

FIVE ALTERNATIVES TO THE FEDERATION PHILANTHROPIC MODEL

By

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Abstract

The Federation's central coordination and planning model is over a century old. The first federation was introduced in Boston in 1895 and the Los Angeles Jewish charities federated exactly a century ago. Virtually every city with even a small Jewish population has a "federation." Unlike other communities, however, Los Angeles is known for Jewish innovation, for example, two brand new major institutions started in Los Angeles are the Skirball Cultural Center and Simon Wiesenthal Center. In keeping with the spirit of innovation associated with the Los Angeles Jewish community, some service delivery agencies are looking for alternatives to the Federation umbrella model. This research examines five agencies, which have developed alternatives to the Federation umbrella model, and include: Jewish Family Service, the result of Federations pushing agencies to be what they once were: self-supporting, independent entities; Jewish Home for the Aging, unlike JFS, they have reserved the philanthropic model for endowments and major capital expenditures; Zimmer Children's Museum, was founded independently and moved into the Federation; Beit T'Shuvah, the users or at least their families become the funders; and National Council of Jewish Women, abandoned the philanthropic model and turned to retail.

My research first showed that the Federation philanthropic model no longer wholly support all of its Jewish member agencies. Each agency's transition away from total Federation dependence forced it to clearly understand its own unique need for donor support. The five Jewish agencies in the study successfully discovered where and why donor support was most necessary within their own agency structure and developed alternative funding strategies consistent with their respective missions or constituencies.

The agency donor support needs include: Jewish Family Service, hands on oversight and financial support; Jewish Home for the Aging, macro decision-making and intense capital endowment; Zimmer Children's Museum, reciprocal Federation support; Beit T'Shuvah, healthy clients and their families; and National Council of Jewish Women, high-quality second hand clothes. Once an independent Jewish agency discovers its unique need for donor support it should align and position the agency, as the five organizations have, to foster a successful connection between agency and donor.

Introduction and Literature Review

In the United States the first organized philanthropic activities were religious-based in nature and were established along religious lines to provide social welfare services. There is no doubt that there is a biblical obligation to give charity regardless of the questions about how much, who gives, or who receives; and any other questions about the nature of *tzedakah*. Jewish philanthropy is similar to other American charities, which most philanthropy is private and even religiously based – support for Jewish nonprofits primarily comes from individual Jewish donors. As metropolitan populations grew rapidly in the early 1900's, the Jewish Federation model was established to replace the early informal charity disbursement methods (Cohen, 1972). The Federation model fits the American philanthropic model; it is private, but unlike American charities it is significantly more centralized for communal coordination and planning.

A new kind of concern emerged in the late 1960's about the need for sectarian agencies to re-examine the character of services offered, the value system professed and the rationale for their continued existence. During this turbulent time for the agencies of the Jewish Federation, private social service agencies experienced a boom in public funding. Jewish agencies experienced a 600 percent increase in government funding between 1962 and 1973, and during those same years, their allocations from Jewish Federation and United way sources increased only 62 percent (Horowitz, 1977). The very parameters of charity have changed during the last century in America as a matter of practice, since the United States government provides for the basic social welfare – food, shelter, and secular education – for all of its citizens (Broyde, 2010).

“Today, governments take care of some educational and social welfare tasks that were formerly supported by philanthropists alone. Social complexity means a straightforward application of biblical and rabbinic procedures for giving charity will not work; instead we must analyze the deep theological and moral commitments of the Jewish tradition and apply them afresh to modern circumstances.”(Dorff, 2001)

The significance for Jewish philanthropy, American philanthropy, and government welfare, is that both human and financial resources are always limited. Both the private and public sectors of welfare services continually call for more qualified personnel and for more money with which to support their operations (Goldstein, 1984). A Jewish nonprofit agency has special and appropriate functions that are uniquely its own, but when viewed as complementary to the public system, or an agency associated with the Federation, it must be fully aware of its current role and future viability. The research question I wish to answer is, what are the unique patterns or themes, which might account for the role of individual donor support and the donor’s connection to the Jewish agency?

The Federation Model – Umbrella giving

The Jewish Federation was organized in 1895 in Boston for the purpose of collection and apportionment of "contributions, membership dues, donations and legacies among Jewish charities and Jewish philanthropic associations" (Cohen, 1972) The Los Angeles Jewish Federation was established in 1912 and initially comprised practically all

of the community's charitable and philanthropic institutions governed by a Board of Trustees, composed of representative and influential members of the community, elected because of recognized judgment and ability. The federation idea was to organize for the purpose of bettering the financial conditions of the constituent institutions and once effected into operation there was no denial of the fact that it served even its limited purpose beyond expectations of its sponsors (Goldhammer, 1914).

Prior to the centralized Federation model, co-relation of activities and joining of all communal forces for good had never been applied to philanthropic work. In fact, large, wealthy donors dominated American Jewish philanthropy at the beginning of 20th century. Boards of trustees administered affairs leisurely without reference to any general policy or plan. Large, wealthy Jewish donors held sway over many aspects of philanthropy and communal policy (Sarna, 2009). But, as large Jewish communities began to develop a plethora of Jewish institutions to meet various needs, each one had its own fund-raising campaign. It seemed at the time that it would be more efficient and successful to aid a variety of institutions in one appeal and offer donors the opportunity to make one gift (Feldstein, 1995). The trend shifted away from the individual large wealthy donors and toward mass philanthropy, which accelerated following the catastrophe of World War I and rapidly increased communal support for the Federation. It not only raised a good deal of money but it also served as a form of Jewish identification for the donors. By contributing to a Jewish charity one announced that he or she was a paying member of the Jewish community (Sarna, 2009). The central fund could efficiently allocate funds to its member agencies under its umbrella. Its rapid success developed new central innovations, such as:

- Community planning – committees to determine the community needs and allocate funds toward them
- Central services – direct services to the agencies: research, demographic info, statistical reviews
- Agency benefits – financial support and continuity
- Inclusion – try to include new services to meet emerging common needs
- Governance and Leadership – elected boards and volunteers. But soon needed to engage paid staff.

Los Angeles Jewish Communal Historical Note

“Human Endeavor” Rabbi Edgar Magnin

In 1934, the wake of the Great Depression, Rabbi Edgar Magnin delivered a narrative update of the Los Angeles Jewish welfare and philanthropic community. He began with highlights about the Jewish Federation, “the home of Jewish welfare organizations, the center, which radiates much of Los Angeles’ Jewish philanthropic endeavor.” R. Magnin continued to mention the Jewish Educational Alliance, which conducted a community center and day nursery and developed a small organization known as the Jewish Alliance. Out of the original nursery, only a few years after its founding, emerged the Jewish Day Nursery, which was housed in temporary quarters in order to meet the needs of the moving Los Angeles Jewish population. Working mothers would leave their children, for professional care and training during the day, but would also receive training for their own ‘scientific’ care for their children – it was a new idea of social work but out of need of rapidity.

“The spirit of cooperation of philanthropy is indicative of what can be accomplished from human endeavor.” - R. Magnin

Rabbi Magnin, in 1934, alluded to a single Jewish philanthropic campaign, which unified charitable funds within the Federation of Jewish charities. Each Federation would serve as a unified location for the community to raise money and provide central planning and budget allocations to meet Jewish communal needs. At the time a central Jewish chest led by Jewish communal leaders and wealthy philanthropists were necessary to support the variety of programs and initiatives through the city.

The years surrounding 1934 marked the residual effects of the Great Depression. The unemployment rate reached over 20% in the United States and approximately 10% higher than the US rate in 2011; the wake of the 2008 recession, known as the deepest recession since the Great Depression. The US economy in 1934 was clearly in a state of distress, yet Rabbi Magnin optimistically addressed and encouraged the Los Angeles Jewish community to continue to centralize its Jewish philanthropic endeavor and give funds through the LA Jewish Federation.

“This was indeed a serious situation and something had to be done. Because the Chest[Federation’s collective fund] had resulted in weakening the bond between Federation and the Jewish contributor, it required herculean efforts to remedy this.”(Schottland, 1960)

In 1935 a 'Service Group' was formed specifically to fundraise by applying "pressure" to reunite Jewish contributors toward a central Jewish philanthropic welfare fund. The chest's leadership would delegate funds and support to associated social service and welfare agencies; the Service Group fundraised for the peripheral agencies so the peripheral agencies could focus solely on delivering their services to the Jewish community. The Los Angeles Federation's weakness came from internal restraints that left other social causes to appeal to the community through competitor welfare funds.

After the Great Depression, the federal government accepted the dominant role in ensuring for the public welfare. Governmental expenditures for social services grew steadily over the next two decades, and then exploded with the onset of Great Society social programs, introduced in the late 1960's (Goldstein, 1984). Many of these programs sought out private agencies to function as direct service providers. In turn, many private agencies welcomed the new growth opportunities and began to move away from the centralized Federation.

The last 30 years

Further decentralization of Jewish agencies from Federation was achieved and much more was in process. In the 1980's government, under President Reagan, loosened legislation for nonprofits, which created new opportunities for more creative fundraising. In fact, by the 21st century many large nonprofit organizations including large social service nonprofits in healthcare, education, and research formed joint ventures with for-profit business. Prior to the 1980's, Federal laws prohibited such relationships between for-profits and nonprofits. After the restrictions were lifted, nonprofits engaged in for-

profit subsidiary ownership, social venture capital acquisition, collaborations between nonprofits, for-profit corporate joint ventures, and e-commerce to aid in increasing donations (Starling, 2010). Creative funding strategies were not only designed to increase funds and agency independence but also to defend against government sector and individual donor instability. Many nonprofits agree that in the 80's they began to merge the best practices of for-profit business to implement in the nonprofit organization (Ruskay, 2006). Federations also felt that they could increase funds through innovative methods. John Ruskay, Executive Director of the UJA Federation in New York states:

“In the 1980s, business minded consultants convinced charities to focus on large, wealthy donors again, persuading these charities that the time spent educating donors is more efficient when spent educating large, wealthy individuals, quoting the cost per dollar and return on investment. (Ruskay, 2006).

As a result, the United States Jewish donor base dropped from 900,000 to under 500,000 from 1980 to 2000, even though the value of donations increased. Donors with significant means once again dominated individual Jewish philanthropy and competition for individual donors increased among agencies (Sarna, 2009).

Independence and the Keys to Survival

Non-Federation agencies depend on a variety of efforts that support their mission related work. Common fundraising strategies include grants and contracts from foundations and governments, fees for programs and commercial activities, and

individual donations (Froelich, 1999). Mission legitimacy is often challenged and is distracted by new necessary economic endeavors and can steer an organization far off its original path and away from the initial reason it was founded. On the contrary, the distractions can also provide new insights for the nonprofit's strategy as well as enhance its mission and increase support.

Pfeffer and Salancik (1978) state that, "The key to organizational survival is the ability to acquire and maintain resources." A competitive environment for scarce resources is a challenge for both for-profit and nonprofit organization. Resources are rarely adequate, stable, or guaranteed. Ultimately, the demand for resources results in the adaptation, development, and continual identification of an organizations key resource providers. Understanding the underlying dynamics of resource dependence relies on an open-systems perspective of inputs and outputs (Katz&Kahn, 1966). Acquiring and maintaining adequate resources requires an agency to interact with individuals and groups that control resources (Froelich 1999).

Alternatives to the 100-year-old Federation Model

The Federation's central coordination and planning model is over a century old. Virtually every city with even a small Jewish population has a "federation." Unlike other communities, however, Los Angeles is known for Jewish innovation for example, for example, two brand new major institutions started in Los Angeles are the Skirball Cultural Center and Simon Wiesenthal Center. In keeping with the spirit of innovation associated with the Los Angeles Jewish community, some service delivery agencies are looking for alternatives to the Federation umbrella model.

1. Jewish Family Service of Los Angeles (JFSLA) - Moved away from Federation and is now a self-funded agency. Originally the oldest social welfare service in Los Angeles, they were insiders of the Federation who moved out. JFSLA has replaced Federation fundraising with their own fund-raising. Plus they have positioned their services to receive significant government money. *JFSLA in 2012 is the result of Federations pushing agencies to be what they once were: self-supporting, independent entities.*
2. Jewish Home for the Aging – one of the oldest agencies in Los Angeles, they took over the Hollenbeck for the Aged in Boyle Heights and were featured in a 1936 fundraising film ‘Federation.’ They received money from the general Federation pot. The Home is a ‘professionally managed and lay led’ to ‘professionally managed and professional led’ organizational structure. They now look to federal health care funding. *Unlike JFS, they have reserved the philanthropic model for endowments and major capital expenditures.* In addition, the Guardians has long been one of the most successful fundraising agencies organized to support the Jewish Home. But, the Home has grown so large and dedicated to cost intensive service that it is forced to prioritize government and healthcare funds
3. Zimmer Children’s Museum: A start-up from the Avi-Chai Foundation. They spent ten years independent and eventually moved to Federation for more space.

They pay \$300,000 in rent and receive just over that amount from Federation campaign in return. *They are outsiders moved in.*

4. Bet Teshuvah - A formerly new agency (started in 1984) started as part of Gateways, who serve the real marginal: prisoners and psychotics—and now addicts, experienced organic growth where only some minor funding comes from Federation. In the Federation model givers are different from the users of the service. In the case of Beit T'Shuvah, *the users or at least their families become the funders.*
5. National Council of Jewish Women: They used to be funded by solicitation of donors, who at one time were wealthy German-Jewish women. Now they raise money via thrift shop. *Abandoned the philanthropic model and turned to retail.*

Jewish Family Service of Los Angeles

The Hebrew Benevolent Society's records states in 1854: "The Israelites of the City of Los Angeles have formed themselves into a society for the purpose of procuring a piece land for the burying ground for the deceased of their own faith, and also to appropriate a portion of their time and means to the holy cause of benevolence under the name and style of the Hebrew Benevolent Society of Los Angeles." Today the Hebrew Benevolent Society is known as Jewish Family Service (JFS) of Los Angeles and is the largest social service agency in City. The agency was initially established to secure a separate cemetery and carry out the Jewish tradition of charity. The Jewish burial society was usually the first Jewish community organization formed and charity is considered a sacred duty. (Cohen, 1972) Furthermore, it was inconceivable for Jews to become a burden to a non-Jewish society.

In an account written by a social work student, he describes that the charitable societies of the 1860's and 1870's were mainly establish by wealthy German Jews and had an almost leisurely quality about their charitable giving relative to modern standards. The directors would listen to appeals from Jews and non-Jews around a table and often knew most applicants seeking assistance. The informal meetings were held in confidence and often no investigation took place or records kept. The charity was founded on the principal, stated by its President Henry Wartenburg in 1870, that, "as long as he was in actual need of assistance he invariably received it. This is as it should be, and as I see it ever will be." By 1880 the agency had reached a membership of approximately 80 people, each of who were contributed \$5 for admission and membership dues. In 1902 the Benevolent society was no longer responsible for a cemetery because Congregation

B'nai Brith established one. The agency needed to pursue their "benevolent" function in different ways.

Federation Support

Near the beginning of the 20th century the number of immigrants, many ill and indigent, increased significantly and the leisurely methods of charitable distributions no longer sufficed. The LA population had grown to over 100,000, of which 2,500 were Jewish. The charities struggled to assess and determine the needs of the complex society. As a response the Los Angeles Jewish community organized a Jewish Federation, a movement developing in Jewish communities in other parts of the country.

The Federation has contributed to the financial support of Jewish Family Service every year since the Federation was first established. Initially Federation funds wholly supported the social service agency so that it could focus on its delivery and remove the strain of fundraising and long-term organizational planning. During that time the Hebrew Benevolent Society was able to expand its range of services to medical and childcare services. In 1929, the stock market crashed and the Great Depression began. The community was suddenly faced with severe unemployment. For the first time, basic necessities such as food, money, immigration and resettlement services were provided by our agency. In 1946 the agency changed its name to Jewish Family Service to reflect the wide array of its services.

In a JFS report written in 1964 by request of the Federation called, A Projection of Future Agency Needs and Priorities, there was a substantial increase in the amount of

families applying for services. The Standards and Evaluation Committee divided the agency into six programs that met those service needs:

1. Casework for families and individuals – several techniques used for counseling services.
2. Family casework program for émigrés – for resettlement of immigrants coming to the US and their families.
3. Department of service for the aging – concerned with interfamily relationships with intergenerational needs.
4. Training program – for casework staff, students and volunteers
5. Research – involved with nation-wide programs for the aging.
6. Public Relations – a speaker's bureau to respond to JFS' work and publish newsletters.

JFS was able to assess and reassess its programs and services because of its private and voluntary basis, in addition to, gaining expertise and industry knowledge along the way. It understood that it has special and appropriate functions which are uniquely its own. Ultimately its unique position pushed the organization away from Federation in search of government support to fulfill its on-going service to people. In 1979, the JFS budget reached \$4,265,000, of which \$699,000 was government funds. In 1983, the JFS budget reached \$5,720,000, of which \$2,896,000 was government funds (JFS-LA 7-year Analysis, 1983). In 2012, the JFS budget is \$27,000,000, of which \$11,000,000 is government funds.

JFS Donor Campaign

JFS has continued to grow uniquely independent as a Jewish social service agency. Today it is the largest social service agency in Los Angeles and serves over 100,000 clients each year, at over 20 different service sites. While more than half of JFS' total budget comes from government resources the agency must rely heavily on donor support to complement its services. Leading the campaign is Suzy Bookbinder, the Chief Development Officer for JFS and a veteran Jewish fundraiser, whose department's goal is to raise over \$7 million annually from individual donors and family foundations independent of Federation support.

Federation support for JFS has decreased over the past ten years from 18% of the total budget to approximately 8-9%. On one hand Federation has reduced its funds because it struggles with a flat campaign and increased demand from its member agencies. On the other hand JFS has increased its independence from Federation managing to increase direct donor support and other funds and decrease its dependence on Federation funds from 18% of the total budget to approximately 8-9%. The San Francisco Jewish Family Service is 100% independent from the San Francisco Jewish Federation, a sister agency whose path to independence came sooner (Philips, 2012)

Generational Shift in Giving

Suzy Bookbinder mentioned that one of the biggest challenges taking place between agencies and donors is a generational shift in individual donor giving. The shift has gradually taken place over the past ten years and was accelerated by the economic crisis in 2008. The generational shift is made up of new donors who are focused on

agency transparency and quick results on donation dollars, like a return on investment in a for-profit enterprise. The previous generation were born and raised under the Federation umbrella model and faithfully gave to a central organization. The new generation of donors increasingly directs their support toward specific agencies that they feel fill the societal needs that they are individually concerned with. In addition their donations are often restricted or designated toward even more specific programs and services within a given agency. Often times many donors are unaware of the actual costs and overhead necessary to convert their restricted or designated funds into actual services. The generational shift presents a challenge to JFS because JFS has a wide array of services and programs that all demand balanced support and not just funds for a select few. Furthermore the agencies unique flexibility and assessment of programs may be at stake.

Cultivating Individual Jewish Donors

Individual Jewish donors are still centrally important for Jewish agencies. Suzy Bookbinder mentioned that the majority of aggregate funds to Jewish agencies come from private gifts based on peer-oriented relationships. A peer-oriented relationship is defined when donors “ask each other to donate” and are even more essential when it comes large, wealthy individuals.

JFS has focused inward towards its community of donors in order to increase its peer-to-peer relationships. During the previous decades, the JFS Board of Directors fell in the habit of not making personal connections for fundraising purposes. Suzy stated that when historically Jewish agencies relied on the Federation model they relied on lay

leaders to coordinate and plan so the internal professional can focus on effective service delivery. As the agencies moved away from the Federation model and increased dependence on government funds agencies relied on their own professional managers to coordinate and plan and professionals to deliver the services. In order to rebalance the responsibilities Suzy and the JFS executive staff have been dedicated to re-engaging lay leaders and volunteers by increasing their responsibility to support and maintain the agency.

Starting with the Board of Directors one of the first steps Suzy took was to taken reintroduce a 'give and get' policy. Similar to the \$5 contribution for admission and membership in 1880, a 'give and get' policy is set individual donation amount each board member contributes in addition to a set donation amount a board member must fundraise from his or her peers. Furthermore, each of JFS board member volunteers for a leadership role with at least one of many committees. The committees, as stated by the board member handbook, include:

- Audit Committee – direct and oversee the annual independent audit
- Continuing Quality Improvement Committee – oversee and monitor the Agency's continuing activities. Employ standards, governance, monitoring, review and modify CQI standards, Annual reports to the board
- Finance Committee – review of agency fiscal activity – facilities, investment committee
- Future of JFS committee – policy recommendations around issues and ideas that have long term impact on the sustainability and potential growth of JFS

- “J” in JFS/Ethics committee – promoting and maintaining the Jewish values of the Agency
- Board Governance – review of the boards governance structure and policies, performance and participation of board members
- Human Resources – recommendation of policy as it relates to agency human resource needs
- Mergers and Acquisitions – evaluation of potential merger and acquisition opportunities
- Social Enterprise – oversight of the agency’s enterprise initiatives implemented for the purpose of generating income to support JFS services.
- Program Committee – policy recommendations related to JFS programs. Composed of JFS board members, staff, reps from the community, and staff of other agencies.
- Public Policy – strategic direction for the agency’s involvement of in the area of public policy. A forum to discuss the agency’s role as an advocate on behalf of the most vulnerable.
- Resource development – umbrella and oversight for all fund development, marketing and communication activities. Plays a pivotal roll in the Agency’s ability to remain viable and continue to provide services and programs. Also as a clearing house for coordinating and scheduling all fundraising activities.
- Advisory committees: to include individual programs including- Aleinu Family resource center, Friends of the shelter, SOVA advisory committee,

Valley storefront advisory committee, Pico Robertson storefront advisory committee, Chaverim advisory committee.

The extended list of the committees represents the oversight necessary to manage and maintain JFS' wide array of programs and services. For most of the committees they are made up of only lay leaders whose interests or knowledge matches the committee. For other committees lay leaders mix with professionals and communal experts to enhance the level of oversight for particularly sensitive or communal services, such as counseling or policy related programs. The committees are similar to expansion of 1964 list created Federation Counsel request. That first list essentially marks JFS' first need for support beyond Federation allocations.

The Los Angeles Jewish Home for the Aging

The Los Angeles Jewish Home for the Aging was started in 1912 when a few compassionate Angelinos gave five homeless elderly Jewish men shelter for Passover. Simon Lewis, one of the compassionate Angelinos and a local grocer, was haunted by the plight of the often lonely and elderly in the community. He along with others decided to provide continual shelter and care to those elderly in need. The Hebrew Sheltering Home provided shelter, warmth, community, and importantly a place to observe Judaism as it first did Passover 1912. Over the past one hundred years the Jewish Home for the Aging grew to meet the needs of the aging community from significant donor contributions and ultimately shifts in government healthcare reform and societal trends. It is a Jewish nonprofit but residents can come from any background or faith.

When I visited the Jewish Home for the aging it was a warm and sunny Friday afternoon in early March at the Jewish Home for the Aging in Reseda, California. As I stepped outside of the building I was able to see a large circle of elderly residents forming in the courtyard. I heard this was the first warm enough afternoon that the residents were able to 'welcome Shabbat' outside. There must have been about 50 residents sitting in their wheelchairs and at least 10-20 more walked in with and without the aid of their walkers. Staff such as nurses and training nurses sat off to the side, I could tell by their expressions that they were excited for the service regardless whether they were Jewish or not.

Every weekday at the Jewish Home may seem the same to its residents, but every Friday the Jewish Home celebrates Shabbat. After spending time visiting the staff in the psych unit I learned how easily the elderly could become lonely, confused, which can

ultimately lead to a fast unhealthy downward spiral. The Sabbath service comes once a week and provides a sense of time, as well as, blessing for every resident.

No Longer a Nursing Home

To say Moses still had a lot to contribute even at the ripe age of 120 is an understatement for the Jewish Home. I initially expected to see an organization similar to any other nursing home or elderly care facility. Contrary to my initial belief, the Jewish Home turned out to be a much larger multifaceted organization that delivers many cutting edge support services to Los Angeles' elderly. The Jewish Home carefully navigates the senior healthcare industry to maximize its welfare support and preserve its Jewish mission. The Jewish Home for the Aging sets the trend for a modern Jewish healthcare agency through its innovative medical services matched with Jewish communal support.

The Home, in its 100 years of operation, has always kept to its mission, to help the Jewish elderly in need, and has in fact expanded its mission and service and to many non-Jews. Today there are currently two Rabbis in house, a chaplaincy service, a synagogue, and the walls are draped with plaques and pictures of donors and honorees. The Jewishness of the Home emanates from the care and philanthropy of its community but is primarily supported by the cost intensive medical and healthcare services it provides.

Change with the times

"Times have changed and so has the structure of the Home," said Arnold Possick, the Vice President of Health and Community-Based Services & Corporate Compliance

Officer. Arnold is a senior manager on an executive team of six, which includes the CEO and CFO. Together they make day-to-day strategic decisions and position the organizational structure of the Jewish Home to meet its clients' needs. Arnold is a healthcare professional with over twenty years of gerontology experience who is responsible for the Home's enterprise relationships with hospitals, healthcare and insurance providers, and government agencies.

Arnold and the executive staff meet monthly with a Board of Directors to discuss macro strategic issues and opportunities for the Home. The Board of Directors is comprised of committed, large, wealthy, individual donors and trustees who oversee the macro strategy of the Jewish Home. For the most part, the internal management staff is responsible for overseeing the variety of medical and health care services, day-to-day operations, in addition to, new opportunity evaluations for major programs and services that meet the needs of the Los Angeles aging community.

The Home's details

At the Jewish Home for the Aging there are 900-950 residents. The Jewish agency supports 500-700 elderly people in the community, employs 1,150 people, and has a budget of \$84 million. The budget at \$84 million is comparable to a \$125 million budget for a private for-profit home for the aging business. Much of the significant growth at the Home has taken place over the past 10-12 years with new administration who have transitioned the home from a nursing home to a modern healthcare and medical facility. For the prior 90 years the home had always acted as a nursing home and facility for the elderly, as well as, for a long period was supported by Federation funds. The

recent shift is a similar generational shift as Jewish Family Service but specific for care of the aging. Furthermore the generation shift that took place is within the demographic of the resident and the fact that the majority of their children are not immigrants and are more affluent, educated, and assimilated into society (Glicksman, 2009). For this case the children of the residents dictate the type of communities and care that they want for their parents, and appropriately for themselves when the time comes.

The board trustees made a decision to expand the services, hire the appropriate professional managers, and have them organize the Home into the modern healthcare and medical facility it is today. The nursing home model was not sustainable enough with the funding it received nor would it be able to accommodate an increasing aging population. As a result the Home was challenged within the last 10-12 to generate sufficient funds to support its new operations.

	1999	2011
Philanthropic donate Funds:	24%	13%
Private pay Fees for service, includes Insurance:	20%	25-30%

This challenge presented an opportunity to carefully reposition the Home and develop new and innovative cost intensive medical and healthcare practices that are paid for by private fees for service or government welfare funds such as Medical and Medicare(not listed above).

Additional services

Today the Home provides services beyond the nursing home, such as, acute psych unit, short-term rehabilitation facility, and hospice services. These services utilize resources, such as rooms and beds, that some would debate take away from the level of welfare support it once maintained. But, as Arnold said, without these services, the Home would not be able to generate sustainable funds to provide welfare opportunities to those who need it most. Currently the average age of residents is 91 and 90% of residents are female - women tend to outlive men. About 30 are over the age of 100, and 60+ are holocaust survivors. Out of all the residents 75-80% are on welfare. For the Jewish Home to survive it must have profit generating units, hence the new programs, and depend less on philanthropy as an overall percentage of funds. Instead the philanthropic donation money can be used for capital campaign projects or endowments to support and sustain future endeavors the Jewish Home may pursue, as well as, provide a safety net for later economic crisis. Non-donor based revenue sources are primarily from mediCal/mediCare and health insurance providers. Relying on government funds is not as easy at it may seem because long-term healthcare is extremely cost intensive and the second most highly regulated industry under atomic energy.

Strategy and Organizational structure

The Jewish Home's strategy consists of more than just increased on-site service offerings, which require costly capital investment. Moreover, the Home will be faced with a consistent increased demand for their services as the US Babyboomer generation reaches their 'golden years'. Arnold mentioned that the Home has implemented

preemptive measures to reach out into the community and develop programs that are a more efficient use of funds for the Home. An occupied bed on site costs \$250,000 over seven years costs, where instead those funds can be better spread out into programs and services for in-home care for over sixteen people.

The Jewish Home for the Aging has a unique organizational structure led by generous individual Jewish donors. The Torah states that as Jews we must take care of our elderly for they cannot support themselves. The Board of Directors, the primary donors, clearly care about the mission and donate very generously, but Arnold mentioned there is a careful balance where Executive staff needs the board to focus on macro strategy rather than focus on the micro details. Care for the elderly doesn't necessarily mean hands on in this case, instead it implies that it is necessary for the leaders of the organization to be involved in the strategy and support and grow its offerings, to take advantage of new opportunities and reduce costs. The Home's support is guided by Jewish leaders committed to the delicate health and well being of the elderly and who are willing to commit their resources necessary to invest in innovative medical and healthcare services to continually improve the level of care.

Zimmer Children's Museum

The Jewish Community Centers Association of North America with \$20,000 of initial funding from the Avi Chai Foundation developed the concept of the Zimmer Children's Museum in 1990. The museum, originally called My Jewish Discovery Place, is a hands-on museum where young children and parents can experience together the joy and fun of learning about Jewish history, customs, values, holidays, tradition, heroes, music, dance, and drama, as well as, Shabbat, Israel and the Hebrew language. The Avi Chai Foundation found a critical opportunity to develop an effective program that taps the Jewishness of a multi-denominational and American Jewish population.

Esther Netter, the CEO and founder of the museum, said that the main goal of the Zimmer Museum is to make American Jews more Jewish. Avi Chai and the West Valley Jewish Community Center recognized Esther, then responsible for JCC teen outreach programs, to build the portal to traditional experiential Judaism. The museum was designed with children in mind and has been a catalyst for adult Jewish learning and quickly enriched the lives of Jewish parents, grandparents, Board members, docents, and patrons, as well as, the non-Jewish community. Jewish families were given a space where they could replicate Jewish experiential living, which had been lost in their daily living, as each generation has become more and more assimilated.

The first demonstration

The Avi Chai Foundation selected the Jewish Community Centers Association of Los Angeles for one of four demonstration projects at four centers throughout the United States. Initially the small hands-on museum was supposed to be built at the West Valley

JCC, which at the time operated out of the Federation's West Valley Alliance building and would require additional space. The JCC Association determined that rent paid to the Federation for the additional 600 square foot space was unfeasible and created the space at the JCC's Westside center near Hollywood. Within the new space Esther, two of her colleagues, and additional family members pitched in to design and build the experiential learning museum from scratch.

Esther Netter mentioned that when she received the grant she put a lot of thought and consideration into understanding the modern Jewish family. The Avi Chai Foundation's motivation to reach out to the JCC Association of LA came from 1990 National Jewish Population Study, which stated:

"Of the 5,146 households that qualified in Stage I as having at least one Jewish member under one of the four criteria specified earlier, just under half qualified on the basis of religion, just over one-third as containing an ethnic Jew (persons who consider themselves Jews), 5 percent on the basis of some member having been raised Jewish, and another 12 percent on the basis of at least one member reporting a Jewish parent." (Godlstein, Kosmin, 1991)

In many cases the report also showed that the families, among many others, were not attached to a synagogue or any other congregation. Esther felt that her key challenge was to reach out to these families from a 'non-intimidating' approach and create an easy entry point to Judaism and Jewish family learning.

Designers of creative children's educational games, materials, computer programs and interior designs were consulted throughout the museum's evolution, as are the professional staffs of children's museums, teacher resource centers and organizations providing hands-on exhibits, for the creation of the museum's exhibits and educational materials. The purpose of the hand made interactive displays were to transform visitors into participants, and offer a unique opportunity for parents and children to jointly discover the wonders of their Jewish heritage. Esther also established the museum's first Board of Directors, which was comprised of Jewish educators, early childhood educators, museum educators, artists, parents, and lay leaders from the community. The Board's support came more in the form of experiential educational value rather than significant financial contributions.

Building the Zimmer Children's Museum

Max Zimmer arrived in Los Angeles at the age of 19 and passed away at age 105 in 1999. He was a penniless woodworker from Austria who upon arrival launched himself in the building business when he talked a Lynwood merchant into letting him remodel his storefront to improve business. His first project was successful and Max Zimmer went on to build seven Los Angeles synagogues, including Temple Emanuel and Temple Beth Am in Beverly Hills, Temple Israel in Hollywood, and Temple Isaiah in Westwood. Zimmer was a strong supporter of Israel and raised funds to build hospitals in Tel Aviv and Jerusalem. He helped found the old Mt Sinai Hospital in Boyle Heights (which later became Cedars-Sinai Medical Center), the Los Angeles Jewish Federation, the University of Judaism and the Jewish Home for the Aging. In 2001, two years after

Max Zimmer's death, his philanthropic foundation approached My Jewish Discovery Place. It identified the small museum as a Jewish agency that could use help from Zimmer to remodel and grow it based upon the same approach Zimmer had with the Jewish institutions he helped grow and build throughout his life in Los Angeles – to 'improve business'. The foundation donated \$2 million to name and build the Zimmer Children's Museum in a new and much larger location.

In 2002, the Zimmer Children's Museum moved into the Jewish Federation building on Wilshire Boulevard. The big ideas that Esther had in her first ten years could now be physically built into big exhibits. When children play in the museum it stimulates their experiences and further exploration in the large space. The exhibits range from the Kotel in Jerusalem where families can fully experience what it is like at the wall in Jerusalem, to Bubbie's Book Corner, the Tikkun Olam House, and the Park to the Blue Bagel Café. The museum reaches 50,000 people annually through all of its programs at the museum and partnerships with local public schools. The museum, while designed for parents and children to learn together, has become an invaluable resource for schools, centers, synagogues and camps by providing arts programs and museum educational experiences.

Federation relationship

Upon entering the Federation building on Wilshire Boulevard, the first thing that every person sees is the Zimmer Children's Museum sign over the entrance into its space on the bottom floors of the building. Similar to many of the other agencies that reside in the Federation building the Zimmer Children's Museum is own independent agency. The

Zimmer Museum's move into the Federation can be categorized as reciprocal for the evolution of both agencies.

Symbolically it would appear that Federation once again is wholly supporting an agency designed to attract Jews back to a traditional Jewish center. The actual lines are unclear to determine which agency benefits the other more. In a closer examination of donor and funds, Federation funds consist of approximately \$300,000 according to the 1099 tax form that the museum files. In addition, the museums rent expense is approximately \$300,000 and listed separately. Regardless of how the funds are actually translated one can determine that the Federation supports the museums rent costs in its buildings. The total budget for the Zimmer Museum is approximately \$1.6 million and aside from the approximate \$300,000 Federation allocation the rest of the funds are generated primarily through direct donor contributions and secondarily admission and program fees.

The Zimmer museum's relationship to the Jewish community, Federation, and general public is in fact parallel to Max Zimmer's professional and philanthropic relationship. He was directly involved in the physical construction of a variety of Jewish institutions. The institutions and the exhibits are designed to enter, experience, learn, and practice hands-on Judaism.

Beit T'shuva

In 1921, Rabbi Edgar Magnin started an outreach program for Jews in prisons called the Jewish Committee for Personal Service (JCPS). Today it remains the only organization combating the loneliness, discrimination, terror and actual physical abuse directed toward Jewish prisoners in state and Federal facilities and is located at Gateways Hospital and Mental Health Center. Furthermore, Gateways hospital was created from a donation made by a thankful client in 1961. The program counsels both prisoners and their loved ones through the frightening and humiliating process of arrest, conviction, incarceration and eventual release. These Jews are often forgotten or not talked about.

In 1984, Harriet Rossetto, an experienced social worker responded to a small ad in the Los Angeles time looking for “a person of Jewish background and culture to help incarcerated Jewish offenders.” A small voice inside of her cried out, “This is it!” She embraced the challenge of an unpopular cause – fighting denial that “nice Jewish men and women” could be addicts and criminals of every kind and descriptions. Harriet quickly recognized that most of the Jews in jail committed crimes as a by-product of the “Dis-ease” of addiction. Instinctively she knew that jailing these broken people neither fixed them or protected them nor protected society.

Envisioning Beit T'Shuvah

Frustrated, again and again by the 90% recidivism rate and the lack of community resources to release these people from the vicious cycle she envisioned Beit T'Shuvah, the House of Return. She was inspired to create a community that supported the process of recovery and required spiritual healing. Harriet pioneered the first residential program

in the country that integrates Judaism, 12 Steps and psychotherapy, which together have been its guiding spirit for over twenty years.

Before the program ever launched Harriet submitted only one grant application to FEMA. Under President Carter FEMA absorbed many different Federal agencies and emergency preparedness and recovery programs. Fortunately for Harriet FEMA, in 1987, was heavily concentrating on solving and funding causes related to homelessness. FEMA awarded Harriet's program \$149,000, which she combined with an additional \$40,000 loan from the Jewish Community Foundation to purchase a house and begin her residential program. Harriet, the only staff person during Beit T'Shuvah's inception, lived in the house with the ex-cons.

Broadening the Program

The original mission of Beit T'Shuvah was to provide transitional living and reentry services to Jewish men being released from jails and prisons. Harriet mentioned that once the doors opened people came immediately...“and that they are still coming today.” Through the early years Harriet gradually broadened her services in order to meet the variety psychological and spiritual needs of Jewish men re-entering society. She said that each case may have been different but the core treatment remained the same. Today its mission is to be a therapeutic and spiritual community based on the integration of Jewish spirituality, 12-step recovery and psychotherapy. This new mission accommodates more than just Jewish men released from prison. Ultimately people came that had no legal problems at all but were struggling with a wide range of addictive behaviors.

The number of people Beit T'Shuvah serves and the length of its waitlist could measure its early success. For the Jewish community, however, Beit T'Shuvah's growth out of JCPS and Gateway Hospital, both Federation funded agencies, was independently successful because it exposed a self-perpetuating myth that Jews were not alcoholics, addicts, sex offenders, or had problems with food, gambling, spousal abuse, and crime. The residential program had organically created a welcoming Jewish community for individuals and families who once thought they were lone outcasts. Lone outcasts were now able to 'return' to the community through inviting Shabbat services, group meetings, and counseling services at Beit T'Shuvah.

Maintaining the Program

Paradoxically, the greatest threat to relapse is constant sobriety, therefore, Beit T'Shuvah is dedicated to helping people reach sobriety and also to maintain it. So, in 1999 Beit T'Shuvah realized that the 35-person facility was inadequate. The mission states, "No one is turned away, regardless of their financial situation, if they want help." That policy kept the beds filled and increased pressure for more space and more funds. In response, the small Board of Directors and through the generosity of close friends, family, and community, raised \$5 million on its own for the apartment building on Venice Boulevard. Two years later Beit T'Shuvah officially separated from Gateways.

Harriet believes that if Beit T'Shuvah reached out to people at their most vulnerable and helped them to become the people they were intended to be, then their collective gratitude and desire to give to others what they had been given would sustain our mission – and so far has. In addition, the story of their success opens the hearts of

those with means, inspiring them to give. She further stated, “The Torah tells us that if we do what is right, with good intention, God will provide.”

Honoring the past and building the future

Beit T'Shuvah recently initiated a 2011-2012 capital campaign to create the physical space that reflects the spiritual recovery that takes place within. After 4850 clients, 8000 families, hundreds of volunteers, and 79 current staff members, of which 90% were former and current residents, the physical space for the 140 residents must expand to sufficiently express and support the life within it. Fortunately the small Board of Directors has grown and more leaders are now involved to initiate the capital campaign to build a campus and are armed with a gift from the Saul Brandman Foundation to purchase the adjacent building. Shortly after, Beit T'Shuvah had experienced a cascade of spontaneous generosity. In a CEO's note written September 2011, Harriet states:

“During one week in July, four grateful families[from within the client population] offered \$150,000 each. On July 26th, two alumni of Beit T'Shuvah brought a check to me for \$100,000 with a pledge of half a million over five years. I had often dreamt of such a day! ...They each arrived at Beit T'Shuvah 11 years ago with all their belongings in a trash bag. If that ain't living Judaism, I don't know what is! This new building is the testimonial to the power of redemption and affirmation of the reciprocity of generosity.”

Harriet stated that, "Beit Tshuvah is seen as a bit of a renegade organization."

Unlike other Jewish agencies the don't really belong to a Federation or synagogue except the community of its clients and clients families. The tremendous growth of the healing programs, outside clients, design firm and musical production social entrepreneurs, and synagogue membership has cried out for the expansion of the new building that will house a beautiful synagogue with 20-foot high ceilings and seat up to 750 people. The existing synagogue space will be reconfigured into more clinical and spiritual counseling offices and the dining area enlarged to invite more friends to attend dinner after services on Friday night. The hub of the social enterprises and youth mentoring programs will be housed in the new, light and open second floor. Recognizing the growing need in the community, Beit T'Shuvah has stepped up the level of programs, services, and space knowing that the action will be met by the community's generosity. Harriet's strategy has worked so far, balancing mission before money and never money over mission and says whole-heartedly, "If you believe!"

National Council of Jewish Women

National Council of Jewish Women-Los Angeles' mission states that it is "a grassroots organization of volunteers and advocates who turn progressive ideas into action. Inspired by Jewish values, NCJW strives for social justice by improving the quality of life for women, children, and families and by safeguarding individual rights and freedoms." True to its name, the agency that relied on soliciting donors who were wealthy German Jewish Los Angeles women in 1909 is still led by women in 2012. Although the twenty female volunteer Board of Directors are solicited for donations, less than 20% of NCJW's fundraising comes from monetary individual donor contributions. Instead, the agency turned to retail to fundraise and has operated NCJW Council Thrift since its first store opened in 1924 as a result of the Immigrant Aid Program to collect, give away, and sell second hand goods. The first NCJW Council Thrift Shop was stocked with inexpensive useful household items for sale and donation.

Interview with Bob Klausner

The only male listed on NCJW's executive and volunteer leadership today is Bob Klausner, Vice President of Retail Stores. Bob is a Jewish retail veteran executive from the multi-hundred million-dollar retail chain Clothestime, Inc. who partially retired from his career when Clothestime Inc. was sold in 1992, and further operated under new ownership. Nearly ten years later Bob's peers, some of who sat on the NCJW Board of Directors, asked Bob to manage and grow their thrift store operation. When he began his career at NCJW in 2003 Bob recalls walking into a 'bunch' of thrift stores that looked, smelled, felt, like a 'thrift store.' He further commented that the stores lacked

colorization, proper merchandizing, and business ethics necessary for running any type of retail operation. The Thrift Shops were managed like a social service program designed to gather and provide very inexpensive used clothes to women and children in need.

Bob's first goal was to transform a social service chain of at best mediocre thrift shops into NCJW's primary fundraising mechanism. Bob, clearly a 'shmata guy', immediately applied his professional retail and Jewish communal experience and targeting individual Jewish donors, as any independent Jewish agency would. His goal was not to compete with Federation and other agency campaigns for financial resources. Instead he wanted to reach individual Jewish donors who were more willing to give their belongings away rather than sell them. Now, NCJW's campaign could cultivate the same individual Jewish donors as the Federation campaign with out competing directly with them.

Cultivating Donors, Goods

Bob successfully leveraged the generosity and affluence of the Jewish community to differentiate NCJW's fundraising and donor cultivation strategy from every other Jewish agency in Los Angeles. The main hurdle for NCJW in 2003 was to attract donors to the stores, which prior to 2003 were unattractive. The stores were overstocked, unorganized, and very poor quality and today are the stores are neat, clean, and organized with better quality clothing. The stores are located on popular retail shopping streets and offer an easily accessible donation collection process, which includes trucks for pick up and delivery service. All donated goods are itemized for donors and tax deductible donation receipts are returned in the mail within two weeks. According to LA Magazine,

NCJW offers the best appraisal values, approximately 20-30% of retail, a significant benefit and incentive for donors. The high quality second hand goods are able to sell for the same value in the attractive, clean and organized stores and justify the appraisal.

Bob decided not to advertise NCJW Thrift Shops to shoppers, as most retail stores would have. Instead he spent money to advertise in places such as, Jewish Journal, at Lemlee theaters, and in communities where the population tends to be forty to sixty years old, affluent, educated and will give their belongings away rather than take the time to sell them, or simply throw them away. He estimated that 85% of NCJW Council Thrift's donors are Jewish. Bob's donor focused marketing approach was and remains successful as the thrift shops consistently receive high quality used clothes that fill the eight stores to make more money.

Retail Growth and Operating Revenue

The total Council Thrift Shop revenue grew from \$3.2 million in 2004 to over \$7 million from eight stores in 2011.

"All of my stores are profitable and doing very well which is unusual for the thrift store business," he mentioned, "and it was certainly not the case [profitability] when I arrived."

There are now over one hundred employees, not including volunteers, who manage, operate, clean, organize, collect, and merchandize the eight stores. In addition, there is approximately thirty staff members dedicated to overhead operations, such as, accounting, administration, and facilities management. Staff and rent are NCJW's primary and largest expenses. Fortunately there are no inventory costs, since everything

has to be donated. Bob quickly recognized that a nonprofit retail agency's absence of a cost of goods sold meant that every donated item it sold becomes profit after salaries and rent are paid. Therefore Bob's strategy to cultivate Jewish donors who donate higher quality second hand goods meant that larger profit margins could generate more funds for NCJW's social services to women and children.

NCJW-LA's thrift store operation represents over 80% of the nonprofit's total support and according to its latest public 990 tax form:

Statement of Revenues:

Membership:	\$17,722
Government Grants:	\$153,844
All other contributions, gifts,	
Grants not stated above:	\$469,916
Non-Cash Contributions:	\$328,898
 Gross Revenue from sales:	 \$7,549,353
Net income from sales:	\$1,759,048

Year-end 6/30/2011 total support (not all stated above): \$8,283,880

The Store Supports the Cause

In 2009 NCJW was rebranded to celebrate its 100th anniversary and increase visibility within the community and increase donations. The agency advertised the anniversary through billboards, store signage, and published content in the Jewish Journal

and other relevant publications. The momentous occasion was an opportunity to celebrate the long history of the organization and reintroduce it to the modern Los Angeles community. The agency strategically, in the wake of the 2008 economic recession, targeted its message toward its constituent population in order to promote awareness of NCJW programs and social services available to them. Social services included a helpline, specifically, ‘Women helping women’ that serves as a central intake for its additional services. The NCJW Thrift Shops were then able to give away nearly 30,000 items to over 2,000 needy individuals from the 50,000 donations each year.

The successful Thrift shop operation never lost sight of its historical social service purpose. At its core its organizational structure is designed to generate maximum value from every donation. From the 50,000 donations each year 70%, all of which must be neat and clean, is put up for sale in the stores. Another, 28%, that is not suitable for sale or donation, is recycled for a salvage value, and a small 2% of usually obscure items are destroyed. If items are not sold in the store they are given away through approximately 20 social service agency partners.

Special Thrift Fundraising Events

Council Thrift shops are the centerpiece of NCJW-LA’s fundraising and every so often innovative campaigns emerge. Federation campaigns have Gala dinners and Golf Tournaments for individual donors, and NCJW has Best of the Best. Best of the Best is one of the most successful and highly publicized NCJW events. Six times each year and for two days the best clothing items, which are put aside when donated for this special occasion, fill the stores while lines of shoppers, buyers, and designers form. The

sidewalk lines begin as early as six in the morning to take advantage of the premium and luxury second hand items for sale. The record one-day single store sales revenue during a Best of the Best was \$80,000, while an average Best of the Best day sales is \$40,000-50,000. All revenue is profit because all the clothes are donated. Bob mentioned that, “the fundraising event could only be successful if donors were willing to give these items instead of sell them for their own benefit.” This event is unique to NCJW, and grew organically out of the agency.

Challenges and Future Opportunities

NCJW Council Thrift is a successful fundraising mechanism but its unique model faces nonprofit sector and retail industry challenges. Growth, Bob suggested, would have to come from new stores, but every store must be carefully placed within selective communities in order attract the right donors. Bob is able to leverage his retail experience to determine the best locations for the stores. In addition, as the operation expands inventory controls are difficult to implement because of the expanded variety of donated items – they are unpredictable. Lastly, nonprofits and thrift shops struggle to attract and retain talent, as well as, justify any higher salaries.

Finally, I asked Bob an important question: “What happens when you leave NCJW?” I was curious to learn whether he would hire his replacement from within the retail thrift operation. But Bob told me that he was developing two people from the private retail sector to ultimately replace him, similar to how he joined NCJW. “The VP of Retail role requires a business mind, especially since the operation is significantly

larger and more complex than it once was. This individual must also be educated about NCJW and carefully balance agency priorities with retail priorities.”

Conclusion

The five agencies included in the research study kept with the spirit of innovation associated with the Los Angeles Jewish community and found successful alternatives to the Federation umbrella model. At first my research showed that the Federation philanthropic model no longer wholly supports all of its Jewish member agencies. The Federation had abandoned its own traditional model as its member agencies sought out new fund sources. As a result each agency was forced to understand its own unique needs in order to identify the exact type of support it would require in order to maintain and grow its services independent of the Federation.

The central design failed to keep pace

The central design of the Federation model at the start of the 20th century was an appropriate configuration for Jews to fundraise, coordinate and plan for all of its member agencies. The rapid growth of the city made charitable assessments and distribution too complicated for the leisurely individual trustee model of the late 1800's. In fact, the Federation's rapid success and popularity accelerated its fundraising capability and quickly increased the amount of its coordination and planning responsibilities. Unfortunately the needs of the Jewish community and LA continued to grow and complicated the Jewish agency landscape through the 20th century. The distance between the Federation's centralized support and its member agencies increased as agencies looked to new sources of support in order to meet the needs of their clients.

Understanding an agency's unique needs

The five Jewish agencies in the study successfully discovered where and why donor support was most necessary within their own agency structure. In doing so each one developed alternative funding strategies consistent with their respective missions or constituencies. The agency donor support needs include:

- Jewish Family Service – hands on oversight and financial support. JFS needs donors who are directly involved in evaluation and prioritization of the diverse programs and services, as well as, who can clearly assess the needs of its constituents.
- Jewish Home for the Aging, macro decision-making and intense capital endowment. Medical and healthcare services require significant investment and intensive professional services. Board members and trustees can commit resources that help the Home adopt new programs that are profitable and therefore increase services and additional resources to its residents.
- Zimmer Children's Museum – reciprocal Federation support. On one hand the Federation supplies a central location and large space for the Jewish museum and significantly supports its operating costs. On the other hand the museum serves as a physical gateway for young Jewish and non-Jewish families to learn, experience, and support the Jewish community.
- Beit T'Shuvah – healthy clients and their families. The agency depends on the growth and perpetual maintenance of a Jewish community by physically and spiritually healing its clients. Families are so grateful to return to the Jewish

community and are compelled to support it for their own continuous healing and the healing of others.

- National Council of Jewish Women – high-quality second hand clothes. Donors are Jewish and typically already understand the importance of charity. The retail model targets the same donors who financially support other Jewish agencies and cultivates donors for their non-financial second hand resources.

Dependence and the need for transparency

Each agency's transition away from total Federation dependence was a result of the Federation's inability to wholly support them. Prior to the Federation model agencies were supported and managed by the trustee. In some cases the leisurely and informal table meeting can be considered the simplistic version of JFS social workers meeting with his or her clients. But for JFS to support the diverse needs on an economic scale, relative to the much smaller LA population in 1880, it requires that its trustees be directly involved in the oversight process through specific committees.

During the mid to late 20th century when agencies initially gained independence they were forced to relearn how to develop donors and trustee support. Furthermore, competition for individual donor support among the agencies challenged each agency to innovate in unique ways such as, NCJW's retail model. The recent generational shift represented a demand for transparency from the agency toward the donor. Fortunately as each agency further understood its own need for support it was able to communicate it to donors who were willing to listen and see for themselves. Transparency helped donors in many ways physically connect to the agencies mission through healing, volunteer

oversight, their own property, and experiential learning. Then, similar to how children learn through their senses, when a parent shares the physical experience, it reinforces the strong emotional influence that traditional Judaism represents. Among all the agencies I researched, donors were happily invited into Jewish communities. However, the Jewish communities were unique and focused on fostering special connections with each donor for his and her commitment and membership to the Jewish agency's mission.

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