

JEWISH COMMUNAL FUND

1997/1998 ANNUAL REPORT

JCF offers individuals and families a way to simplify their charitable giving.

The Jewish Communal Fund was incorporated in 1972 as an independent, public charity serving the philanthropic community of Greater New York. Through donor-advised funds, JCF offers individuals and families a way to simplify their charitable giving and to plan their philanthropy.

### Supporting our donors

Our primary responsibility is to serve the more than 1,400 donors who have entrusted us with their charitable dollars. We take this responsibility very seriously and are committed to treating our donors with the utmost integrity and respect.

We honor our commitment to donors by providing services that make their charitable giving administratively efficient, economically advantageous, and personally rewarding. These include:

- simplifying the grantmaking process so that donor contributions flow quickly and easily into the charitable stream
- offering a choice of investment vehicles designed to help donors' charitable dollars grow
- keeping donors informed about changing tax laws that may impact their charitable giving
- suggesting ways for donors to incorporate philanthropy into their estate and gift planning
- educating donors about grantmaking strategies and communal philanthropic resources
- safeguarding donor confidentiality
- facilitating intergenerational philanthropy.

### Supporting the community

The extraordinary generosity of our donors is only matched by their heartfelt commitment to making a difference in the lives of others.

In the twenty-six years that JCF has been facilitating the charitable giving of philanthropists, more than \$850 million has been contributed to thousands of worthy causes in communities around the world. These funds have been used to support activities ranging from medical research to child care to wildlife conservation. Because charitable giving is at the core of what we do, in addition to distributing funds to qualified charities at the recommendation of our donors, JCF donates a portion of its endowment income, combined with its entire operating surplus, to causes that promote the welfare and security of the Jewish community at home and overseas through United Jewish Appeal - Federation of Jewish Philanthropies of New York, Inc.



October 1998

When my father left Gombin, Poland to come to America, his goal was to make a better life for himself. "America's a wonderful country," he would say. "Here, everyone has a chance." He showed great enthusiasm for his newly adopted country and was genuinely optimistic about the promise that it held, so far removed from the difficult times he had known. But I often wonder if he ever imagined just how many opportunities this country would provide to those of us fortunate enough to have parents who took the risk of coming here.

Like many of you, I never imagined my life would turn out the way it has. In talking with peers, I find that I am not alone in this experience. We find ourselves marveling at how lucky we are to have lives filled with meaningful work, the blessings of family, and more creature comforts than most of us really need.

Like all of you with funds at JCF, I feel privileged to be in a position to share my good fortune with others. It is enormously satisfying to be able to support organizations and institutions that are dedicated to bettering life in communities all over the world. My ability to use the Jewish Communal Fund makes this experience even more pleasurable.

Having a donor-advised fund at JCF enables me to be thoughtful about my philanthropy. Instead of being burdened by administrative paperwork or year-end deadlines, I have ample time to focus my attention on the charities I would like to support. Moreover, the investments that JCF undertakes increase the value of my fund, so there are even more charitable dollars to give away. No bureaucracy, excellent investment alternatives, and service that meets all my needs make JCF the simplest part of a complicated life.

My first year as President of the Jewish Communal Fund has been a wonderful experience for me, personally as well as professionally. There has been remarkable growth and development in our organization, with contributions and grant making both having increased dramatically. This is good news because it is up to those of us with substantial means to care for the less fortunate, and JCF helps us rise to the challenge.

On a final note, I would like to take this opportunity to thank the staff of JCF for all their hard work this past year. With them, everything is possible. Without them, all we have is a good idea.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lawrence Zicklin", written in a cursive style.

Lawrence Zicklin

"Having a donor-advised fund at JCF enables me to be thoughtful about my philanthropy."



October 1998

In this, my first year as the Jewish Communal Fund's Executive Vice President, I would like to take a moment to examine our past and to share with you a few of our visions of what is to come. As some of you may know, this position represents a return for me to JCF, and gives me an even better perspective on how far we've come.

As JCF passes the midpoint in our third decade, we can look back and note with pride the immense amounts of help your contributions have made to the quality of life in our extended community. On your behalf, we have distributed over \$850 million in the last twenty-six

years to thousands of organizations. Even more encouraging, our funds available for distribution – our total fund balance – now top \$490 million.

In many ways, however, I feel we are only beginning. We are just starting to raise our profile in the charitable community by communicating more clearly the many benefits of contributing through JCF. We are reaching out to a broader segment of the donor population, bringing many younger individuals and families into the JCF fold. And we have maintained and improved upon the tradition of donor service for which the Jewish Communal Fund is well known. All of these, we believe, will help us serve even more individuals and organizations in need as the years go on.

The tangible results of our efforts are very gratifying. Our donor contributions this past fiscal year exceeded those of the previous year by approximately 30%. Most important, the total value of the more than 15,000 grants we distributed in fiscal 1998 reached an all-time high of \$101.3 million. We are extremely proud to report that 151 new funds were established in 1998 with total assets of over \$20 million, demonstrating that we are continuing our growth.

But the numbers only tell part of the story. In the pages that follow, we have profiled four of our donors, focusing on people who represent the real Jewish Communal Fund. These profiles, we believe, reveal the essence of what makes us different – the strong sense of personal identification, thoughtful philanthropy, and intergenerational education that is so much a part of who and what we are.

*Tzedakah*, or charitable giving, is one of the highest forms of *mitzvot* – good deeds – that we can perform. A good place to start is in our own community. In the year to come, we hope that we will again have your participation in the good works of the Jewish Communal Fund, and that together, we will continue to make a difference.

Sincerely,

A handwritten signature in blue ink that reads "Susan F. Dickman".

Susan F. Dickman

"We are reaching out to a broader segment of the donor population, bringing many younger individuals and families into the JCF fold."

### A tradition of giving

As parents, we understand that it is our responsibility to feed and clothe our children, and to share with them the basic moral precepts that will help them to lead fulfilling, happy lives. But it is also our responsibility to teach them by example, and to provide them with the opportunities for growth and accomplishment that will lead them into the right paths.



Bert and Barbara Cohn with their children Diana, Daniel, Susan, and granddaughter Annabel.

These are the principles behind the Jewish Communal Fund's emphasis on intergenerational giving, and our ongoing efforts to facilitate this kind of activity for our donors.

In the case of Bertram J. Cohn, a JCF board member and long-time donor, the examples set by his family made a deep impression on him.

"My father and mother were both active in Jewish philanthropy while I was growing up, so it was a natural part of life for me," Bert explains. "My grandfather was also active, so it was clear early on that I was expected to support both Jewish and secular organizations and to share whatever material benefits I might gain with those less fortunate.

"These are lessons that I have passed on to my son and two daughters. Now that my children are grown and self-sufficient, I would like them to experience first-hand the pleasure and fulfillment that comes from supporting causes they believe in. That is why my wife and I not only opened a family donor-advised fund that extends the privilege of recommending grants to our three children, but also created individual funds for each child. My children's commitment to philanthropy does not stop there. In addition to making contributions, they have continued a family tradition of participating in community service activities. From my perspective, that's the best inheritance I could give them."

### Teaching our children the meaning of tzedakah

"When my granddaughter turned one," relates Judith Stern Peck, "I was overjoyed. But the occasion also inspired me to think about creative ways of making this life event truly special. Was there a way I could show my love for her that would be more meaningful than just buying her another toy or outfit?



Judy Peck opened a Children's Gift Fund in honor of her three grandchildren: Benjamin, Maxine and Josephine Stern.

It occurred to me that by sharing with her my love of philanthropy and teaching her 'the art of giving,' I could not only forge a close bond with her, but also bestow a gift that would

last a lifetime. I shared this idea with a friend at the Jewish Communal Fund and the JCF Children's Gift Fund was born."

A Children's Gift Fund may be established with a lower initial contribution than our regular donor-advised funds – \$5,000 instead of \$10,000 – and is administered jointly by the child and the parents or grandparents who set it up. By making contributions to the fund in celebration of life events (for example a bar/bat mitzvah or high school graduation), and sharing ideas about ways to help others, families with young children can get a head start in experiencing the rewards and responsibilities of charitable giving. Upon reaching 18 or *chai* – also Hebrew for "life" – the child (now a young adult) takes over the privilege and responsibility of recommending grants, thus setting the stage for a lifetime of thoughtful philanthropy.

"My professional work as a consultant to family businesses and family foundations brings me in daily contact with the dynamics of families," Judy offers. "What a positive dimension philanthropic activity adds to any family's life! It's a value I want my grandchildren to learn at a very early age."

Jon Leader  
surrounded by  
his students at  
Yeshiva University.



### Giving time as well as money

The precepts of Judaism are quite precise when it comes to good deeds. There are, as students of the religion know, 613 *mitzvot*, or commandments. Among these are *tzedakah* (charity) and *gemilut hasidim* (acts of loving kindness). The most cherished form of *tzedakah*, according to Maimonides, is helping others to help themselves. So what better

way to fulfill these *mitzvot* than to contribute both time and money to the causes that you are most passionate about?

Jonathan Leader has done that with a number of the organizations that he supports through his donor-advised fund at JCF. Whether teaching at Yeshiva University, organizing a kosher food pantry in Canarsie to provide nourishment for over 500 families a month, or helping to establish and provide continuing advice to the Employment Division of the Council of Jewish Organizations of Flatbush, Jon takes a proactive role, determining what is needed, and then responding to that need.

Since closing his investment management business in 1996, Jon has devoted himself full-time to the nonprofit sector. "I recognize that everyone can't do what I've been able to do," he admits. "Providing financial assistance to worthy causes is extremely important. But there is also something very gratifying about using your skills, education and professional expertise to help others become self-reliant."

### Planning for the future

“Long after we’re gone, we’ll still be giving to charity.”

This seeming impossibility is fulfilled by a Charitable Remainder Annuity Trust that Dan and Esther Andron recently set up in conjunction with their donor-advised fund at JCF. By creatively combining a variety of estate-planning tools – the Trust, life insurance, and their JCF fund – Dan and Esther will be able to enhance significantly the value of their estate, leaving a sizable inheritance for their children and a generous bequest to charity.

“We stated in our trust agreement that upon our death, we would like half the remaining assets of the trust donated to UJA-Federation, where it will be divided equally among the Jewish Board of Family and Children’s Services and Jewish educational programs,” Dan explains. “The other half is to be contributed to our donor-advised fund at JCF. We named our children successor recommenders, which means that they, too, will have an opportunity to recommend grants for the causes that they believe in.”

Dan and Esther recognize the importance of incorporating charitable giving into their overall financial planning. “By contributing appreciated securities to our donor-advised fund in an ‘up’ market,” Dan continues, “we know that our favorite charities will get the funding they need during our lifetime – even in the event of an economic downturn. At the same time, we also have the comfort of knowing that after my wife and I have passed away, both our children and the charities that we supported during our lifetime will continue to be supported by us.”



Dan and Esther Andron celebrate life.

1. UJA - Federation of New York



2. Citymeals-on-Wheels



3. Wildlife Conservation Society, headquartered at the Bronx Zoo

These are but a few of the beneficiaries that have received funding through grants recommended by our donors.



4. The Jewish Museum



5. Jewish Theological Seminary



6. Livnot U'Lehibanot

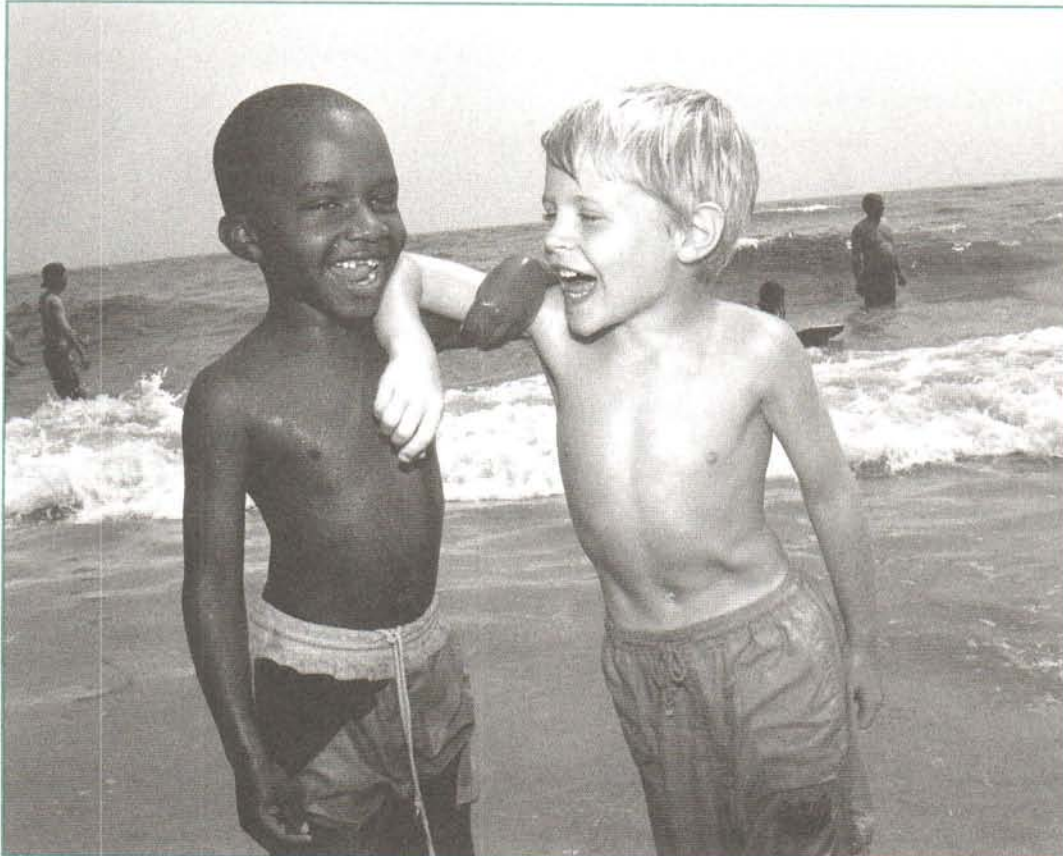


7. Lincoln Center Theater

8. The Mount Sinai Medical Center



9. The Fresh Air Fund



For more information about the way these programs are helping the community, please turn to the inside back cover.

### Donor Contributions

An initial tax-deductible contribution of \$10,000 or more in cash or marketable securities is required to establish a donor-advised fund (\$5,000 to establish a Children's Gift Fund). A donor may make additional contributions to the fund at any time in any amount. Contributions may be made by friends, family, private foundations, and corporations, or in conjunction with Matching Gift Programs, Charitable Remainder Trusts, Charitable Lead Trusts, and retirement plan distributions.

### Grant Making

Donors at JCF enjoy the privilege of recommending distribution of the principal and income of their donor-advised funds to sectarian and non-sectarian institutions that are recognized by the IRS as tax-exempt, publicly supported charities. Donors also have the opportunity to extend this privilege to others whom they so designate.

All recommendations are subject to evaluation by our staff for adherence to the guidelines outlined in JCF's program description. We consider donor recommendations to be of profound importance and, therefore, give them careful consideration and respect in our grant determinations.

### Administrative Fees

Since JCF administers a great number of funds, we are able to offer our services for a minimal fee. On April 1, 1998, a new, reduced sliding fee schedule went into effect. The new schedule operates as follows:

- $\frac{3}{4}$  of 1% for the first \$5,000,000 of your related fund balances
- $\frac{1}{2}$  of 1% for the next \$15,000,000
- $\frac{1}{4}$  of 1% for any amounts above \$20,000,000
- Minimum annual fee of \$150.