to be a Foreign Service officer — but he was rejected by the State Department because he has HIV.

STANDING UP FOR OUR COMMUNITIES

For more than 30 years, Lambda Legal has stood up for LGBT communities when they have come under attack in various parts of the country. Increasingly, our efforts focus on working with LGBT Latinos and transgender people and other traditionally underserved communities.

JOEY SAAVEDRA

When Joey Saavedra, a skilled auto-glass installer from Decatur, Georgia, started a new job at Nodak Enterprises, he disclosed to his district manager and direct supervisor that he has HIV. But just three months later, after news of his HIV status made its way up

> to the company's leadership, Joey was fired — even though he did his job well and his direct supervisor wanted to keep him on staff.

Nodak claimed that Joey's HIV made him a "direct threat to others," even though he worked alone. In May 2004, Lambda Legal filed a federal lawsuit on Joey's behalf. We are fighting to win justice for Joey and to show employers that HIV discrimination has no basis in science or medicine.

Joey's case has also become a powerful component of Lambda Legal's "Proyecto Igualdad," an initiative that

works with and on behalf of LGBT Latinos and those with HIV to expand awareness about legal rights. "Proyecto Igualdad" also focuses on broader Latino communities to increase support for fairness and equality. Working with "Proyecto Igualdad," Joey is sharing his story at community forums and in the media to help people in Latino communities learn more about HIV discrimination, the damage it causes and how to stop it

"A lot of people in my community don't even want to talk about HIV, let alone hear that you could lose your job because of it," Joey says. "But what happened to me could happen to anyone, so I think it's really important for me to go into the community and tell my story. The more we know about discrimination, the better we're able to fight it." **THE IMPACT:** Through "Proyecto Igualdad," Joey's case will help numerous people in Latino communities learn the real facts about HIV discrimination. Beyond that, the case, along with Lambda Legal's constantly growing docket of cases challenging workplace bias, is a powerful vehicle to increase understanding of the dangers of employment discrimination and how we all can work together to stop it.

ALSO IN 2004: Addressing the needs of transgender people — another underserved community — Lambda Legal handled several government records, parenting and employment matters this year. In June, we published *Bending the Mold: An Action Kit for Transgender Youth*, a comprehensive resource for transgender young people. Lambda Legal is also hard at work fighting antigay laws that target the LGBT community in Georgia and Nebraska.

WHAT'S NEXT: This year through "Proyecto Igualdad," Lambda Legal will release a range of material (covering all of our major issue areas) in Spanish, and we'll join forces with Latino communities across the country for a series of educational forums in Spanish. With the addition of a staff attorney and a law fellow focused on transgender issues, we'll also be increasing our presence in transgender communities as well as our docket of transgender cases.



Joey Saavedra takes his case into the community.

BATTLING GOVERNMENT DISCRIMINATION

Whether it's the federal government that denies immigration rights or political asylum for LGBT people or those with HIV, or local authorities that still try to use sodomy laws to justify unfair treatment of gay and lesbian people (even after we convinced the U.S. Supreme Court to declare those laws unconstitutional), Lambda Legal fights to ensure that LGBT people and people with HIV are safe from government discrimination.

JORGE SOTO VEGA

From an early age, Jorge Soto Vega suffered ongoing antigay harassment and abuse from his family and his community in Tuxpan, Mexico, because he is gay. After being detained and severely beaten by the police, who threatened that they would kill him if they ever saw him again, Jorge fled to the United States.

For more than 10 years, Jorge lived in Los Angeles and ran a flower and interior design shop with his partner, an American citizen. In 2001, he returned to Mexico for his mother's funeral. Although his mother had left him the family grocery store business, Jorge feared for his safety and paid to be smuggled back into the United States, spending hours in the trunk of a car. He then filed for asylum.

In January 2003, an immigration judge in Los Angeles ruled that Jorge must return to Mexico. In a disturbing and misguided ruling, the judge denied his request for asylum, by reasoning that Jorge didn't "appear gay" to him and could therefore keep his sexual orientation hidden to avoid harassment. Lambda Legal intervened on Jorge's behalf and, after an unsuccessful effort to reverse the judge's ruling at the Board of Immigration Appeals, took the case to the U.S. Court of Appeals for the 9th Circuit in October 2004.

We're arguing that Jorge has the right to remain in the United States because asylum does not hinge on whether people can hide

their religion or political beliefs or race or sexual orientation to avoid persecution. "Asylum for me means that I can walk down the street without thinking that someone is going to attack me," Jorge says. "It means that I can be who I am and love who I want. It means living without nightmares and, most importantly, it means living without fear." THE IMPACT: A victory in this case will help many LGBT people who escape persecution in their homeland and seek asylum in the United States. The case also highlights why it's wrong for the U.S. government or anybody else to force LGBT people to stay in the closet to survive. ALSO IN 2004: To help LGBT people navigate the complex immigration laws in the United States, Lambda Legal and Immigration Equality published two brochures in English and Spanish, one on sexual orientation and immigration, the other on HIV and immigration. Our work fighting government discrimination also includes defending LGBT people who are still being targeted by rogue sodomy prosecutions. WHAT'S NEXT: We'll combat government mistreatment of LGBT and HIV-positive people in other forms. We'll protect and enforce the precedent we set with our Supreme Court victory striking down sodomy laws, and we'll work with our coalition partners to bring safety and fairness to those serving in the military.



Jorge Soto Vega seeks asylum in the United States.

ON THE MAP IN 2004: CHANGING LIVES AND MINDS ACROSS THE COUNTRY

Lambda Legal's work is dramatically shaping the landscape for LGBT people and those with HIV in all 50 states. We choose lawsuits that will change the lives of the greatest number of people; so no matter where you live, our work affects your life. Here is a sampling of Lambda Legal's work in 2004.

CASES	ISSUE
Alons v. Iowa District Court for Woodbury County	Relationships
Amaral v. Cintas Corporation	Work
Andersen v. Sims	Relationships
Benitez v. North Coast Women's Care Medical Group	Family
Biggs v. Napolitano	Work
Burch v. Smarr	Family
Butler v. Harris	Family
Citizens for Equal Protection v. Bruning	Community
Commonwealth of Virginia v. Singson	Community
Couture v. Bonfils Memorial Blood Center	HIV
Davenport v. Little-Bowser	Family
Dumitrescu v. LaVista	Family
Dunbar v. Foot Locker, Inc.	Work
Evans v. City of Berkeley	Community
Fairchild v. Fairchild	Family
Finstuen v. Edmondson	Family
Grobeson v. City of Los Angeles	Work
Hedberg v. Detthow	Family
Hernandez v. Robles	Relationships
In re Baby J	Family
In re Hampel-Swaya	Family
In re Holocaust Victims Assets Litigation	Community
In re Judge Connie Glenn Wilkerson	Community
In re K.S. and B.S.	Family
In re Laurel Awishus	Family
In re Parentage of A.B.	Family
In re Parentage of L.B.	Family
In re Valentine	Relationships
In re Wheeler	Community
In re William Jean Gough	HIV
Jespersen v. Harrah's Operating Co.	Work

CASES	ISSUE
Kansas v. Limon	Community
Kline v. UPS	Work
Knight v. Schwarzenegger	Relationships
Koebke v. Bernardo Heights Country Club	Family
Kristine H. v. Lisa R.	Family
Langan v. St. Vincent's Hospital	Relationships
Lewis v. Harris	Relationships
Massell v. Abrams	Relationships
Matter of Gideon Green	HIV
Matter of Matthew Cusick and Cirque du Soleil	HIV
Meadows v. Meadows	Family
Melo v. Barnet	HIV
Miller-Jenkins v. Miller-Jenkins	Family
O'Kelley v. Perdue	Community
Oregon v. Ashcroft	HIV
People v. Bolton	Community
Ralph v. City of New Orleans	Family
Rhode v. Ann Arbor Schools	Youth
Saavedra v. Nodak Enterprises	HIV
September 11th Victims Compensation Fund	Relationships
Smelt v. County of Orange	Relationships
Smith v. Department of State	HIV
Snetsinger v. the University of Montana	Family
Soto Vega v. Ashcroft	Community
Spera v. Orthopaedic Associates of Milwaukee	HIV
T.B. v. L.R.M.	Family
Taylor v. Rice	HIV
TeVoert v. St. Joseph Medical Center	HIV
U.S. v. Marcum	Community
U.S. v. Stirewalt	Community
Woo v. Lockyer	Relationships
Woo v. Lockyer	Relationship





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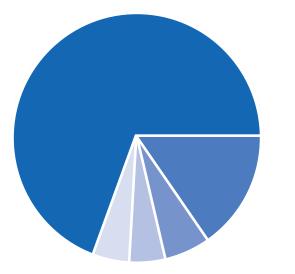
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2004 LAMBDA LEGAL HELP DESKS: ON THE FRONT LINES OF CHANGE

Sometimes one phone call can change the lives of thousands of people. That's what happened when Matthew Cusick dialed one of Lambda Legal's Help Desks to say that he'd been fired from Cirque du Soleil because he has HIV. We took his case, launching the most visible public campaign against HIV employment discrimination in years. The campaign and our historic settlement for Cusick sent a message to employers across America that HIV discrimination will not be tolerated.

Not all people who call Lambda Legal's bilingual (English and Spanish) Help Desks become plaintiffs in our precedent-setting lawsuits, but they all get the resources and support we're able to provide. In 2004, the total number of calls to our Help Desks increased by nearly 20 percent over last year. And calls on transgender issues rose by almost 70 percent — reflecting Lambda Legal's increased commitment to the transgender community in 2004. In June, we published *Bending the Mold: An Action Kit for Transgender Youth*, which many Help Desk callers have requested.

Last year, Lambda Legal also published materials on workplace equality, HIV discrimination, parenting issues and more. But whether a caller is seeking publications or information about a local attorney or service provider, Lambda Legal is committed to providing the critical help they need — changing lives one question at a time.



Sexual Orientation Discrimination Complaints 69.5% Family (total) 28.1% Family: Relationship Issues 18.1% Family: Parent/Child Issues 10% Workplace 16.5% Criminal/Police Misconduct 4.6% Immigration 3.5% Harrassment/Violence 3.4% Housing 2.3% Schools/Youth 0.6% Public Accommodation 1.9% Insurance/Taxes 1.2% Other 7.4% Miscellaneous Legal Problems 15.5% HIV/AIDS Discrimination 5.9%

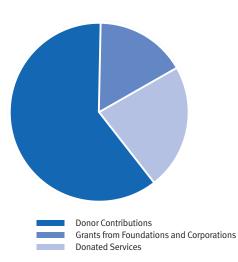
Transgender Issues 4.6%

Research/Information Requests 4.5%

LAMBDA LEGAL CONDENSED STATEMENT OF ACTIVITIES

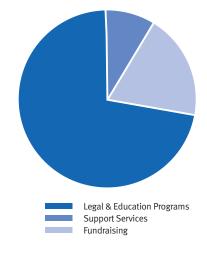
For Fiscal Year Ended October 31, 2004

Total Support and Revenue	\$11,624,922	100%
Other Revenue	\$ 158,352	1%
Donated Services	\$ 2,420,189	21%
and Corporations	\$ 1,981,841	17%
Donor Contributions Grants from Foundations	\$ 7,064,540	61%
SUPPORT AND REVENUE	AMOUNT	% OF TOTAL



EXPENSES

Legal & Education Programs Support Services Fundraising	\$ 8,117,433 \$ 1,026,102 \$ 2,190,499	72% 9% 19%
Total Expenses	\$11,334,034	100%
Change in Net Assets	\$ 290,888	



CONDENSED STATEMENT OF FINANCIAL POSITION

October 31, 2004

ASSETS	
Cash & Investments	\$2,670,503
Receivables & Prepaid Items	\$428,337
Property & Equipment, net	\$340,246
Other	\$97,328
Total Assets	\$3,536,414
LIABILITIES Payables & Accrued Expenses	\$477.794
Other Liabilities	\$204,591
Total Liabilities	\$682,385
	ψ002,909
Net Assets	\$2,854,029
Total Liabilities & Net Assets	\$3,536,414