



Avi Chai's Last Will And Testament?

As the foundation prepares for dissolution, it focuses on partnerships benefiting day schools and camps.

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In its latest round of grants, The Avi Chai Foundation has demonstrated a new strategic approach to its funding, one that reflects the reality of a foundation preparing to spend-down its nearly \$600 million endowment by 2020.

At a board meeting last month, the foundation approved a \$1.6 million grant to Yeshiva University's Institute for University-School Partnership to fund a comparative financial analysis of 30 Jewish day schools in five communities over the course of four years. The goal is to foster the financial viability of day schools by identifying ways to increase revenues and reduce expenses, as well as providing coaches to help day schools engage in long-term financial planning.

Avi Chai's grant represents 50 percent of the program's overall budget; local communities will need to locate funders to make up the other half of the cost in order to participate.

The foundation also approved a \$3 million grant to The Partnership for Excellence in Jewish Education (PEJE) for endowment building for Jewish day schools. This is also a long-term grant that will need to be matched by local funders.

"We want to be sustainable beyond the lifetime of a spend-down foundation, and to do that, we need other investors involved from the outset," Yossi Prager, executive director of Avi Chai North America, told The Jewish Week, in explaining the foundation's decision to require that its money be matched dollar-for-dollar. "We're acting with an understanding that our legacy depends on the success of institutions who will survive Avi Chai."

These four-year grants indicate confidence and investment in the projects. But they also serve a secondary goal that is becoming increasingly important to Avi Chai: attracting new funders to the day school and Jewish summer camp causes.

This is significant shift for a foundation used to going it alone. But with an endowment of only \$575 million (which will be divvied up among its North American, Israel and FSU branches) to be invested in the Jewish day school and camp world over the next nine years, Avi Chai is keenly aware that its ability to bring about long-lasting change in the day school arena is somewhat limited. That is why the foundation is focusing its efforts on shoring up Jewish day schools and camps by strengthening the institutions that support them. The goal is to build a day school field similar to that of Jewish camping.

“Much more can be done to enable teachers and school leadership to be better networked and to link scholars and practitioners in the common purpose of providing an evidence base for Jewish education decisions,” Prager told a packed crowd at the annual PEJE assembly last week in Baltimore.

In his talk at the PEJE assembly, Prager laid out the foundation’s three main foci over the next nine years: “To address three pillars of the sustainability of the Jewish content and character of day schools: solid financial footing, able day school leadership and a vibrant and networked field of mutually supporting institutions committed to the Judaic mission of day school education.”

The goals are based on the conclusions of three working groups, made up of 41 staffers, trustees, and outside experts in the field. Simultaneously, in preparation for its last decade, Avi Chai’s trustees and staff evaluated its entire portfolio of grants, ranking them according to such measures as centrality to the foundation’s mission and cost-effectiveness. The foundation ceased funding two of its projects, and several other programs currently funded by Avi Chai will receive gradually decreasing grants, in an effort to give the programs time to fundraise so that they can exist even after Avi Chai’s dissolution. [Disclosure: The Avi Chai Foundation has funded several Jewish Week projects.]

Instead of investing in particular programs, Avi Chai is shifting its focus to building the capacity of a few key operating partners, such as PEJE, YU’s Institute, Ravsak, Pardes, the Foundation for Jewish Camp and others.

Avi Chai is also dedicated to allocating funds for a series of experiments aimed at helping day schools use technology and social media to stimulate group conversation and brainstorm ideas. The trustees of the foundation approved \$500,000 in New Media Initiatives, which may be used, for example, to engage alumni. In keeping with its changed funding model, Avi Chai will convene a group of funders and day schools interested in technological innovation and develop a plan through a collaborative process. “What we actually spend money on might not look like what we thought it would,” he says. “Still, we’re not writing any blank checks.”

The foundation has also set aside a significant sum that will be earmarked for incorporating online learning into day school curricula. “We see online learning as compelling because it offers the potential for education that is both less expensive and more individualized than models that are built exclusively on in-classroom teachers,” Prager says.

From now on, Avi Chai intends to collaborate with other funders, both in brainstorming solutions to key problems facing day schools and camps, and in funding those solutions. “We’ll have the benefit of joint thinking and the benefits of joint funding,” he says.

Of course, there are challenges to this approach. To move forward its agenda, Avi Chai will need to ensure that there are funders who are interested in its work. And there’s also the issue of time. “The old way allowed us to think, approve, implement,” he says. Collaboration can be less efficient, as it often creates a lag in the amount of time it takes to get things done. “But that’s the cost of doing things in a sustainable way,” says Prager.

While Avi Chai may be approaching its funding in a more collaborative fashion, it still expects to see a return on its investment. “There are benchmarks built into each of the programs we fund and if progress isn’t being made, the program gets terminated,” Prager says. “We’re not crowd-sourcing Avi Chai’s philanthropy — that’s the other extreme,” he says.

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