

National Federation/Agency Alliance Redesign Plan

EXECUTIVE SUMMARY

The National Funding Councils (“NFC”) have been the vehicle for making allocations on behalf of the federation system to a group of national agencies since 1989. These agencies collectively receive more than \$8 million in funding FY 2006-07 through the NFC from approximately 40 member communities. The NFC is the successor organization to the Large City Budgeting Conference of the Council of Jewish Federations. While the NFC process has been successful in stabilizing the funding to these national agencies during a decade of tight allocations, there is recognition within the federation system that the NFC structure needs to change dramatically or it may well collapse.

Despite some significant concerns, there is consensus that reverting to individual federation allocations in response to individual agency requests is a bad option and that the benefits of the process and the partnership over the past 17 years must be preserved. Accordingly, on September 21, 2006, the UJC Executive Committee voted to approve a framework for a newly redesigned NFC. UJC then formed an implementation committee that has fleshed out the operational details for a new NFC, which will be renamed the National Federation/Agency Alliance or “the Alliance.”

While maintaining control over its own allocations decisions, the Alliance will be integrated into the work and governance of UJC. For the first time, the Alliance will set priorities to reinforce valued substantive work of the national agencies. For the next three years national agencies will be funded at 95% of the amount received in FY 2006-07 which will be dedicated for core operating or base funding for the agencies. The balance of the funds will be awarded as non-base funds for the national agencies that are best positioned to advance the federations’ priorities.

This redesign plan encourages new communities to join the Alliance, maintains steady level funding of federation payments into the allocation pool for the next three years, and provides for increased levels of contributions by member federations thereafter. As part of a new vision for national agency relations, UJC will create opportunities for synergy and collaboration between the federations and the national agencies and among the different agencies. Three years from now, UJC will initiate a process to determine whether the NFC was redesigned effectively or whether the process needs to be adjusted. Member federations at that time will be asked to recommit to the Alliance.

I. INTRODUCTION

Currently, nine agencies receive funding through the NFC: the Association of Jewish Family and Children’s Agencies; the Hebrew Immigrant Aid Society; Hillel: the Foundation for Jewish Campus Life; the Jewish Community Centers Association of North America; the Jewish Council for Public Affairs; the Jewish Education

47 Service of North America; the JTA, Global News Service of the Jewish People;
48 NCSJ: Advocates on Behalf of Jews in Russia, Ukraine, the Baltic States and Eurasia;
49 and the National Foundation for Jewish Culture.

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51 The NFC process has been successful in stabilizing the funding to these national
52 agencies during a decade of tight allocations. It has added greater efficiency to the
53 review of national agencies, and it has fostered leadership relationships on a lay and
54 professional level that have strengthened the national system. Moreover, it has saved
55 local communities from the significant time and inconvenience of being directly
56 approached by the national agencies or their leadership with requests for funding.

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58 But, the culture of organized Jewish life has changed since 1989 and now there is
59 recognition that the NFC structure needs to change dramatically or the system may
60 well collapse. Some of the concerns that have been raised are as follows:

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- 62 • There has been reluctance to address difficult or controversial issues within the
63 NFC process;
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- 65 • There has been no national prioritization framework in which the funding
66 decisions to the national agencies are made;
- 67
- 68 • Consensus has not been developed on the ultimate purpose for NFC funds,
69 whether they should be used for core agency support or for impact programs;
- 70
- 71 • Transferring the allocation process from the local federations to the NFC has
72 unintentionally resulted in less visibility to the important work of the national
73 agencies and provided less visibility to the important support that the national
74 agencies receive from the federations; and
- 75
- 76 • In recent years, participating communities have been disturbed by the formulaic
77 approaches to allocations which bring into question the time and cost-
78 effectiveness of the process, and there has been no growth in the funding pot.

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80 Despite these concerns, there is consensus that the alternative of reverting to
81 individual federation allocations in response to individual agency requests is a bad
82 option and that the benefits of the process and the partnership over the past 15 years
83 must be preserved. On September 21, 2006, the UJC Executive Committee approved
84 a document entitled “Strengthening the National Funding Councils” that set forth a
85 framework for how a newly redesigned NFC would look. UJC then formed an
86 implementation committee that in part through extensive input from federations that
87 are members of the NFC and national agencies that receive allocations from the NFC,
88 fleshed out the operational details of the plan. Prior to the plan actually going into
89 effect, this document will be resubmitted to the UJC Executive Committee or the
90 Board of Trustees for ratification.

91

92 The redesign plan encapsulated in this document contains the following elements:

- 93
- 94 • The NFC operation will be integrated into the UJC and renamed the National
- 95 Federation/Agency Alliance or “the Alliance;”
- 96
- 97 • For the first time, the Alliance will set priorities to reinforce valued
- 98 substantive work of the national agencies, in part by using input from an
- 99 external Prioritization and Collaboration Committee. The work of this new
- 100 committee will determine and highlight national domestic priorities for the
- 101 federation system as well as Israel & Overseas priorities that relate to the
- 102 national agencies;
- 103
- 104 • For the next three years national agencies will be funded at 95% of the amount
- 105 received in FY 2006-07 which will be dedicated for core operating or Base
- 106 Funding by the agencies. The balance of the funds will be awarded as Non-
- 107 Base funds for the national agencies that are best positioned to advance the
- 108 federations’ priorities;
- 109
- 110 • There will be little change in configuration in the array of national agencies
- 111 receiving support from the Alliance prior to FY 2010-11 as no agencies will
- 112 be defunded in the interim and new agencies can only join the pool if a
- 113 separate funding stream supports that agency. Beginning in FY 2010-11, the
- 114 process allows for adding or defunding agencies within the Alliance pool;
- 115
- 116 • This redesign plan provides stability in the funding level communities pay
- 117 into the allocation pool, encourages new federations to join the Alliance, and
- 118 provides for increased levels of contributions by member federations
- 119 beginning in FY 2010-11 (although member federations are encouraged to
- 120 increase their funding of the Alliance prior to that date);
- 121
- 122 • UJC will create opportunities for synergy and collaboration between the
- 123 federations and the national agencies and among the different agencies;
- 124
- 125 • In the allocation process, the Alliance will take into consideration whether
- 126 national agencies highlight and acknowledge their relationship with the
- 127 Alliance and the federation system and respect local federation guidelines on
- 128 fundraising; and
- 129
- 130 • Thirty months after this document is ratified, UJC will initiate a process to
- 131 determine whether the NFC was redesigned effectively and whether the
- 132 process needs to be adjusted, and member federations will be asked to
- 133 recommit to the Alliance at that time.
- 134

135 How will lay and professional stakeholders – UJC, federation members of the
136 Alliance, and the national agencies – know whether the redesign has been successful?
137 Success will be measured by comparing outcomes against the following goals:
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- 139 • There is a prioritization system both within the Alliance and within UJC that
140 effectively identifies national domestic priorities for the federation system and
141 Israel & Overseas issues that relate to the work of the national agencies;
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- 143 • Following the identification of Alliance priorities, the national agencies better
144 meet the needs of the federation system, only partially in an attempt to garner
145 supplemental resources from the Alliance;
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- 147 • The federation system and the national agencies promote each other in their own
148 spheres, relish the opportunity to highlight the important work of each entity, and
149 acknowledge the benefit that each has obtained through the Alliance;
150
- 151 • UJC, the federations, and the national agencies have created opportunities to
152 collaborate for mutual benefit and successfully engaged in collaborations that
153 bring together the federation system and the national agencies for common goals,
154 collective advocacy, technical assistance, or shared programming;
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- 156 • Additional communities have joined the Alliance and additional resources have
157 been identified and obtained that provide financial benefit to the national
158 agencies;
159
- 160 • Operationally the review, allocation, and evaluation process for the Alliance
161 works well; and
162
- 163 • Beyond the processes laid out in this document, relationships develop that lead to
164 two systems working together productively to provide the most benefit to the
165 Jewish community.
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167 **II. THE NATIONAL FEDERATION/AGENCY ALLIANCE**

169 **A. Leadership Groupings and Weighted Voting**

171 The National Federation/Agency Alliance (hereinafter “the Alliance” and previously
172 known as the “National Funding Councils” or “NFC”)¹ will be governed by a Leadership
173 Committee comprised of the following members: Alliance Chair, Alliance Vice-Chair,
174 JBC-Chair, CBC-Chair, Alliance Professionals Chair (or Co-Chairs), the two immediate-
175 past Alliance Chairs (or the two immediate past chairs of the NFC), up to four other
176 officers, one member appointed by UJC’s National Prioritization and Collaboration
177 Committee, and 10 at-large positions (with at least one representative from New York,
178 two representatives from other large cities, one from a large-intermediate city, and one
179 from an intermediate or small federation). Terms on the Leadership Committee are for
180 two years with members allowed to serve no more than three consecutive terms. The
181 Alliance Chair may serve no more than two consecutive terms in that capacity.

¹ Unless otherwise noted in this document, “national agencies” refer only to those agencies that receive allocated funding from member federations through the Alliance.

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The Alliance Chair will be appointed by the Chair of UJC Executive Committee and will come from a federation that is a member of the Alliance. The Alliance Chair will serve as a member of UJC’s Board of Trustees and Executive Committee.

The Alliance Network will include a lay leader and professional liaison from each federation that funds the Alliance. Each federation will be encouraged to designate a lay leader who has knowledge of the local allocations process, understands the work of the national agencies, and can appropriately represent their federation to the Alliance.

Federation members of the Alliance are divided into two autonomous decision-making bodies based on the community’s contribution to the funding pool. Communities that provide more than \$100,000 to the Alliance allocations pools in the prior year are members of the Joint Budgeting Council (“JBC”). JBC communities are entitled to one vote on JBC allocation decisions for each \$50,000 provided to the JBC allocation pool in the prior year. Communities that provide less than \$100,000 to the Alliance allocations pools in the prior year are members of the Combined Budgeting Council (“CBC”). Communities in the CBC pool are entitled to a minimum of one vote in allocations decisions, and an additional vote for allocation decisions with each \$5,000 provided to the CBC allocation pool in the prior year.²

Individuals who participate in the work of the Alliance as a member of the Leadership Committee, the Network, the JBC or the CBC must disclose to the Alliance Leadership Committee if they serve as an officer or member of the board of trustees of any national agency.

B. Funding JBC and CBC allocation pools

For fiscal year 2007-08 through 2009-10, federations currently supporting the national agencies commit to pay into the JBC and the CBC allocation pools an amount equal to the amount they paid in FY 2006-07. Federations are encouraged to voluntarily increase their assessed contributions.

Communities that are experiencing dramatic changes in their fiscal status may request special consideration from the Alliance Leadership Committee for relief from the suggested assessment for a specified period of time. Communities should inform the Leadership Committee in writing of the reason(s) why they cannot pay the suggested assessment, when they believe they can fully fund the Alliance, a proposed level of interim payments, and a proposed repayment schedule for underpayments. Following a meeting or conference call discussion open to all members of the Alliance Network and taking into account the community’s history with the Alliance and the facts and circumstances associated with the immediate crisis, the Leadership Committee can accept the proposed temporary reduction in funding, decide upon an alternative funding strategy

² If a community pays \$510,000 into the Alliance allocation pool, it will have 10 votes in the JBC and for \$490,000 it will have nine votes. If a community pays \$4,000 into the Alliance allocation pool, it will have one vote in the CBC, and for \$19,000 it will have four votes.

225 agreed to by the community, or terminate the community's membership in the Alliance.
 226 If a community's assessment is reduced through this process, its voting block for
 227 allocation and other decisions is reduced accordingly.

228 Beginning in FY 2010-11 (or earlier if a majority of the members of both the Joint
 229 Budgeting Council and the Combined Budget Council agree in a weighted vote),
 230 communities will pay the amount they paid in the prior year as modified by $\frac{1}{2}$ of the
 231 percentage change of the community's last regular gross campaign outcome (with any
 232 reduction or increase capped at $\pm 5\%$)³ Federations are encouraged to fund the Alliance
 233 at an amount at least equal to the average percentage of allocations to the funding pool in
 234 which they participate (JBC or the CBC) in the prior year as a percentage of that
 235 community's annual campaign.⁴ If a federation's contribution in the prior year was .35%
 236 higher than the median percentage, the federation may pay the same amount into the
 237 allocation pool as in the prior year. Federations are encouraged to voluntarily increase
 238 their assessed contributions beyond these levels.

239 UJC will undertake a campaign to expand the number of federations participating in the
 240 Alliance pool. The campaign will include ongoing presentations to the UJC Board of
 241 Trustees, to the various city-size federation affinity groups, presentations at national
 242 meetings, and community visits with lay and professional leadership. As appropriate, the
 243 national agencies will assist in this recruitment campaign. UJC will encourage
 244 federations to join the Alliance at a level equal to the median percentage of allocations of
 245 all members of the allocation pool (JBC or CBC) in the prior year as a percentage of that
 246 community's annual campaign. Alternatively, the Alliance, and the federation will agree
 247 to a multi-year plan to have that federation's commitment to the Alliance allocation pool
 248 eventually rise to the median percentage of all federations in the Alliance pool. UJC will
 249 also seek to identify other external resources to increase the total resources available for
 250 allocation by the Alliance.

251

252 **C. Allocations to National Agencies**

253

254 To be eligible for allocations from the Alliance, a national agency must have fully
 255 cooperated with the Alliance allocations review process in the prior year and have
 256 adopted and implemented the federation branding requirements described below (Section
 257 II .J) For fiscal years 2007-08 through 2009-10, assuming satisfaction of these baseline
 258 criteria and compliance with the review process for the current year and steady
 259 membership in the Alliance from member communities, the agency will receive from the
 260 Alliance 95% of the amount they received from the 2006-2007 allocation from both the
 261 JBC and CBC allocation pools as Base Funding. This amount could rise (if new

³ This means that if a local campaign rose by 2% in comparison to the previous year, the community would pay 1% more into the Alliance pool. If a campaign rose by 12% in comparison to the previous year, the community's increased contribution to the Alliance pool would be 5%.

⁴ Under this calculation, each community's contribution to the Alliance is calculated as a percentage of its annual campaign; all contributions are compared and those that are below average are encouraged to pay at the average level for the next year's contribution to the Alliance pool. For JBC communities in FY 2005-06, the average percentage was 1.28% of a local annual campaign. For CBC communities in FY 2005-06, the average percentage was .75% of a local annual campaign.

262 federations join the allocations pool) or fall (if federations withdraw part or all of their
263 support from the pool). These funds will be available for undesignated core operating
264 support.

265
266 Funds remaining in the Alliance allocations pool and any additional financial resources
267 obtained through the Alliance process because Alliance member federations contribute
268 supplemental funds to the Alliance will be distributed through a Non-base Funding grant
269 pool. National agencies are the only eligible recipients of this Non-base Funding. Grants
270 will be made that best advance the Alliance priorities and provide added value to
271 federation system and the North American Jewish community. The Alliance will decide
272 whether these grants should be used either for particular designated programs or for core
273 operating support at a particular agency. Potentially, the Alliance could decide not to
274 award all of the funds in the Non-Base Funding grant pool in a particular year if the
275 national agencies have not submitted proposals that satisfactorily meet the Alliance's
276 priorities.

277
278 This bifurcated funding arrangement will provide security and stability to national agency
279 budgets, while providing federations with the flexibility to direct a portion of pooled
280 funds to priority programs or special initiatives. The exact amounts actually allocated
281 could diminish depending on success of the federations' annual campaign and the number
282 and composition of the communities participating in the Alliance pool.

283
284 For FY 2010-11 and subsequent years, the Alliance will have the option of decreasing the
285 percentage of funding guaranteed to the national agencies and available for core
286 operating support as Base Funding while increasing the percentage of Alliance funding
287 allocated as Non-base Funding in a supplemental funding pool. The exact percentage set
288 aside for Base and Non-base funding will be determined as part of the three year
289 assessment process laid out in Section IV B, below. From the time of notification of any
290 further change in funding, agencies will have at least six months prior to the agency's
291 next fiscal year to adjust their budgets to a specific level of Base Funding.

292

293 **D. Alliance Prioritization**

294

295 For FY 2008-09 and subsequent years, the Alliance will receive a report from UJC's
296 National Prioritization and Collaboration Committee ("PCC") in which the PCC
297 recommends a series of priorities for the Alliance. The report may include recommended
298 priorities of general applicability to UJC and the federation system on domestic issues,
299 domestic priorities that are specifically applicable to the Alliance, and priorities for the
300 Alliance that relate to the federations' Israel & Overseas work. The PCC will compile its
301 recommended priorities pursuant to a process outlined in Section III, below.

302

303 Upon receipt, the report will be distributed to the Alliance Leadership Committee, the
304 Alliance Network and the national agencies and solicit input on how the Alliance
305 Network and the national agencies believe those recommended priorities should be
306 applied to the next year's supplemental funding pool grants.

307

308 The Alliance Leadership Committee will receive this input, meet by teleconference or at
309 an in-person meeting, and determine which priorities will guide the work of the allocation
310 process. The Alliance must consider the priorities recommended by the PCC but is not
311 bound by them. The Alliance Leadership Committee will select more than one but no
312 more than five broad priorities that generally will be in effect for a three year period (for
313 instance, aging, engagement of youth, or Israel advocacy) Within these broad categories,
314 the Alliance may also choose more specific programmatic focuses that may shift from
315 year to year (for instance, intergenerational program for the aging, engagement of youth
316 through after school programs, or Israel advocacy on college campuses, etc.)

317
318 The Alliance Leadership Committee will produce a document for transmission to the
319 national agencies, notifying the agencies that Non-base Funds will be allocated to the
320 national agencies that best advance the Alliance priorities and provide added value to
321 federation system and the North American Jewish community. These Non-base funds
322 could be distributed either for a particular program/initiative or as core operating support.

323
324 For FY 2007-08, the following prioritization process will take place: the Alliance
325 Leadership Committee will determine whether the PCC will be able to adopt and
326 disseminate a set of recommended priorities to the Alliance by March 30, 2007. If a
327 favorable determination is made, the process described above will take place. If the
328 Leadership Committee believes that the PCC will be unable to comply with the March 30
329 time-frame, it will disseminate a priorities survey to the Alliance Network; compile the
330 results; distribute a draft set of recommended priorities to the Alliance Network and the
331 national agencies; receive feedback; and adopt a final set of priorities that will be in
332 effect for FY 2007-08.

333

334 **E. Review Process**

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336 With input from the Alliance Network, the Alliance Leadership Committee will prepare a
337 core set of questions to be submitted each year to the national agencies that had received
338 Alliance allocations the year before. National agencies will be given advance notice of
339 the time frame in which they will have to respond. Each agency will have at least 21
340 days to submit responses to the Alliance, with suitable flexibility provided if the agency
341 has a national meeting or other major time constraint that would preclude it from
342 complying by the requested response date. The questions will focus on vital
343 programming and governance issues. The questionnaire will also provide the national
344 agencies with the opportunity to present their best case for support from the federation
345 system. Required information will include annual budgets (based on an Alliance
346 allocation of 95% of the funds received from the NFC in FY 2006-07), the most recent
347 annual report and audited financial report (including any management letters
348 accompanying the report and any action taken by the agency in response to the report),
349 and a checklist for compliance with fiscal standards.

350

351 Each agency will also be asked to submit a proposal or proposals on how they
352 specifically meet or advance the Alliance priorities and if, or how, they would need to
353 change current program to advance the priorities, and how they will, if at all, collaborate

354 with other national agencies to advance the priorities. (After the first year of the
355 prioritization process, the agencies would be questioned how they actually advanced the
356 Alliance priorities of the prior year.)

357
358 After receiving an agency's submission, the Alliance may request clarifying or
359 supplementary information from the agency. The Alliance will also send evaluation
360 forms to each member community of the Alliance soliciting feedback on the national
361 agencies.

362
363 With assistance from appropriate UJC staff, each year the Alliance will convene teams
364 made up of at least one lay leader and one professional from the Alliance Network who
365 will be charged with taking the lead in evaluating each of the national agencies that have
366 received allocated funding from the Alliance in the prior year. The Leadership
367 Committee then will convene a conference call with all of the teams to prepare for and
368 provide insight into the meetings that subsequently will be held with the national
369 agencies. This call will be open to all members of the Alliance Network. Each team will
370 meet with the chair and chief executive officer of the national agency (and other lay or
371 professional leaders as designated by the agency) either in person or by phone to conduct
372 a review of the agency.

373
374 The team will complete a report on the agency and will submit the report to the Alliance.
375 The report will include such topics as long-term issues and challenges facing the agency,
376 whether the agency is performing in an efficient and effective manner, how or whether
377 the agency is meeting the priorities established by the Alliance. The Alliance will be
378 provided with the opportunity to ask follow-up questions in writing to the agency. The
379 Alliance Leadership Committee will then convene conference calls or meetings to allow
380 the Alliance Network the opportunity to discuss the reports with groups or individual
381 national agencies as appropriate.

382
383 **F. Allocations Decision**

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385 The Alliance Leadership Committee will provide separate allocation recommendations to
386 the Joint Budgeting Council and the Combined Budgeting Council. These
387 recommendations will be divided into recommendations relating to Base operating
388 expense funding and the Non-Base funding. In terms of the Non-Base funding,
389 recommendations will be based upon mission alignment with agreed upon Alliance
390 priorities and operational excellence and effectiveness in the delivery of value added
391 services to the federation system and the broader Jewish community.

392
393 Recommendations for the Non-Base Funding grants could be for one or more years (with
394 multi year funding conditioned on sufficient funding in the Alliance pool and continued
395 good performance by the national agency receiving the grant).

396
397 The Chairs of the JBC and the CBC will convene the membership of each Council in an
398 in-person meeting, a teleconference, or an electronic (email) meeting to discuss and ratify

399 or modify the recommendations. A vote by a majority of members of each Council in a
400 weighted vote is required to approve the recommendations.

401

402 **G. Evaluated Agencies**

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404 The following process is in effect for an agency that is national in scope (but does not
405 receive an allocation from the Alliance) and wishes to be evaluated by the Alliance. This
406 evaluation can help these agencies receive direct financial support from individual
407 federations. It will also help the Alliance assess the state of other national Jewish
408 agencies that could, at some future point, apply to become Alliance allocated agencies
409 and how the work of these agencies relate to the mission and responsibilities of the
410 allocated agencies. Agencies eligible to be evaluated are 1) agencies that were previously
411 NFC Evaluated Agencies; or 2) other agencies that are national in scope and receive
412 funding from one-third of the federations that support the Alliance. The Alliance will
413 evaluate these agencies no more than once every three years.

414

415 With input from the Alliance Network, the Alliance Leadership Committee will prepare a
416 core set of questions to be submitted to these agencies. Each agency will have at least 21
417 days to submit responses to the Alliance. The questions will focus on vital programming
418 and governance issues, how the agency focuses on the Alliance priorities and provides
419 added value to federation system and the North American Jewish community, and how
420 the agency serves the differently sized communities that make up the Alliance. The
421 questionnaire will also provide the national agencies with the opportunity to present their
422 best case for support from the federation system. Required information will include
423 annual budgets, the most recent audited financial report (including any management
424 letters accompanying the report and any action taken by the agency in response to the
425 report), and a checklist for compliance with fiscal standards. Each agency will also be
426 asked how they specifically meet or advance the Alliance priorities and if, or how, they
427 would need to change current program to advance the priorities. After receiving an
428 agency's submission, the Alliance may request clarifying or supplementary information
429 from the agency.

430

431 The Alliance will convene teams made up of at least one lay leader and one professional
432 from federations that participate in the Alliance who will be charged with taking the lead
433 in evaluating each agency that wishes to be evaluated by the Alliance. Each team will
434 meet with the chair and chief executive officer of the national agency (and other lay or
435 professional leaders as designated by the agency) either in person or by phone to conduct
436 a review of the agency. The team will complete a report on the agency and will submit
437 the report to the Alliance. The Alliance will be provided with the opportunity to ask
438 follow-up questions in writing to the agency.

439

440 The Alliance Leadership Committee will then convene conference calls or meetings to
441 allow Alliance communities the opportunity to discuss the reports with groups or
442 individual agencies as appropriate. The Chairs of the JBC and the CBC will convene the
443 membership of each Council in an in-person meeting, a teleconference, or an electronic
444 (email) meeting to discuss and ratify the report, which would contain the endorsement of

445 the Alliance. A vote by a majority of members of each Council in a weighted vote is
446 required to endorse the report.

447

448 **H. Change in Configuration within the Alliance**

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450 All national agencies that currently receive allocations through the National Funding
451 Councils at the time of the ratification of this document will automatically be invited to
452 continue participating in the newly-redesigned Alliance.

453

454 In fiscal years 2007-08 through 2009-10, there will be no change in the complement of
455 national agencies that receive funding through the Alliance, unless an additional agency
456 is added to the mixture and a funding stream is secured that would not diminish core
457 operating funding allocated to the existing Alliance national agencies. Beginning in FY
458 2010-2011, additional agencies will be considered for membership in the Alliance,
459 whether or not a specific arrangement has been agreed to that would bring additional
460 revenue into the Alliance allocation pool.

461

462 Additional agencies interested in receiving allocations from the Alliance must meet the
463 following criterion and ratification process:

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- 465 • The agency is national in scope;
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- 467 • It receives funding from at least half of the federations that make up the Alliance;
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- 469 • It has previously been evaluated by the Alliance;
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- 471 • It is recommended for inclusion by a federation member of the Alliance;
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- 473 • Its nomination is conditionally approved by a majority of the members of the
474 Alliance Leadership Committee;
- 475
- 476 • It answers a similar set of questions and provides backup materials used during
477 the current Alliance review process;
- 478
- 479 • It meets with and responds to questions from an Alliance agency review team;
- 480
- 481 • The agency is approved for membership within the Alliance by two-thirds of the
482 members of the Alliance Leadership Committee; and
- 483
- 484 • The agency is approved for membership by two-thirds of the members of both the
485 Joint Budgeting Council and the Combined Budgeting Council according to a
486 weighted vote.

487

488 Beginning in FY 2010-11, the Alliance may fully or partially defund a national agency
489 according to the following process, which is not applicable to changes in funding to a

490 national agency resulting from the division between Base and Non-base funding
491 described in Section II C above:

- 492
- 493 • Defunding is recommended by a member federation of the Alliance and the
494 member's written rationale for recommending defunding the agency is forwarded
495 to the Alliance;
- 496
- 497 • Five other member federations of the Alliance agree with the recommendation;
- 498
- 499 • The national agency is provided the opportunity orally and in writing through its
500 lay and professional leadership to make a presentation to the Alliance Leadership
501 Committee and the Alliance Network on why it should not be defunded;
- 502
- 503 • Two-thirds of the members of the Alliance Leadership Committee vote to
504 recommend defunding the national agency; and
- 505
- 506 • For a decision to fully defund a national agency, or decrease funding to it by 50 or
507 more percent in comparison to the previous year, the decision is ratified by a
508 weighted vote of two-thirds of the members of both the Joint Budgeting Council
509 and the Combined Budgeting Council. For a decision to defund an agency by less
510 than 50%, the decision is ratified by a weighted vote of a majority of the members
511 of both the Joint Budgeting Council and the Combined Budgeting Council.
- 512
- 513 • If an agency is partially or fully defunded under this process, the national agency
514 will have at least six months to adjust its budget before the funding change goes
515 into affect.

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517 **I. Payments and Budget**

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519 Federations will transfer funds to UJC to cover their Alliance payments for both
520 allocations and dues in an annual payment (due on July 1), quarterly payments (due on
521 July 1, October 1, January 1, and April 1), or monthly payments (due on the first of each
522 month).

523

524 The operating budget of the Alliance will be approved by the Alliance Leadership
525 Committee. The operating budget is financed through separate dues assessed of
526 participating federations. Dues for current members of the Alliance are assessed at the
527 amount paid in dues in the prior year. Beginning in FY 2010-11, dues will be indexed by
528 one half of the percent change in campaign experience in the past year. Base dues for
529 new federations that join the Alliance are calculated as 2.5% of the amount they
530 contribute to the Alliance allocations pool.

531

532 UJC will make payments to the national agencies in 12 monthly payments that will be
533 transferred according to UJC's fiscal year (July 1 through June 30). The final month's
534 payment may be withheld temporarily for up to two weeks to reconcile the Alliance

535 books and adjusted to take into account any funding shortfall of payments made into the
536 Alliance allocation pool.

537

538 **J. Acknowledgment**

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540 An underlying premise of the federation system is that all agencies that receive
541 allocations from a federation are accountable to lay and professional leadership within the
542 federation and that these agencies must acknowledge the financial support of federation.
543 This acknowledgement is essential to the ongoing ability of federations to develop and
544 sustain donors in support of communal objectives and institutions, and this premise
545 applies equally to the Alliance.

546

547 Accordingly, national agencies are required to highlight and acknowledge their
548 relationship as a national allocated agency of Alliance, UJC and local federations.
549 Evidence of this relationship must appear prominently on agency websites, stationery,
550 advertising, promotional materials, including videos, publications, and annual reports,
551 and at key national and local events. Community-specific programming should identify
552 the local federation as a funder. If a national agency fails to comply with this
553 requirement, the Alliance will take this into consideration when engaging in the next
554 year's allocation process.

555

556 National agencies will respect local federation guidelines on engaging in fundraising in a
557 particular community that is a member of the Alliance. This means that if local agencies
558 are not permitted to fundraise during a particular period associated with the launch of the
559 annual campaign then national agencies cannot send general fundraising appeals to
560 potential donors during that period or convene a major fundraising event in that
561 community during a blackout period. UJC will assemble a list of campaign blackout
562 periods and fundraising safe harbors for the national agencies. This policy does not apply
563 to solicitations directed to agency board of directors, agency committees, and friends who
564 historically have been closely aligned with the agency, and solicitations that are
565 distributed in the last month of a calendar year. Unsolicited pledges can be accepted
566 through national agency websites at any time. If a national agency fails to comply with
567 these guidelines, the Alliance will take the lack of compliance into consideration when
568 engaging in the next year's allocation process.

569

570 National agencies will invite UJC and Alliance representatives to their annual meetings
571 and board meetings and other gatherings as appropriate.

572

573 The Alliance will work collaboratively with the national agencies and the UJC Marketing
574 Department to develop and incorporate relevant stories into campaign materials on how
575 the programs and services provided by the national agencies are making a meaningful
576 difference to Jewish life.

577

578 The Alliance will facilitate opportunities for national agencies to be highly visible to
579 local federations and their lay leaders, especially through participation in national events
580 like the General Assembly, and at relevant meetings convened by UJC.

581

582 UJC will consider hosting national agency teams, comprised of lay and professional
583 leadership from national agencies and the Alliance, to participate in regular visits to local
584 communities. Participants in these road shows would communicate the role national
585 agencies provide in adding value to the federation mission and achieving local and
586 national federation objectives.

587

588 At least twice a year, the Alliance will submit reports to the UJC Board of Trustees, the
589 UJC Executive Committee, and the UJC Pillars discussing the current year allocations
590 and the accomplishments of the Alliance and the national agencies. The Alliance will
591 also regularly engage in email communication with the chief lay and professional leaders
592 of the federations delineating the accomplishments of the national agencies and the
593 Alliance.

594

595 **K. Fundraising for the Alliance**

596

597 UJC, federations, and national agencies will collaborate in identifying and accessing
598 funding sources to supplement Alliance allocations.

599

600 UJC and the Alliance will facilitate connections between the national agencies and local
601 federations, federation endowment funds, Jewish community foundations, non-Jewish
602 foundations, and government funders. When national agencies receive grants from these
603 sources, these grants will be reported to the Alliance.

604

605 **L. Meetings**

606

607 The Alliance Leadership Committee will meet at least four times per year by conference
608 call or in-person meeting. UJC will host at least one meeting each year that brings
609 together the Alliance Leadership Committee, the Alliance Network, volunteer and
610 professional leaders from the national agencies, and lay and professional leadership from
611 the UJC to review the state of the relationship between the Alliance, UJC and the national
612 agencies. During this meeting, federation and national agency representatives will have
613 the opportunity to meet separately from each other. On an as-needed basis, UJC will
614 bring together the Alliance professionals for meetings or conference calls.

615

616 UJC will convene the national agencies by conference call or in-person meeting at least
617 twice each year to discuss ways that the national agencies can create synergy and
618 collaboration amongst themselves and within the federation system; and ways for
619 national agencies to improve the effectiveness and efficiency of their operations and to
620 discuss ways to meet financial needs that are unlikely to be met by the Alliance. UJC
621 may also bring together smaller groupings of national agencies that have a closely shared
622 agenda, for instance those agencies that engage in public advocacy, directly or indirectly
623 deliver social services, or provide educational opportunities.

624

625 **III. PRIORITY SETTING**

626

627 **A. Process**

628

629 UJC's National Prioritization and Collaboration Committee ("PCC") is the UJC
630 committee that will determine and highlight national domestic priorities for the federation
631 system that significantly impact the well-being of Jews and Jewish community, and the
632 quality of Jewish life. As a number of the national agencies that currently receive
633 funding through the Alliance provide service beyond the domestic agenda, those national
634 agency initiatives which touch on the Israel & Overseas agenda will be part of the PCC
635 process.

636

637 The priority setting engaged in by the PCC will be of general use for many different parts
638 of UJC and the federation system but will have specific applicability for the Alliance and
639 will be used to inform the Alliance's allocations process. Accordingly, the PCC may
640 produce priorities of general applicability to UJC and the federation system on domestic
641 issues, domestic priorities that are specifically applicable to the Alliance, and priorities
642 for the Alliance that relate to the national agencies' Israel & Overseas work.

643

644 UJC annually will survey key stakeholders including federations, national agencies and
645 the UJC Pillars on behalf of the PCC in order to obtain input on strategic direction and
646 priorities for the federation system. The survey will include both narrow/targeted and
647 open ended questions that focus on domestic priorities and Israel & Overseas issues that
648 impact on the mission of national agencies. UJC will compile the survey results for the
649 PCC.

650

651 Via in-person meetings or conference calls, the PCC will compile a draft set of priorities
652 that will be in effect for a three year period. These will be adopted in the first year with
653 necessary modification and enhancement of the priorities in the second and third year of
654 the cycle (although if because of time constraints the PCC is not in effect for the 2007-08
655 cycle, the first priorities promulgated by the PCC may be in effect for two years). Prior
656 to adoption of any priorities by the PCC, representatives of communities that fund the
657 Alliance and national agencies that receive allocations from the Alliance will have the
658 opportunity to provide input on draft priorities under consideration. A majority of the
659 members appointed to the PCC (not a majority of participants at a meeting or on a
660 conference call) must vote to approve the priorities.

661

662 At the conclusion of its annual prioritization process, whether by adoption of the
663 priorities in the first year of the cycle or subsequent modification and/or enhancement in
664 years two or three of the cycle, the PCC will formally disseminate a compilation of these
665 priorities to the Alliance Network and recommend their use and adoption by the Alliance.
666 The priorities also will be disseminated to the UJC Board of Trustees, Executive
667 Committee, and Pillars, the federations, the national agencies, and other departments
668 within UJC and organizations in the Jewish community.

669

670 While the PCC prioritization will be used to inform the Alliance allocations process
671 about the needs of the federation system as a whole, the PCC will work with the Alliance,
672 the Pillars, UJC-Washington, the Communications Department, and other departments

673 within UJC and the federation system to highlight and market the PCC priorities,
674 developing strategies on how to meet those needs through collaborative planning and the
675 identification of alternative funding sources in addition to the Alliance allocations
676 process.

677

678 **B. Membership**

679

680 The PCC will include the Chair and one additional member from the Domestic Affairs
681 and the Jewish Renaissance and Renewal Pillars, the Chair of the Israel & Overseas Pillar
682 (or his/her designee), the Chair of the Financial Resources Development Pillar (or his/her
683 designee), and the Chair and the Vice-Chair of the Alliance. The Chair of the UJC
684 Executive Committee will also appoint five representatives from communities that fund
685 the Alliance (one from New York, two from two other large cities, one from a large-
686 intermediate city, and one from an intermediate or small federation), two federation lay
687 leaders who sit on the executive committee of a national agency, two federation
688 professionals, and up to ten additional members.

689

690 Former chairs of the PCC and the Alliance, and a representative of UJC's virtual
691 planning team will be considered *ex officio* members of the PCC. Outside experts will be
692 invited to participate in the work of the PCC, as needed, but will not be entitled to vote on
693 the adoption of priorities.

694

695 The Chair of the UJC Executive Committee will designate members of the PCC to serve
696 as Chair and Vice Chair.

697

698 **C. Meetings**

699

700 The PCC will work in coordination with the nascent inter-Pillar leadership group and
701 have the option of meeting when the inter-Pillar leadership meets. The PCC will have at
702 least one in-person meeting each year, with additional conference calls as necessary.
703 Members of the PCC will be invited to participate in all calls and meetings of the
704 Alliance, except for those business sessions specifically closed by the Leadership
705 Committee of the Alliance.

706

707 **D. Timing**

708

709 For each year within a three year cycle the PCC will conclude its deliberations and issue
710 recommendations by September 30. In the first year of implementation of the PCC, to
711 the extent feasible the PCC will submit a modified set of preliminary priority
712 recommendations to the Alliance by March 31, 2007.

713

714 **IV. RATIFICATION and ASSESSMENT**

715

716 **A. Ratification of this Document**

717

718 This document will be circulated for comment and input from all communities that are
719 current funders of the National Funding Councils in FY 2006-07. UJC will convene a
720 conference call that will include representatives from the 2006 NFC Redesign
721 Workgroup and all NFC communities to discuss this document.

722

723 This document will be circulated for comment and input from all national agencies that
724 receive allocated funds through the NFC. UJC will convene a conference call for
725 national agencies to discuss this document.

726

727 Current federation members of the National Funding Councils and national agencies that
728 receive allocated funds through the NFC will be asked to ratify this document.

729

730 After the conference calls discussed above have been convened, the National
731 Agency/Federation Redesign Plan will be presented for ratification by the UJC Executive
732 Committee or the full Board of Trustees at the next available meeting.

733

734 **B. Three-year Assessment**

735

736 Approximately 30 months after this document has been ratified by the UJC Executive
737 Committee, UJC will disseminate surveys to the federations that make up the Alliance
738 and the national agencies that receive allocations from the Alliance. The surveys will
739 focus on questions that assess the value of the Alliance, whether there have been
740 successful outcomes from the perspective of that stakeholder, if Alliance procedures need
741 to be modified, and the appropriate division of funding in the allocation pool between
742 core operating funding and supplemental awards for the period beginning in FY 2010-11
743 and subsequent years. UJC will initiate follow-up conversations with lay and
744 professional leaders within the Alliance federations and the national agencies to discuss
745 these issues. Federations will participate in the conversations with the national agencies.
746 In coordination with the Chair of the UJC Executive Committee, UJC will draft an
747 Assessment Report that summarizes these findings and makes recommendations on any
748 needed changes to Alliance procedures, including the division of allocated funding
749 between core operating funding and the supplemental allocation pool.

750

751 The Assessment Report will be circulated for comment and input from all federations that
752 fund the Alliance. UJC will convene a conference call with the Alliance Network to
753 discuss the Assessment Report.

754

755 The Assessment Report will be circulated for comment and input from all national
756 agencies that receive allocated funds through the Alliance. UJC will convene a
757 conference call with representatives from all national agencies to discuss the Assessment
758 Report.

759

12/15/06

760 After the conference calls discussed above have been convened, federations within the
761 Alliance will have the opportunity to reaffirm their commitment to membership in the
762 Alliance. The Chair of the UJC Executive Committee then will present the Assessment
763 Report for ratification by the UJC Executive Committee at the next available Executive
764 Committee meeting.

765

766 **TIME FRAME FOR IMPLEMENTATION**

767

768 Fiscal Year 2007-08

769

- 770 • Early 2007, NFC Redesign Plan ratified by UJC Executive Committee and agreed
- 771 to by NFC communities and allocated national agencies
- 772 • Early 2007 – Alliance and PCC Chairs named
- 773 • Early 2007 -- Alliance Leadership Committee established
- 774 • Early 2007 – Alliance Network established
- 775 • Early 2007 – PCC established and feasibility of receiving PCC priorities for FY
- 776 2007-08 determined
- 777 • January – Questions disseminated to national agencies, with 3 week turn-around
- 778 • February -- Teams conduct reviews with national agencies
- 779 • March – Teams produce reports and convene conference calls to discuss results
- 780 • February-March -- Alliance Leadership Committee engages in own prioritization
- 781 process and supplemental questions disseminated to national agencies with 3
- 782 week turn-around
- 783 • April – Alliance Leadership Committee makes draft allocation recommendations
- 784 on non-base funding, JBC and CBC convene calls to discuss draft allocations, and
- 785 national agencies are notified about the allocation decisions
- 786 • July 1 – Funding changes for fiscal year go into effect

787

788 Fiscal Years 2008-09 and 2009-10

789

- 790 • Winter – Surveys disseminated by PCC to ascertain priorities
- 791 • Spring – PCC meets to discuss and vet draft priorities
- 792 • Summer – PCC approves set of priorities
- 793 • September 30 – PCC issues report highlighting its priorities
- 794 • October-November – Alliance Leadership Committee engages in outreach and
- 795 produces final priorities
- 796 • December – Questions for national agencies approved by Alliance Leadership
- 797 Committee, including proposals for non-base funding
- 798 • January – Questions disseminated to national agencies, with 3 week turn-around
- 799 • February -- Teams conduct reviews with national agencies
- 800 • March – Teams produce reports and convene conference calls to discuss results
- 801 • April – Alliance Leadership Committee makes draft allocation recommendations
- 802 on non-base funding, JBC and CBC convene calls to discuss draft allocations, and
- 803 national agencies are notified about the allocation decisions
- 804 • July 1 – Funding changes for fiscal year go into effect