

Board Meeting

Sunday October 27, 2019

Participants:

Saul Berkowitz, Eva Gans, Susan Goldman, Conrad Giles, Larry Kadis, Suellen Kadis, Debbie Kanter, Brad Kolar, Howard Lanznar, Gail Lanznar, Jon Lanznar, Hugo Leibovich, Leandro Margulis, Judy Menikoff, Morgan Newman, Michael Perlmutter, Barbara Siegel, Louanne Smolin, Bubba Urdan, Dario Wertheim, Marilyn Thypin

Jeffrey Cooper (CEO), Allison Halpern (DOO), Sari Berkowitz (Director of Marketing), Nicole Miller (Regional Director), Naomi Reinharz (National Director of Major Gifts)

On the Phone: Jim August, Sid Besmertnik, Lew Zipkin

Absent: Richard Bernstein, Vivien de Gunzburg, Shelly Dreifuss, Joan Levin, Barbara Ross, Pepe Sigal, Andi Wolfe, Larry Wolfe

1. **Welcome / Approval of Minutes**

Howard Lanznar

Eva Gans makes a motion to approve. Larry Kadis seconds. All in favor / no abstentions.

2. **Welcome to Barbara Birch**

Howard Lanznar, Larry Kadis

Barbara introduces herself and expresses her excitement in joining ORT.

3. **“Moment of Wisdom”**

Suellen Kadis, Leandro Margulis

Suellen and Leandro are the Co-Chairs of the Leadership Committee. They hope to make participation on the board a meaningful experience.

Leandro: my journey with ORT started as a student in ORT Argentina and I am thankful for all that ORT has done for me. I would not be where I am today without ORT.

- The weakest link within a cluster is also the strongest link in another cluster.
- We are all part of the ORT Network but we are all also part of other Networks.

4. **Chairman’s Report**

Howard Lanznar

Integration with World ORT, Inc.

While there are still some mechanical steps that need to happen (combination of databases, sharing of information, some administrative issues) – overall the cooperation has been wonderful and we are now, in spirit and operationally, one organization.

US Operations and LAOTI

We have had disagreements with the former US Ops group for a couple of years now, starting with the closure of Bramson, then the closing of the Chicago ORT Technical Institute. We concluded that it simply did not make any sense to continue a relationship with US Ops.

A very detailed “divorce” proposal was put together with counsel, over a month ago. US Ops has only acknowledged receipt but there has been no response. We are waiting to hear back from them. We are disappointed we do not have a further update, and hope that we can move toward a settlement sooner rather than later.

In answer to questions: The building of LAOTI was sold to Stanley Black and leased back to the school at a very good rate. There were discussions with LAOTI on how we could help them. A majority of the board members rejected our proposals and the only viable option is a separation.

5. CEO’s Report

Jeff Cooper

Status report on integration with World ORT, Inc.

The entire staff has been moved over and are on our payroll. They participate in all our staff meetings. The data integration will take a while. We had a positive meeting to discuss communications and data. The process will be beneficial to both ORT America and World ORT.

Financial Report

- Review of the numbers.
- Some are confused by the report and the line items. The finance committee will be working on a new report that will be clearer and more detailed.
- It is pointed out that funds raised and legacies are pledged based. There should be a cash based report as well.
- In regards to the Kfar Silver Campaign: We have to be careful on how we are managing the Kfar Silver campaign. Funds that are normally unearmarked are going to this campaign. The intention was that this campaign would be for new money, but it is not turning out to work that way. There are donors who are giving to KS in lieu of unearmarked money.
- Pledge reminders are sent quarterly. We have very few write offs.
- We need to push for earlier gifts. Last year the stock market took a big dip at the end of the year, when most gifts are usually made. Donors should be encouraged to not wait to make their gifts.

Status report on Chicago ORT Technical Institute audit/letter of credit

We are in the final negotiations with the department of Education to release the \$580k held in escrow.

Status Report on Los Angeles Property

Howard and Jeff met with the executor of the Lipson Estate regarding the Los Angeles property. He is trying to evict one of the tenants who is there under false pretenses. There is a reputable buyer who is waiting to close, hopefully in January / February. The funds are designated for LAOTI.

6. Overview of World ORT Programs & Priorities

Avi Ganon

- Power Point presentation. Review of ORT's Core Funding in Israel (Kadima Mada), the FSU, Europe and Latin America.
- World ORT was never a fundraising organization. Funds are raised through our ORT partners in various countries and from JFNA. Changes in leadership and regulations can strongly affect the funds sent to World ORT. Core funding has diminished tremendously. ORT Switzerland and ORT Canada for example are sending substantially less funds than they had in the past. JFNA has also reduced its allocation to ORT over the years.
- World ORT relies on the forecast of the fundraising countries and any change impacts the ORT programs and schools. Based on 2020 needs, the Core Funds budget is \$7M. With specific projects, the budget is \$13M/\$14M dollars.
- The business plan put together by World ORT and America places a goal of \$2M of core funds for OA.
- It is important to understand that when a management contract ends, ORT will no longer have the responsibility to run the school but will maintain its affiliation.

Copies of the Power point presentation will be made available to the board.

A financial presentation / webinar will put together to explain the structure / flow of funds.

7. Committee Reports

○ **Fundraising**

Gail Lanznar, Judy Menikoff

- **Major Gifts Fundraising:** During our Fundraising meeting in July in New York, our fundraisers were given tasks mostly around Major Gifts Kfar Silver.
- **The New York Committee** had a recent call strategizing on how to reengage NY Donors as well as how to elevate ORT's presence and cachet in the elite world.
- **The Campaign Committee** has put together a phone/email campaign to go in the immediate after lapsed donors. They will then work on the campaign committee 2020 plan.
- **The Donor Appreciation / Recognition Committee** – working on a plan for 2020 that will go beyond what we have been doing so far, above acknowledgment letters etc.

Core Projects are projects that will happen whether funds are raised for them or not. Designated funds for core projects can be budget relieving.

Saul Berkowitz makes an appeal to increase the give or get of the Board.

Gail Lanznar commits today give another \$5k to Kfar Silver

Saul Berkowitz commits to give or get a significant amount - closer to \$50,000

○ **Planned Giving**

Brad Kolar

Goal / plans:

- Bring in \$7M a year. Currently we receive approx. \$2.5M annually.
- Get a better handle on the data.
- Make Planned Giving more inspirational.
- Printed and Web collateral is being worked on.
- Appeal to the Board to plan a legacy gift for ORT (Brad will be purchasing a \$200k Life Insurance Policy to benefit ORT)
- Would like to have representation on the committee from Chicago, Michigan and Ohio.

○ **Federations**

Larry Kadis

Larry Kadis, Larry Wolfe, Connie Giles, Eva Gans, Joan Levin, Jim Lodge met in Detroit (Richard Bernstein joined on the phone) to discuss the changing landscape in the Federation landscape.

The goal was to identify federations we would like to approach (19). A task force will be put together for the approach.

○ **US Pedagogical Programs**

Linda Kirschbaum

The purpose of the committee is to:

- build awareness in the US about ORT
- do good by meeting one or more needs in the American Jewish community

ORT America does not have a pedagogical team. It will rely on World ORT to provide services. There are some Special Purpose Funds that are designated for US programs including the Andron fund that provides \$80k a year, designated for US programs. We need a resolution that authorizes up to \$80k to be put toward the camping initiative.

Judy Menikoff makes a motion to approve / Larry Kadis seconds. All in favor / no abstentions.

○ **Proposals and Reporting**

Louanne Smolin

The charge of the committee is to strengthen donor centric fundraising through timely and relevant reporting for both proposal and program reports / evaluations.

The information will help us to be responsive, match donors with interests and to be accountable.

8. **Other matters**

Dario: In looking at the numbers, the ratio of expenses vs revenue is too high and must be reduced.

Howard: Information on the **World ORT GA/ORT America Mission – Jerusalem** (May 20-26, 2020) will be forthcoming

9. **Adjournment**

Howard Lanznar