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The NAASE Journal

A Forum on Synagogue Management & Leadership

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NORTH AMERICAN ASSOCIATION OF SYNAGOGUE EXECUTIVES
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Founded in 1948



CAUTION

Change Is Coming

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*Of Blessed Memory

EXECUTIVE DIRECTOR

Harry Hauser

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A Message from the President

Marc M. Neiwirth, FSA, ATz

It is such a pleasure and honor for me, as president, to welcome you to this edition of *The NAASE Journal*. This *Journal* that you hold in your hands is the culmination of the hard work of many people. It is the product not only of those among our colleagues who took time out of their very busy schedules to write articles, but of our team of editors who selected the articles, then edited and proofread them. I am sure all who read this *Journal* will take note of the hard work of so many people who brought it to the light of day.

In this issue, we are addressing change, which makes some people uncomfortable. People generally don't care for change. However, change is part of our lives on a daily basis. The pre-Socratic Greek philosopher, Heraclitus, said, "Change is the only constant in life." There is even an entire sub-specialty of management called "change management." Our job as synagogue executives

A Message from the Editors

Change – to make the form, nature, content, future course, etc., of (something) different from what it is or from what it would be if left alone (dictionary.com).

Many of us dread change. A lot of us fear it. Some even fight it. But change is inevitable, and most of us now see change in our professional lives on a daily basis. Members of Gen Y are more transient than ever, and don't have the same attachment to their *kehillot* that their parents and grandparents did. We cannot take for granted their wanting to be "members" and commit to "membership dues" in order to support our programs, services, staff, and physical structure.

In general, there is agreement that our dues-based financial model is not working for synagogues in the 21st century. But what should we put in its place? For that matter, even the notion of being a "member" of a synagogue is in question. We have these buildings that were constructed with the idea that "if we build it, they will come." Too often, they haven't. Or, perhaps they came for a brief time and left.

We have done our part as executive directors by cutting expenses, often eliminating key support and professional staff and taking on more responsibility ourselves. We thought these were temporary moves resulting from a temporarily "down" economy. Not so much. In many cases, our leadership has seen and appreciated the steps we've taken, and has worked with us to find the resources that would allow us to achieve a level of operations that is effective and efficient. However, in many of our *kehillot*, the temporary moves have become permanent fixes, and the resources for which we hoped have not fully materialized.

Change doesn't end. It just keeps on happening. What do we do next?

is to examine change and use our professional experience and resources to determine if that change is in the best interest of those whom we serve. A very wise mentor of mine once said, "There should never be change for change's sake." The challenge for us is finding that balance.

A great deal of thanks go to our team of editors: Susan Goldstein, Henry Feller, FSA, and Matthew Halpern. Their efforts are what made this happen, and we hope it is just the first of more to come.

A year of health and satisfaction to all,
Marc M. Neiwirth, FSA, ATz, President



A few of us actually embrace change. It's healthy. It keeps us on our toes. The changes that are going on in our *kehillot*, in our movement, in Jewish life in general – these changes are tricky even for us!

We are fortunate to have an incredible, talented group of colleagues from whom we can learn. This edition of the *Journal* contains articles written by Mark Block and Eric Stone that directly confront some of the challenges we face as synagogue executives. Deb Finkelstein has shared with us her experiences as the sole synagogue executive director on a Masorti Solidarity Mission to Israel. What an amazing opportunity! We know you also will enjoy reading the article written by NAASE President Marc Neiwirth.

Thank you for the opportunity to produce this *Journal*. We hope that many of you will be inspired to submit articles for future publication. Our special thanks go to the people who have been most supportive in this collaboration: Marc Neiwirth, President; Anne Neiwirth; Susan Kasper, Vice President; and Harry Hauser, our Executive Director.

L'Shalom,



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A Message from the Executive Director Once Again, Revealing the Fountain

Harry Hauser, Executive Director, NAASE, New York, NY

The shared professional experiences that characterize our everyday involvement in close to 300 Conservative congregations, provide the fertile soil for the implementation of our own version of the medical mandate “observe one / do one / teach one” . . . Each of us experiences, learns, questions, shares, teaches and grows because of our colleagues and their willingness to share a common professional and cultivating environment with us.



Nowhere is that nurturing interconnectedness more evident than on the pages of the publication you have in your hands right now, *The NAASE Journal*. The diversity of the membership and the excitement of the mandates that drive them are reflected in the topics, the cross-discussions and the timeliness of the articles and features lovingly selected for each issue by the Journal editors. Collectively, the authors and editors have earned the gratitude of the readers both within and beyond the profession, all of whom are beneficiaries of your collective wisdom and openness. *Yasher kochachem* to all of you.

Gematria, too, has some interesting things to say about *the Journal* . . . maybe even more so about the contributors and readers who breathe life into its pages. In its six-plus decade history, *the Journal* has evolved in scope, depth and reach, much as have the practitioners of our profession, as their devotion and expertise have deepened and their vision and influence have matured. Based on the numerical assignment to each letter in a word or phrase, *gematria* might reflect some inner mystical characteristic too subtle to be casually visible. Let's take a closer look.

Were *the Journal* to be referred to by one of its Hebrew names, as a periodical, עיתון, with the *gematria* equivalents of 70 (ע), 10 (י), 400 (ת), 6 (ו) and 50 (ו), *the Journal* would be associated with a total of 536, perhaps destined to reflect common attributes of the Association's membership and principles.

From where, then, does *gematria* tell us that this *Journal* receives its driving energy? As prominent figures of the *Klay Kodesh*, those for whom the sacred work of the synagogue represents a holy

calling, Executive Directors are guided by personal and communal commitments to fulfilling מצות (*mitzvot*), with its *gematria* equivalence of 40 (מ), 90 (צ), 6 (ו), and 400 (ת), and for the same total—536. How fitting that *the Journal* reflecting the professional skills and personal commitments of synagogue administrators, and the historic communal obligation to the fulfillment of *mitzvot*, should share this common attribute.

The members of the North American Association of Synagogue Executives are recognized throughout the Conservative Movement for their leadership in working collectively in service to the congregations across the continent. One pairing, providing leadership enabling the working together for common benefit, characterizes the entire NAASE program. Leadership, מנהיגות, with a *gematria* equivalent of 514, and working together, יחד, for 22, combine to total ...536. And at the same time, the entire Association נעשה, with 425; for service, לעבודה, with a final 111; 425 + 111 for a total of again 536. No wonder the energetic enthusiasm for the sustenance of our individual congregations and the shared commitment to a vibrant Conservative Movement, are so evident in each issue of *the Journal*.

The NAASE Journal is then gloriously a looking glass through which the fountain is visible, affording a view of the special talents, strengths and gifts of its members, and providing for their emulation. As we continue to “observe one / do one / teach one,” may you all go from strength to strength, arm in arm, stimulated by new challenges and mindful of your holy traditions and tasks. *Yasher kochachem*.

Installation Speech of Marc M. Neiwirth, NAASE President, March 5, 2013

In thinking about becoming President of NAASE, one day I asked Rabbi Berman, “How should I be as NAASE President? How should I act?” He thought for a moment and said, “I am reminded of a scene in *The Mary Tyler Moore Show*. Ted Baxter is getting married, and he asks Lou Grant how he should act. Lou says, ‘You know the way you are? Don’t be that way.’”

Standing before you as the new President of NAASE is indeed perhaps one of the most humbling experiences of my life. It is a place that as recently as four years ago, I would have never thought in a million years would come to pass. **You** have elected me to be the leader of this organization for the next two years, representing NAASE to the rest of the Conservative Movement and the Jewish Community; **you** have chosen me to help set the agenda of where we want to go through our strategic plan; and **you** have empowered me to ensure that we all work together to serve our membership in the best possible way. That is a sacred trust that I take most seriously, and I hope in two years’ time, we will all look back and say that trust was properly placed.

I attended my very first NAASE Conference in 1985, when it was still called NASA. The conference was in Miami Beach, and it gave me the opportunity to meet colleagues and share ideas for the very first time. An interesting aside is that other guests who were in the hotel saw our badges and thought we worked for the National Aeronautics and Space Administration. We assured them we did not. We are not rocket scientists- but then again, rocket scientists don’t know how to run a *shul* either. Unfortunately, I had to leave the conference after two days due to an emergency back at my synagogue (a long story for another time), but that conference left me energized and wanting to learn more. In subsequent years, I have attended every conference with the exception of three,

and it has given me a very unique perspective of our organizational palette that only those of us who have longevity in the field possess. The sessions were indeed informative, but what really made the conferences special were the people. I had the opportunity to meet colleagues who in many instances were experiencing the same things I was experiencing, and facing the same challenges that I was facing. Being with them provided the opportunity to exchange ideas, which helped us all be more effective. Frequently, many of us have written on evaluations of conferences that the simple opportunity to network with colleagues makes us feel that we are not alone.

Loneliness and isolation are probably two of the most serious challenges that we face as synagogue executives,

We can't always see the payoff of the good we do, but we have to know that it means something. We need to know that at the end of a twelve-hour day... what we did matters.

and they are most likely contributing factors to the high level of attrition in our field. Rough estimates are that people stay in this field for only five years (not in a particular synagogue, but **in the field**), which should be a sobering as well as frightening reality. There are a multitude of reasons for this turnover, and many of the con-

tributing factors are way beyond our control. However, I believe this is an area where all of us who have served for many years can be of assistance. I haven’t seen a month go by where someone hasn’t called me to talk about the problems they are having in their synagogues, some relatively minor, some very serious. Being someone to talk to, a shoulder to lean on, giving encouragement and support, is one of the most important things we can do for our colleagues. I have communicated with every incoming officer and we all have made a commitment that any of you can call any one of us, any time you need someone to talk to. We are not all trained counselors, but we are all good listeners; friends and colleagues who can serve as a sounding board and offer help when needed. We all stand ready to do so. We are here to help each other.

As years have gone by, many of us have learned that we not only can always learn new ideas at conferences, but we can contribute as well. Our NAASE University program, begun many years ago, takes the form of small group learning sessions taught by our peers, sharing their wealth of knowledge with all of us. When a torch lights another torch, one light makes two- each as bright as the other. We are here to strengthen each other and spread that light.

We have started the process of a strategic plan, whereby we hope to develop ways in which we can better serve our membership. Many of you in the coming months will be asked to contribute in both large and small ways to help make this process one which will make NAASE a stronger organization, serving its members in the most useful way possible. I want to thank the chairs of this strategic planning committee, Fred Rothstein and Steve Hecht, as well as the entire committee, for all of their efforts since last November in getting this process started, and for the work they and so many others have done and will be doing to bring this project to its conclusion. However, only then will the work truly begin. A plan that isn't implemented will just be a very expensive notebook sitting on a shelf, and we will be worse off than if we never started it in the first place. This process involves changing and reshaping NAASE, which will come easy to some, but with great difficulty to others. The leadership of this organization cannot do it alone. We must all work together. It says in *Pirke Avot*, (Chapter 5, paragraph 27) לפם צערא אגרא which means "the reward is in proportion to the effort." However, the word *Tzaara*, actually comes from the word *Tzaar*, which means pain. When there is great reward, frequently the road to that reward is paved with discomfort.

As is the case in our synagogues, our organization runs on the strength of its volunteers. We only have one paid professional- the rest must be done by all of us. When volunteers in our synagogues don't do what they are supposed to do, we as the Executive Directors pick up the pieces and make sure things happen. In NAASE, when a commitment goes unfulfilled, one of three things happens: one- our professional will try to pick up the pieces when he can; two- one of your colleagues in NAASE will pick up the pieces when he or she can; or three- it just won't get done. None of our efforts as an organization will come to fruition unless our projects and programs receive the same attention to detail from

us that we all show in the jobs we do in our own synagogues. Yes, we all have shuls to run; however, just as we must make time for our families and ourselves, we must also make time for this precious organization.
לפם אגרא אגרא

These past few weeks, we have been reading many different *parshiot* from *Parshat Mishpatim*, in which the concept of NAASE, "we will do," rings so prominently, to the weekly *parshiot* about the construction of the *Mishkan*, the portable tabernacle that was used by the Israelites in the desert, to this coming week's *parsha*, ויקהל-פקודי, which speaks not only to the generosity of the people in their giving to the construction of the *Mishkan*, but of the need for accountability, lessons that apply so directly to all that we do. However, the one part of the Torah that is so succinct, and yet so relevant to us is in the Book of Numbers, in chapter 7, verse 9. In referring to the children of K'hat, one of the sons of Levi, the Torah describes that they were not given wagons and oxen to transport their particular items, which included the ark and the altar, but since the sacred service was upon them, they carried the holy artifacts on their shoulders. That is indeed what we do, carry the burden of our synagogues on our shoulders, making sure that everything runs as well as it can, doing what we can in our own way to enhance the religious and spiritual experiences of our congregants.

In this room are numerous past presidents of this organization, and whether they know it or not, each one has taught me many things over the years, each item a building block in creating a foundation for leadership which I hope to put to good use in the two years ahead. I am deeply indebted to them all, to Glenn Easton, Neil Price and Gil Kleiner, but particularly to Marcia Newfeld, our outgoing president, with whom I worked so closely on a regular basis, helping her out whenever I was needed, learning whatever I could, being a sounding board when asked, all in preparation for serving as your President for the next two years. I would now like to call upon Marcia to present her with a gift, which I hope in some small way adequately expresses our gratitude for all she has given to this organization.

The very first year I was an executive director in 1985 in Jamaica Estates, which is in Queens, New York, I ventured all the way out to Long Island to visit a colleague in Port Jefferson Station, New York to get an idea from him how he runs his synagogue and to learn from him how to run a synagogue, because frankly, I didn't have a clue. That executive director was Harry Hauser, and from

that initial meeting so many years ago, we developed a professional and personal relationship that has not only guided me, but so many others. We have been so very fortunate to have Harry as our Executive Director and will be even more fortunate as he continues in his service to those of us who serve.

I hope we will all agree that this year's conference brought us a fresh approach to some new and very exciting ideas. Every conference chair (and I have had the honor to chair two, in '06 and '11) should hope that the next chair will do a better job and have a more successful conference than the one before it. That is how we grow. I can say that goal has been achieved and then some in a most superb fashion by this year's chair, Lori Dafilou, co-chair Susan Kasper and their entire conference committee. They have done an outstanding job of helping us all grow professionally, so that we may go back to our jobs with a sense of renewal and enthusiasm, despite the many challenges that may be awaiting us; and, nothing was more challenging than re-arranging the entire schedule with its myriad details for the sole purpose of guaranteeing everyone's safety and ensuring that I would be President of NAASE for one more day.

I want to thank Rabbi Harold Berman, senior rabbi of my synagogue, for taking the time to be here to officiate at the Installation this evening. It has been a meaningful tradition in NAASE to have the rabbi attend and officiate at the installation, and I feel particularly blessed to have Rabbi Berman here. I have worked with Rabbi Berman for 15 years. The work we all do becomes that much easier when you have a shared sense of purpose, when we are all on the same page with mutual respect and appreciation for the talents that we all bring to the table.

We all know that the nature of our jobs requires sacrifice on our part. Our jobs are far from 9 to 5. We work many evenings. We can't always take vacations when we want- and the ones who frequently suffer the most are our families. While my daughter, Amy, was not able to be here due to illness, I can't tell you how happy I am that we were able to re-arrange flights so my wife, Anne, is able to join us this evening. So many of you have asked both Anne and me over the years how in God's name she puts up with me. Honestly, I have absolutely no idea! What I do know is that her strength and persistence keeps me on the straight and narrow, and that we just celebrated our 41st wedding anniversary and I wouldn't be here without her support. Probably nobody else on

this planet could put up with my bag of tricks, and I just want to say, "thank you, honey."

As most of you who know me well are aware, I have a deep love of movies and TV. One of my favorite shows is NCIS. In one of the episodes, Abby, the forensic scientist, is in crisis, trying to find a way to be OK with not being able to do enough good. Gibbs, the main character played by Mark Harmon, tells her that she can't always see the payoff of the good she does. He then turns to her and says, "The things you do mean something to people." Let's not forget that- the things we do mean something to people. We can't always see the payoff of the good we do, but we have to know that it means something. We need to know that at the end of a 12-hour day, we may not have saved someone's life, or we may not have kept an innocent person from going to prison, but what we did matters. That's what will keep us going when things get tough.

Vince Lombardi once said, "It's not whether you get knocked down, it's whether you get back up." What helps us get back up? The mutual respect we have for each other gives us the strength to get back up again and again. We've all had these experiences, whether personally, professionally, or organizationally. Let's all work together to make the next two years in NAASE a time when we will stand firm, refuse to get knocked down, and if by chance we do, then to get right back up again and do whatever we all can to make NAASE the best it can be, which will in turn help all of us be the best we can be. נלכו מחיל לחיל — may we all go from strength to strength.



“Over There”—Solidarity Mission

Organized by USCJ, Rabbinical Assembly and Masorti Foundation

August 18-21, 2014

By Deb Finkelstein, Executive Director, Kol Shalom, Rockville, Maryland



On Sunday, August 17, almost 50 synagogue leaders from the United States, with less than two weeks' notice, left for the Masorti Solidarity Mission to Israel for what would be a compressed and intense agenda, to learn about the current situation in Israel, show our support for our fellow Jews, and learn about the work being done by the Masorti Movement. Our group included rabbis, synagogue leaders, and one executive director -- me.

Just imagine this item on the synagogue board meeting agenda: CANCEL CAMP.

For weeks and months, plans had been made and were being finalized for the youth summer camps. Parents had completed their forms, paid the fees, camp staff had been hired, supplies ordered and kids excited to spend a relaxing summer near their home. Then, in response to the increasing rocket attacks, the Israeli government tells the synagogue rabbi and president that they cannot hold camp this summer. Weddings and *B'nai Mitzvah* celebrations had to be cancelled or guest lists reduced. The number of people at any given location could not be more than the nearest shelter or safe room could accommodate. As Marty Davis, president of Kehillat Netzach Yisrael in Ashkelon, tells it, “From the time the rockets started falling, it took us some 48 hours to reorganize our summer program. Part was our doing and part was determined by local and national government decisions.” Their board, as we heard from other *kehillot* in the south were also doing, struggled with the questions of defining their role in the community in times of danger and how to respond to the needs of their internal community and the community at large.

There's nothing like being “over there” at a time of great concern, and feeling part of the story as it plays out. “Over there,” of course, is Israel. “The great concern,” of course, is rockets, tunnels, kidnappings, murder, and living in a stress-filled land. And “the story”—well, there are many stories. Stories from soldiers, stories from politicians, stories from a Supreme Court justice, stories from synagogue presidents and rabbis and, yes, a story from a courageous, grieving mother.

This was my fourth trip to Israel, and it was unlike any I had before. The Masorti Movement put together, in very quick order, an itinerary that covered three full days of travel to the south, to Ashdod, Ashkelon, Be'er Sheva and Omer, and to the north to Zichron Ya'akov and Atlit, with briefings and speakers in between in Tel Aviv and Jerusalem. Our first full day happened to be during the one-day extension of the five-day cease fire. As it turned out, had we not made these scheduled visits that day, we surely would not have been allowed in that area during the following days. We visited an Iron Dome battery, we met with a battalion near the border of Gaza whose responsibility it was to find the kidnapped teens and provide ground support in Gaza 19 miles away; we met with synagogue leaders within a few miles of the Gaza border whose families were learning how to handle their new reality of 20-second response times to find shelter; and we met with Rachel Fraenkel in Modi'in, who graciously and courageously shared her story of unspeakable loss, of support, and of community. Leaving Be'er Sheva in the afternoon, we heard that Hamas had broken the one-day extension and were shooting rockets into the area we had just left. And that was Day One---except, not quite. In the last minutes of Day One, specifically at 11:47 pm, while finally falling asleep back in our hotel in Jerusalem after an exhausting day, we were jarred awake by a voice over the speaker instructing us to get to the stairwell immediately. Hamas was shooting rockets aimed at Jerusalem.

Day Two began with the sobering realities of anti-Semitism today. Our speaker, Yehuda Bauer, who refers to the Middle East as the “Muddle East,” is a professor at The Hebrew University and the 1998 Israel Prize winner. He outlined three categories of anti-Semitism: Neo-Nazi, Muslims in Europe, and liberal anti-Semitism. It was Yehuda Bauer who tied this all together saying that ALL acts of anti-Semitism in Europe are by a radicalized Muslim population. Our next stop was at the Supreme Court, where Justice Hanan Melzer not only shared the workings of the Supreme Court and the issues currently before the

court for decisions, but also shared a very personal story of his son's devastating injury while serving in the current operation in Gaza. Judge Melzer is about to sit on a large Supreme Court panel to hear a very important case on the rights of Israelis to have a civil marriage. Currently, Israelis must marry through the ultra-Orthodox *Rabbanut*. If we weren't quite yet feeling distressed, what followed was by a talk by Natan Sharansky, whose extremely pessimistic outlook for the future of European Jewry was enough to make us wonder if there is any hope anywhere.



Here in the US, our newspapers incorrectly report about the amoral, disproportional conduct of the Israeli army, killing innocent women and children. Our next speaker, The Honorable Professor Asa Kasher, author of the *Code of Ethics of the Israel Defense Forces*, gave us the real picture. He spoke of not only the RIGHT to defend, but the DUTY to do so. He spoke of two principles inherent in the *Code*: distinction between combatants and non-combatants, and proportionality, which is not just about numbers. And those “numbers” that are reported out of Gaza---we heard this over and over throughout our briefings--are simply not to be believed.

But Israel isn't perfect and no one--not us, not Israelis--would ever say it is. We next heard from Dr. Abu Rass, an Arab Israeli and co-executive director of the Abraham Fund, about the difficult issues, some even call it racism, that Arab Israelis endure as citizens. Half of his family lives in Gaza. This is how he describes his reality: “My country [Israel] is fighting my people. My people [Palestinians] are shelling my country.”

Yitzhak (Buji) Herzog is the Chairman of the Labor Party and leader of the opposition in the Knesset. He, like others we heard from, was cautious in criticizing the ruling party and leader at this time of crisis. However, he expressed a concern we also heard from many other speakers: that opportunities were lost by not building up Mahmoud Abbas in the West Bank. Since this operation has now ended, the gloves seem to be off, and the Labor Party has been much more critical about how the war was conducted.

Our next stop was to be the Prime Minister's Office to hear from the Cabinet Secretary. But because of the broken cease fire the day before, there was a 2:00 pm emergency meeting scheduled and he was unavailable to meet with us. We were taken to the Foreign Minister's office and met with Benny

Dagan and Akiva Tov, who broadened the discussion about the current situation to include Iran, Iraq, ISIS and Turkey. And that was Day Two.

Many of my friends have asked me if I were scared while there, and I can honestly say I was not. Unlike many who were in Israel this summer and/or have relatives and friends in Israel, our itinerary was planned and tweaked throughout our days with our security utmost in consideration. While we had a couple of scares, it in no way compared to what day-to-day life is like for Israelis.

What Israel does to protect its citizens is beyond anything I could imagine, and I felt a tremendous sense of pride in learning more about that. Since 1991, every Israeli home must be constructed with a safe room. But, what I did feel is that “over there” was suddenly right under my feet, right behind my back, right over my head and staring in my face. Never has the phrase “we live in a rough neighborhood” felt truer.

Our final full day began with an early checkout from the hotel, a bus ride through the outskirts of the West Bank to Tel Aviv, and briefings at the Azrieli Tower by Knesset Member Ofer Shelah of the Yesh Atid Party; by Major General Danny Yatom, the former head of Mossad; and by Yaakov Amidror, the former head of Israel's National Security Council. More sobering facts, more tough decisions ahead for Israel, and more concern about Iran. Leaving Tel Aviv after lunch, we traveled north to Zichron Ya'akov and Atlit.

Throughout the three full days, we visited eight *kehillot*. We met with their rabbis, their board presidents, and other lay leaders. We learned from all about having to

dip into the synagogue reserves (even if there weren't any reserves to dip into) to completely reorganize the summer program and provide a safe place for children while parents are working. One synagogue is \$75,000 in the red---but there was never a doubt that they would do what they had to do. We heard from Elisha Wolfin, rabbi of Kehillat Ve'ahavta in Zichron Ya'akov, who spoke to us about the challenges facing rabbis during a time of crisis. Elisha runs a wonderful Masorti *B'nai Mitzvah* program for children with disabilities. He focused on the psychological and existential challenges to provide children with a sense of security when they only have 10 seconds to reach a shelter multiple times a day.

So now is the time to give you a little bit of hope, a little bit of pride -- and actually some optimism. A much better way to end this extraordinary, jam-packed trip.

While Conservative Judaism in the United States certainly has its challenges, I am pleased to report that Conservative Judaism (Masorti) is growing and making a difference in the lives of Israelis. I was truly inspired by the Masorti advances in individual communities and in the political realm. Without a doubt, Yizhar Hess, Executive Director and CEO of Masorti Israel, has the passion and energy for this movement. Putting together this itinerary in such a short time and bringing the level of speakers we heard is testament to the power and influence he has developed. This effort was evident whether we were meeting in a *Beit Midrash* in Ashkelon, in one of the

Israel Supreme Court meeting rooms, in a conference room of a super high-rise tower in Tel Aviv or, of all places, our last stop of the last day—a small boutique winery in Atlit. The owner of Shoshana Winery purposely gave up the ability to have her wine label have the word *kosher* on it, which can only be certified by the Chief Rabbi. Instead she is supervised by the Masorti Rabbinical Assembly in Israel whose *hechsher* includes the requirement to pay staff a living wage and to use environmentally sound techniques.

Up until this trip, I only knew at a very basic level about the work of the Masorti Movement in Israel. If asked before I left about Masorti, I probably would have said something like, “yes, a very nice effort, but the ultra-Orthodox and Haredi communities and the Chief Rabbi of Israel are just too strong.” Do I think things will change soon? Of course not. Do I think change will be easy? Of course not. Should I lose hope that the issues of who is a Jew, who is a rabbi, whose marriage or whose conversion is acceptable, will ever change? I do not lose hope now. I cannot lose hope because, as the Executive Director of the Masorti Foundation, Laura Lewis, says, without the Masorti Movement and the Reform Movement's counterpart, Israel's soul is in danger and its democratic nature may be lost. The numbers are moving. The percentage of Israelis who identify as Reform or Conservative are very close now to the percentage of those who identify as Haredi. The number of Masorti *kehillot*

is growing. A large percentage of Israel's secular population is finding its way back to Judaism through this meaningful alternative to ultra-Orthodoxy. And these successful efforts are happening without a single shekel from the Israeli government, since all funds are given to the ultra-Orthodox communities; currently, that number stands at one billion [US] dollars each year.

It is a process. But it is exciting and it is real. “Over there” is not only the Israel that we want safe from those who wish to destroy it. “Over there” is also where all of us are accepted as Jews, where our rabbis are accepted as rabbis, and where authentic Judaism is not defined by a few at the expense of the many. I believe it, and I am happy to share this good news with you.



21st Century Membership Models

Mark Block, Executive Director

Congregation Rodeph Sholom, Bridgeport, CT



Executive Summary

The Gemara (Bava Basra 7b) discusses how a Jewish community collects money from its members, how it calculates individual taxes. In the case of building a city wall, should the community allocate costs based on headcount (everyone pays the same amount), based on wealth (the richer pay more), or based on usage (those closer to the wall pay more)? All commentators seem to agree that, when we are dealing with life-threatening issues, everyone pays the same amount (e.g. Tosafos, ad loc., sv. left shevach). In all other matters, method of dividing cost is any of a number of possibilities.

1.1 Background

Since the founding of the Conservative Movement, nearly all congregations have found themselves adhering at one time or another to the conventional dues model of membership affiliation. This model has changed little over the years; it is based on assessing a dollar amount to coincide with “membership” in the synagogue. “Dues paying” members hold voting rights for the synagogue’s officers and trustees and other congregational matters as deemed necessary or required in accordance with the by-laws of the institution. Dues paying members, or members in good standing (those considered members by the synagogue but not paying dues), typically receive preferential charges for programs, activities, and services. These include High Holy Day tickets, cemetery plots, and special programs.

It should be understood that the very nature of synagogue affiliation is changing; this is evidenced in the results of the 2013 Pew Research Center’s Religion & Public Life Project, often referred to as the Pew Research Study. The need or want of individuals and families to “join” a synagogue or maintain a current affiliation has seen a dramatic change from 10, 20 or more years ago. The notion of American Jews identifying as cultural Jews and not religious Jews is forcing many congregations to review their definition of membership and model of contributor. Synagogues in the Conservative Movement can be no different.

Since 2011, I have engaged in a thorough review and study of a number of membership and contribution models in the Conservative and Reform movements. This was done to provide my own synagogue’s Executive Committee and Board of Trustees with a comprehensive overview of synagogue membership models, and to offer recommendations to changes in policies and

procedures regarding affiliation. The study focused on moving from a conventional dues paying model to a model which enhances synagogue affiliation, encourages re-affiliation from former or disaffected members, and serves as a point of entry for those who choose to participate in the religious and cultural life of the Conservative Movement.

In researching synagogues in North America, one thing stands out that crosses geographical, socio-economics and synagogue size: The structural financing of synagogues in the Conservative Movement is out of date in the 21st Century, and out of touch with where Jews are in the history of American Judaism today. This significant change in the synagogue configuration has provided no level of confidence that the historical dues and contribution model is sustainable for any future extended length of time.

American Jews are consumers and, while the synagogue is dependent on affiliation through membership dues, all dues are inherently voluntary; no different in many respects from other donations and contributions made by individuals in remembrance of a loved one or for a personal or family *simcha*. Research also recognizes that those who are most apt to provide the greatest level of support through annual dues will likely be members of more than one synagogue. They will have paid Jewish early childhood or day school tuition, paid for a Jewish summer camp or other organized Jewish activity, and contributed to other Jewish philanthropic causes -- such as United Jewish Appeal/Federation. In practicality, these members live a Jewish life, though it may be cultural and not religious, and they have an affinity for affiliating with a synagogue. This does not discount those who maintain an affiliation with a synagogue for

familial reasons, whether their parents are members or had been, or they have grown up in the synagogue or other organized Jewish activity including overnight camp, USY, BBYO, or JCC affiliation.

In 2013, the average cost of operating a Conservative synagogue in North America was calculated at \$2,400 per household, regardless of the number of member units. The largest expense was that of clergy compensation packages as determined by contract. The outlier to this number is the largest synagogues (1,800 or more member units average \$2,700 per year).

It is well known that a major factor in synagogue financial management is not the recruitment of new members, though this is vital to the cycle of Jewish life in the synagogue, but rather through effective retention. Synagogues put great effort into clearing their membership rosters of non-dues paying members and concentrating their efforts on retaining those members who truly have an interest in maintaining an affiliation as a member of the congregation. Many offer an annual introductory membership. All have been successful, allowing some synagogues to stabilize membership, though the dollar value of membership units has decreased. The overall aging of our affiliated population has resulted in significant drops in affiliation in recent years, accelerating as the general population ages. On a positive note, synagogue resignation rates have begun to show appreciable drops, indicating we may be seeing the baseline of affiliation rates in many communities. The issue of membership decline at most synagogues is much more a reflection of the age of the congregation and disinterest in affiliation than of the quality of religious services, social programs, or belief in their importance to the community. Not adding younger members at the same rate of affiliation as those lost to death has caused the alarm to be sounded on the overall health of membership in many synagogues. More and more attention is being given to creative membership affiliation.

As dues are raised nearly every year, and other fees (e.g., for High Holy Day tickets and religious school tuition) have continued to increase as well, the synagogue finds it is actually losing money as it loses members. Membership in Conservative and Reform congregations have reached a price point where affiliated members and potential members would rather not belong to a synagogue at all than pay higher dues and fees. More and more synagogues are finding the

abatement process to be counterproductive and burdensome for both staff and members.

1.2 Transformational Success

Today, there are a number of membership models being used by synagogues in various locations across North America. Each of these models is designed to maximize “affiliation” and overall contributions to synagogues over the course of the fiscal year.

The four most prevalent models of affiliation will be reviewed in this paper. With the exception of the most utilized current practice of membership dues categories, the following are critical for transformational success:

- ◇ One or more significant donors must be identified and agree to underwrite any potential shortfall occurring from the transitional experiment.
- ◇ The importance of a revenue neutral model in the testing phase, if there is to be one, must be acceptable. Estimates for growth in the outlying years should be assessed and every effort should be made to meet those annual goals.
- ◇ The synagogue must establish or increase its endowment and/or cemetery fund. Enhancing or creating a synagogue endowment can serve to supplement the increased costs of operations and make synagogue affiliation through contribution more attainable.

2.1 Membership Models

This report reviews each one of the four membership models now being employed by synagogues today with an eye to whether or not the potential for success is achievable for most congregations. The discussion will include synagogues that either have instituted one of these models, accepted the traditional dues structure, or have looked at one of the models with any seriousness. Finally, a recommendation and timetable for implementation of one or more of these models will be offered at the conclusion of this report. The result is intended to enhance the synagogue’s standing in the community, thereby increasing contributions and providing a more accurate notion of contributors. This should allow the synagogue to plan its operations in a way which will be viewed as successful by the leadership, contributors, and the larger Jewish community. The four models include:



1. Traditional dues structure;
2. Voluntary membership;
3. Fair share contribution; and
4. Sustainable synagogue.

2.2 Traditional Dues Structure

While the traditional model of synagogue dues employed by most synagogues for decades has set categories, set amounts, and allowances for abatements, fewer and fewer members are willing to part with their money so readily. This trait was more prevalent in their parents' and grandparents' generations. Jewish identity has become more and more about who you marry, where you live, what you eat, and where you vacation. It is less and less about where you worship and find a social niche; in essence, where you belong. Because of this change in attitude, the traditional dues structure is quickly becoming an antiquated way to encourage and retain members, otherwise referred to in this report as "affiliates." It is not just younger Jews, but also many older ones who now rebel against the money culture of synagogue life. Talk of money has become a higher barrier to a spiritual life for American Jews than at any other time in the life of the organized synagogue movement.

Synagogues using a traditional dues model have come under increased stress from members seeking abatement annually. The proportion of members who make their payments in full is offset by the large number of those who continue to request abatements and those who are billed at lower-than-full dues amounts to begin the year. It is becoming more and more likely that it will be institutionally impossible for most synagogues employing the traditional dues model to meet the accepted threshold of 40%-50% of operational costs being covered by dues payments. This puts additional pressure on the synagogue to raise more and more funds through campaigns, one-off fundraisers, and other avenues than were the norm a decade or two ago.

2.3 Voluntary Membership

In the voluntary membership model, members are referred to as "contributors" and are approached annually with a reminder of what they contributed



the previous year. Contributors are asked how things are going in their lives and with their families. Listening to their concerns and how the synagogue impacts their life provides an opportunity to thank them again for their past contribution and leads to the dialogue about how they can support the institution in the coming year. If their previous annual gift was \$2,000, then they should be asked if they can be counted on for a contribution of \$2,500. Making contributions payable over the course of the year through monthly or quarterly payments allows for operational cash flow planning. With the proliferating use of credit cards, a set monthly amount to automatically charge causes less stress on the

individual and institution since the amount is known in advance, and both parties can plan accordingly. It is the personal letter or telephone call that is most successful in getting an increased contribution each year. Since this is a voluntary program, no affiliate or contributor should be pressured. Any contribution amount results in that individual's or family's being considered affiliates of the synagogue for the fiscal year. If an affiliate walks away, the synagogue will certainly see no contribution. If they are forced to pay more than they can afford, they will not stay long. West Suburban Temple Har Zion, River Forest, Illinois, uses this model.

2.4 Fair Share Contribution

The fair share contribution model is one where an affiliate's share of the total operational expenses of the synagogue is calculated based on what they have contributed in the past with a keen eye to what is believed to be the percent or amount they can contribute for their annual fair share. Typically, the fair share contribution model seeks an amount from each affiliate of 1.5%-2.5% of their household adjusted gross income, and most often relies on the honesty of the affiliate in making their contribution. This model takes into account more openly than any other that not all affiliates are created equal.

There are those who are able to financially contribute more and those who cannot. While it segments the congregation based on income and assets, it enables everyone to participate in a way that is meaningful to them and the synagogue equally. There can be less stress on the synagogue when this model is employed and "the

ask” is made of the affiliates. The fair share contribution is akin to the voluntary membership structure in that guidelines should be established which are reasonable and well communicated but do not ask for financial proof of income or personal or business wealth. Taking out the intrusiveness of delving into one’s finances and putting more emphasis on identifying for affiliates what is needed, the success rate increases. It is important to not report on “average” contributions as that gives affiliates a reason to contribute less or not at all. What is important is to identify each affiliate’s fair share and speak to them in personal terms about how it goes a long way to covering the operational needs of the synagogue. Temple Micah in Washington, DC; Beth Israel Congregation in Ann Arbor, Michigan; Temple Beth Yeshurun in Houston, TX; and Adath Israel Congregation in Toronto, Ontario, Canada are synagogues using this model. Others that have put this model in place successfully, including Temple Israel in Sharon, MA; Temple Brit Achim in King of Prussia, PA; and Congregation Sukkat Shalom, Wilmette, IL.

2.5 Example: Congregation Brith Shalom, Bellaire, TX

Congregation Brith Shalom uses a fair share dues policy, similar in structure to a voluntary dues model. Guidelines for contributions are given, but no one is asked for financial proof of income or wealth.

Maximum requested dues in fiscal year 2013 were \$4,200. The contribution covers only that which would be covered by traditional dues. Religious school tuition is separate, and there are no added benefits except the non-tangible ones. It took one year to develop the model for the synagogue and one year to fully implement it.

The highest category of contribution is that of “benefactor” for those giving at a level of \$3,600 or higher. Several levels have benefits given to those at the various levels. Interestingly, donors at the higher levels have indicated they do not have any need or want of fringe benefits and High Holy Day seats are charged separately.

As synagogue professionals, we believe the primary source of Jewish strength and continuity in North America is the synagogue. The community wants synagogues, clergy, religious schools, lifelong learning, life-cycle events, and communal support available when needed, but the community also must support our synagogues during the years in-between those needs.

We are told in *Pirke Avot*, “Do not separate yourself from the community.” Let’s stop giving people a reason and excuse to separate from our wonderful, sacred Jewish community.

3.1 Assessment

In the models adopted above, nearly all of the synagogues experienced in the first year and, in some instances the second year, a revenue decline. However, the decline was at a lower rate (2%-4%) than the decline they experienced in the previous year or two under the traditional dues structure model. All synagogues employing one of the three models saw an increase in revenues of 2%-4% after the initial decrease. While the revenue swing is a critical factor to consider, more important was the change in membership or affiliation.

Synagogues employing any of the new affiliated contribution models have seen membership swings from decrease to increase in the first year when accompanied by proper explanation and congregational marketing. Because the commitment amount is presented as a personal, financial decision, one that is not questioned by the synagogue or its staff, it ceases to be a high hurdle to affiliation. The barrier to membership or affiliation has been eliminated and the openness to affiliation or contributor status has been embraced. Synagogues also report former members returning, and making regular and reasonable contributions when the barrier to membership has dropped.

A consequence of employing a new system is the benefit to the synagogue of no longer having to pursue individuals or families who have not fulfilled their membership commitment. In synagogues using the three non-traditional models outlined in this report, there is no longer a burden to be borne by the synagogue director and lay leaders as the commitment amount has been decided and agreed upon early in the fiscal year. This does not mean that regular reminders should not be sent to affiliates; in fact, the more regular the reminder the more likely that increased contributions will be forthcoming as experienced by synagogues employing one of these three models.

A new world of positive feelings toward the synagogue is created when the narrative is changed from what is “billed” to what a household “decides.” This may appear counterintuitive to the process the synagogue has followed for decades, and it is. However, the results from synagogues that have made the leap have determined that to grow — and even prosper — the decision must be the member’s, not the synagogue’s.

Synagogues find that they write off only a few thousand dollars in uncollected pledges a year versus the tens of thousands of dollars that were being written off under the older traditional dues structure model. Additionally, congregants making payments on a more

regular basis evens out the synagogue's cash flow, often eliminating the need to borrow from restricted funds in the second half of the year when cash typically runs slower in the traditional dues structure model.

Of the synagogues mentioned earlier, none found that changing membership models caused any of their top givers to drop their contributions. On the contrary, many found their top contributors gave more. They recognized that those who could not pay the full amount previously had increased the amount they gave. Members found they could give a little more than the previous year because the burden of expectation had been lifted. This must always be followed up with a thank you, and the contribution levels should be published regularly and annually.

There is a fundamental change in the relationship between the synagogue and those who affiliate with it when we say we care about you and we want you to consider the stake you have in the synagogue.

3.2 Key Points

◇ Affiliating with a synagogue should not be a matter of money, but a matter of want and commitment to Jewish identity and values.

◇ A study conducted in 2012 by the Workmen's Circle/Arbeter Ring found that nearly one million American Jews are unaffiliated with a synagogue but seek, and often find, a Jewish spiritual experience elsewhere.

◇ Any one of the three affiliate contribution models can be expected to take one to two years to fully develop, a full year to implement into the culture of the synagogue and one to two years to show an increase in contributions.

◇ Synagogues that have a significantly older, aging membership or many members currently on fixed dues may find the process will take longer.

◇ Creating levels of giving gives the synagogue the greatest opportunity to move quickly and seamlessly from the current membership/dues structure, and may reduce the time for full implementation to see results.

◇ Cultivating and directing giving over the course of years can increase affiliation, involvement, and goodwill between the affiliate and the synagogue.

◇ Religious School, facility rental, *b'nai mitzvah* tutoring, life cycle events, and cemetery plot purchases will remain

separate from the annual contribution, though contributors should retain a discount on most, if not all, of what historically has been discounted in the past.

◇ Any of these models can be piloted with a segment of the congregation. Typically, that target population would be new members and those on reduced dues, monitored for a year or two to gauge response. If those in the target population place a higher value on their relationship to the synagogue community, it would be expected their contributions would increase as has been seen in those synagogues that have done so.

4.1 Recommendations

To identify the model of affiliation and contribution that is different from the current traditional dues model employed, one must take into account all the variables that make up the synagogue: demographics and structure, level of religious observance, and volunteer involvement. Though I have given examples of each model and synagogues that employ them, every institution is different. Each one has challenges and opportunities that affect how any of the models can be successful.

A positive recommendation for many synagogues to move toward a fair share, voluntary or sustainable synagogue contribution model is one which could allow for the greatest level of success. Synagogues may find that their current full dues paying members and largest contributors demonstrate a continued and consistent love for their institution, and are likely to be leaders in embracing a change in membership models.

Transitioning to a model different from that which has been used for a generation or more requires great care. It is critical that the buy-in of the synagogue's current full dues paying members and major contributors be weighed carefully. Targeted marketing, one-on-one meetings, small-group sessions, and fiscal transparency are critical to changing dues and contribution models. Synagogue leadership must be able to answer questions as to why the traditional dues model no longer works. With targeted buy-in, the largest segment of

the synagogue's membership can be brought into the process with appropriate information that allows for inclusion — a critical component necessary to achieve success. The effort to change the dues and contribution model should not be done without reaching out to a targeted group of the synagogue's population.

Likely, the change could not be instituted before the next fiscal year.



Blueprint for Establishing the Basis for a Successful Capital Campaign

Mark Block, Executive Director

Congregation Rodeph Sholom, Bridgeport, CT



It is vital to clearly and correctly state the preliminary case for support for the project you seek to fund. Doing your homework upfront is critical to the success of the study. A preliminary case for support is a simple statement of what is needed and why it is needed. Taking whatever time you need to flesh it out and getting the details down will be well worth it, especially in terms of how the case is received and embraced by your most generous prospective donors. Remember, the feasibility study, as the name implies, is a study that provides an analysis of the viability of an idea. It focuses on answering the essential question, “Should we proceed with the proposed project?” In the interview process with the donors you have identified as most likely to support your case, you need to do a “pre-ask ask,” so you want to put your best foot forward. This is part information gathering and part salesmanship, so be sure you are fully prepared to do it right—often you have only one opportunity.

Also, you want to make it clear that this is a “preliminary” case for funding. Once you obtain feedback from in-person interviews, you will be in a better position to consider the changes that might be needed in the project. The “final” case for support would then be prepared.

For example, suppose you are seeking to raise \$5.0 million to be divided between your endowment and capital needs. If you do not currently have an endowment, then establishing one that allows you to use interest income is one way to encourage legacy contributions. Therefore, we then agree that it makes sense for you to expand your small planning group to include others (donors, friends, influential members of the community) who can serve on a Campaign Pre-Planning Task Force or Committee. This group will work with professional counsel to construct and complete the preliminary case for support study. To be successful, there are many things you need to do right. One of the most critical is an inclusive process that reflects the interests of the constituency approaching. In this way, you can achieve the all-important buy-in and ownership.

The Task Force or Committee’s job is to gather and refine information for the project. While some of this will have been on the feasibility study checklist you use as a guide, you will want more detail to guide you through this important stage of work. What’s important here is that you gather as much information on your prospective donors and institutional plans as possible. That information can then be converted to a tailored case for support.

Example: To grow your endowment by a projected \$3.5-4.0 million, your research indicates your donors want their synagogue endowment to be used for the express purpose of assuring your institution runs at a zero or near-zero budget deficit.

1. Explain clearly what endowment funds will support, with detail about the amount of income required in order to support programs.
2. Justify the amount of endowment funds needed, with particular emphasis on how it creates long-term financial stability/viability (not how it “plugs a hole in the budget”). Budget relief and gap financing are difficult funds to raise and are not to be considered aspirational but realistic.
3. Articulate possible specific endowment needs, for example:
 - ◇ Unless specified otherwise, endowment funds are not designated toward specific programs, clergy, educational needs, etc.
 - ◇ Endowed chair(s) for clergy (enough to produce annual income for salary)
 - ◇ Endowed position for program (e.g., early childhood director, Hebrew school principal)
 - ◇ Special needs funds (education/*B’nai Mitzvah*/seniors/Israel, etc.)
 - ◇ Building maintenance

Facilities improvement or enhancement is both visible and tangible, and therefore of tremendous appeal to some major donors. Provide a breakdown by facility for consideration and prioritization, such as sanctuary, kitchen, social hall, lobby, gift shop, etc.

1. Describe the needed facilities and/or projects for which the synagogue will be raising funds in a potential campaign.
2. Describe the impact of the projects on your ability to improve services and programming, accessibility, etc. Be sure these align with your mission statement whenever possible.
3. Assess any additional staffing and/or maintenance costs associated with these improvements. What impact will this have on your annual operating budget? Quantify and describe how these increased costs will be met to instill confidence in donors.
4. Estimate the cost for each potential facility improvement and/or project. You will want to consider:
 - ◇ Construction costs (including general contractor's overhead and profit and general conditions)
 - ◇ Furniture, fixtures, equipment, maintenance
 - ◇ Architectural fees
 - ◇ Engineering fees
 - ◇ Building permits
 - ◇ Utilities
 - ◇ Interior Design fees
 - ◇ Environmental Assessment fee
 - ◇ Site Survey fee
 - ◇ Legal fees
 - ◇ Contingency funds (changes in the scope of the project due to the owner; hidden conditions found during construction; change orders and omissions by the architects and engineers)
 - ◇ Construction Management fee and/or Cost Estimator
 - ◇ Fundraising and Collateral Materials
 - ◇ Feasibility Study fees and expenses
 - ◇ Development of Preliminary Case for Support
 - ◇ Campaign brochure/video/letterhead/pledge agreements
 - ◇ Consultant campaign management fees and expenses

As the executive director, you should develop an executive business plan, identifying where you are financially, and where your research indicates you may move forward with membership and participation. Will you engender support or find resistance? How will you address these areas with your lay leadership? You should also develop the following:

- ◇ Preliminary planning documents for the campaign
- ◇ Endowment/spending policies
- ◇ Brochures and materials on community programs
- ◇ List of board members and affiliations and affiliated organizations and groups such as Men's Club/Brotherhood, Sisterhood, Hazak

Finally, some other questions to consider as you refine the project and need for funding:

- ◇ Why philanthropy for these projects? Why now?
- ◇ What will happen if the congregation does not raise this money? Will you need to close or merge with another synagogue?
- ◇ What about borrowing the funds? Or raising dues? Raising dues will not alleviate the immediate situation and seldom, if ever, covers the underlying need for a capital campaign. It will only prolong the inevitable or serve as a stopgap while a campaign is developed.
- ◇ How will this investment attract new families? Younger families? Retain current families? Reconnect families who have drifted away? A successful major campaign will demonstrate the will of the congregation to remain vibrant and provide for the needs of its members and the community. You are making a statement to the community as well as a promise to provide for the spiritual and social needs of your community.
- ◇ Demonstrate how this investment will pay specific dividends (financial, programmatic, and spiritual) and not constitute "throwing good money after bad."

Once you have answered these questions, developed a comprehensive case for support, interviewed your largest potential donors and achieved buy-in from your leadership (both lay and professional), you will be ready to move to the next phase -- gathering all available and pertinent information. This will serve as a foundation for what can be a successful capital campaign.



Living Outside the Box: Milking Your Synagogue's Building and Grounds for Ancillary Income

By Eric Stone

Executive Director, Congregation Beth Jacob, Redwood City, CA



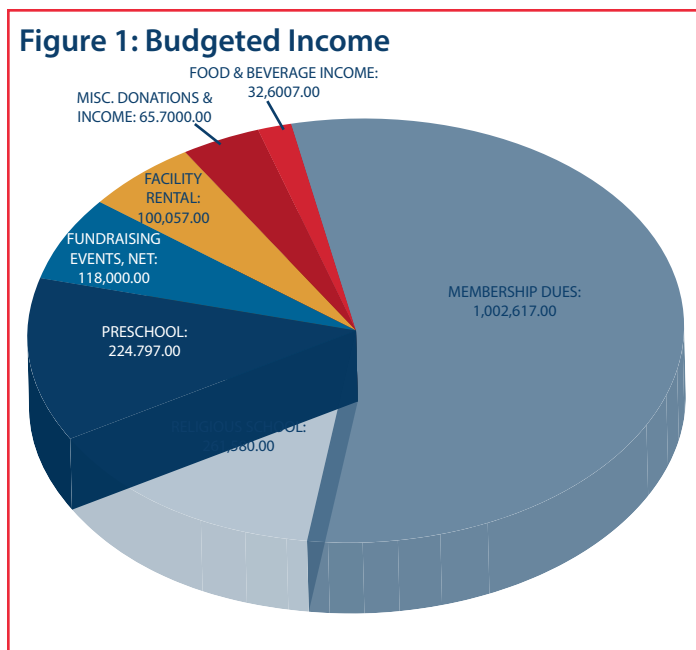
Ancillary income, defined here as income not derived from core synagogue activities, can breathe life into congregations. It provides income that can relieve intense financial pressure on regular operations, or enable congregations to invest in ways that would otherwise be beyond their means. It is nearly always a blessing, and if managed sensibly, can rarely, if ever, be a curse.

This essay will illustrate the financial impact of ancillary income, explain the most common sources of it, and provide tips for managing it. It is based on the lessons learned through many real-life tales of triumph and despair. Intentionally, we will omit the tax implications of ancillary income, a topic unto itself, but rarely a reason to turn down an income opportunity.

FINANCIAL IMPACT OF ANCILLARY INCOME

Ancillary income may be a small share of your congregation's income, but it can bring a substantial increase to your "discretionary" income. Discretionary income is defined here as income that is mostly within synagogue management's control to spend or not spend during a fiscal year and, in an emergency, could be redirected or eliminated without an earthquake of consequences.

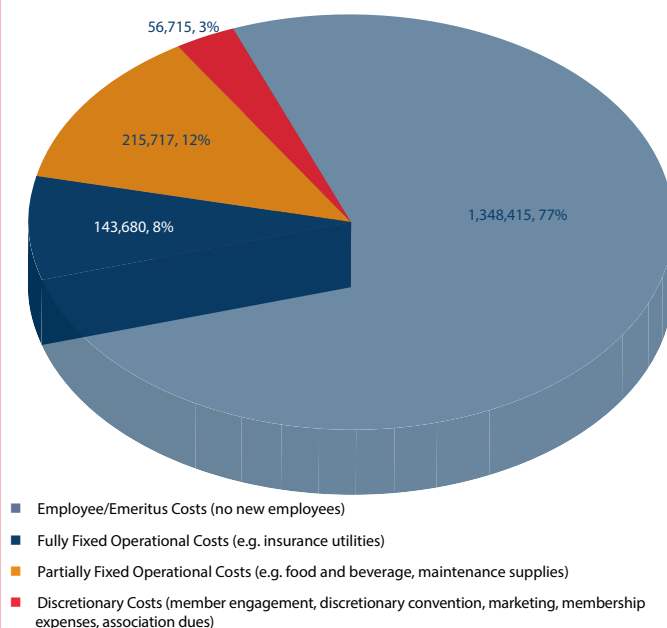
Take a look at Figure 1, a real-life picture of one synagogue's budgeted income breakdown:



This synagogue, with about \$1.8 million in annual gross income, takes in about \$100,000 in ancillary income through facility rental. That's 5.6% of the total.

But look at it another way in Figure 2:

Figure 2: Expenses by Level of Management Discretion



This particular congregation divides its expenses like this:

◇ **Pay and benefits to employees and emeriti.** While not truly fixed except where governed by contracts, these expenses typically cannot be reduced without great consequences.

◇ **Fully-fixed operational costs.** These are expenses that your synagogue must incur in order to keep operating, such as insurance and utilities. While we have some ability to reduce these costs, such as by shopping around our insurance and adding controls to HVAC usage, typically any savings would be a small percentage of the total.

◇ **Partially-fixed operational costs.** There are areas that we often find ourselves managing in

order to make our budget requirements each year. They include office supplies, maintenance, and postage. We have to spend money in these areas, but in a pinch we can reduce these expenses to make a meaningful difference.

◇ **Discretionary expenses.** These are expenses that we can, if necessary, delete entirely -- or nearly so. The synagogue in the illustration defined these expenses as its membership engagement consultant, convention expenses not listed in employee contracts, marketing, membership expenses (such as welcome gifts to new members), and association dues.

Discretionary expenses, as defined by the congregation in the illustrations, are only \$56,700 or 3.0% of the total.

So why should we care?

Imagine what your congregation could do with a healthy stream of additional income that carried only incidental hard and soft costs. Double down on your marketing and membership outreach? Bolster a very strained area of staffing? Upgrade your sanctuary audio? Take action on deferred maintenance? Beef up (or create from scratch) your rainy day fund? The list of possibilities is endless, and the point is that ancillary income, when substantial by your synagogue's standards and when managed strategically, provides flexible funds that you can put into play immediately and with tangible impact.

MOST COMMON SOURCES OF ANCILLARY INCOME

Income opportunities for a synagogue often show up "over the transom," brought to the attention of synagogue management by a curious neighbor, a congregant's employer, a friend of a friend, or a community institution, including other houses of worship. We will discuss some that are both fairly common and potentially the most rewarding. We will intentionally not discuss the simple rental of our facilities for core Jewish life-cycle occasions, as these are already part of most synagogues' financial profiles.

Renting Space and Time to Another Religious Institution

Your space may be attractive as a worship and learning space to both Jewish and non-Jewish religious groups.

Real-world examples from one major metropolitan area include:

A relatively new and modest-sized Renewal congregation has no interest in owning a building, but has a strong interest in worshipping in a Jewish space. Flexible in its scheduling, this congregation worships and shares office space in a synagogue that is somewhat underused. The Renewal congregation is happy to meet for *Shabbat Minchah* rather than morning services (the host congregation has full use of the space on *Shabbat* mornings), and to meet for a late service on Friday evenings when the host congregation has only an early service. This relationship is potentially the simplest if the clergy, staff, and lay leadership of the two congregations work in a positive spirit, as the two congregations generally understand one another's needs, have similar calendar constraints, and "speak the same language," more or less.

A modest-sized Christian church rents the worship, social, and school space of a synagogue. This can work efficiently when the synagogue is lightly programmed on Sunday mornings (e.g., one that has religious school on *Shabbat* morning and not on Sunday), or when the church is flexible and willing to schedule its activities at times less common for Christian worship, such as Saturday or Sunday evening. While workable, this kind of relationship may be the most complex, as the church has little infrastructure of its own (such as office and storage space), probably lacks professional management, and may be under more financial strain than a better-established church.

A large Christian church several miles away is looking for a satellite location to relieve crowding at its main location and to improve outreach to people in the satellite area. Here too, the best match is a synagogue that can offer its space on Sunday mornings, or a church that can meet at nonstandard times, such as Saturday or Sunday evenings. This relationship can be the smoothest logistically and the most lucrative, when the church in question has a robust operational staff and is stable financially. In fact, the greatest fear



of synagogues hosting churches of this type may be the fear that the church will outgrow the synagogue and need to rent elsewhere or purchase property in the satellite area.

Characteristics of a well-functioning arrangement with another religious institution include:

◇ Respectful, honest relationships in all key peer areas: clergy to clergy, administration to administration, and lay leadership to lay leadership.

◇ Truly compatible schedules that let both host and guest operate without getting in each other's way, and with legitimate schedule conflicts (such as major Jewish holidays and large synagogue events) known well in advanced and managed in a cooperative spirit.

◇ Synagogue lay leadership and, in turn, general membership that are at peace with the presence of the other institution, or even better, that see it as a virtue to offer synagogue space for the use of other faiths.

Sensible ground rules must be established early in the relationship, both formally in the written agreement and informally through open discussion. Most important are that there be no recruiting of one another's attendees, and that any inevitable space conflict be managed in a spirit of understanding and common good.

As a corollary, the parties should be understanding of the fact that individuals acting on their own may violate these ground rules, and such situations should be addressed proactively and not allowed to spoil the relationship.

One example of a ground rule and its incidental breakage involves leaving religious literature in the building. The guest institution should be obligated to remove its materials at the end of each worship session. However, the host synagogue is likely to encounter bits of religious literature left among the pews or in the lobby. The first assumption is that this was inadvertent. Should there be a pattern of literature left behind, this should be called to the attention of the clergy of the other institution. He or she should be counted on to remind his or her congregants that leaving behind literature intentionally is a violation of their agreement with the synagogue and, more important, a breach of good manners and trust.



Another example of a ground rule broken is when a synagogue group innocently shows up during the other institution's worship time, not realizing that space would be limited, or knowing that there would be other use but not behaving respectfully by minimizing noise and staying out of areas reserved by the guest. Here, it is the burden of synagogue management to apologize to the guest and to clarify within the synagogue the relationship and the attendant ground rules.

Before negotiating rent with a house of worship, it is a good idea to find out, if possible, how much other synagogues and churches in your area are receiving for similar arrangements. These numbers will be a far better benchmark than rental rates you might find out from your local JCC or hotel conference centers. The latter are in the business of renting their space, and have established rates generally suitable for single events, but far out of the reach of any house of worship for regular use; using their rates as a benchmark will be a quick deal-breaker.

Who is in the best position to negotiate with a fellow house of worship? If you know who the deal-maker is on the other side, try to find a matching individual: clergy to clergy, lay leader to lay leader, or director to director. You will find that even where different religions are involved, peers at the two institutions think and speak in similar terms, and can negotiate with integrity, efficiency, and mutual respect that can last well beyond contract signing.

One final note on renting to religious institutions: While this essay is explicitly avoiding discussion of tax matters, it is the writer's observation based solely on local experience that one house of worship renting to another has the fewest tax implications, and generally none at all.

Renting to a Different Type of Nonprofit Organization

Renting space to other nonprofit organizations for meetings and events can be a source of fairly passive income that may not bring in much on a per-occurrence basis, but can add up to significant dollars with minimal supervisory headache. The typical nonprofit seeking space is local (or a local branch of a wider organization), modestly sized, and does not have, or intend to ever have, space of its own. Often these are organizations in which your congregants may be involved, and they come to the synagogue seeking space. They do not have much to offer financially, and you may determine that their rental dollars are not worth the headache. One pivotal factor may be whether a congregant or other person well known to you, and trusted, is part of the renter's leadership and can take responsibility for matters such as cleaning up and securing the building if your synagogue's policies allow this.

Expectation setting is crucial to the success of this type of rental relationship. If the dollars are small, so should be the renter's expectations of building conditions and services to be provided. The renter should understand that they may occasionally be bumped—altogether or to a different location from usual. Both parties should shy away from long-term commitments to one another.

Finally, regardless of the modest dollars and the relatively casual nature of some of these rental relationships, it is vital to have in place a certificate of insurance from the renter and a contract with standard terms, most crucially the renter's assumption of all liability related to its activities on your premises. The synagogue's responsibility should be limited to providing space "as is" and any other conditions explicitly agreed, and the consequence for failure to perform should be no greater than a refund of any prepaid rent.

So why bother? Quite simply, the income may be too good to pass up. One shrinking congregation in the San Francisco Bay area, with a mostly elderly membership and no religious school, rented its former classrooms to a foreign-language specialty daytime school for years. The income from the school, which operated with almost complete autonomy, made all the difference in enabling the synagogue to remain active for its small but loyal and devoted population. It should (but won't) go without saying that a relationship with a daytime school requires an extensive and well-thought-through contract, and would be well worth the cost of outside legal assistance if you do not have a willing and extremely qualified volunteer in your congregation.

Renting to a For-Profit Operation

Synagogues are often approached by congregants and community members seeking space for for-profit operations. Common examples include exercise sessions in a social hall and for-profit classes for enrichment or career advancement in synagogue classrooms. When such an opportunity presents, you have the relative freedom of operating purely for the financial good of your synagogue, with no secondary objective of promoting communal good and with complete understanding that the other party, too, is financially motivated. It is negotiation in its purest form.

Still, renting to for-profit operations may raise the volume of arguments that are muted when the rental has a sense of community spirit. For example, neighbors who might tolerate additional noise and traffic resulting from heavier use of your facilities may be less sympathetic when they learn that the cause of the noise and traffic is a for-profit operation. This is especially likely for a synagogue that is tucked into an otherwise residential neighborhood. Likewise, groups within your own congregation may resent being short on space for their mission-driven activities because the space is in use by a for-profit outside renter.

Some years ago, one synagogue in the San Francisco Bay area began renting its social hall for a well-known music-oriented exercise program. As the synagogue lacked air conditioning, doors were propped open for airflow on warm days. The noise and vibrations from the music carried throughout the neighborhood. Initially polite inquiries from neighbors turned hostile when the reason for the disturbance was explained. Things went so sour that the city arranged a mediation between the synagogue and the neighbors. The result was an agreement binding the synagogue to highly specific restrictions and conditions around noise-generating activities—restrictions that cover not just the operations of outside renters but the core activities of the synagogue as well.

When working out terms with a for-profit renter, you may be dealing personally with a resident of your community or an individual entrepreneur; however, in some cases, that person may be backed by a large company with a legal team adept at drawing up contracts to its advantage. Here, too, be sure your legal strength matches that of the other party, even if it means hiring paid counsel. If your board balks at the cost of outside counsel, it is a good indication that the arrangement is not worth pursuing.

As noted throughout this essay, the tax implications of rental income are outside our scope. It should be fairly obvious, however, that rental to a for-profit operation should take place only with careful understanding of the tax implications for your synagogue.

Renting Space for a Cellphone Tower

The cell tower leasing business is a world unto itself, with jargon and customs quite alien to the average synagogue executive. Still, a tower and related agreements for land leases and revenue sharing can be a source of relatively secure and substantial long-term income at negligible cost.

First things first: Cell tower agreements are necessarily complex. You are at a serious disadvantage if your negotiator is an amateur; after all, the negotiator on the other side spends all day, every day, negotiating deals just like this one. You must have professional help in working out a cell tower deal—someone who knows how to structure a contract properly, can explain to you the terminology and its implications, and can advise you on your negotiating stance based on industry knowledge. Count yourself fortunate if you have such a person in your congregation. If you don't, then find a consultant. It is well worth the expense.

Here are some of the major factors to consider in a prospective cell tower deal:

◇ The basic cell tower contract includes a lease of land and the right to install a tower and equipment on it, for the use of one carrier (Verizon, AT&T, etc.), for a specified period of time. A typical contract is for 20 to 30 years, in five-year increments, with the company (but not you) entitled to terminate at any five-year point.

◇ The company may later enter into an agreement with another carrier to share tower capacity and the equipment in your space. If they do that, your contract should specify that you get a share of the income from the new carrier. You can also negotiate additional rent for land required to house the new carrier's equipment.

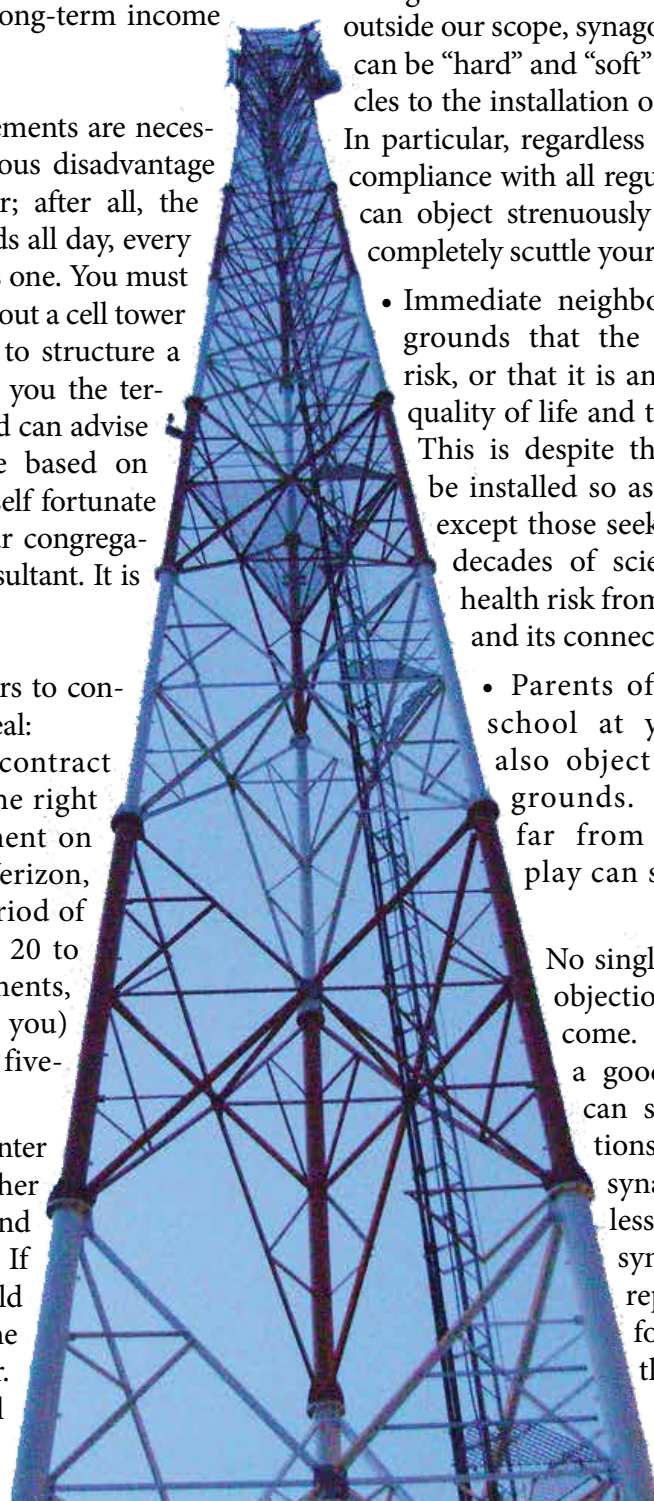
◇ Cell tower sites use a lot of power. The carrier should be responsible for any electrical upgrades required to bring power to the site. The site should be separately metered, with the bill going to the carrier. Similarly, the contract should require the carrier to enclose the tower site attractively and to your specifications, and to minimize any eyesore that the tower may create.

◇ Locations have varying regulations and procedures for approving the installation of a cell tower in a given location. While navigating these is well outside our scope, synagogues are advised that there can be "hard" and "soft" legal and regulatory obstacles to the installation of a tower on your grounds. In particular, regardless of your cell site's apparent compliance with all regulations, two constituencies can object strenuously enough to delay or even completely scuttle your deal:

- Immediate neighbors may object on the grounds that the tower poses a health risk, or that it is an eyesore affecting their quality of life and the value of their home. This is despite the fact that towers can be installed so as to be unnoticed by all except those seeking them out, and that decades of science have revealed no health risk from being near a cell tower and its connected equipment.
- Parents of children who attend school at your synagogue may also object on perceived health grounds. Installing the tower far from where the children play can soften the objections.

No single strategy can prevent these objections or ensure a positive outcome. However, being known as a good neighbor year after year can soften neighborhood objections. Likewise, parents of your synagogue's school children are less likely to give you grief if synagogue management has a reputation of ongoing concern for the safety of children on the premises.

Once the contract is signed and the site is built out,



interruptions for maintenance, upgrades, and repairs are among the few real headaches of a cell tower site. This kind of work can be noisy, and the people sent to do it are often subcontractors who may be unfamiliar with your site and your neighborhood conditions. Your contract should limit work hours to weekday business hours, with advance notice, and with exceptions for specified religious holidays. The carrier will want an exception for emergency work; this is reasonable as long as emergencies are defined as actual outages preventing service to a significant number of people, or risks to life or property so immediate that the repair cannot wait until a reasonable day and time. If workers show up in violation of these conditions and cause a disturbance, you as the synagogue director may be in the position of ordering them off, or calling the police to put an end to the disturbance. From the perspective of neighborhood relations, it is better that you call the police before an irate neighbor does.



spending stream that would be agonizing to cut off if the income stopped flowing.

◇ Take into account the costs associated with the ancillary income. Even if these costs are hard to pin down, such as utility usage and “wear and tear” from those who rent your space, they do add up.

It is wise to set aside some portion of your income in a relatively safe place, such as a building maintenance fund. This set-aside will insulate you against the expenses of the income-generating activity, and not incidentally, may also cover the costs of emergency repairs and unplanned maintenance that may be needed to keep income-generating activity viable.

◇ Have these conversations and plan for your new income, preferably as you are negotiating for the income, but certainly no later than when the first check comes in. Once payments start coming in and being applied as general operating income, it is that much harder to redirect them strategically.

So is it worth the hassle? Without a doubt. A cell tower site typically takes over a neglected chunk of synagogue land and turns it into a source of dollars that come in like clockwork, year after year, against virtually no costs.

TIPS FOR MANAGING ANCILLARY INCOME

New ancillary income often shows up as something as of a surprise, and rarely in sync with your fiscal year. It's only natural that there will be spirited discussion about how to spend or save this “found money.” The possibilities are as endless as any ambitious synagogue's wish list. As you guide this discussion, keep the following in mind:

◇ Sources of ancillary income can disappear as suddenly as they appear. Even quite solid long-term agreements, such as those usually covering cell tower sites and rentals to established religious institutions, can fall apart due to bankruptcy, fire, or flood that makes your site unsuitable, or a simple decision not to renew a contract because of changing market conditions or other factors outside your control. Think about this when determining how to allocate your new income. Avoid creating a new

IN CONCLUSION

Ancillary income can be a boon to a fairly healthy synagogue, and a virtual lifeline to a struggling one. When well thought through and responsibly managed, ancillary income can stabilize your bottom line, fund promising initiatives, and even create healthy new relationships with your neighborhood and community. This can occur with mostly up-front energy, leaving you, ideally, with a smooth-functioning business relationship that requires very little maintenance over the long haul.

Each income type has its unique dynamics, some of them potentially complex. Resist getting in over your head when financial terms and legal conditions are outside your expertise (especially if they are not outside the expertise of the other party!). Paid outside help can be well worth the expense when you are negotiating to bring in many thousands of dollars over many years.

Finally, know yourself, know your congregation—its personality and its financial priorities—know your community, and use that knowledge to design your ancillary-income program. This will yield a program that you can manage comfortably, that your congregation will respect, that your Board will value, and that will have an impressive financial impact.

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