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United Jewish Appeal, United Palestine Appeal,  
national budgeting, 1940-1941.

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS INC.

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MEMORANDUM FOR THE COMMITTEE ON THE  
STUDY OF NATIONAL BUDGETING PROPOSALS

(Not for circulation)

September 1940



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MEMORANDUM FOR THE COMMITTEE ON THE  
STUDY OF NATIONAL BUDGETING PROPOSALS

(Prepared by Council Staff)

Following resolutions by several of the regions and requests from local Jewish welfare funds, the Board of Directors of the Council, at its meeting in Pittsburgh on May 18th, provided for a special committee to study the problem of national budgeting, under the following resolution:

That the President of the Council appoint a committee, including representatives of large and small welfare funds and of unorganized cities, to study and report to the Board of Directors on proposals for national budgeting, collect facts with reference to the agencies involved and consult with national and overseas agencies concerning the desirability and the methods of procedure that might be involved if a national budgeting process were to be established.

This committee was also authorized to enlist other members for the committee in addition to those mentioned in the resolution and to secure necessary funds for its work outside of the regular budget of the Council.

Membership of Committee

The following have been appointed as members of the Committee:

Jacob Blaustein, Co-chairman  
William Rosenwald, Acting Co-chairman

Mrs. Dora Ehrlich, Detroit  
A. Richard Frank, Chicago  
Samuel Goldhamer, Cleveland  
Samuel A. Goldsmith, Chicago  
William Haber, New York City  
Joseph C. Hyman, New York City  
George Lewison, San Francisco  
Solomon Lowenstein, New York City

Henry Montor, New York City  
Stanley C. Myers, Miami  
Ben M. Selekman, Boston  
William J. Shroder, Cincinnati  
Edward M. M. Warburg, New York City  
James L. White, Salt Lake City  
Rabbi Abba Hillel Silver, Cleveland  
Ira M. Younker, New York City

Responsibility of Committee

The task of the committee is to study the desirability of, and proposals for, developing a national budgeting procedure.\* It is not its function to establish a national budgeting process. Such action, if recommended by the committee will require the approval of the Board and the member agencies of the Council.

\* See Appendix A for a brief statement of previous interest in the subject of national budgeting.

### GENERAL STATEMENT OF PROBLEM

The development of Jewish welfare funds has created new processes of raising and distributing funds to national\* and overseas agencies. The national and overseas agencies set their own goals independently, plan and budget their own programs and secure funds by various methods of appeal to welfare funds and to contributors outside of welfare funds and in unorganized cities. With Jewish problems constantly changing, welfare funds have been receiving appeals from an increasing number of national and overseas agencies and projects.

A local Jewish welfare fund is primarily a central instrument for fund raising with a local trusteeship in behalf of contributors and their contributions. The local welfare fund system calls for decisions on the selection of beneficiary agencies, the determination of the amounts each is to receive, the establishing of local fund raising goals, and other activities related to central fund raising. To discharge their responsibilities, welfare funds have established local budgeting processes, with varying degrees of thoroughness and numerous variations in procedures.

Contributions to welfare funds in the majority of instances are made without specific earmarking by individual contributors. Budgeting of beneficiary agencies is therefore a central process. From the beginning, local welfare funds have sought answers to a series of questions, such as:

What is the total responsibility of a generous community for support of Jewish causes?

✓ What agencies are eligible for local support?

✓ 4 What are the respective merits and values of various agency appeals?

How are specific agency appeals interrelated, both within and outside the welfare fund?

What should each of the beneficiary agencies receive from the total fund?

When one considers the large number of appeals, the difficulties of securing accurate and unbiased information on all of them, the functional division of agencies in the same fields of work and the controversial and partisan sponsorship of some of the national agencies, it is evident that local decisions on these and similar questions depend on factors outside the respective communities. Welfare fund leaders have sought to consult each other on an inter-city and regional basis and have increasingly turned to the Council of Jewish Federations and Welfare Funds for assistance and guidance.

Though the history of local federations and chests extends for more than thirty or forty years and a close alignment between central fund raising and administration of local services has developed gradually in local communities, national agencies operating in the same general field of service have only recently begun to develop cooperative relationships on programs and fund raising. (See Appendix A. "Previous Interest in the Subject of National Budgeting") Any attempt to transfer standard federation procedures to the national agencies will present many difficulties and new problems. In a local setting the interests of

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\* The term "national" applied to agencies will be used to include agencies engaged in overseas work.

contributors and of responsible active leaders of individual agencies can be more easily integrated, because of the opportunities that exist for frequent and close contacts. The inherent structure of national agencies makes for a geographical separation between agency and contributor.

National agencies have established varying kinds of local relationships and may hold various opinions on the effectiveness of their present procedures. They differ in character and extent of fund raising machinery. Some of the smaller national agencies have asked the Council to help them in securing adequate local support and in deciding upon relationships in program and in fund raising with other agencies operating in the same field. No formal policies on these requests have been established by the Council and doubt has been expressed by several members of the Council Board as to whether the Council should assume responsibility in these areas.

To aid the committee in its study of these various problems, we have assembled some material organized as follows:

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## PART I. - THE CURRENT SITUATION

### 1. Development of Central Budgeting in Local Communities

Cooperative fund raising and central budgeting have been accepted as standard practice in local philanthropic work. The Jewish federation was the forerunner of this movement, followed by the growth of non-sectarian community chests, now operating in more than 400 American cities. In some instances, planning councils of social agencies preceded the organization of financial chests. In others, chests and councils were established together and are working either as separate or as integrated bodies. The system of budgeting in use is a phase of the initial organization in the various cities, the budget committee being appointed by the chest or through joint action with the council of social agencies. In essence, budgeting in local federations and chests consists of a method whereby each prospective beneficiary agency submits its budget to an appropriate committee in which its plans and requirements are judged in relation to the aims and financial requirements of all other agencies eligible to support.

Whether the budgeting process is established primarily under chest or council of social agencies auspices, the general effect is to create an awareness of the unity of social work programs and interrelationships of the various separate functional agencies. A few federations consider themselves solely as fiscal bodies rather than agencies for social work planning, but even in these, the budgeting process has important repercussions on the social work program.

Within the chest structure, individual agencies remain autonomous, and non-sectarian chests support anywhere from 25 to 150 or more separate agency units. Among Jewish federations especially in the smaller cities, the federation is frequently an administrative as well as a central fund raising and fund distributing body, but separate agencies with separate boards or committees continue as the general pattern. Central budgeting appears to be applicable to the operations of autonomous agencies as well as to agencies combined into a single administrative unit.

Central budgeting in local federations and chests has been operating for many years and though differences of opinion remain, local agencies in general have accommodated themselves to the give and take of local budgeting. The major advantages and criticisms of local central budgeting may be summarized as follows:

#### A. Advantages (As expressed by community chest and federation leaders)

a- Local central budgeting tends to establish essential relationships between the different parts of the social work program.

b- Central budgeting leads to cooperative planning and brings about greater unity in social work programs.

c- It establishes a reviewing body for deciding upon relative agency needs rather than having these determined solely by the fund raising capacities of individual agencies.

d- It furnishes a basis for adjustments to changing local needs and programs and to fluctuating philanthropic contributions.

e- It has proven satisfactory to contributors who were formerly confused by the multiplicity of agencies and causes and unable to reach competent judgments concerning the relative needs or merits of the multiple appeals.



### B. Criticisms (As expressed by chest and social agency leaders and others)

a- Central budgeting by federations and chests is an imperfect process, and may create a tug of war between individual leaders and agencies for funds within a body which may be some distance removed from the actual interests or wishes of contributors.

b- Certain agencies or contributors may dominate the budgeting process to the detriment of equally valid but less forcefully promoted causes.

c- It breaks the contact between the contributor and the agency or cause. (This is a criticism of central fund raising as well as budgeting.)

d- A central body determining the support to be given to social agencies may be unduly conservative and hence not responsive to changing conditions and to new or controversial problems.

Community chest and federation leaders are mindful of these criticisms and imperfections, but are inclined to minimize their importance and seem to feel the advantages far outweigh the disadvantages. Important national agencies in the non-sectarian field are not wholly sympathetic to local chests and central budgeting methods.\*

## 2. BUDGETING BY NATIONAL AND OVERSEAS AGENCIES

If we recognize budgeting as involving the advance planning of expenditures in relation to available income, it is apparent that such processes exist in only a few of the national and overseas agencies. The income of some national agencies fluctuates more sharply than others. In some instances, expenditures do not vary greatly from year to year. Other agencies, however, are dealing with rapidly changing needs and emergency situations. The potential area of service of a national or overseas agency may far outrun available resources. In such cases, budgeting consists primarily of making commitments or decisions on expenditures from time to time, as receipts increase or are curtailed and as needs and possibilities for meeting them arise. In preparing Council reports for our member agencies, we have found that many national and overseas agencies do not prepare a definite budget for the work of the coming year, except for administrative or fund raising expenditures. Some agencies do not plan even these functions in advance of the year's work, but make adjustments as funds become available.

Because of these facts, the campaign goals of many agencies cannot be defined in specific budgetary items, though an attempt may be made to suggest ways in which the funds could be expended in the event that they are secured. For example, an agency with reported expenditures of \$300,000 in 1939 sets its campaign goal at \$1,250,000 for 1940, in line with an ambitious desire to increase its program substantially. Asked for an interpretation of this increased goal, the agency responds by indicating various fields of work in which it could enlarge its expenditures. Actually, this agency may raise \$350,000 to \$400,000 and expenditures would obviously vary both from its current estimates and frequently from the specific items of the previous year's experience. Some agencies prepare quotas and supporting budgets several times as great as they actually expect to raise or to expend.

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\*See The Cooperative Movement in Social Work by William J. Norton, Chapter 17, pp. 321-349, National Agencies and Cooperation, published in 1927.

Campaign goals and budgets are interrelated in varying degrees ranging from modest budgets based on anticipated minimum campaign results to overly ambitious plans that are not realistic but represent desires to impress welfare funds with the extent of problems and of unmet needs. Frequently both kinds of budgets may be presented by the same agency resulting in confusion to local budget committees. The budget or budgets as presented may be further modified in the course of the year as the result of actual pledges, changing needs and fund collections.

Since many of the overseas agencies raising funds in this country do not administer actual programs of work but supply funds to agencies administered abroad, budget planning for the basic agency may not be under the control or only partially under the control of the American offices securing support from Jewish welfare funds. In these instances, the amount indicated as the American quota may be determined by the central agency or by the auxiliary agencies established in this country or in other ways.\* There are great variations between overseas agencies in the percentage of their total budget which they seek to secure in the United States.

Other special problems are presented by those agencies abroad receiving some assistance from large American fund raising bodies which do not assume complete budgetary responsibility for the agencies' program. Subsequently, many of these agencies make additional individual appeals to local Jewish welfare funds.\*\* Another special problem arises from the fact that several American fund raising agencies may request support from welfare funds on behalf of the same overseas activity. The Jewish National Fund for Palestine is an example of multiple appeals.\*\*\* Women's Divisions may duplicate appeals of parent bodies for a part of the budget or campaign goal. The reported expenditures of organizations, therefore, frequently show subsidies and transfers of funds from separate fund raising agencies to various sections of the same organization.\*\*\*\*

With new situations and emergencies, welfare funds have been receiving numerous appeals. Though the causes for which support is being sought may be valid, there appears in some cases to be large duplication in organization, if not actually in functions. There is a tendency to create specialized separate appeals. For example, there are aside from the theological institutions, six separate agencies that include in their programs support or aid to Hebrew scholarship or learning in the United States, in Palestine or in other foreign countries.

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\*Examples are World Ort Union, HICEM, Histadrut, Hebrew University, Jewish Agency, for Palestine, United Jewish Appeal, etc.

\*\*Nearly all of the traditional Yeshivahs and charitable agencies in Europe and Palestine are in this category.

\*\*\*The Jewish National Fund is a major constituent of the United Palestine Appeal which secures its funds through the United Jewish Appeal. By agreement with the UJA, the JNF continues to raise separate funds through its traditional collection methods. The JNF also receives contributions from other American fund raising bodies either directly or through subsidies to projects in Palestine which JNF supports. For example: Hadassah, Women's Pioneer Organization, Mitrachi Women's Organization, Zionist Youth Groups such as Young Judea, Avukah, etc., and occasional contributions from B'nai B'rith and other non-Zionist bodies that themselves secure welfare fund support. On the other hand, the JNF helps to maintain projects in Palestine that are the basis for fund appeals by separate agencies in the U.S.

\*\*\*\*For example, the Wider Scope Campaign of B'nai B'rith contributes to Anti-Defamation League, which also conducts independent campaigns. Some welfare funds contribute to both efforts. The Jewish Labor Committee raises funds for a defense program and also for overseas relief agencies that make separate appeals to welfare funds. Numerous agencies secure funds that are later transmitted to the Jewish Agency for Palestine or to the causes which it assists.

There are no uniform policies on the handling of surplus funds. These may be transferred to reserves and used for future income deficits, though the current budget may not anticipate this source of funds. Similarly, earnings from invested funds may or may not be considered an offset to expenditures in presenting budgets to welfare funds. Capital needs and current maintenance funds may be combined or raised separately. Fund raising campaigns may be undertaken for the current year's needs or for the subsequent year's operations.\* The item of fund raising costs may be included either as gross or net expenditures in the budget or fiscal statements.\*\*

### 3. BUDGETING BY LOCAL WELFARE FUNDS

At the present time, individual welfare funds receive appeals from all or the majority of the fund seeking agencies. Exceptions occur where some national project prefers to solicit funds outside of welfare funds (or is unaware of the existence of established welfare funds or has foregone making an appeal because of lack of responsiveness in previous years.) Some welfare funds limit their scope and exclude some types of causes or entire fields of work.

The Board of Directors of the Council, May 23, 1936, adopted a set of minimum standards relating to the admission of appeals into local welfare funds, (See Appendix B. Suggested Minimum Standards for Agencies Included in Welfare Funds). These standards are similar to those used by non-sectarian local and national information and endorsing bodies. Since the Council has no authority over member agencies, these standards are solely advisory. They have been helpful to local welfare funds in determining the validity of new agencies and appeals. Council reports on newly created agencies, for example, the American Committee for the Relief of Jews in Poland and the Tel-Hai Fund call attention to one of these standards - "no avoidable duplication of the work of another efficiently managed institution" - and have helped to guide welfare fund decisions. It has not been a factor in decision on agencies that have been in existence and receiving support for many years from local communities but may parallel or duplicate the work of other agencies.

Though the Council urges national appeals to adopt the suggested standards, some agencies continue to receive support without eliminating objectionable practices, such as payment of commissions to solicitors, lack of a functioning board, etc. Several agencies engaging in defense work present a special problem, since they do not publish or make available to welfare funds properly audited statements of their accounts on the ground that various aspects of their program are confidential. Other agencies, with no such problem, for example, Menorah, have consistently refused to supply the Council or member agencies with auditor's reports. A number of welfare funds nevertheless continue to make grants to such agencies. (See Appendix D)

\*Practices in the time interval between campaigns and disbursements are varied and complex. Fiscal years vary. Some organizations spend funds as received from the current or previous campaigns, others campaign for pledges to be used as source of funds in subsequent years, their current financing being based on income from former campaigns. Some agencies operate on a deficit basis and finance themselves in part through loans or withdrawals from reserve or trust funds.

\*\*For example, auxiliaries of agencies may report only net receipts, not including costs of funds raising, but in some agencies part or all of the cost of operating auxiliary fund raising bodies is treated as an expenditure of parent body. Campaign costs for instance, in New York City, may or may not be recorded, depending upon whether the local campaign is considered as coming under the auspices of agency or operated wholly or partly as an independent body.



### A. Beneficiary Agencies and Fields of Work

Jewish welfare funds in the United States in 1940 received appeals for funds from at least 82 organizations organized under Jewish auspices,\* and 12 non-sectarian organizations with a specific Jewish interest. In addition, eight New York agencies, essentially local in character, made nation-wide appeals.

Agencies under Jewish auspices seeking funds include (in addition to the United Jewish Appeal which combines fund raising for the JDC, the UPA and NRS) the following: (See Appendix D)

(Figures below include receipts in 1939 from all sources)

- 13 agencies with overseas programs (four agencies, Ort, (\$294,656), War Torn Yeshivoth (NR), American Committee for Relief of Jews in Poland (\$81,163) and Jewish Telegraphic Agency (\$129,608), reported total receipts from all sources of more than \$50,000 each).
- 15 agencies with projects in Palestine\*\* reported total receipts as follows - (Hadassah, Senior and Junior (\$1,709,823), American Friends of Hebrew University (\$260,439), National Labor Committee for Palestine (\$390,808), Mizrahi Women's Organization (\$80,034), Pioneer Women's Organization (\$209,138)). Other agencies probably under \$50,000.
- 6 agencies engaged in immigration and refugee service (HIAS reported \$439,606 receipts, other probably under \$50,000).
- 7 agencies engaged in health and welfare services (Total 1939 reported receipts \$1,287,720).
- 5 agencies operating for the protection of Jewish rights (American Jewish Committee - No Report - 4 others report total receipts \$662,093 in 1939).
- 28 Jewish cultural and religious agencies (17 of these reported an aggregate total receipts of \$931,711, World's Fair Palestine Pavilion not included).
- 6 engaged in work of coordination and research and in supplying information on matters of Jewish interest (5 agencies reported aggregate total receipts of \$236,000).

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 \*Exclusive of the small local and national European and Palestinian agencies that regularly make collections in this country, directly or through welfare funds. The most recent Council Register of Palestinian Agencies contains information on 50 separate institutions. The Register of Eastern European Charitable and Educational Agencies contains information on 53 institutions.

\*\*Jewish National Fund not included since it did not appeal directly to welfare funds in 1939. In a few instances, however, welfare funds contributing to the UJA made a separate designation to the JNF. Reported as raising \$354,186 from sources other than UJA for fiscal year ending September 30, 1938. Appeals for special "loans" are also not included in reports of Palestine agencies.



### B. Inclusion of Agencies in Welfare Funds

In addition to listing the national and overseas agencies appealing to welfare funds, Appendix D summarizes information received from 84 cities on the number of welfare funds contributing to each of these agencies. There are upwards of 200 welfare funds in operation and it is possible that some agencies not receiving grants from one or more of the 84 reporting welfare funds receive income from local funds not included in our reporting list.<sup>#</sup>

The policies of local welfare funds vary considerably in making selections from the total number of appeals. A number of the outstanding causes are included in nearly all welfare funds and may therefore be considered as the basic agencies of Jewish interest. On the other hand, new appeals in various fields and older agencies concerned with special cultural and religious programs are accepted by welfare funds on a scattered basis.

National and overseas agencies receiving support from 50 or more of the 84 reporting welfare funds in 1939 include the following:

	Total Income(a)	Amounts Reported from Welfare Funds**	Number of Welfare Funds Con- tributing*
)Joint Distribution			
1. United Jewish Appeal (Committee, United Palestine Appeal, (National Refugee Service	\$16,594,291(b)	\$7,509,620	83(d)
2. American Ort Federation	294,656(c)	194,622	79
3. Hias	439,308	98,442	78
4. B'nai B'rith Wider Scope	181,303	124,724	75
5. Council of Jewish Federations and Welfare Funds	108,960	63,919	73
6. American Friends of the Hebrew University	260,439	61,602	71
7. American Jewish Committee	NR	NR	69
8. Jewish Consumptives' & Ex-Patients Relief, Los Angeles	367,681	41,021	66
9. Leo M. Levi Memorial Hospital	84,044	20,913	66
10. American Jewish Congress	190,535	38,242	66
11. National Jewish Hospital, Denver	318,983	62,086	65
12. Ex-Patients Tubercular Home, Denver	61,304	11,629	57
13. National Farm School	109,120	16,704	56
14. Jewish Telegraphic Agency	129,608	42,260	56
15. Jewish Consumptives Relief Society, Denver	316,068	43,392	54
16. National Labor Committee for Palestine	390,808	52,488	52

\* From reports submitted by 84 welfare funds. Agencies usually continue to raise money independently in cities in which they are not included in established welfare funds.

\*\* From reports of agencies and therefore includes income from all welfare funds.

(a) Includes contributions and other income such as earnings, public funds and income from non-sectarian chests.

(b) As of March 14, 1940. (c) Outstanding pledges 1939 \$140,792.

(d) U.J.A. in separate campaign in one welfare fund city.

# A recent report of the Council, National and Overseas Agencies Participating in Welfare Funds, published in October 1939, gives further details on most of the national and overseas agencies listed and is available for the committee. See also Welfare Fund Budgeting in 1939 - an analysis of 84 Jewish Welfare Fund Budgets - Council publication August 1940.

Beyond the above group of agencies, the number of welfare funds supporting other agencies dwindles rapidly, though agencies such as Hadassah and others that raise funds in practically all communities are being included in an increasing number of welfare funds.

### C. Methods used by Local Budget Committees in Determining Allocations

#### (a) Requests from National Agencies

Not all national and overseas agencies ask for specific amounts from local welfare funds. In some instances, local funds are asked to give "the largest possible amount" or are merely asked to contribute without any suggestion as to the amounts desired. In other cases, the national agency suggests local quotas, based on past experience or on some computed distribution of the total amount sought, spread over the various local communities to whom it is appealing for funds. Frequently, national agencies may set a total goal far beyond realistic expectation and apportion local quotas totalling from 25 percent to 100 percent more than the announced total campaign goal. These practices are based upon an increasingly invalid assumption that the responses to quotas will vary from less than 10 percent to 100 percent or more of the amount requested.

Establishing equitable quotas presents other difficult problems. Communities vary greatly in economic levels and the numerical factor of Jewish population therefore cannot be used as the sole or primary yardstick. Since there are no actual censuses of Jews in the United States, population figures are largely estimates. Jewish communities vary considerably in the proportions of wage earners, lower and higher income groups and in the number of persons or families of outstanding wealth who happen to live in the particular community. Suburban centers or even large cities near metropolitan areas may have a large Jewish population, but the neighboring metropolis may have attracted and drained the smaller communities of their families of wealth and economic importance. For example, the City of A is estimated to have a Jewish population of 75,000. Its 1939 welfare fund distributed \$208,000 or less than 20 percent of amount raised in either B and C, cities of approximately the same Jewish population. It is estimated that New York City has 40 percent of the Jewish population of the United States. It has not yet been established whether it has more or less than this proportion of Jewish wealth.

#### (b) Methods of Selection - Beneficiary Agencies and Grants

The task of deciding upon agencies to be included and the amounts to be granted is usually entrusted to a local budget or allocations committee, responsible either to the welfare fund or the Jewish community council. In some instances, the budget committee is subdivided according to the various fields of work represented by the agencies appealing for funds. Increasingly, in the better organized cities, more and more time, thought and attention are being given by the local budgeting committee. In others, one outstanding person, such as a leading rabbi, the president of the fund or the campaign chairman may exercise the major responsibility for determining amounts to be allocated to the various causes.

Letters of appeal are received and referred to the budget committee or chairman. Original direct appeals or reinforcements of letter appeals may be made by local representatives of the national agency or by visiting representatives from the headquarters or major cities in the region.

A relatively small number of welfare funds have developed standard forms calling for information that is sent to the appealing agencies in advance of budgetary decisions. (See Appendix C for copies of forms used by local funds.)

In the history of direct fund raising by national and overseas agencies, there have been developed more or less intense local interests, individual partisans, local auxiliaries, committees and other elements. National agencies continue to stimulate and reinforce these contacts, which now serve as pressure groups that continue to urge the claims of specific agencies. For all of these reasons, the ratios of grants to national and overseas agencies reflect fluctuations in local response.

Appeals from non-sectarian agencies are one of the special problems in local budgeting that has not yet received careful study. Some of these agencies may be engaged in activities that are of special concern to the Jewish population, such as the Conference of Christians and Jews, the Peace Institutes of the Friends Service Committee and non-sectarian defense projects dealing with minority rights.

#### (c) Setting Local Budgets and Campaign Goals

Budgeting by local welfare funds is undertaken in some instances before, in others, after the campaign. In the former type, the local community studies the requests received from national and overseas agencies and for specific local needs not otherwise provided by the local community. Tentative allocations are established and a campaign goal is set to cover these items plus allowance for fund raising and administrative costs, shrinkage in collections and contingencies. Anticipated results of first campaigns are necessarily uncertain, but continued operation of welfare fund campaign results in more nearly approximating the amount budgeted. Nevertheless, fluctuations occur and welfare funds, budgeting in advance of campaigns, are sometimes compelled to revise preliminary budget allocations. Where the detailed budget is completed after the campaign, campaign publicity may state the agencies or causes to be financed or may indicate direction of emphasis and interest for later fund allocations. In some instances, campaigns stress special causes such as overseas relief or civic-protective work, but actual allocations may show wide interests and a different emphasis.

Subsequent to campaigns, budget allocations are reviewed and adjustments made in accordance with funds secured. Many welfare funds, in this process, recognize the relative importance of different causes and do not make percentage cuts or increases, but distribute the surplus funds or the deficits in relation to what they consider to be the qualitative ratings of the various agencies. A frequent criticism of local budgeting is that the priority given to local programs or overseas agencies or defense projects is detrimental to other participating causes,

Criteria for deciding upon grants vary greatly. Welfare funds are encouraged at the time of organization to secure information from the appealing agencies on the amount of income previously raised and names of contributors, so that past experience in local fund raising is a guide to budgeting in many cities. Some welfare funds, however, are discarding these precedents, since results were accidental and measured the effectiveness of previous fund raising methods, rather than comparative agency needs and importance of causes.

A number of cities have established some rough approximation of local percentages in relation to national goals. For example, City B has decided, on the basis of its Jewish population, weighted by other local considerations, that it will attempt to secure one percent of the total goal sought by the various

beneficiary agencies. The variety of practices of national agencies in setting goals, the importance of sources of income outside of welfare fund support and other factors detract in a large measure from the validity of this formula of local allocations.

Estimates of Jewish population, previous standards of local generosity and other more arbitrary items are factors used in setting campaign goals. With the collection and publication of specific information on welfare funds and national agencies by the Council and other sources, campaign quotas fixed by local funds are being based upon an analysis of previous fund raising experience. Local communities increasingly are using the reports of other cities of comparable size to gauge their own allocations. It should be noted that cities considerably above or sharply below the general level of giving may exert a profound influence upon the future allocations of Jewish welfare funds. There is also a tendency to use averages rather than to try to emulate the best local performance.

Emulation of selected welfare fund cities is tending to become one of the most frequently used guides to local budget committees. The publications of the Council furnish information for such practices and the Council office is called upon increasingly to supply data for cities of comparable size, to supplement our regular statistics of welfare funds. While this develops a degree of uniformity among local welfare funds, it adds questionable elements due to the fact that the decisions in the first instance are not based upon objective methods of measuring needs and local responsibilities. An averaging of errors is no safe guide to truth.

As local budget committees gain in experience, there is a tendency to establish more objective criteria for judging the amounts that should be granted to each agency from the total welfare fund receipts. Well organized and methodical local budget committees are giving consideration to such factors as the relative size of the national campaign goals, the agency's expenditures during the previous years, and the classification of previous income by source, such as local welfare fund contributions, earnings and other internal income, income from investments, the results of outside fund raising by memberships, auxiliaries, etc.

A number of beneficiary agencies participating in welfare funds continue independent fund raising, especially in those instances where nominal membership dues and small scale fund raising by auxiliaries or chapters has become a traditional practice. Generally, this is based upon formal agreements between the welfare fund and the agency. In some instances, the amounts budgeted by the welfare fund are considered the maximum to which the agency is entitled from the local community. Beneficiary agencies are obliged to report all additional funds secured from the community and these amounts may be deducted from the welfare fund grant or considered as additional funds included in the welfare fund total.



PART II - AN EXAMINATION OF THE PROBLEMS AND PROBABLE PROCEDURES  
IN NATIONAL BUDGETING

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1. Objectives, Advantages and Disadvantages of National Budgeting

The main purpose of the proposed national budgeting process might be to develop carefully formulated decisions on the amount of funds sought by agencies found to be eligible for welfare fund support. Such decisions, presumably, would serve as a guide to local communities in determining inclusion and amounts to be allocated to participating agencies. The major work of such a committee might consist of conferences with national and overseas agencies as a basis for arriving at judgments concerning the validity of campaign goals. If agreements concerning goals and quotas could be reached, it would largely replace the present arrangements, which compel each national appeal to approach each community in isolation and therefore on a competitive basis with every other appeal.

A. Possible Advantages of National Budgeting

An effective central budgeting plan might make for orderly systematic plans in local budgeting. The product of such a process could be a complete national report, sent to member communities, drawn up by the national committee which has examined all budgets and arrived at decisions concerning the relative amounts that each agency should seek to secure.

(1) It might help to determine the aggregate goals and give opportunity for more competent prediction of funds available for necessary programs.

(2) It might lead to more specific budgets for each of the national and overseas agencies -- budgets which show a recognition of the relationships of their own program and expenditures to total needs and available incomes.

(3) It might stimulate cooperative relationships on programs and help eliminate unnecessary duplication among agencies operating in the same field and among the various Jewish causes for which the agencies have been organized, with its attendant advantages such as possible savings to the Jewish community on the total job and perhaps doing that total job more effectively.

(4) It might help to establish a better perspective concerning the varieties of programs and separate administrations of individual agencies.

(5) It might help to foster greater understanding between the national agencies and the local communities in the fund raising process, and might better satisfy contributors within the various communities (who may be questioning the need or extent of work to be done by the various agencies under the existing conditions, etc.) that a really objective review is being made by a competent committee.

(6) It might help to strengthen fund raising programs in the local communities, and to increase the efficiency of the community contact efforts of the agencies. This increased efficiency might be reflected in saving campaign costs particularly in the smaller agencies or it might be reflected in improved organization procedures.

## B. Limitations and Possible Disadvantages

(1) Even if the work of the budgeting committee were assumed to be purely advisory in character, it might mean substitution of national judgments for local judgments. This might result in placing too much authority in the hands of a small group and restricting the participation and degree of influence of individual contributors and local views. There may be more corrective influences on national agency developments if they are dependent on multiple reactions and decisions than if they depend primarily on judgments of a small central body.

(2) Possible restrictions on the free flow of contacts between national agencies and local welfare funds, with especially adverse effects on small projects with limited appeals.

(3) Possible freezing of status quo of agencies and pressures for compromises in inter-agency relationships and programs.

(4) Possible restrictions on fund raising goals, since a national committee might tend to be overly protective of local fund raising agencies.

(5) A national budgeting committee might become an arena of conflict between controversial and partisan groups, and would result in more rather than less inter-agency friction.

(6) Pressures by some agencies on a small concentrated group might be facilitated and might lead to invalid decisions, recommending larger funds than they could justify by normal interests of local funds.

## 2. Policies, Procedures and Composition of a National Budgeting Committee

### A. Policies

A national budgeting process would need to establish major procedures before actually undertaking to review agency budgets. The following are some of the pertinent problems:

(1) Shall a national budgeting process cover all legitimate agencies and fields of work?

It may be possible to proceed by taking one field at a time, beginning, for example, with general overseas, Palestine causes, refugee agencies, or the health field, or with the major agencies in these fields. Other fields of work, such as agencies for defense and migration programs, agencies for coordination, research and information service, cultural and religious agencies and miscellaneous and special activities could be dealt with in sequence. Selections will need to be made of the agencies within a given field. For example, in the overseas field, there are numerous small European and Palestinian agencies, usually subsidized, at least in part, by the JDC or by the major Palestinian agencies. Another problem is presented by agencies with a definite policy of organizing multiple appeals. There is no clear understanding on American appeals for many of these agencies and few restrictions in raising supplementary contributions. In a central budgeting process, these small local overseas agencies might be required to limit their appeal for American support to such extent as the major organizations consider valid. The budget committee would need to decide whether to give or to withhold approval for supplementary fund raising for these small foreign organizations.

The civic-protective agencies present a problem due to the special and confidential character of their work. If the budget process extends to this field, it may require the development of different relationships with local communities than those considered valid for other fields of work, especially in view of the conviction in some of the larger cities that funds for this field should be raised independently of organized community effort.

(2) A national budgeting process may or may not need to reach a decision on the total goals for all agencies. If they do, it would require some method for appraising anticipated fund raising results.

(3) If a decision on total goals is required, standards for determining local welfare fund goals would need to be established. Available experience would have to be reviewed and evaluated and quotas estimated for all communities with welfare funds. Allowances would have to be made for local allocations, shrinkages and failures to reach local quotas in some instances. Local standards would need to be subjected to constant review from year to year.

(4) In view of the standard method of one annual welfare fund campaign in each community, special provisions would have to be made for emergency needs and problems, particularly those included in overseas or civic-protective work.

(5) The financial and service programs of each of the participating agencies would have to be thoroughly studied, if the work of central budgeting is to be based upon accurate information and competent judgments. Uniform systems of reporting on finances and services would be required.

(6) Voluntary cooperation or at least acquiescence of national and overseas agencies is indispensable. No detached group, set up for central budgeting, can hope to make as much headway if the affected agencies are unwilling to experiment with the process. National agencies individually or collectively cannot be guaranteed that a national budgeting process will insure their present degree of success in securing funds from organized communities. Due to such uncertainties, many of them may feel that their aims and objectives can be best assured by bargaining with the individual communities. A clear understanding of the objectives of central budgeting will be required if the process is to function.

#### B. National Budgeting Functional Procedures

Assuming first, that workable decisions can be reached on some of the questions raised in this memorandum, and second, that a working national budget committee (discussed below) has been established with responsibility for the appointment of competent staff and services for the budgeting process and for major decisions on general standards and policies, the following is an outline of possible steps in a national budgeting process:

##### (1) Work with National Agencies

A preview of prospective fund raising goals of the agencies for the ensuing year and estimate of tentative total campaign results.

The preparation of budget material on each organization selected for the budget process, including individual budget hearings with included agencies.

Readjustment of total goal on the basis of budget study and hearings, including opportunities for reconsideration of decisions in cooperation with participating agencies.

- (2) Report of budget committee covering recommended agency budgets.
- (3) Consideration of total budgets with representatives of local welfare funds.
- (4) Modifications in budget as required by special and emergency appeals.
- (5) Review and evaluation of each year's experience in the budgeting process and in campaign results and local allocations.

#### C. Character and Composition of a National Budgeting Committee

In view of the problems outlined and the significance of the work of a national budgeting committee, the character and composition of such a committee is of basic importance. It needs to be kept in mind that local welfare funds and national agencies are autonomous and voluntary bodies and will consider the recommendations of a national budgeting committee as advisory, rather than mandatory. Unless formal commitments are secured and a working cooperative basis is provided, the national and overseas agencies may be unwilling radically to alter their present basis of working relationships with local communities.

It might be advisable to agree at the outset that the national budgeting process is to be wholly of an advisory character and that there will be no immediate transfer of responsibility to the national budget committee of the prerogatives of national and overseas agencies or the authority of local welfare funds. Success of the project will depend entirely upon the competence, impartiality and creative judgments and structure of the national budget committee. Any attempt to delegate responsibility, whether national or local, by a method of representation according to strengths or size, may result only in bringing about an unwieldy method of bargaining that would have less merit than the present methods of campaign appeals and local budgeting.

A national budget committee would probably have to function through a limited group. Would a national budgeting committee larger than from 15 to 25 individuals be feasible? With the range of agencies and interests, this adds a further complication to the task of setting up a national committee.

The crucial question, therefore, hinges on the method used to establish a competent and impartial national budget committee. Alternative methods of selection are possible:

- (1) Selection of the budget committee by the Council through its Board of Directors and the Annual Assembly.
- (2) Selection by national agencies from a panel prepared by the Council



(3) Selection by the Council from a panel prepared by national and overseas agencies.

(4) Joint selection by the Council and national agencies on a pro rata basis.

Since the national and overseas agencies are not associated in an agency or council similar to the one functioning for federations and welfare funds, selection of names or individuals by national and overseas agencies presents a difficult technical obstacle. Agencies appealing to welfare funds range from small projects with a goal of \$10,000 or less annually to the United Jewish Appeal with its 1940 goal of \$23 million. A most important question is whether some association of agencies by fields of work might be established as a working structure for the selection of names or representatives to a national budgeting committee or some other method might be devised to accomplish the same result. Suggestions have been made at various times in the past (See Appendix A).

Another suggestion is that the national budgeting process be limited at the outset to a selected number of major agencies, for example:

- (1) The JDC and a few of the larger overseas relief agencies
- (2) The UPA and other large appeals for work in Palestine
- (3) The national health and welfare services
- (4) The domestic refugee and migration service
- (5) The coordination research and information services.

This would leave the numerous cultural and religious agencies and some miscellaneous agencies for special study and later decision.



APPENDIX



PREVIOUS INTEREST IN THE SUBJECT OF NATIONAL BUDGETING

At the first General Assembly of the Council of Jewish Federations and Welfare Funds, held in Detroit on June 7, 1933, a Committee on the Financing of National and International Jewish Agencies presented as part of a general report, a report on "Federation Program and Objectives". The report of the Committee was presented by the co-chairmen, Henry Wineman and Kurt Peiser of Detroit, under several sections:

- I. Attempts at regulating the financing of non-local activities.
- II. The agencies which seek national support.
- III. Relationship between federations and the national agencies.
  1. Extent of federation affiliation and financing.
  2. The basis for federation support of non-local activities.
  3. The national agency reactions to federation support.
- IV. A proposal for an equitable method of determining federation appropriations to national agencies.

Though the situation has changed materially in the intervening years, both in terms of the needs and programs of the national and overseas agencies appealing for country-wide support, and in the extent to which ~~the~~ communities have organized Jewish Welfare Funds to provide this support, this report might be reviewed by the present Committee on the Study of National Budgeting Proposals. The suggestion that the Council "create a National Board of Review to pass on national agencies and their budgets for the local communities... subject to the voluntary adherence of those federations which choose to accept it for their guidance", should be noted.

For the present purpose, the first section of the report is especially significant, since it reviews the attempts which had been made, up to that date, to clarify the complicated issues with which the present Committee is concerned. The appropriate paragraphs follow:

"I. Attempts at Regulating the Financing of Non-Local Activities ..

"Questions involved in the financing and planning of national and international Jewish social work have been discussed in the National Conference of Jewish Social Service for many years. A paper, presented by Mr. Eugene Warner of the Buffalo Federation at the Milwaukee Conference in 1921, proposed that the National Conference establish a Board of Estimate and Apportionment to pass upon budgets of national agencies, to allocate quotas to individual communities, and to investigate and pass on the need for new national agencies. The Executive Committee of the Conference thereupon invited the Bureau of Jewish Social Research to investigate and report on the question of budgeting national organizations.

"The report, submitted by the Bureau in 1922, proposed that a national organization be established to raise and apportion funds for all national purposes, including cultural and educational agencies. Subsequent conferences with representatives of the national agencies revealed that they were opposed to the plan because it was conceived by the federations and did not offer security to the national organizations. Dr. Spivak proposed, at the Toronto Conference in 1924, that joint fund raising efforts be undertaken by kindred groups of national agencies, which might call upon the Conference to assist in the allocation of funds.

"At the 1925 Conference, a resolution was passed, with the concurrence of the national agencies involved, providing that a "Council of National Jewish Social Agencies be established for the purpose of advising ways and means for concerted action in raising maintenance funds for the respective agencies". This Council was to include leaders of American Jewry, delegates from the National Conference, and representatives of the five organizations who were designated as initiators, to wit: the National Jewish Hospital of Denver, Jewish Consumptives' Relief Society of Denver, Hebrew Sheltering and Immigrant Aid Society of New York, Jewish Consumptives' Relief Association of Los Angeles, National Desertion Bureau of New York.

"A progress report was made to the Cleveland Conference in 1926, Mr. Samuel A. Goldsmith recommending particularly that educational efforts be undertaken to instill in American Jewry a more consciously intelligent reaction to national and international Jewish needs and activities. A further proposal for the organization of a committee representing the contributing Jewish public and national organizations, with a view to auditing and budgeting national appeals and establishing machinery for the collection and allocation of funds for national budgets, was considered by the American Jewish Committee. A counter-proposal was made by Mr. Louis Marshall, that three types of federations be organized for budgeting and financing the several types of organizations: first, Palestine and foreign; second, educational and cultural national agencies; third, charitable and philanthropic national agencies,

"At the 1927 Conference, representatives of 43 federations organized the National Appeals Information Service, to study organizations making appeals nationally in the United States. In the subsequent three years, the N.A.I.S. financed studies, made by the B.J.S.R. as its agent, of the major national Jewish organizations, reviewing the scope of their respective activities, their methods of financing, their financial status and their relationships with each other and with the local communities. Plans for meeting the problems presented were considered by the N.A.I.S. membership and with representatives of the national agencies. Early in 1931, with the assistance of the N.A.I.S., the four institutions in Denver established the Council of National Jewish Agencies with which the Los Angeles Sanatorium later became affiliated. In the fall of 1931, the Council of N.J.A. carried through a joint fund raising experiment in the three northern New England States.

"At the Minneapolis meeting of the National Appeals Information Service in 1931, two proposals were made, one for the creation of a National Council of Jewish Federations to absorb and carry forward the work of the N.A.I.S., the other for the organization of a Central Depository, to be managed by representatives of the communities which elected to participate. The Depository would serve as a clearing house or pool into which the communities could place their allotments for national work, either designated or undesignated, with the possibility that the Depository might in time, enlist additional support and work out a solution to the whole series of problems.

"In the fall of 1931, representatives of several national agencies met in New York City to consider possible methods of meeting their financial needs during the emergency, the alternative proposals being: first, that a conference of outstanding lay and professional leaders be called to stimulate the support of the national agencies; second, that the national agencies undertake a joint publicity campaign to acquaint the country with their needs; third, that the national agencies attempt joint fund raising in selected, well organized communities; fourth, that the national agencies sponsor the organization of local welfare funds.



"The National Council of Jewish Federations and Welfare Funds was organized in October 1932 and established a Committee on the Financing of National and International Jewish Social Work. This Committee, in consultation with representatives of national agencies, proposed that the entire group of national agencies join in a Council of National Jewish Agencies, which, together with the Council of Federations, create machinery to determine the needs of the national agencies and establish equitable quotas for the federated communities, through hearings with the individual national organizations and the local federations. The local federations or welfare funds, according to this plan, would accept the quotas thus established, with the responsibility either of making allotments themselves or of cooperating with the national agencies in the raising of the necessary funds. The plan was not accepted by the Executive Committee of the National Council of Jewish Federations and Welfare Funds because of opposition to the provision that the national agencies participate in the process of scrutinizing and approving of budgets and establishing quotas."

\* \* \* \* \*

The issues raised in the above report have continued as a major Council interest in the years which followed. The number of "federations" contributing to non-local agencies increased from the 64 mentioned in 1933 to well over 200 in 1940, and the total income of these agencies jumped from about three million dollars in 1932 to over twenty million in 1940. Support for the non-local agencies from federations and welfare funds increased from about a half-million dollars to almost ten million, in the eight year interval. (Balance of funds from New York, unorganized cities and separate collections in welfare fund cities)

The Council Committee on National Jewish Agencies has kept in touch with the situation consistently, guiding the reports which the Council staff have been preparing annually since 1935 on the activities and finances of agencies appealing to welfare funds, and conducting negotiations with these agencies in the interest of better working relationship with the welfare funds. The Council Assemblies and Board meetings, the Regional Conferences and field representatives' visits have all given time and directed attention to the complex character of the problems involved in the financing of activities throughout the world, through the medium of welfare funds in the local communities.

The welfare funds and their regional groups have continued to express their views as follows:

1. That the agencies participating in welfare fund support should group themselves according to function, and devise some process for determining the total needs for each of the respective fields, and for dividing the funds secured for each field, as between the agencies serving each field, and
2. That the Council develop a process for evaluating the quality of work done by the individual agencies, and
3. That budgets be reviewed and formulae developed to guide local communities in determining the extent of their responsibility for the support of specific agencies.

In the direction of the first proposal, some headway has been made, represented by the United Jewish Appeal, the General Jewish Council, the Council of National Jewish Agencies (of Denver) and the Vaad Leumi plan on behalf of the old-line Palestinian institutions. In each instance, the national agencies have come together, and worked out a formula of relationships. None of the forms thus far devised have proven fully satisfactory, either to the national agencies or to the welfare funds. The general plan for a Council of National Jewish Agencies,

projected in the 1932 Wineman-Peiser report, has been revived periodically, on the theory that such an alliance between the whole group of national agencies is a necessary preliminary to any relationship that will assure equity, stability and planning between the welfare funds and the services they have undertaken to finance.

On the second proposal - evaluative analyses - one project has been carried through, the Study on the Program for the Care of the Jewish Tuberculous, made under the auspices of a Joint Committee representing the Council and the Council of National Jewish Agencies (of Denver and Los Angeles). This study, completed in 1938, does present suggestions for a national program, as urged by the welfare funds, but no substantial progress has been made in realizing the plan, in the absence of accepted procedure for negotiations and for action.

On the third proposal - budget reviews - this past year has seen evidence of a rising tide of feeling, expressed (1) in resolutions by individual welfare funds on the whole subject or special phases, (2) in general resolutions developed at Regional Conferences, and (3) in such Regional activity as the Budget Clinic at the Western States Conference in Salt Lake City, the Budgetary Review Committee set up in the East Central Region, and the special Budget Conference mandated for the Southeastern Region this Fall.



SUGGESTED MINIMUM STANDARDS FOR AGENCIES SEEKING WELFARE FUND SUPPORT

(Adopted by Board of Directors of Council, May 23, 1936)

To be eligible for organized support an agency should adhere to the following standards:

1. A legitimate purpose with suitable program and no avoidable duplication of the work of another efficiently managed organization.
2. Reasonable efficiency in conduct of work, management of institutions, etc., and suitable equipment for such work, both material and in personnel, and a budget indicating an attainable program.
3. An active and responsible governing body, holding regular meetings, with satisfactory form of administrative control.
4. Evidence of cooperation with other organizations in promoting efficiency and economy of administration and in preventing duplication of work. Organizations engaged in personal service should clear their cases with the Social Service Exchange in the cities in which they operate.
5. Ethical methods of publicity, promotion and solicitation of funds.  
Ethical methods exclude:
  - a. Solicitors on commission or other commission methods of raising money.
  - b. The "remit or return" method of raising money by the sale of merchandise or tickets through the mail.
  - c. Telephone solicitations to the general public for money or donations or for the purchase of tickets for benefits.
  - d. Agreements to conduct entertainments for money-raising purposes, the expenses of which, including compensation under the terms of the agreement, exceed 40% of the gross proceeds.
6. Complete annual audited accounts prepared by a certified public accountant, trust company or university department, and made available for the public.

(USED IN ESTABLISHING AGENCIES AND AMOUNTS FOR FIRST CAMPAIGN IN ST. LOUIS, MO.)

Name of Organization \_\_\_\_\_

Location \_\_\_\_\_

Please state the object and purpose of your organization, sending whatever literature you may have that is interpretive of the work:

1. Is there a branch office in St. Louis? \_\_\_\_\_

2. If so, please give:

a. Name of person in charge \_\_\_\_\_

b. Title \_\_\_\_\_

c. Street address \_\_\_\_\_

3. Please state the method of collecting funds and the total amount actually collected in St. Louis in the following years:

1931 \_\_\_\_\_

1932 \_\_\_\_\_

1933 \_\_\_\_\_

4. If money collected in the preceding years was by campaign, was it by:

a. Organized campaign? (Personal solicitation) \_\_\_\_\_

b. Informal solicitation through local membership? \_\_\_\_\_

c. Letter? \_\_\_\_\_

d. Any other \_\_\_\_\_

5. How is the quota for St. Louis determined.

a. By Jewish population? \_\_\_\_\_

b. By wealth? \_\_\_\_\_

c. Any other \_\_\_\_\_



6. Will you give us the items of income and expense in your last year's budget under the following headings?

INCOME:

- a. Individual contributions \_\_\_\_\_
- b. Federations \_\_\_\_\_
- c. Endowments \_\_\_\_\_
- d. Earnings \_\_\_\_\_
- e. Any other \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Total Income

\$

EXPENSE:

- a. Administration \_\_\_\_\_
- b. Relief \_\_\_\_\_
- c. Functional \_\_\_\_\_
- d. Any other \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Total Expense

\$

7. Please attach the list of St. Louis persons who have donated in 1931, 1932 and 1933, giving names, addresses and amounts contributed.
8. Would you be interested in participating in a joint campaign for funds? \_\_\_\_\_
9. What would be the estimate of your quota need from St. Louis? \_\_\_\_\_
10. What is the basis for "9"?

## Appendix C-2

APPLICATION IS HEREBY MADE FOR PARTICIPATION IN  
THE JEWISH WELFARE FUND OF CINCINNATI

DATE \_\_\_\_\_

The following information and acceptance of the "General Principles and Policies" herein contained are furnished as a basis for the consideration of such application.

1. Legal Name and Address of Organization \_\_\_\_\_  
 \_\_\_\_\_

2. Names of local representatives in Cincinnati \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

3. Name and address of individual to whom all communications should be addressed  
 \_\_\_\_\_

PLEASE ATTACH DETAILED STATEMENT OF RECEIPTS AND EXPENDITURES FOR PAST YEAR TOGETHER WITH DETAILED ESTIMATE FOR THE COMING YEAR.

Application is hereby made for participation in the Jewish Welfare Fund of Cincinnati for the year ending December 31, 19\_\_\_\_ with a quota of \$\_\_\_\_\_.

Quota previous year \$\_\_\_\_\_.

\_\_\_\_\_  
 SIGNATURE

\_\_\_\_\_  
 ADDRESS

GENERAL PRINCIPLES AND POLICIES OF THE  
JEWISH WELFARE FUND OF CINCINNATI  
AS REGARDS PARTICIPATING AGENCIES

- - - - -

1. The Jewish Welfare Fund of Cincinnati is primarily for the purpose of securing funds towards the support of Jewish philanthropic, educational, and religious-training organizations, causes and movements, which receive their financial support from the Jews of the United States, as distinguished from those of any particular section thereof.
2. Every agency which desires to apply for funds from the Jewish Welfare Fund of Cincinnati must show that it is rendering or preparing to render a needed service to the Jewry of the United States or of foreign countries not already performed by other participating agencies.
3. Participating agencies are expected to maintain a welcoming attitude to suggestions by the Fund, to cooperate with the Fund and other agencies in reducing to a minimum duplication of effort, and in promoting economy and efficiency.
4. Participating agencies agree to make no separate solicitation of any kind in Cincinnati within the period of participation without the written approval and consent of the Jewish Welfare Fund of Cincinnati.
5. Agencies shall furnish full and detailed statements of financial conditions and operations, budget-supporting schedules, etc. and such other information as may be required.
6. Allotments made to participating agencies shall be subject to the ability of the Fund to pay the allotments, in the event that the full amount is not subscribed in the campaign.
7. Contributors to the Fund shall have the right and opportunity to designate to which organizations their contributions shall be allotted; but whenever these designated contributions shall exceed the allotment then this surplus amount shall revert to the general fund.

The following information and acceptance of the "General Principles and Policies" herein contained are furnished as a basis for the consideration of such application.

1. Legal Names and Address of Organization
2. Names and Addresses of Principal Officers
3. If Incorporated, When and Where
4. State all Objects of the Organization
5. Have you a Branch or Office or Representative in San Francisco? If so, Furnish Names and Addresses of Principal Officers or Representatives.
6. Name of Active Governing Body of Organization
7. Names and Addresses of Members of Said Governing Body
8. Fiscal Year Begins Ends
9. Information Furnished by

Date \_\_\_\_\_

## FINANCIAL AND BUDGET INFORMATION

(Give details and Supporting Schedules on Reverse Side or on Separate Sheet)

Statement as of

1. Capital Assets:		
A. Invested Funds.....	\$	
B. Plant Assets.....	\$	
C. Miscellaneous.....	\$	\$
2. Capital Liabilities:		
A. Permanent Funds.....	\$	
B. Plant Liabilities.....	\$	
C. Mortgages, Notes, Etc.....	\$	
D. Miscellaneous.....	\$	\$
Net Capital.....		\$
3. Current Assets:		
A. Cash on Hand and in Bank.....	\$	
B. Accounts and Notes Receivable.....	\$	
C. Inventories.....	\$	
D. Miscellaneous.....	\$	\$
4. Current Liabilities:		
A. Accounts and Notes Payable.....	\$	
B. Miscellaneous.....	\$	\$
Net Current Surplus.....		\$

## BUDGET

	Actual For Fiscal Year Ending	Estimated For Fiscal Year Ending	Leave Blank For Use of Committee
1. Current Expenditures for Purposes of Organization.....			
2. Current Administration Expenses..	\$	\$	\$
3. Miscellaneous.....	\$	\$	\$
Total of Above.....	\$	\$	\$
4. Income from Investments, Etc.....			
5. Other Earned Income.....	\$	\$	\$
6. From Jewish Communities of U.S....	\$	\$	\$
7. Miscellaneous.....	\$	\$	\$
Total Income.....	\$	\$	\$

Application is hereby made for a contribution of \$ \_\_\_\_\_ from the Jewish National Fund of San Francisco, for Fiscal Year ending \_\_\_\_\_ 19\_\_.

Basis for Application:



## Received from San Francisco:

## Cost of Collection:

1920	\$
1921	\$
1922	\$
1923	\$
1924	\$
1925	\$
1926	\$
1927	\$
1928	\$
1929	\$
1930	\$
1931	\$
1932	\$
1933	\$

---

Total \$

	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$
	\$

---

Total \$



## Appendix D

CAMPAIGN GOALS, INCOME, WELFARE FUND GRANTS TO 96 AGENCIES  
INCLUDING NUMBER OF WELFARE FUNDS REPORTING  
GRANTS MADE TO THESE AGENCIES IN 1939\*

Name of Agency	Campaign Goal **** 1940	Income 1939		No. of Wel- fare Funds Making Grants*	1939 Welfare Fund Grants**
		Total	Con- tribu- tions***		
<u>Overseas and Immigration</u>					
United Jewish Appeal	\$23,000,000	\$16,594,291 <sup>a</sup>		83 <sup>b</sup>	\$7,509,620
Joint Distribution Committee		8,337,392 <sup>a</sup>			
United Palestine Appeal		3,970,815 <sup>a</sup>			
National Refugee Service		2,543,326 <sup>a</sup>			
<u>Overseas (other)</u>					
American Beth Jacob Committee		12,500 <sup>###</sup>	12,500	21	NR
American Committee for Relief of Jews in Poland	462,500	81,163	81,163	2	NR
American Ort Federation	1,250,000	294,565 <sup>c</sup>	284,255	79	194,622
Chorev School Organiza- tion				10	
Emergency Committee for War-Torn Yeshivoh		1937 - 1938 information		1	
Ezras Torah Fund		Agency did not supply complete financial data			
Fund for Jewish Refugee Writers	25,000	35,274 <sup>###</sup>	32,472	24	788
Jewish Telegraphic Agency	277,276	New organization		0	
Medem Sanatorium		129,608	81,866	56	42,260
Relief Committee for Jew- ish Schools in Poland		No financial information		3	
Tomehe Torah Society				5	
Yavneh		1936 - 1937 information			
Yiddish Scientific Institute	66,450	6,623 <sup>###</sup>	6,623	0	NR
		1937 information		15	
		32,989	25,878	19	2,710
<u>Palestine (other)</u>					
American Committee for Relief and Resettle- ment of Yemenite Jews		1,940	1,940	8	515
American Friends of a Jewish Palestine				0	
American Friends of Hebrew University	400,000	Agency did not supply financial data			
American Pro-Palasha Committee		260,439	196,481	71	61,602
Hadassah, Senior	1,150,650 <sup>d</sup>	4,166 <sup>###</sup>	3,870	14	NR
Hadassah, Junior	140,152 <sup>d</sup>	1,592,229 <sup>e</sup>	1,339,677	43	NR
Hagannah		117,594	95,182		NR
Mizrahi Women's Organ- ization		No report made by CJFWF		4	
National Labor Committee for Palestine				0	
Palestine Hebrew Culture Fund	1,000,000	No report made by CJFWF			
		390,808	292,869	52	52,488
		6,897	5,480	4	850

Name of Agency	Campaign Goal **** 1940	Income 1939		No. of Wel- fare Funds Making Grants*	1939 Welfare Fund Grants**
		Total	Con- tribu- tions***		
Palestine Orchestra Fund (American Committee)		\$ 13,693##	\$ 13,693	5	\$ 2,150
Palestine Symphonic Choir Project		2,000	2,000	0	NR
Pioneer Women's Organiza- tion				0	
Tel Hai Fund		No report made by CJFVF		0	
Zionist Transportation Fund		Agency did not supply financial data		0	
		No report made by CJFVF			
<u>Refugee and Immigration</u>					
<u>(other)</u>					
Agudas Israel Refugee Home		4,907#	4,907	0	NR
Committee for Assistance to Jewish Refugees in Shanghai				1	
Ezras Rabonim of Havana, Cuba				0	
German Jewish Children's Aid				2	
Hebrew Literary Founda- tion				0	
Hebrew Sheltering and Immigrant Aid Society	\$ 911,750f	439,606	432,572	70	98,442
<u>Health and Welfare -</u>					
<u>United States</u>					
Ex-Patients Tubercular Home, Denver		61,304	60,787	57	11,629
Jewish Consumptive and Ex-Patients Relief As- sociation, Los Angeles	381,135	367,681	316,695	66	41,021
Jewish Consumptives' Relief Society, Denver	350,000	316,068	308,333	54	43,392
Leo N. Levi Memorial Hospital, Hot Springs	85,000	84,944	43,492	66	20,913
National Desertion Bureau	24,209##	21,856	21,856	9	2,404E
National Home for Jewish Children, Denver	112,900	116,904	114,366	62	20,235
National Jewish Hospital, Denver	383,595	318,963	301,214	65	62,086
<u>Civic Protective</u>					
American Jewish Committee		Agency did not supply information		69	
American Jewish Congress	542,000	190,535	101,206	66	38,242
B'nai B'rith Anti- Defamation League	526,900	344,375	297,203	29	63,540
Canadian Jewish Congress		No report made by CJFVF		1	
Jewish Labor Committee	250,000h	102,822	99,229	17	10,770
Jewish War Veterans		24,361	16,410	2	NR



Name of Agency	Campaign Goal **** 1940	Income 1939		No. of Wel- fare Funds Making Grants*	1939 Welfare Fund Grants**
		Total	Con- tribu- tions***		
<u>Educational - Cultural</u>					
American Academy for Jewish Research		\$ 4,352##	\$ 4,315	10	\$ 535
American Committee for Hechalutz				4	
Avukah	\$ 9,044	1937 information 7,032	5,429	4	197
B'nai B'rith Wider Scope Committee	178,092	181,303	174,449	75	124,724
Central Yiddish Culture Organization		20,501#	9,282	2	50
Dropsie College		28,065#	7,176	5	270
Graduate School for Jewish Social Work	None <sup>i</sup>	37,496	34,521	23	29,133
Histadruth Ivrit		40,521##	9,042	29	1,310
Jewish Braille Institute		12,096	11,865	25	972
Jewish Chautauqua Society	15,300	5,327	4,177	25	1,791
Jewish Teachers Seminary		Agency did not supply information		12	
Knights of Judea		New organization		0	
Masada		No report made by CJFWE		1	
Menorah		Agency did not supply information		26	
National Farm School	120,594	109,120	37,295	56	16,704
Palestine Pavilion, N.Y.					
World's Fair	253,600	378,649j	168,703	23	11,895
Solomon Goldman Emergency Fund				1	
Young Judea		No report made by CJFWE			
		16,785#	11,858	10	470
<u>Theological and Religious</u>					
Hebrew Theological College, Chicago		76,874##	47,116	29	5,977
Hebrew Union College, Cincinnati				14	
Jewish Institute of Religion, N. Y.		60,106	50,635	11	3,464
Jewish Theological Seminary, N. Y.	250,036	173,565	1,818	21	6,619
Ner Israel Rabbinical College, Baltimore		28,720	28,720	6	310
Pension and Relief Fund (Central Conference of American Rabbis)		10,397#	3,528	17	NR
Rabbi Isaac Elchanan Theological Seminary, N. Y.		119,451##	99,093	36	7,475
Union of American Hebrew Congregations		Agency did not supply information		5	
Union of Orthodox Jewish Congregations		No report made by CJFWE		1	
United Synagogue of America		No report made by CJFWE		1	

Name of Agency	Campaign Goal **** 1940	Income 1939		No. of Wel- fare Funds Making Grants*	1939 Welfare Fund Grants**
		Total	Con- tribu- tions***		
<u>Coordination, Research and Information Services</u>					
Conference on Jewish Relations	\$ 18,950	\$ 15,894#	\$ 14,269	7	\$ 2,045
Council of Jewish Federa- tions and Welfare Funds	116,260	108,960	106,539	73	63,919
Jewish Information Bureau	10,000##	1,698	1,698	4	NR
Jewish Welfare Board	156,000	101,482	42,620	46	24,603
National Conference of Jewish Social Welfare	7,775	7,965	7,965	8	3,355
Statistical Bureau of Synagogue Council of America (formerly Jewish Statistical Bureau)				18	
Agency did not supply financial data					
<u>Non-Sectarian Agencies</u>					
<u>A. Overseas and Immigra- tion</u>					
American Friends Ser- vice Committee				1	
Catholic Refugee Relief Society			No report made by CJFWF	1	
Protestant Refugee Relief Society			No report made by CJFWF	1	
University in Exile			No report made by CJFWF	1	
<u>B. Civic Protective</u>					
American Council Against Nazi Propa- ganda				0	
Committee to Combat Anti-Semitism			No report made by CJFWF	1	
Council Against Intol- erance in America			No report made by CJFWF	1	
League for Fair Play			No report made by CJFWF	0	
National Conference of Christians and Jews			No report made by CJFWF	27	
Non-Sectarian Anti- Nazi League		62,497	55,661	22	NR
Non-Sectarian League for Americanism				2	
<u>C. Other</u>					
National Conference of Social Work				1	
			No report made by CJFWF		

Name of Agency	Campaign Goal **** 1940	Income 1939		No. of Wel- fare Funds Making Grants*	1939 Welfare Fund Grants**
		Total	Con- tribu- tions***		
<u>Local New York Jewish Agencies Appealing Nationally</u>					
Academy for Jewish Studies and Trades		New organization		0	
Kolel Heichal Etorah				1	
Beth Gabriel		Agency did not supply financial data			
National Association for the Jewish Blind			No report made by CJFWF	0	
New York Guild for the Jewish Blind			No report made by CJFWF	2	
Rabbi Jacob Joseph School		No report made by CJFWF		1	
Rabbinical Seminary of America			No report made by CJFWF	2	
Yeshivah Torah Vodaath		\$ 98,430 <sup>##</sup>	NR	9	NR
Yeshivos Foundation Fund		Agency did not supply financial data		1	

- \* - From reports of 84 Welfare Funds. Additional Welfare Funds contribute but do not report to Council.
- \*\* - From financial reports of Agencies.
- \*\*\* - All sources.
- \*\*\*\* - Campaign goal includes receipts expected from all other sources of income.
- a - As of March 14, 1940 United Jewish Appeal reported total pledges of \$18,594,291; on 12/31/39 the UJA had collected \$11,540,000 and had actually allocated JDC \$5,600,000, UPA \$2,850,000, special subventions \$250,000 pledged (\$125,000 paid) and had spent \$405,487 for fund raising costs. The JDC amount is on accrual basis, NRS on cash basis and UPA on cash basis includes \$2,850,000 received from UJA plus JNF receipts

- and income received in 1939 from 1938, 1937 and 1936 campaigns.
- b - One welfare fund city has a separate campaign for UJA.
- c - Outstanding pledges (1939) \$140,792.
- d - Chapter contributions only.
- e - Includes \$186,299 - membership dues 62,082 - return of loans.
- f - Figures do not include HIAS Immigration Bank.
- g - Not including N. Y. Federation grant of \$19,437.
- h - Goal \$500,000 - includes \$250,000 to be collected from labor groups for JDC.
- i - No budget since negotiations for continuation of school pending.
- j - Figures cover period Jan. 12, 1938 - Nov. 24, 1939.
- NR - Not reported.
- # - 1938 - 1939 Financial Experience. Campaign goal 1939 - 1940.
- ## - 1938 Financial Experience. Campaign goal 1939.

*Host*  
*Gain prestige*  
*Front financing - Council*  
*Get expression of opinion* *Majority*

October 18, 1940

Mr. H. L. Lurie, Executive Director  
Council of Jewish Federations and Welfare Funds  
165 West 46th St.  
New York, N.Y.

My dear Mr. Lurie:

Let me thank you for your kind letter of October 9. I am afraid I will not be able to attend the meeting on October 25.

I have refrained from giving you my reactions to the memorandum of the Committee which was sent to me for reasons which I indicated in my conversation with Mr. Blaustein when we met in Maine last August, I believe. These same reasons caused me to hesitate about accepting membership on the Committee.

I am completely in favor of as thorough-going and as accurate a survey as possible of the financial set-up, budgets, administration and expenditures of any and every organization soliciting funds in the United States from Jewish communities. This applies to overseas agencies as well as to national agencies. I strongly approved of the Inquiry which is now being made under the auspices of the Allotment Committee of the United Jewish Appeal, and which I believe will do a necessary and valuable piece of work. In so far as the Council of Jewish Federations and Welfare Funds intends to follow up this work through this Committee, or any other committee, it should be encouraged in every way.

When it comes, however, to the subject of national budgeting which, of course involves ultimately the task of "evaluating" the importance of the work done for the respective agencies, I am afraid that such a national budgeting committee will find itself in serious difficulties. The matter of ideological preferences will inevitably come up. Thus, for example, to one who is opposed to Zionism, my dear Mr. Lurie, every dollar spent in Palestine, except as it might be spent in elementary relief, is wasted, regardless of how efficiently that dollar may otherwise be expended. On the other hand, those who believe in the upbuilding of the Jewish National Homeland feel that the cause is so worthy and historically so necessary that the millions already spent in Palestine are entirely inadequate. How are you going to reconcile these viewpoints, and how can any committee "evaluate" the work in Palestine?



October 18, 1949

American Jewry and World Jewry have been sharply divided on the issue of Zionism and a Jewish Homeland ever since the first Zionist Congress in 1897, and while bitter opposition to Zionism has appreciably waned in recent years, there is still a decided difference of opinion, based on political considerations and on various philosophies of Jewish life and destiny. Certainly the Council of Jewish Federations and Welfare Funds would not wish to undertake to deliver an "ex-cathedra" judgment to American Jewry on Zionism or the need of a National Homeland.

But, if you do not take a definite position one way or another, how can you "evaluate" the work in Palestine? From a Zionist point of view, it is of primary importance to build colonies and settlements in Palestine, to purchase land, to invest public funds in the encouragement of industry, to stimulate Hebrew culture and maintain a Hebrew University, to provide for the defense of the Palestine community, and to carry on necessary political action. From the point of view of mere philanthropy, much of that is unnecessary, and no more should be done for Palestine than a system of per capita refugee relief will permit. And even on the basis of refugee relief, there are those Jews in America who think it more important and more desirable to spend money on the relief and resettlement of refugees in all parts of the world except in Palestine. B

I do not know, ~~my dear Mr. Lurie~~, how you plan to get around this basic difficulty. It is very doubtful whether a world movement, like Zionism, will consent to have the validity of its claims passed on by a national budgeting committee for whose composition it would be only in part responsible, and which committee under the present system of organization in American Jewish life, can not be truly representative of American Jewry. Until such time as Jewish communities are democratically organized in Jewish community councils, and in turn into a national organization representative of these community councils which would then be competent to speak for American Jewry in a truly democratic and representative manner, it would be best to leave each community to pass judgment on the validity of the appeals made to it re-inforced by such factual information and data which the Council of Federations and Welfare Funds might supply it. Every other arrangement has heretofore meant the concentration of increased authority in the hands of a small group of people who through interlocking directorships, control most of our important national institutions, and who in the past have not given any exceptional evidence of sympathy for the upbuilding of Palestine.

Centralization without thorough-going democratic control is highly undesirable. And until that control is satisfactorily fashioned by a national organization of democratically constructed Jewish community councils, no such serious centralization as is contemplated in a national budgeting committee should be, in my humble judgment, undertaken even if its character shall at first be purely advisory. The inevitable trend of such advisory agencies is in the direction of being used as mandate and authority. Many of the difficulties in the present set-up to which the memorandum calls attention are, of course, real. Some of them may be solved without the creation of a national budgeting committee. Others may not. These difficulties are far less serious than those which would be created under the contemplated set-up. By and large, the Jewish communities have not done a bad job of the problem which confronted them. May I remind you of the failure to achieve unity of budgeting and planning even in a limited field where four organizations are involved in similar and at times over-lapping activities. I refer, of course, to the General Council for Jewish Rights. Furthermore, the

Fundamentally,

Mr. Lurie

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October 18, 1940

the difficulty there is the same to which I have alluded above. Each group speaks in the name of American Jewry but its authority derives from a specific social or economic group which in no instance is representative of organized American Jewish community life.

As far as I am authorized to speak for the Zionist agencies and institutions in Palestine, let me assure you that they stand ready to give the Council of Jewish Federations and Welfare Funds the fullest cooperation in any inquiry which it cares to undertake, into the financial set-up, expenditures, system of accounting, institutions and activities in Palestine.

I shall be in New York City on Monday. I shall be very happy to discuss with you any other angles of this subject that you would care to discuss.

With all good wishes, I remain

Very cordially yours,

AHS:BK



BUDGET OF MINIMUM NEEDS - YEAR 1941  
(Preliminary Estimate)

SUMMARY

	<u>Budget 1941</u>	<u>Expenditures 1940</u>
<u>Operating Expenses</u>		
Relief & Service. . . . .	\$1,965,020.	\$1,855,630.
Central Intake. . . . .	216,220.	171,710.
Resettlement. . . . .	473,110.	300,465.
Special Committees (Physicians, Musicians, Rabbis, Central Loan, Agricultural, Social & Cultural) . . . . .	53,610.	56,600.
New York Section - N.C.J.W. . . . .	81,180.	79,800.
Brooklyn Section - N.C.J.W. . . . .	17,640.	17,425.
Migration . . . . .	109,500.	131,385.
Employment. . . . .	74,500.	78,460.
Accounting, Statistical, Information and Executive Departments. . . . .	116,170.	118,910.
Office & Administrative Expenses. . . . .	<u>240,100.</u>	<u>294,370.</u>
Total Operating Expenses	3,347,050.	3,104,755.
Special Projects . . . . .	698,000.	170,425.
Subventions. . . . .	177,100.	189,065.
Reserve for Contingencies. . . . .	120,000.	-
TOTAL	<u>\$4,342,150.</u>	<u>\$3,464,245.</u>

NATIONAL REFUGEE SERVICE, INC.  
165 WEST 46TH STREET  
NEW YORK CITY

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October 13, 1940

Mr. Jacob Blaustein, Co-Chairman  
Mr. William Rosenwald, Acting Co-Chairman  
Council of Jewish Federations and Welfare Funds  
165 West 46th Street  
New York City

Gentlemen:

The history of the discussion concerning national budgeting is not too familiar to me. As a result I may not understand all of the implications contained in the memorandum dated September, 1940, for the Committee on the Study of National Budgeting Proposals submitted with your letter of September 13. I therefore hesitate to make any categorical statements concerning what appears to me to be a difficult, although not insoluble, subject.

1. As to whether some plan for a central national budgeting of agencies that ~~appeals~~ appeals to Welfare Federations is necessary, the answer is that, whether necessary or not, it is perhaps inevitable. The leaders of local communities, I sense, feel the need for some process which would review with considerable care the basis for the appeals and financing of the organizations making them. I can well understand that this trend is not thoroughly approved by all of the agencies. A national budgeting plan, I think, would certainly reduce the influence and power, perhaps even the prestige, now enjoyed by some of the agencies. This is quite understandable. The direct contact with the local Welfare Funds and the opportunity to count on the personal appeal will be very much reduced. Reliance on the part of the local Welfare Funds will be placed on the "findings" of such a national budgeting body which will no doubt come to assert a tremendous influence if not "control" over the budgets and the work of the agencies involved.

2. I am not prepared to say whether such a national budgeting committee would or could be sufficiently objective to do its work properly. There is a real danger that a few very influential individuals, perhaps representing strong organizations, could have an undue influence on the work of such a budgeting committee. If this should materialize, the resulting evils would probably exceed in importance the weaknesses prevailing in the present methods.

There is, after all, much to be said for the direct and thoroughly democratic relationship between the individual community and the national agencies. A national budgeting plan would, unless specific steps were taken to forestall it, tend to reduce if not destroy that relationship.

3. I am so strongly in favor of some objective method of evaluating budgetary needs and requirements as to be prepared to indicate that in spite of my qualms cited in 1 and 2 above, I should like to see some beginning toward national budgeting.

To include all of the many agencies now receiving support from Welfare Funds would present almost insurmountable difficulties. Therefore, it seems to be inadvisable to consider the national budgeting process as



October 23, 1940

From: H.L. Lurie

ADDITIONAL LETTERS RECEIVED  
FROM MEMBERS OF THE COMMITTEE

applicable to all the organizations. We might begin by applying the process to one or two selected fields, such as health or civic-protective agencies. When progress is demonstrated in such restricted fields it might be extended to additional areas.

4. It may well be that the work initiated this year by the United Jewish Appeal and expressed in the present activities of the Allotment Committee could be considered an adequate beginning toward national budgeting. While the Committee's present interest is largely connected with the allocation of 1940 funds, some consideration will undoubtedly be given by the Committee to the budgetary requests of the agencies involved for 1941. If that should materialize, it may be sufficient to permit the national budgeting process to be confined to the agencies now included in the United Jewish Appeal or those which may perhaps be included in a future United Jewish Appeal. It strikes me, however, as important that the matter be considered on a highly experimental basis until more substantial experience is secured.

Sincerely yours,

(Signed)

WILLIAM HABER



THE AMERICAN JEWISH  
JOINT DISTRIBUTION COMMITTEE, INC.  
100 EAST 42 STREET, NEW YORK CITY.

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October 22, 1940

Mr. H. L. Lurie, Executive Director  
Council of Jewish Federations & Welfare Funds  
165 West 46th Street  
New York, N. Y.

Dear Harry:

I am sorry that due to my absence from New York until yesterday, I was unable to acknowledge your letter of October 9th with reference to the meeting of the Committee on the Study of National Budget Proposals. I hope you will excuse my dereliction.

I have read with a great deal of interest your very well considered memorandum on the problem of national budget proposals. I can attempt only in the briefest way to comment on the questions raised therein. Of course, a close analysis of the memorandum would require a very extensive reply, which I cannot undertake to write at this time, nor, I am sure, would you wish it.

As to the questions that you specifically raise: number 1 - I favor the development of a plan for central, national budgeting of a limited number of important agencies that make appeals to welfare funds. Inasmuch as the United Jewish Appeal, comprising the three major agencies involved in overseas relief and refugee aid, takes by far the largest single allotment of the welfare funds, I am of the opinion that a study of the requirements, budgets and programs of these three agencies in the present United Jewish Appeal, constitutes an important field of inquiry and interest to the welfare fund communities.

By the Agreement setting up the United Jewish Appeal for 1940, a Distribution Committee was appointed and an appropriate inquiry Bureau was established to analyze the needs and budgets of these agencies. This arrangement represents the culmination of many years of effort to establish a scientific and objective basis for the appraisal of the comparative needs of the J.D.C. and of the U.P.A. and, more recently, of the National Refugee Service. I regard this as a very great step forward. More especially is this desirable because it brings into play not alone an impartial inquiry, but also because important leaders of welfare fund communities acting as representatives of the Jewish community of the United States at large, are involved in and authorized virtually to cast the deciding vote as between the J.D.C. and U.P.A. representatives on the Distribution Committee.

An inquiry director, Mr. Elisha Friedman, has for some time now devoted himself to a study of the records and reports of these agencies. At the present time, discussions between the J.D.C. and the U.P.A. are proceeding relative to the whole question of United Jewish Appeal and the continuance of a unified campaign in 1941. As I understand it, the Distribution or Allocations Committee will meet sometime early in November to receive the findings of the Inquiry Bureau. In these circumstances, it would seem to me proper and advisable in the first instance to await the results of this inquiry, and to determine in what respects it may serve and be continued and perhaps augmented for the study of smaller agencies whose activities impinge on the programs of the major bodies.

I think I realize the pressures under which the leaders in the respective welfare fund communities labor, the difficulties which confront them in relation to the many demands made on the local purse, the absence of definitive information concerning the programs, the needs and the abilities of applicant organizations to engage in useful or essential work. Yet it seems to me that to attempt at this time on a vast and comprehensive scale to set up a national budget apparatus which would involve the making of an analysis and study of the requirements of all agencies of every type (exclusive of local federations and local Jewish charities) would be a task which in its complications and immensity could defy any practicability of success. I am afraid that it is an over-ambitious and unworkable idea at this moment.

It seems to me that so important a matter must be determined on the basis of trial and experimentation, with a view to testing out the results. I think it is realized that each of the organizations in question - especially those that have had long-standing experience and background - has made certain types of inquiry and study and budgeting of its own, in order to arrive at its own course of procedure and its own allotment. In this work, an organization like the J. D. C., for instance, has enjoyed not merely the services of members of its professional and supervisory staff both here and abroad, but also a very substantial measure of aid from lay leaders. That in my opinion is a very important consideration in any plans for budgeting.

When one considers the intricacies, the complexities of an organization such as the United Palestine Appeal, which represents a number of Palestinian organizations - Keren Kayemeth, Keren Hayesod, Mizrahi - all of which in turn are represented on the Council and respective committees of the World Jewish Agency for Palestine, and when one realizes that that Agency is an international body in which persons in various countries participate, the attempt to make an objective and impartial study is difficult.

Even the growing problem of refugee assistance in this country and its ramifications throughout the various localities, demands a type of inquiry that involves the attention both of professional social workers and of lay leadership.

I make these observations because I believe that this truly sensitive problem of budgeting will require in a full sense, not merely the casual but the continuous and sustained attention of lay persons throughout the country. The organization of such an apparatus, therefore, must proceed on lines and at a tempo slower than that which is normally entrusted to the sole scrutiny of professional workers. I believe that this whole problem, a very sensitive one of budgeting and of allocation, cannot be attempted in its entirety to be solved or appraised for all of the agencies - the sixty to one hundred - which come to the welfare funds. Not only do the overseas agencies deal with a constantly shifting situation, involved in the uncertainties of political and military change, but the civic, protective agencies likewise have unique situations of their own. Moreover, there are organizations which do not participate in the welfare funds, and yet raise and take considerable sums from the communities.

At this time, especially in view of the political situation in the United States - the fear that the United States may increasingly be brought closer to a war status, - I have the feeling that it would be preferable and more wholesome to take one step at a time, and not attempt an over-ambitious and, in my opinion, at the present time, an impracticable program of national budgeting of all agencies coming to the welfare funds. I would much rather urge that the present Allotment Committee of the United Jewish Appeal, or its successor, be given an



October 22, 1940

ample opportunity to lay the groundwork for the study of the three major agencies which, after all, get a large part of the welfare fund contributions, and then, in the light of the experience thus gained, which is bound to prove valuable and illuminating, consider the possibility of enlarging the scope of its inquiries.

I personally share the view that agencies like J.D.C., U.P.A. and N.R.E. constitute the very foundation on which the appeal of the welfare fund is predicated. In fact, they serve as the basic reason for the existence of the welfare funds. The other agencies included in welfare funds while important, and I do not minimize their importance to their own protagonists, certainly present much less of the universal appeal which challenges the welfare fund to renewed effort.

For these reasons, I have the feeling that emphasis should be laid on the type of inquiry now being pursued under the auspices of the United Jewish Appeal and with the participation of representative welfare fund leaders.

You appreciate that in writing you I am presenting personal views, and that I have not taken up this question with the officers or the respective committees of my organization.

WRHS  
(signed)

Sincerely yours,

J. C. Hyman

JCH:mh

Comments from George L. Levison, San Francisco

October 17, 1940

After reviewing this memorandum, I am impressed by the fact that the issues involved seem to be confused, and I have made an effort to try to clarify the fundamental factors involved.

1. The Present Situation. As I see it, the reason for consideration of any national budgeting program is basically because there is a feeling that many communities do an inefficient, haphazard job. I do not believe that this is universally true by any means, and that in the main the larger communities budget fairly effectively. However, because of the comparative newness of the problem to a great number of the Welfare Funds, no consistent practices have been followed. Here in San Francisco, where we have had our Welfare Fund for so many years, we follow very definite procedures which have worked, we believe, efficiently even in the face of recent changing conditions.

After all, the primary question is whether, through a national committee, a more efficient job can be done than can be done by educating and stimulating the local budgeting process. I believe that it is the Council's function to stimulate local budgeting and to educate the communities so that they will arrive at logical conclusions. This can be done, to my mind, by following certain basic principles.

First and foremost, it is necessary for the Council to determine whether it will evaluate the work of the different participating agencies. If the Council is not prepared to do this, then I cannot see how it can be effective in either a national budgeting scheme or in a program to really help in local budgeting. I fully realize the difficulties and dangers of the Council entering into the field of evaluation, but it is obvious that as the national organization representing all of the Welfare Funds, the Council is in a better position to evaluate than are the individual communities.

We in San Francisco must naturally arrive at conclusions as to the value of the work being done by the different agencies before we can budget funds. I feel that the Council, through the very weight of its influence, can be a determining factor in forcing agencies to submit honest figures. I feel very strongly that the greatest weakness of the entire Welfare Fund structure is the dishonesty on the part of the agencies in the figures which they submit. The whole process is one of trying to build up a case for themselves by exaggeration rather than by fact.

The work which has been done by the Council in the past in this direction has been most helpful to us, even though it has only been a partial job. In fact we have found that in spite of all the figures which we receive from the Council, our most conclusive facts are contained in the application form which we require to be completed by every agency before they are considered for an allocation. The very fact that this application form is a standardized form is in itself of great value. I can readily understand that where each agency submits figures bringing out in bold type the items which they want to emphasize and minimizing those which they want to hide, comparisons between agencies' statements becomes almost impossible.

2. I feel that one of the weaknesses of the Welfare Fund movement is the fact that many small communities have what they call Welfare Funds, but actually have no more than a unified drive to collect money for a handful of agencies. It would seem to me that Welfare Fund communities should be classified into a series of groups depending upon the amount collected, and that those communities falling within a single group should be advised by the Council as to a reasonable list of agencies among whom the funds should be divided. If this could be done, a far better balance would be arrived at and the communities would recognize what their responsibility is, at least in relation to which agencies should be supported.

Naturally, a community raising \$500,000 can lend support to more agencies than a community raising only 10% of that amount. On the other hand, I cannot feel that even the smallest community is doing a Welfare Fund job where their beneficiaries consist of only four or five agencies.

3. If the theory of a National Advisory Budget Study Committee is sound, it seems to me that its function should be:

- (1) To obtain honest data from all agencies.
- (2) To evaluate the work of each agency.
- (3) To recommend, possibly on a percentage point of view, the comparative allocations to the different agencies.
- (4) To try to set standards as to the reasonable quotas for different communities.

I am, however, of the opinion that the Council should limit its efforts in this direction to analyses from which the local communities can draw their own conclusions, and that no national budgeting process should be superimposed upon the present structure.

Frankly, I have no faith in the ability of any small group to do a better job than will the individual communities if they are furnished with adequate information. On the other hand, I feel that pressure groups will have far more influence over a small national committee than those groups can possibly have over a decentralized system of local determination.

4. We feel in San Francisco that we have certain local situations which must be dealt with locally and upon which our judgment is more apt to be sound than any decision reached by a central body. We are very conscious of our obligation to the individuals who give the money, and we believe that our allocations must be based upon, first, the needs of the agencies and the value of the work being done by them, and second, of vital importance, we must allocate funds in accordance with the wishes of the contributors. We all realize that this latter factor varies in different communities, so that a national program will not satisfy the wishes of local contributors. After all, a Welfare Fund is no more than a trusteeship, and I believe that the only way a Welfare Fund can continue successfully is by maintaining within its own community a feeling among the contributors that the Fund is being distributed in accordance with the wishes of those contributors.

UNITED PALESTINE APPEAL  
41 EAST 42ND STREET  
NEW YORK CITY

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October 18, 1940

Mr. H. L. Lurie, Executive Director  
Council of Jewish Federations and Welfare Funds  
165 West 46th Street  
New York, N. Y.

My dear Mr. Lurie:

Let me thank you for your kind letter of October 9. I am afraid I will not be able to attend the meeting on October 25.

I have refrained from giving you my reactions to the memorandum of the Committee which was sent to me for reasons which I indicated in my conversation with Mr. Blaustein when we met in Maine, last August, I believe. These same reasons caused me to hesitate about accepting membership on the Committee.

I am completely in favor of as thorough-going and as accurate a survey as possible of the financial set-up, budgets, administration and expenditures of any and every organization soliciting funds in the United States from Jewish communities. This applies to overseas agencies as well as to national agencies. I strongly approved of the Inquiry which is now being made under the auspices of the Allotment Committee of the United Jewish Appeal, and which I believe will do a necessary and valuable piece of work. In so far as the Council of Jewish Federations and Welfare Funds intends to follow up this work through this Committee, or any other committee, it should be encouraged in every way.

When it comes, however, to the subject of national budgeting which, of course involves ultimately the task of "evaluating" the importance of the work done by the respective agencies, I am afraid that such a national Budgeting committee will find itself in serious difficulties. The matter of ideologic preferences will inevitably come up. Thus, for example, to one who is opposed to Zionism, my dear Mr. Lurie, every dollar spent in Palestine, except as it might be spent in elementary relief, is wasted, regardless of how efficiently that dollar may otherwise be expended. On the other hand, those who believe in the upbuilding of the Jewish National Homeland feel that the cause is so worthy and historically so necessary that the millions already spent in Palestine are entirely inadequate. How are you going to reconcile these viewpoints, and how can any committee "evaluate" the work in Palestine?

American Jewry and World Jewry have been sharply divided on the issue of Zionism and a Jewish Homeland ever since the first Zionist Congress in 1897, and while bitter opposition to Zionism has appreciably waned in recent years, there is still a decided difference of opinion, based on political considerations and on various philosophies of Jewish life and destiny. Certainly the Council of Jewish Federations and Welfare Funds would not wish to undertake to deliver an "ex-cathedra" judgment to American Jewry on Zionism or the need of a National Homeland.



But, if you do not take a definite position one way or another, how can you "evaluate" the work in Palestine? From a Zionist point of view, it is of primary importance to build colonies and settlements in Palestine, to purchase land, to invest public funds in the encouragement of industry, to stimulate Hebrew culture and maintain a Hebrew University, to provide for the defense of the Palestine community, and to carry on necessary political action. From the point of view of mere philanthropy, much of that is unnecessary, and no more should be done for Palestine than a system of per capita refugee relief will permit. And even on the basis of refugee relief, there are those Jews in America who think it more important and more desirable to spend money on the relief and resettlement of refugees in all parts of the world except in Palestine.

I do not know, my dear Mr. Lurie, how you plan to get around this basic difficulty. It is very doubtful whether a world movement, like Zionism, will consent to have the validity of its claims passed on by a national budgeting committee for whose composition it would be only in part responsible, and which committee under the present system of organization in American Jewish life, can not be truly representative of American Jewry. Until such time as Jewish communities are democratically organized in Jewish community councils, and in turn into a national organization representative of these community councils which would then be competent to speak for American Jewry in a truly democratic and representative manner, it would be best to leave each community to pass judgment on the validity of the appeals made to it, re-inforced by such factual information and data as the Council of Federations and Welfare Funds might supply it. Every other arrangement has heretofore meant the concentration of increased authority in the hands of a small group of people who, through interlocking directorships, control most of our important national institutions, and who in the past have not given any exceptional evidence of sympathy for the upbuilding of Palestine.

Centralization without thorough-going democratic control is highly undesirable. And until that control is satisfactorily fashioned by a national organization of democratically constructed Jewish community councils, no such serious centralization as is contemplated in a national budgeting committee should be, in my humble judgment, undertaken, even if its character shall at first be purely advisory. The inevitable trend of such advisory agencies is in the direction of being used as mandate and authority. Many of the difficulties in the present set-up to which the memorandum calls attention are, of course, real. Some of them may be solved without the creation of a national budgeting committee. Others may not. These latter difficulties are, however, far less serious than those which would be created under the contemplated set-up. By and large, the Jewish communities have not done a bad job of the problem which confronted them.

May I remind you of the failure to achieve unity of budgeting and planning even in a limited field, where four organizations are involved in similar and at times over-lapping activities. I refer, of course, to the General Council for Jewish Rights. Fundamentally, the difficulty there is the same to which I have alluded above. Each group speaks in the name of American Jewry but its authority derives from a specific social or economic group which in no instance is representative of organized American Jewish community life.

As far as I am authorized to speak for the Zionist agencies and institutions in Palestine, let me assure you that they stand ready to give the Council of Jewish Federations and Welfare Funds the fullest cooperation in any inquiry which it cares to undertake, into the financial set-up, expenditures, system of accounting, institutions and activities in Palestine.

I shall be in New York City on Monday. I shall be very happy to discuss with you any other angles of this subject that you would care to discuss.

With all good wishes, I remain

Very cordially yours,

(Signed) ABRA HILLEL SILVER



January 17, 1941

Mr. Henry Montor  
United Palestine Appeal  
41 East 42nd St.  
New York, N.Y.

My dear Mr. Montor:

In connection with the Atlanta meeting, I believe that other organizations who would be affected by the budgeting proposal should be marshalled in the opposition. The major line of attack at Atlanta should be the danger of setting up a dictatorship which would dominate and control the whole of American Jewish life. If it is logical to budget for overseas agencies, it is also logical to budget for the Anti-Defamation League, the American Jewish Congress, the American Jewish Committee, etc. etc. Are these organizations satisfied to have a small group men representing a few of the larger Welfare Funds or Welfare Boards (none of them really democratically chosen) control their destinies?

I believe that you should contact immediately the American Jewish Congress, the representatives of the Anti-Defamation League, and such other organization who would see the subject from our viewpoint. They, in turn, should make sure that their friends are in attendance at Atlanta, and that their point of view is fully represented. Furthermore, it should be widely understood that delegates attending the Atlanta convention have no authority to speak for their representative Welfare Funds and Federations, or to commit them. The local Federations and Welfare Funds will make their own decisions.

I think that it would be helpful if prior to the Atlanta convention, such an organization as the Anti-Defamation League or the American Jewish Congress or the Labor Committee would come out with a public statement attacking the Hollander proposal.

Please let me know when, after February 3, Mr. Joseph would be available for Cleveland.

With all good wishes, I remain

Very cordially yours,

January 20, 1941

COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS, INC.

SPECIAL MEETING OF BOARD OF DIRECTORS

Friday January 31, 1941 - Standard Club, 400 Ponce de Leon Ave., N. E., Atlanta

Agenda General Questions and Background for Discussion

Invitation to the enlarged Board meeting has been limited to members of the Board of Directors, the Assembly Program Committee, members of other special committees, officers of regional organizations, officers of member agencies in large cities that are not included in organized regions and selected representatives of the larger national and overseas agencies. The meeting is designed to give special consideration to acute problems and to formulate statements for discussion and action at the General Assembly.

Friday, January 31, 1941 - Standard Club

9:30 A.M. to 12:00 - Presiding, William J. Shroder, Chairman of Board  
of Directors

General Introduction to Problems of Local-National Relationships -  
William J. Shroder

The General Jewish Council, Report of Developments -  
Edgar J. Kaufmann, Pittsburgh  
Henry Monsky, Omaha

Questions of National Cooperation and Local Programs - Informal discussion  
by local leaders and representatives of the national civic-  
protective agencies.

Reporters to General Assembly - Amos S. Deinard, Minneapolis  
Philip Bernstein, Cleveland

12:30 P.M. - Luncheon - Standard Club

\* 2:00 P.M. - Meeting reconvened - William J. Shroder, Presiding  
to

5:30 P.M. The Allotment Committee of the 1940 UJA, Its Functions and Results -  
Report by Fred M. Butzel of Detroit and other members of the  
Allotment Committee.

Presentation of 1941 overseas and refugee campaign plans by  
representatives selected by the JDC, NRS and UPA.

Discussion to be opened by Jacob Blaustein of Baltimore, co-chairman  
of Committee on National Budgeting Proposals

Reporters to General Assembly - James L. White, Salt Lake City  
Harry Greenstein, Baltimore

\* Subjects listed for afternoon discussion will be moved ahead to morning session  
if time is available.



Friday Evening - No formal meeting, but opportunity is available after religious services for meetings of special committees or reporting groups for preparation of statements.

Saturday, February 1.

12:30 P.M. - Luncheon Meeting of Board of Directors, Hotel Biltmore (Room 10)  
William J. Shroder, Presiding

(Attendance limited to official members of Board of Directors for routine business.)

3:00 P.M. - Room 14, Hotel Biltmore

Continuation of meeting of Board of Directors and invited guests for consideration of reports of Friday sessions.

8:15 P.M. - Hotel Biltmore, Ballroom

Opening session of General Assembly.

#### BASIC QUESTIONS ON AGENDA

The problems of local relationships to the programs and finances of the national civic-protective agencies, the overseas and refugee campaigns and other national causes securing their funds from local welfare funds involve the following questions:

1. National Causes and the Local Community. - Local communities are interested in important Jewish causes. They have organized in a sincere desire to participate in and support programs which can be conducted effectively only on a national basis, or which operate in lands overseas. There is an essential difference between the local community and the national agency. National agencies need to promote their special causes. It is important, however, that they relate their aims and methods to the fact that local communities have organized because of a general interest and concern for Jewish causes, rather than as loose associations of separate groups. It should be possible to work out acceptable policies on national and local relationships which take into account both the interests of the national institutions and the cooperative basis of local interest and support.
2. Budgeting Methods. Local funds must budget beneficiary agencies, whether they make their appeals separately or as groups of agencies, and an equitable basis should be established for such budgeting. Budgeting is a local process, but advisory national budgeting can strengthen local procedures.
3. Campaign Relationships. Fund raising on a national scale is expensive and costs can be materially reduced by joint appeals. Local welfare funds serve not as agents or instruments of national agencies but provide a method of organizing local interest and support in Jewish programs. Local campaigns are conducted at a minimum of expense. Though the national agencies must present their causes properly to the organized local communities, they are not required to engage in intensive efforts to reach the individual contributor.

It is desirable that welfare funds establish definite policies on national promotion and campaigning efforts intended to reach the individual contributor. Such policies should be mutually acceptable to the local funds and the national offices and cover also the distribution of literature and publicity material, visits of field workers, local and regional meetings, budgetary hearings and other matters of common interest. The regional organizations of welfare funds can be helpful in working out such effective relationships.

### BACKGROUND OF LOCAL-NATIONAL RELATIONSHIPS

Continued cooperation of Jewish groups within the community is the essential problem. This hinges on the problem of local and national cooperation. The development of cooperation in local communities and between national agencies is far from uniform and the discrepancies between the rate of local and national development constitute the problems of organization which we are facing at this meeting.

On a local basis, cooperation of Jewish groups has made rapid progress. It is experiencing difficulties in relating its work to the causes and programs of national scope in which Jewish group cooperation, for the most part, has not been developed. We need to analyze the reasons for the rapid headway made in local organization and the barriers which are impeding comparable progress on a national basis.

#### Trends in Local Cooperation

Local communities for several decades have explored and developed the possibilities for joint group action; first, in the area of local philanthropic needs, second, in joint fund raising for national and overseas appeals; and finally, in matters affecting relationships with the general community extending beyond the limited scope of philanthropic effort.

This achievement in local organization stimulated some cooperation of national and overseas causes. Similarly, there have been some evidences of national cooperation which, in turn, have benefitted local organization. The methods of group cooperation have become well established in many cities. We face the fact, however, that less cooperation between specific national and overseas causes and a resumption of intensive competition are bound to have an adverse effect upon local cooperative efforts.

#### The Nature of Local Cooperation

Differences in individual interests, philosophies and group loyalties exist locally and reflect the stratification and segregation of elements within the community. These group differences are likely to be less acute in cities outside of New York and the two or three other centers of Jewish population. Observers have noted that in spite of initial differences in national origin, religious affiliation and social and economic status, Jews are tending to become a more homogeneous group. Whatever the traditional differences, the growing intensity of anti-semitism and other acute Jewish problems have been instrumental in bringing together, for common action, Jews with differing interests and outlook.

As a result, local communities have been able, increasingly, to establish a stable basis for local cooperation. Fundamentally, local cooperation rests upon the acceptance of multiple interests and a tolerance of group differences. Gradually, a broad interest is being established in the total program, replacing zealous adherence to specific Jewish causes. Jewish contributors locally have demonstrated that they can unite in joint activities and derive real satisfactions from group cooperation. An equitable working basis has been achieved in federations and other joint appeals. There is required only a reasonable attitude, which keeps in mind the different interests and background of contributors, the size of contributions, the relation to contributors' interest and which weighs these factors in the distribution of funds. Local communities realize that there can be no arbitrary decisions which ignore the desires of contributors. Some contributors are specifically concerned with one or more defined fields of service, but there are many more, in various income groups whose interests are general rather than specialized. The latter are growing in number, due to the broadening tendencies of united appeals. A democratic method, which gives due consideration to the interests of large and small contributors, is possible in joint drives, and a workable formula for division of funds which corresponds to local interests has been successfully achieved in practically all cities. The withholding or restricting of contributions, because of individual dissatisfaction with fund distribution, are rare occurrences. However, the knowledge that contributors will be dissatisfied with unwise budgeting decisions serves as a corrective and guiding factor for local leadership entrusted with fund distribution. Allotments from a joint fund must satisfy all contributors, otherwise campaigns cannot be successful.

Out of the satisfactory experience in local philanthropy, cooperation developed with respect to fund raising for national and overseas causes and the programs for defense and other group relationships. Increasingly, local communities are organizing joint programs for local defense. Most leaders of welfare funds firmly believe that they have achieved a well established Jewish community organization which will withstand the divisive forces which may be felt locally as a result of competition from national offices and the presence in their communities of small groups who are over zealous in behalf of specific causes.

#### Experience in National Cooperation - the UJA

Some of the same tendencies toward group cooperation have been operating in national causes. The UJA has been the major expression of cooperation, even if the relationships between the constituent agencies was on a more tenuous basis than in the corresponding relationships of local groups. Joint appeals between the JDC and the Palestine agencies go back as far as 1925, representing arrangements of convenience and mutual interest. These were possible because of the Jewish Agency for Palestine, organized with Zionist and non-Zionist representation. While Zionists were primarily concerned with Palestine as a Jewish homeland and as an essential development in the midst of intensive European nationalisms, Palestine to non-Zionists was acceptable as a refugee settlement and as a religious and cultural center. Those who adhered to a political ideology for Palestine believed that the non-Zionist position was essentially a limited philanthropic view of Jewish problems. Nevertheless, cooperation or "fellow-travelling" seemed possible, at least at intervals over the period of years.

The joint appeals in 1934 and in 1935, the formulas worked out for welfare fund cities in 1937 and 1938 and the apex of cooperation reached in the United Jewish Appeals of 1939 and 1940, recorded progress in national cooperation, but did not resolve basic differences. Progress was made in campaigning and in distribution of funds, but there were no marked achievements in cooperative programming. As problems in Europe fluctuated, as Palestine experiences greater or lesser difficulties with the Arabs or the British Administration, the tolerance of one group for the

programs and efforts of the other was affected. The basic differences in outlook found expression in discussions of ratios and allocations. Those who accepted Palestine for its refugee assistance and rejected its political implications were inclined to assign smaller values to Palestine needs than did the Zionist adherents to whom Palestine is basically a Jewish political solution of the first magnitude. For a time, allocations were based on results of former separate campaigns, an index of contributors' interest which provided a satisfactory formula for distribution of funds. With the continuation of joint appeals and the spread of welfare funds, it became more and more difficult to measure the extent to which fund distributions reflected the interest of contributors. Since only occasional welfare funds offer contributors an opportunity to designate beneficiaries, and virtually all the funds collected are budgeted by local committees, it was impossible to determine to what extent the allocations made nationally in any one year were a measure of separate group interests.

#### The General Jewish Council

The developments in the General Jewish Council present evidences of national cooperation in another and more difficult functional field. Beginning with 1933, the growing menace of anti-semitism stimulated increased efforts on the part of Jewish agencies. The growing concern of Jews throughout the country and the intensive interests of the separate agencies focused attention on the problems and resultant activities. As a natural consequence of increased attention and rapidly developing programs, there arose dissatisfactions and questions concerning some of the agency activities. The value of cooperative effort was recognized, first, on the part of the national agencies themselves, who established various consultation procedures and second, by the local communities. The latter were reacting to the appeals for increased funds by the separate agencies, promoting their respective programs. They were also learning from experience in dealing with local manifestations of anti-semitism, the need and the possibilities for cooperative efforts. There were calls for greater cooperation and a unified national program, which in 1938 brought about the creation of the General Jewish Council. Thus far, the GJC has developed neither joint fund raising for its constituent agencies nor the integration of planning and activities that would attend a closely-knit program.

The national agencies recognize the need for constructive and thoroughly integrated defense programs and fear that separately conducted programs, influenced by opposing philosophies, may counteract their own efforts, but no real progress has been made. This lack of progress seems to bear out the views of those who hold that conflicting ideologies prevent effective coordination of programs and of agencies. The problem is complicated by the realization that the established agencies might lose some of their individual identification in a coordinated program, though some of the agencies have at times expressed a willingness to undertake a merger even under these conditions. At least one of the agencies has been built up on the basis of the specific interests of an economic group within the Jewish community, - that of labor, and whatever adjustments and relationships might be established in a combined program, there is no intention on the part of the Jewish Labor Committee to submerge itself completely within a general undifferentiated organization. Each of the other agencies present different reasons for continuity of independent efforts. Even more difficult is the unwillingness of several of the agencies to subscribe to the status quo of existing agencies with a new orientation or grouping of activities.



National Agencies for the Tuberculous

A problem of local and national cooperation which has been discussed for many years is the relationship to the national hospitals for the care of Jewish tuberculous. There has been little progress in cooperation between the several Denver and Los Angeles institutions. They continue to operate independently and have not worked out satisfactory service relationships with local communities. As a consequence, financial relationships are also unsatisfactory. It is the general feeling of our member agencies that the organized local community must have some voice in determining utilization of these national facilities. The care of a tuberculous patient is only one aspect of a general program of social services which local communities have developed for all types of social and health problems. National institutions have disregarded this development and have not geared their intake policies to the social and health programs of local agencies. For this reason, dissatisfaction with the financial relationship in behalf of national institutions is likely to increase. Some local leaders believe that member agencies are justified in withholding or reducing support to a minimum unless clearly established policies concerning local patients are accepted by the national institutions. It seems reasonable to many local federations that the national hospitals should be willing to enter into an arrangement locally in which financial support will be largely measured by the use made of national hospitals by local patients as planned by agencies with local social service responsibility.

The national hospitals have been urged repeatedly to develop such relationships and policies with reference to admission of patients and to combine their own forces so that they might more effectively participate in plans for health services and in the financial relationships of local communities. Thus far, progress has been far from adequate.

JACOB BLAUSTEIN

AMERICAN BUILDING  
BALTIMORE, MD.

January 27, 1941

Rabbi Abba Hillel Silver,  
The Temple,  
East 105th Street at Ansel Road,  
Cleveland, Ohio.

Dear Rabbi Silver:

I wish to acknowledge receipt of your January 22, 1941 letter.

I hope you will find it possible to attend the Atlanta meeting of the Committee on the Study of National Budgeting Proposals as it is important that all points of view be fully discussed. If you are not present, I shall read your letter to the Committee.

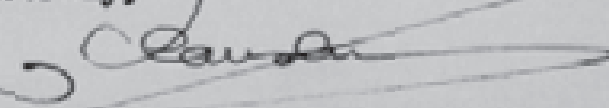
I want to assure you that I do not lend myself to precipitous action. Frankly, though, I would not consider it precipitous for a committee organized as far back as this committee was -- a committee which has diligently pursued its task since then and has had available to it at least some of the experiences of the Allotment Committee of the 1940 United Jewish Appeal -- to make a report and recommendations to the General Assembly in Atlanta. That would have been expected of the committee even if there were to be a 1941 UJA -- and should not be side-tracked simply because it seems there is not to be a 1941 UJA.

This committee was organized, and made important decisions, long before it appeared there would be no 1941 UJA -- and incidentally is concerned not only with the three beneficiary organizations of the 1940 UJA, but ultimately with all organizations appealing to the Welfare Fund Communities for funds and promptly with more than just these three.

If there is not to be a 1941 UJA -- and I am still optimistic enough to hope there will be -- and if the recommendations of the Committee on the Study of National Budgeting Proposals can, among other things, be helpful at a critical time in preserving unity within the communities, in minimizing confusion within them, in aiding them purely in an advisory capacity in arriving at sound and objective decisions, and in the raising of greater funds within the communities for the support of all the organizations, I, as one interested in Jewish Causes generally, would consider it most fortunate. It should be added that in its findings and recommendations, the Committee means to be thoroughly objective and non-partisan -- and I believe that to be possible.

I understand that any recommendation of the Committee to Study National Budgeting Proposals will not be adopted unless, and until, those recommendations have been fully discussed and approved by the Board of the Council and the General Assembly, in which, it is hoped, all interested parties will participate.

Sincerely,



January 31, 1941

REPORT OF THE COMMITTEE ON THE STUDY OF  
NATIONAL BUDGETING PROPOSALS

ORIGIN OF COMMITTEE

At the May 18, 1940 meeting of the Board of Directors of the Council, a resolution adopted at the Western States Regional Conference in Salt Lake City on April 15, 1940 was submitted requesting the Council to set up a National Budgeting Committee. This specific action calling for a committee of the Council to study national and overseas agencies, to determine on the proper allocation of budgets and services among these agencies, and to give advice with respect thereto to the member agencies was one of a series of similar actions and expressions of opinion of member agencies, individually and through their regional organizations, over a period of years.

The Board on May 18th, after careful discussion of the requests, provided for a special committee to study the problem of national budgeting under the following resolution:

That the President of the Council appoint a committee, including representatives of large and small welfare funds and of unorganized cities, to study and report to the Board of Directors on proposals for national budgeting, collect facts with reference to the agencies involved, and consult with national and overseas agencies concerning the desirability and the methods of procedure that might be involved if a national budgeting process were to be established.

This committee was also authorized to enlist other members for the committee in addition to those mentioned in the resolution and to secure necessary funds for its work outside of the regular budget of the Council.

MEMBERSHIP OF COMMITTEE

Following the May 18th Board meeting, the committee was appointed in June with the following active members:

Jacob Blaustein, Chairman ✓

William Rosenwald, Acting Co-Chairman ✓

18  
8  
10  
X Mrs Dora Ehrlich, Detroit  
A Richard Frank, Chicago  
Samuel Goldhamer, Cleveland  
Samuel A Goldsmith, Chicago  
William Haber, New York City ✓  
Joseph C Hyman, New York City ✓  
George Levisen, San Francisco  
Solomon Lowenstein, New York ✓

X Henry Montor, New York City ✓  
Stanley C Myers, Miami  
Ben M Solckman, Boston  
William J Shroder, Cincinnati  
Edward M M Warburg, New York City ✓  
James L White, Salt Lake City  
X Rabbi Abba H Silver, Cleveland  
Ira M Younker, New York City ✓

DISTINCTION BETWEEN THE COMMITTEE TO STUDY NATIONAL BUDGETING PROPOSALS AND  
THE 1940 UNITED JEWISH APPEAL ALLOTMENT COMMITTEE

This Committee to Study National Budgeting Proposals should not be confused with the 1940 United Jewish Appeal Allotment Committee.

The latter was concerned with the three beneficiary organizations in the 1940 UJA (i.e. Joint Distribution Committee, United Palestine Appeal and National Refugee Service) as regards the allotment of funds obtained from the 1940 UJA campaign -- and its decisions were mandatory on the three agencies. The 1940 UJA Allotment Committee was composed of two members each of the JDC and UPA and three members (with an alternate) representing the welfare fund cities appointed by the Council with the approval of the constituent agencies.

The Committee to Study National Budgeting Proposals is not limited in its considerations to the three (JDC, UPA and NRS) organizations but is concerned with the problems in connection with all national and overseas agencies which make appeals for funds regularly to local communities. Although its membership includes individuals affiliated with several of the national and overseas agencies, it was appointed by the Council to study national budgeting proposals. Unlike the authority of the UJA Allotment Committee, the conclusions of a national budgeting committee would be solely advisory in character and would not necessarily determine the actual distribution of funds since such distribution would depend ultimately upon local community actions and decisions.

It might be added that both of these committees were set up long before it appeared that there would be no 1941 UJA.

INITIAL STEPS OF COMMITTEE ON THE STUDY  
OF NATIONAL BUDGETARY PROPOSALS

As a first step in discharging the responsibilities of the Committee on the Study of National Budgetary Proposals, the staff of the Council was asked to prepare an analysis of the problems involved and the possible procedures, advantages and disadvantages of national budgeting services. A thorough and comprehensive memorandum on these aspects was prepared with the active participation of the co-chairmen of the Committee and circulated among the members of the Committee in September 1940 with the request that the Committee members study it carefully and forward their comments in advance of an October meeting of the Committee. This was done, and comments were received from practically all members.

COMMITTEE AND BOARD ACTIONS LAST OCTOBER

The Committee met in New York City on October 25th. All but five members (Rabbi Silver, Mrs Ehrlich and Messrs. Selekman, Warburg and White) were present. Rabbi Silver, Mrs Ehrlich and Mr White had previously written their comments on the memorandum. These had been distributed to the other members of the Committee and were carefully considered at the meeting. After full consideration of the various phases of the problem, preliminary recommendations were prepared and presented to the Board of Directors on the following day. The conclusions reached by the Committee (with partial objection on the part of Mr Montor) and presented to the Board were as follows:



- 1) Budgeting of national and overseas agencies should be considered as one aspect of the program of local communities. Such a program must take into account the total American responsibility for needs of both a general nature and those of special interest to Jews.
- 2) A national budgeting process in principle is desirable and necessary.
- 3) The functions of the Committee should be to obtain complete data from all agencies, to evaluate the work of each agency and to recommend to the communities comparative allocations to the different agencies.
- 4) The Committee should ultimately consider the programs and expenditures of all national and overseas agencies applying to welfare fund communities for support. But as a first step, the Committee believed it should review the work of the Allotment Committee of the 1940 UJA and on the basis of this experience, to consider means of extending similar studies to agencies operating in similar or related fields. It was assumed that such studies would be undertaken with the cooperation of the agencies studied.
- 5) The Committee should consider the personnel and costs necessary to conduct such studies.

This report was adopted by the Board on October 26th, and the Committee was authorized "to take such further steps as may be necessary to develop plans for the establishment of a system of national budgeting."

APPRAISAL OF THE PROCEDURES AND RESULTS OF THE 1940 UJA  
ALLOTMENT COMMITTEE AND THE INQUIRY CONDUCTED BY IT

The Chairmen of the Committee then asked the staff of the Council to make an appraisal for the Committee's review of the procedures and results of the Allotment Committee of the 1940 UJA and the Inquiry conducted by it. The report of the Inquiry and the auxiliary studies made have not been officially released but opportunities were had to discuss questions involved with members of the Allotment Committee and the professional staff of the Inquiry. There was also opportunity to read some of the reports prepared by the Inquiry which are in process of being edited and which will be officially released to this Committee when edited.

The conclusions which the Committee has reached in its study of the Allotment Committee procedures are as follows:

- 1) It has been demonstrated that a group serving as a Budgeting Committee, especially those members who do not represent the beneficiary agencies, can arrive at definite and reasonable judgments concerning needs of agency programs in relation to available funds.
- 2) The procedures of the Inquiry indicated that more effective impartial methods of study and evaluation might have been developed in an independently conducted inquiry. It is, however, generally believed that the experience and information of the agencies is required for an adequate interpretation of collected data and advisory services of beneficiary agencies should be continued in the study process.

- 3) It should be stated again and recognized that the Allotment Committee of the UJA differed from a national budgetary service that would be set up by welfare funds under the auspices of the Council in at least one important function. Decisions of the Allotment Committee of the UJA were mandatory on the division of funds. Conclusions reached by an independent national budgeting committee would be solely advisory in character since such distribution would depend ultimately upon local community actions and decisions.

FINAL RECOMMENDATIONS AT THE JANUARY 30, 1941 MEETING OF THE COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

These recommendations were unanimous (among the members present) excepting that Mr. Montor objected to most of them. Letters were received from Rabbi Silver and Mr. Goldhamer, who could not be present, in which they stated their general positions. Rabbi Silver is opposed to what the Committee proposes, Mr. Goldhamer is in favor of it.

The Committee believes that there would be considerable value in an advisory national budgeting service which would translate into factual terms, the programs of agencies that are presented in fund raising appeals.

It is believed that such impartial evaluation and studies, conducted with the cooperation of the participating agencies, would serve the following useful purposes, among others:

- 1) For the local communities: It would give to the many thousands of local contributors who represent every existing community interest and whose broad base of support makes possible the national and overseas programs carried on, the specific answers to the many questions constantly being asked by them with respect to the operations and functions of these agencies; it would assist their local budgeting committees in being fair and impartial in supporting these organizations and in reaching equitable decisions with respect to them, it would help bring about improved co-ordination and less duplication of effort among the beneficiary organizations towards the goal of better economy and greater efficiency, and it would place them in better position to collect maximum sums within their communities for these causes;
- 2) For the national and overseas agencies: Contributors are asking questions and they want the answers -- and they want them objectively from an unbiased and authoritative source. From now on, campaign efforts must appeal to both the head and the heart. The story of needs and wants must be told-- but the analytical record must be there to back it up. It is believed that greater funds will be forthcoming when contributors are convinced from sources other than the particular agencies themselves that necessary jobs are actually being done at the lowest cost of doing them.

It is believed that the following will answer some of the objections sometimes raised against a national budgeting service:

- 1) Contacts between the national and overseas agencies and the local communities need not, and should not, be eliminated. On the contrary it is believed by this Committee that the educational work, and the creation of

interest, by the agencies within the local communities should go on.

- 2) Setting up a National Budgeting Service does not in itself mean the removal of separate applications to the local communities by the different agencies. That, to some degree at least, might be desirable, but whether future appeals would be separate or united, and if united to what extent, would always be the result of other decisions. In any event, whether future appeals will be separate or united, they would be helped by a National Budgeting Service.
- 3) A National Budgeting Service does not mean that decisions on goals and objectives of agencies would be governed entirely by statistical formulae. The intangibles, such as ideologies would, and should, also play their part. But there should be a balanced consideration of the intangibles with the tangibles. Incidentally, we think it is a mistaken idea of some that only the leaders in a particular organization can judge it fairly and honestly.
- 4) There is nothing in a National Budgeting Service that would prevent local communities from maintaining a belief among contributors that funds are being distributed in accordance with the wishes of those contributors. For it must be borne in mind that the findings of the National Budgeting Service would not be mandatory upon either the agencies or the local communities. Its work would be purely advisory in character and the local communities would avail themselves of the findings of the National Budgeting Service only to the extent they deemed it desirable.

With the dissolution of the UJA and the immediate requests from many of the Council's member agencies for assistance in dealing with the problem of 1941 budgeting, the President of the Council requested the Committee to study the situation and to make recommendations to the Board of Directors at its meeting in Atlanta on January 31st, for later submission to the General Assembly there. The Committee has considered the new conditions created by the discontinuance of the UJA and the problems that will face local budget committees in dividing funds among the three agencies instead of allotting one lump sum to a joint appeal. The Committee has applied to this problem the principles and conclusions which it had reached in its study of the whole problem of national budgeting and presents the following over-all recommendations:

- 1) In methods of joint fund raising and distribution of funds, the UJA with its Allotment Committee made a real contribution in the development of agency cooperation, in efficiency of fund raising appeals, and in establishing excellent relationships between the agencies of the UJA and the local welfare funds. The Committee believes that the dissolution of the UJA was unfortunate and undesirable. It is late, but not too late, to have a 1941 United Jewish Appeal, provided there is a will and desire on the part of all parties to do so. That seems to be the overwhelming desire of the welfare funds and their contributors over the country all of whom are genuinely concerned, and interested in, the programs of these agencies and perform important functions for them. This desire they have strongly indicated. The Committee urges that another immediate effort be made toward that end with such help as the Council can render, - and it is suggested that if the former conferees of the agencies cannot agree on a 1941 UJA, other methods of negotiations be attempted, such as the inclusion

in the negotiations of the present neutral members of the Allotment Committee, or in any other way that the agencies believe would be helpful, including if they deem it desirable, the appointment of other agency conferees. Furthermore, the Committee believes that all possible steps should be taken to establish methods of joint appeals and inter-agency cooperation in arriving at equitable fund allocations for all agencies operating in the same or related fields of service.

- 2) Even if there will not be a 1941 UJA, the Committee believes local communities should not permit the Causes to suffer, but on the contrary that the local communities should do their utmost in supporting them. Further, the Committee believes that joint fund raising by local communities is inherently correct and should be continued.
- 3) The Committee believes that a competent and intensive process of fact finding both on programs of service and on financial experience should be continued and that these studies should be under the auspices of a committee of the Council.
- 4) The Committee believes in the establishment of a national budgeting service, advisory in character, which will help local communities evaluate the relative needs of separate agency appeals.
- 5) The Committee recommends to the Board of the Council that there be proposed to the General Assembly that the Council take steps immediately to set up a National Advisory Budgeting Committee with proper facilities for studies and evaluation of agencies. These functions might be entrusted to the present Committee on the Study of National Budgeting Proposals.
- 6) The Committee recommends that from time to time, as opportunity and fact finding are made available, sub-committees be appointed to specialize in the study of each different field of agencies.
- 7) As a first step and to give precedence and immediate consideration to the three agencies that constituted the 1940 UJA, i.e., the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service, the Committee recommends that a Special Commission of not less than five members or more than nine members be named for the year 1941 by the President of the Council, the Chairman of its Board and the Chairman of its Committee to Study National Budgeting Proposals, and approved by the Board of Directors of the Council. This Commission shall consist of laymen who, after appointment shall sever connections which they may have on the Boards of the three agencies under review.

The decisions of this Committee shall be final in its recommendations and shall not be subject to change by the Council. Its findings and recommendations shall be transmitted to member agencies through the Council office, and the Council office shall be authorized to transmit to this Special Commission any inquiries, suggestions or recommendations of its member agencies. This Commission shall be authorized to employ such staff as may be required for its purposes, the cost to be financed by the Council.



- 8) The Committee recommends as an effort of procedure, that the three welfare fund members of the 1940 UJA Allotment Committee be looked to for guidance in recommending a basis for initial allotments to the three agencies formerly in the UJA, which can serve as a guide to welfare funds conducting early campaigns in 1941. One type of proposal to deal with the problem of initial installments under discussion is as follows:
- a - That welfare funds in 1941 set aside a total amount to cover the allocations to be made to the JDC, the UFA and the NRS.
  - b - That an initial installment up to 60% of the total be distributed among the three agencies on the basis of the total 1940 allotments to these agencies made by the UJA from nationally collected funds, i.e., \$6,050,000 to the JDC, \$2,900,000 to the UFA, and \$2,500,000 to the NRS. (The NRS also received \$1,000,000 directly from the New York City campaign of the UJA for its local New York services.)
  - c - That on the basis of continued studies, the Special Commission to be established as outlined above, should recommend not later than May 30, 1941, a basis for total 1941 allocations to these three agencies. The final 1941 allocation would take into account the needs of these agencies, the new factors in needs and program that have been developed, and would attempt to adjust the final recommended allocations on the basis of agency needs and operations.
- 9) The Committee has also been asked to express an opinion now, on the 1941 campaign goals of the agencies formerly in the UJA. It is in no position at this time to suggest the total budgets of the agencies to which local welfare funds should relate their individual allotments. On the basis of facts available, it believes that welfare funds should try to secure for these agencies funds substantially in excess of the amounts secured by the UJA in 1939 and 1940. It fully accepts the fact that insofar as the overseas agencies are concerned, the needs to be met are overwhelming in character and that within the total program of local and American obligations, communities have a responsibility for securing maximum funds for major overseas causes.

Similarly, we in the United States, have sole responsibility for caring for the refugees who come to this country, and must continue to care for them on the basis of the standards which have been established for local American responsibility. The Committee therefore suggests that within the responsibilities of local funds for total American and overseas needs, welfare funds should exceed the sum raised in 1939 and in 1940 for the UJA by the largest possible sum which they can effectively secure in their respective communities.

#### CONCLUSION

This report was unanimously approved (excepting objection by Mr Montor) at the last meeting of the Committee to Study. National Budgetary Proposals. It has been submitted to you in detail. The Committee feels that the importance of the subject requires it.

While the whole series of Committee recommendations has been set forth in the report, so you may have before you an entire plan, it is suggested that in your considerations you treat with these recommendations separately or in closely related categories. Thus, you might consider them in the following order:

- (1) Should efforts be made to bring about a 1941 UJA and, if so, suggestions toward that end?
- (2) Should the Council set up a National Advisory Budgeting Committee and a Special Commission for 1941, as outlined above, and if so, should their structures and procedures be recommended?
- (3) Should the method outlined be adopted as a basis for recommendations to the local communities as to 1941 allotments (initial and final) to the three agencies formerly in the UJA?



REPORT OF THE COMMITTEE  
ON THE  
STUDY OF NATIONAL BUDGETING PROPOSALS



As approved by  
The Board of Directors  
February 1, 1941

## REPORT OF THE COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

(As approved by the Board of Directors, February 1, 1941)

### ORIGIN OF COMMITTEE

At the May 18, 1940 meeting of the Board of Directors of the Council, a resolution adopted at the Western States Regional Conference in Salt Lake City on April 15, 1940 was submitted requesting the Council to set up a National Budgeting Committee. This specific action calling for a committee of the Council to study national and overseas agencies, to determine on the proper allocation of budgets and services among these agencies, and to give advice with respect thereto to the member agencies was one of a series of similar actions and expressions of opinion of member agencies, individually and through their regional organizations, over a period of years.

The Board on May 18th, after careful discussion of the requests, provided for a special committee to study the problem of national budgeting under the following resolution:

That the President of the Council appoint a committee, including representatives of large and small welfare funds and of unorganized cities, to study and report to the Board of Directors on proposals for national budgeting, collect facts with reference to the agencies involved, and consult with national and overseas agencies concerning the desirability and the methods of procedure that might be involved if a national budgeting process were to be established.

This committee was also authorized to enlist other members for the committee in addition to those mentioned in the resolution and to secure necessary funds for its work outside of the regular budget of the Council.

### MEMBERSHIP OF COMMITTEE

Following the May 18th Board meeting, the committee was appointed in June with the following active members:

Jacob Blaustein, Chairman

William Rosenwald, Acting Co-chairman

Mrs. Dora Ehrlich, Detroit

Henry Montor, New York City

A. Richard Frank, Chicago

Stanley C. Myers, Miami

Samuel Goldhamer, Cleveland

Ben M. Selekman, Boston

Samuel A. Goldsmith, Chicago

William J. Shroder, Cincinnati

William Haber, New York City

Edward M. M. Warburg, New York City

Joseph C. Hyman, New York City

James L. White, Salt Lake City

George L. Levison, San Francisco

Rabbi Abba Hillel Silver, Cleveland

Solomon Lowenstein, New York City

Ira M. Younker, New York City



DISTINCTION BETWEEN THE COMMITTEE TO STUDY NATIONAL BUDGETING PROPOSALS AND THE 1940 UNITED JEWISH APPEAL ALLOTMENT COMMITTEE

This Committee to Study National Budgeting Proposals should not be confused with the 1940 United Jewish Appeal Allotment Committee.

The latter was concerned with the three beneficiary organizations in the 1940 UJA (i.e., Joint Distribution Committee, United Palestine Appeal and National Refugee Service) as regards the allotment of funds obtained from the 1940 UJA campaign -- and its decisions were mandatory on the three agencies. The 1940 UJA Allotment Committee was composed of two members each of the JDC and UPA and three members (with an alternate) representing the welfare fund cities appointed by the Council with the approval of the constituent agencies.

The Committee to Study National Budgeting Proposals is not limited in its considerations to the three (JDC, UPA and NRS) organizations but is concerned with the problems in connection with all national and overseas agencies which make appeals for funds regularly to local communities. Although its membership includes individuals affiliated with several of the national and overseas agencies, it was appointed by the Council to study national budgeting proposals. Unlike the authority of the UJA Allotment Committee, the conclusions of a national budgeting committee would be solely advisory in character and would not necessarily determine the actual distribution of funds since such distribution would depend ultimately upon local community actions and decisions.

It might be added that both of these committees were set up long before it appeared that there would be no 1941 UJA.

INITIAL STEPS OF COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

As a first step in discharging the responsibilities of the Committee on the Study of National Budgeting Proposals, the staff of the Council was asked to prepare an analysis of the problems involved and the possible procedures, advantages and disadvantages of national budgeting services. A thorough and comprehensive memorandum on these aspects was prepared with the active participation of the co-chairmen of the Committee and circulated among the members of the Committee in September 1940 with the request that the Committee members study it carefully and forward their comments in advance of an October meeting of the Committee. This was done, and comments were received from practically all members.

COMMITTEE AND BOARD ACTIONS LAST OCTOBER

The Committee met in New York City on October 25th. All but five members (Rabbi Silver, Mrs Ehrlich and Messrs. Selekman, Warburg and White) were present. Rabbi Silver, Mrs Ehrlich and Mr White had previously written their comments on the memorandum. These had been distributed to the other members of the Committee and were carefully considered at the meeting. After full consideration of the various phases of the problem, preliminary recommendations were prepared and presented to the Board of Directors on the following day. The conclusions reached by the Committee (with partial objection on the part of Mr. Montor) and presented to the Board were as follows:

- 1) Budgeting of national and overseas agencies should be considered as one aspect of the program of local communities. Such a program must take into account the total American responsibility for needs of both a general nature and those of special interest to Jews.
- 2) A national budgeting process in principle is desirable and necessary.
- 3) The functions of the Committee should be to obtain complete data from all agencies, to evaluate the work of each agency and to recommend to the communities comparative allocations to the different agencies.
- 4) The Committee should ultimately consider the programs and expenditures of all national and overseas agencies applying to welfare fund communities for support. But as a first step, the Committee believed it should review the work of the Allotment Committee of the 1940 UJA and on the basis of this experience, to consider means of extending similar studies to agencies operating in similar or related fields. It was assumed that such studies would be undertaken with the cooperation of the agencies studied.
- 5) The Committee should consider the personnel and costs necessary to conduct such studies.

This report was adopted by the Board on October 26th, and the Committee was authorized "to take such further steps as may be necessary to develop plans for the establishment of a system of national budgeting."

APPRAISAL OF THE PROCEDURES AND RESULTS OF THE 1940 UJA ALLOTMENT COMMITTEE AND THE INQUIRY CONDUCTED BY IT

The Chairman of the Committee then asked the staff of the Council to make an appraisal for the Committee's review of the procedures and results of the Allotment Committee of the 1940 UJA and the Inquiry conducted by it. The report of the Inquiry and the auxiliary studies made have not been

officially released but opportunities were had to discuss questions involved with members of the Allotment Committee and the professional staff of the Inquiry. There was also opportunity to read some of the reports prepared by the Inquiry which are in process of being edited and which will be officially released to this Committee when edited.

The conclusions which the Committee has reached in its study of the Allotment Committee procedures are as follows:

- 1) It has been demonstrated that a group serving as a Budgeting Committee, especially those members who do not represent the beneficiary agencies, can arrive at definite and reasonable judgments concerning needs of agency programs in relation to available funds.
- 2) The procedures of the Inquiry indicated that more effective impartial methods of study and evaluation might have been developed in an independently conducted inquiry. It is, however, generally believed that the experience and information of the agencies is required for an adequate interpretation of collected data, and that advisory services of beneficiary agencies should be continued in the study process.
- 3) It should be stated again and recognized that the Allotment Committee of the UJA differed from a national budgetary service that would be set up by welfare funds under the auspices of the Council in at least one important function. Decisions of the Allotment Committee of the UJA were mandatory on the division of funds. Conclusions reached by an independent national budgeting committee would be solely advisory in character since welfare fund distribution would depend ultimately upon local community actions and decisions.

FINAL RECOMMENDATIONS AT THE JANUARY 30, 1941 MEETING OF THE  
COMMITTEE ON THE STUDY OF NATIONAL BUDGETING PROPOSALS

These recommendations were unanimously approved (among the members present) at a further meeting of the Committee on January 30, excepting that Mr. Montor objected to most of them. Letters were received from Rabbi Silver and Mr. Goldhamer who could not be present in which they stated their general positions. Rabbi Silver is opposed to what the Committee proposes, Mr. Goldhamer is in favor of it.

The Committee believes that there would be considerable value in an advisory national budgeting service which would translate into factual terms, the programs of agencies that are presented in fund raising appeals.

It is believed that such impartial evaluations and studies, conducted with the cooperation of the participating agencies, would serve the following useful purposes, among others:

- 1) For the local communities: It would give to the many thousands of local contributors who represent every existing community interest and whose broad base of support makes possible the national and overseas programs carried on, the specific answers to the many questions constantly being asked by them with respect to the operations and functions of these agencies; it would assist their local budgeting committees in being fair and impartial in supporting these organizations and in reaching equitable decision with respect to them, it would help bring about improved coordination and less duplication of effort among the beneficiary organizations towards the goal of better economy and greater efficiency, and it would place them in better position to collect maximum sums within their communities for these causes.
- 2) For the national and overseas agencies: Contributors are asking questions and they want the answers -- and they want them objectively from an unbiased and authoritative source. From now on, campaign efforts must appeal to both the head and the heart. The story of needs and wants must be told-- but the analytical record must be there to back it up. It is believed that greater funds will be forthcoming when contributors are convinced from sources other than the particular agencies themselves that necessary jobs are actually being done at the lowest cost of doing them.

It is believed that the following will answer some of the objections sometimes raised against a national budgeting service:

- 1) Contacts between the national and overseas agencies and the local communities need not, and should not, be eliminated. On the contrary it is believed by this Committee that the educational work, and the creation of



interest, by the agencies within the local communities should go on.

- 2) Setting up a National Budgeting Service does not in itself mean the removal of separate applications to the local communities by the different agencies. That, to some degree at least, might be desirable, but whether future appeals would be separate or united, and if united to what extent, would always be the result of other decisions. In any event, whether future appeals will be separate or united, they would be helped by a National Budgeting Service.
- 3) A National Budgeting Service does not mean that decision on goals and objectives of agencies would be governed entirely by statistical formulae. The intangibles, such as ideologies would, and should, also play their part. But there should be a balanced consideration of the intangibles with the tangibles. Incidentally, we think it is a mistaken idea of some that only the leaders in a particular organization can judge it fairly and honestly.
- 4) There is nothing in a National Budgeting Service that would prevent local communities from assuring contributors that funds are being distributed in accordance with the wishes of those contributors. For it must be borne in mind that the findings of the National Budgeting Service would not be mandatory upon either the agencies or the local communities. Its work would be purely advisory in character and the local communities would avail themselves of the findings of the National Budgeting Service only to the extent they deemed it desirable.

With the dissolution of the UJA and the immediate requests from many of the Council's member agencies for assistance in dealing with the problem of 1941 budgeting, the President of the Council requested the Committee to study the situation and to make recommendations to the Board of Directors at its meeting in Atlanta on January 31st, for later submission to the General Assembly there. The Committee has considered the new conditions created by the discontinuance of the UJA and the problems that will face local budget committees in dividing funds among the three agencies instead of allotting one lump sum to a joint appeal. The Committee has applied to this problem the principles and

conclusions which it had reached in its study of the whole problem of national budgeting and presents the following over-all recommendations:

- 1) In methods of joint fund raising and distribution of funds, the UJA with its Allotment Committee made a real contribution in the development of agency cooperation, in efficiency of fund raising appeals, and in establishing excellent relationships between the agencies of the UJA and the local welfare funds. The Committee believes that the dissolution of the UJA was unfortunate and undesirable. It is late, but not too late, to have a 1941 United Jewish Appeal, provided there is a will and desire on the part of all parties to do so. That seems to be the overwhelming desire of the welfare funds and their contributors over the country all of whom are genuinely concerned with, and interested in, the programs of these agencies and perform important functions for them. This desire they have strongly indicated. The Committee urges that another immediate effort be made toward that end with such help as the Council can render, - and it is suggested that if the former conferees of the agencies cannot agree on a 1941 UJA, other methods of negotiations be attempted, such as the inclusion in the negotiations of the present neutral members of the Allotment Committee, or in any other way that the agencies believe would be helpful, including if they deem it desirable, the appointment of other agency conferees.

Furthermore, the Committee believes that all possible steps should be taken to establish methods of joint appeals and inter-agency cooperation in arriving at equitable fund allocations for all agencies operating in the same or related fields of service.

- 2) Even if there will not be a 1941 UJA, the Committee believes local communities should not permit the Causes to suffer, but on the contrary that the local communities should do their utmost in supporting them.

Further, the Committee believes that joint fund raising by local communities is inherently correct and should be continued.

- 3) The Committee believes that a competent and intensive process of fact finding both on programs of service and on financial experience should be continued and that these studies should be under the auspices of a committee of the Council.
- 4) The Committee believes in the establishment of a national budgeting service, advisory in character, which will help local communities evaluate the relative needs of separate agency appeals.
- 5) The Committee recommends to the Board of the Council that there be proposed to the General Assembly that the Council take steps immediately to set up a National Advisory Budgeting Committee with proper facilities for studies and evaluation of agencies. These functions might be entrusted to the present Committee on the Study of National Budgeting Proposals.
- 6) The Committee recommends that from time to time, as opportunity and fact finding are made available, sub-committees be appointed to specialize in the study of each different field of agencies.
- 7) As a first step and to give precedence and immediate consideration to the three agencies that constituted the 1940 UJA, i.e., the Joint Distribution Committee, the United Palestine Appeal and the National Refugee Service, the Committee recommends that a Special Commission of not less than five members or more than nine members be named for the year 1941 by the President of the Council, the Chairman of its Board and the Chairman of its Committee to Study National Budgeting Proposals, and approved by the Board of Directors of the Council. This Commission shall consist of laymen who, after appointment, shall sever connections which they may have on the Boards of the three agencies under review.

The decisions of this Committee shall be final in its advisory recommendations to the welfare funds and shall not be subject to change by the

Council. Its findings and recommendations shall be transmitted to member agencies through the Council office, and the Council office shall be authorized to transmit to this Special Commission any inquiries, suggestions or recommendations of its member agencies. This Commission shall be authorized to employ such staff as may be required for its purposes, the cost to be financed by the Council.

- 8) The Committee recommends as a method of procedure, that the three welfare fund members of the 1940 UJA Allotment Committee be looked to for guidance in recommending a basis for initial allotments to the three agencies formerly in the UJA, which can serve as a guide to welfare funds conducting early campaigns in 1941. One type of proposal to deal with the problem of initial installments under discussion is as follows:
  - a. That welfare funds in 1941 set aside a total amount to cover the allocations to be made to the JDC, the UPA and the NRS.
  - b. That an initial installment up to 60 percent of the total be distributed among the three agencies on the basis of the total 1940 allotments to these agencies made by the UJA from nationally collected funds, i.e., \$6,050,000 to the JDC, \$2,900,000 to the UPA, and \$2,500,000 to the NRS. (The NRS also received \$1,000,000 directly from the New York City campaign of the UJA for its local New York services.)
  - c. That on the basis of continued studies, the Special Commission to be established as outlined above, should recommend not later than May 30, 1941, a basis for total 1941 allocations to these three agencies. The final 1941 allocation would take into account the needs of these agencies, the new factors in needs and program that have been developed, and would attempt to adjust the final recommended allocations on the basis of agency needs and operations.
- 9) The Committee has also been asked to express an opinion now, on the 1941 campaign goals of the agencies formerly in the UJA. It is in no position at this time to suggest the total budgets of the agencies to which local welfare funds should relate their individual allotments. On the basis of facts available, it believes that welfare funds should try to secure for these agencies funds substantially in excess of the amounts secured by the UJA in 1939 and 1940. It fully accepts the fact that insofar as the overseas agencies are concerned, the needs to be met are overwhelming in character and that within the total program of local and American obliga-



tions, communities have a responsibility for securing maximum funds for major overseas causes.

Similarly, we in the United States, have sole responsibility for caring for the refugees who come to this country, and must continue to care for them on the basis of the standards which have been established for local American responsibility. The Committee therefore suggests that within the responsibilities of local funds for total American and overseas needs, welfare funds should exceed the sum raised in 1939 and in 1940 for the UJA by the largest possible sum which they can effectively secure in their respective communities.

#### CONCLUSION

This report was unanimously approved (excepting objection by Mr. Montor) at the last meeting of the Committee to Study National Budgetary Proposals. It has been submitted to you in detail. The Committee feels that the importance of the subject requires it.

A BRIEF REVIEW OF THE PROCEEDINGS AT THE GENERAL ASSEMBLY OF THE  
COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS AT  
HOTEL BILTMORE, ATLANTA, GEORGIA  
BETWEEN THURSDAY, JANUARY 30 AND SUNDAY, FEBRUARY 2, 1941

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Committee to Study National Budgeting Proposals

On Thursday evening, January 30th, Mr. Jacob Blaustein of Baltimore and Mr. William Rosenwald, of New York, President of the National Refugee Service, submitted as Co-Chairmen of the Committee To Study National Budgeting Proposals, a plan whereby (a) there would be established a National Budgeting Committee to examine the facts with respect to all agencies appealing for funds to local Welfare Funds; (b) set up a special Commission to fix ratios for the agencies formerly in the United Jewish Appeal - this service, ultimately, to be performed for all national and overseas agencies and (c) suggesting that until this special Commission reports, communities follow the 1940 ratios and distribute 60 percent of their funds to the United Jewish Appeal agencies, waiting with the balance until the Commission shall have reported on the needs of the respective agencies after "evaluating" the ideas behind the agencies and not merely the facts alone.

There were nine members of the Committee present when this proposal was submitted. Of these nine, four are directly connected with the JDC and NRS, three others are associated with one or another and one is connected with the UPA. The names of the nine men who voted on the proposal, eight of them for and one against, are:

Dr. William Haber, Director of NRS  
Joseph C. Hyman, Executive Vice-Chairman, JDC  
Dr. Solomon Lowenstein, Board Member JDC and NRS  
William Rosenwald, President, NRS  
Jacob Blaustein ) Baltimore  
Sidney Hollander )  
Ira M. Younker, New York  
James L. White, Salt Lake City  
Henry Montor, New York

Despite the plea that the proposal was too far-reaching to be acted on immediately and despite the point that was made that bias was shown in the proposal, since 1940 ratios were suggested even before the fact-finding committee had had an opportunity to examine the facts, the eight members of the Committee voted to endorse the proposal.

This proposal was then submitted for discussion at an enlarged meeting of the Board of Directors of the Council of Jewish Federations and Welfare Funds on Saturday afternoon, February 1st at Atlanta. Vigorous discussion took place. Those who spoke against the proposal were Henry Monasky, President of the B'nai B'rith; Judge Louis E. Levinthal of Philadelphia; Simon Shetzer of Detroit; Dr. Abba Hillel Silver of Cleveland; and Mrs. David De Sola Pool, President of Hadassah. Some of the points made by these spokesmen were:

(1) It is the most far-reaching departure from the principles on which the Council of Jewish Federations and Welfare Funds was established, that is, that it be solely a fact-finding agency and not an evaluator of ideologies;

(2) That the educational value of local discussion of budgets would be eliminated if a small committee of men were to have the power to recommend ratios;

(3) That the ideological interpretations of a few men would become the ideologies of the nation as a whole;

(4) That diversity of opinion, which is characteristic of the whole of American Jewish life, would be definitely affected by uniform recommendations made with respect to the place in the Jewish community of various causes within Welfare Funds.

The Majority Report was approved in speeches made on Saturday afternoon, February 1st, by Joseph C. Hynan, Dr. Solomon Lowenstein, James Marshall, Jacob Blaustein and George Levison.

The viewpoints expressed at the Saturday afternoon session were also reflected at the meeting of the Board of Directors of the Council of Jewish Federations and Welfare Funds which, after five hours, (a) voted 17-5 to recommend the Majority Report; (b) to conduct a Referendum among the Welfare Fund communities of America as to whether they will accept the Majority Report of the Committee to Study National Budgeting Proposals; and (c) called upon the member agencies of the Council of Jewish Federations and Welfare Funds to indicate by April 1st whether the National Budgeting Committee should be established and whether the other provisions of the Majority proposal should be accepted. In the meantime, none of the provisions in the Majority proposal is in effect, since acceptance or rejection will not be known until the Referendum is completed on April 1, 1941.

At the meeting of the General Assembly of the Council on Sunday afternoon, February 2nd, Mr. Jacob Blaustein reported on the action of the Board of Directors. The action of the Board of Directors was not submitted to a vote by the delegates at the Assembly. They were merely informed that such action had been taken by the Board and that the proposal would be submitted directly to the Welfare Fund communities. It is not possible to state what would have been the outcome of the Board if the Majority Proposal had been submitted to a vote of the delegation. It was very clear, however, that there was a very strong opposition to the Majority Proposal. Scores of delegates at several private meetings indicated their opposition to the acceptance of the Majority Proposal as being harmful to their Welfare Fund structure. A Statement of Principles was drawn up by a number of these delegates to be circulated to communities throughout the country.

#### UNITED JEWISH APPEAL

On Friday afternoon, January 31st, at an enlarged meeting of the Board, restricted to members of the Board of the Council and to invited individuals, there was a discussion of the dissolution of the United Jewish Appeal at which statements were made by Dr. Abba Hillel Silver, Mr. Sidney Hollander and Dr. Solomon Lowenstein. There was an expression of the desire among many of the delegates for a reconstitution of the United Jewish Appeal.

Representatives of the UPA, JDC and NRS attended a meeting at the Hotel Biltmore, Atlanta, Georgia, on Friday evening, January 31st, for the purpose of discussing a reconstitution of the United Jewish Appeal. The meeting was called by Gustave Kann, President of the United Jewish Fund of Pittsburgh and was attended by the Presidents of many Welfare Funds present at Atlanta.

On Saturday morning there was a breakfast meeting for further discussion of the United Jewish Appeal situation. Present were Harris Perlstein, Fred Butzel and Henry Wineman, Welfare Fund representatives on the 1940 UJA Allotment Committee; William J. Shroder and Sidney Hollander of the Council; Dr. Abba Hillel Silver, E.I. Kaufmann, Louis Lipsky, Rabbi James G. Heller and Henry Montag for the UPA; Edward M.M. Warburg, Dr. Solomon Lowenstein, Joseph C. Hyman and Moses P. Leavitt for the JDC; William Rosenwald and Dr. William Haber for the NRS.

It was pointed out that the UPA had made various proposals for a continuation of the UJA, but that no proposals of any kind had been forthcoming from the JDC.

Mr. Harris Perlstein submitted a statement on the basis of a proposal made by Mr. Edward M. M. Warburg whereby the needs of the NRS would be determined by a separate fact-finding committee. It was pointed out that this represented a radical departure from the method by which in the past the JDC and UJA had decided between themselves what the NRS should receive. It was observed that the amount that the NRS obtained determined what the JDC and UJA received from the country.

Rabbi James G. Heller indicated the willingness of the UPA to permit the needs of the NRS to be determined by a fact-finding committee which would be outside the scope of the JDC and NRS. In view of this concession by the UPA, there should be established a ratio between the JDC and UJA of 60-40. This was based on the view that the country as a whole would give uniformly to the three causes and that the UPA was prepared to take 40 percent instead of 50 percent, since all funds would be pooled in New York and throughout the country.

Dr. Solomon Lowenstein for the JDC indicated that this proposal was not acceptable to the JDC.

It was suggested that negotiations be resumed between the JDC and UPA after the Atlanta meeting with a view to reconstituting the United Jewish Appeal.



STATEMENT OF PRINCIPLES  
ADOPTED BY A GROUP OF DELEGATES ATTENDING THE ATLANTA  
GENERAL ASSEMBLY OF THE COUNCIL OF JEWISH FEDERATIONS  
AND WELFARE FUNDS AT ATLANTA, GA., FEBRUARY 2, 1941

"It is our conviction that the recommendation of the Board of the Council of Jewish Federations and Welfare Funds to inaugurate an "Advisory Budgeting Committee" represents an effort to standardize Jewish life, which is unwise and uncalled for by any of the circumstances in American Jewish life at this time, and is a radical departure from the principle upon which the Council has heretofore been operating -- that of an objective fact-finding agency.

"In view of the fact that, contrary to all previous procedure, the Board of the Council did not submit the issue to a vote of the delegates of the General Assembly and in view of the implication which may be drawn that there was no opposition to the report presented to the Assembly, we deem it proper to state that a large number of those attending the Assembly, including the undersigned, were in opposition to the spirit and purpose of the report and accordingly issue the following statement for the information of the many communities interested.

"Believing as we do in the development of a sound, self-reliant and democratically organized Jewish life in America; and in the growth in experience and influence of Community Councils, local Federations and Welfare Funds as preliminary to the organization of an effective Jewish community in America; and

"Recognizing as we do as a matter of course the right of Jews to a diversity of opinion on the vital problems and interests of Jewish life, which diversity exists among all groups within the freedom of this land in which we are privileged to live;

"We reject standardized control as undesirable and as an obstacle to the growth of communal responsibility.

"It is now proposed that power and authority be given to a small committee over the distribution of funds in which are involved not merely the financial support of institutions and agencies, but principles and ideals, aims and aspirations, that would be more properly and more equitably evaluated in the Councils of the local communities in which these ideals, principles and aspirations come in more direct contact with those who give and who decide.

"It would give the Council of Jewish Federations and Welfare Funds supreme power over matters that involve fundamental differences of views and aspirations which prevail among the Jews of America and would thus involve the freedom of the causes represented in these funds. It could assume prerogatives that belong of right to the communities themselves that provide the funds. It is a proposal which in our view is aimed not only at the control of funds but at a control of the trends, movements and institutions in Jewish life which have been matters of controversy through the years and which cannot, fairly and democratically, be disposed of through the device of a control of budgets.

"The undersigned, attending this General Assembly of the Council of Jewish Federations and Welfare Funds, therefore, earnestly appeal to the Jewish communities of America to give thorough-going discussion to the real issues involved and to reject the proposals of the majority of the Board which are calculated to thrust Jewish communal responsibility into a strait-jacket of uniformity."

Attention:

Campaign Chairmen  
Publicity Chairmen

February 3, 1941

# CAMPAIGN BULLETIN

*For Member Agencies*

No. C - 2

1941

## 1940 CAMPAIGN RESULTS

Reports received by the Council from 236 cities show that Federations, Welfare Funds and "Joint Campaigns" in these cities raised a total of \$20,645,880 in 1940. The final results of 38 of these campaigns are still incomplete. More complete returns (representing particularly the New York FSJPS, the Chicago JC and the Montreal FJP) will probably bring the total up to \$28,750,000. This does not include funds secured by Jewish federations in many communities from Community Chests with which they are affiliated, to help finance local social services.

A listing of the amounts raised in 1939 and 1940 campaigns follows.

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### First 1941 Campaign Returns

Miami and Louisville are the first welfare funds to report on 1941 campaigns. Miami which raised \$95,379 in 1940 has passed its goal of \$125,000. Louisville which obtained \$110,000 last year has overtaken its 1941 quota of \$118,000.

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**COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS**  
**NATIONAL OFFICE: 165 WEST 46th STREET · NEW YORK CITY**

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RESULTS OF 1940 JEWISH FEDERATION, WELFARE FUND AND JOINT CAMPAIGNS  
As of February 3, 1941

(Note: Unless otherwise indicated, the campaigns listed were mainly for non-local needs and included national as well as overseas organizations.)

	1940 Campaign Date	Amount 1940	Raised 1939	Remarks
<u>Central Atlantic</u>				
Allentown, Pa. UJC	May	\$ 38,492	\$ 29,825	
Atlantic City, N.J. FJC	November	52,721	52,150	Local and non-local
Baltimore, Md. AJC	November	585,000		No campaign in '39; Local only
Baltimore, Md. UJA	June	275,000	397,000	Non-local
Camden, N.J. FJC & UJA	November	33,000a	37,000	a-1st joint campaign
Charlottesville, Va. UJA	March	2,544a	NR	a-UJA only
Cumberland, Md. JCF	September	750	NR	Exclusive of UJA
Cumberland, Md. UJA	October	8,000	7,200	UJA only
Easton, Pa. AJWF	October	9,500	6,580	
Harrisburg, Pa. UJC	April	65,017	68,585	Local and non-local
Lancaster, Pa. UJA	April	20,000	16,350	
Lynchburg, Va. UJA	July	2,350*	9,500	
Newport News, Va. UJA	NR	NR	7,200	
Norfolk, Va. UJF	May	NR	28,525	
Petersburg, Va. UJCF	May	2,000*	6,250	
Philadelphia, Pa. AJA	November	851,081	902,400	
Portsmouth, Va. UJA	May	NR	10,294	
Pottsville, Pa. UJCA	Fall	6,800	NR	
Reading, Pa. UJC	May	26,000*	26,000	
Richmond, Va. JCC	May	86,000	72,500	
Roanoke, Va. UJA	June	9,000	13,000	
Scranton, UJA	May	46,000	38,500	
Trenton, N.J. JF	March	63,500	77,393	
Washington, D.C. UJA	May	206,885	189,635	
West Chester, Pa. KIP	December	NR	4,200	
Wilkes-Barre, Pa. WVJC	March	40,202	41,000	
Williamsport, Pa. FJC	November	NR	12,000	
Wilmington, Del. JF	November	70,002	70,646	
York, Pa. UJA & JOC	May	18,500a	13,750	a-1st joint campaign
<u>East Central</u>				
Akron, O. J.F	May	68,091	61,580	
Altoona, Pa. FJ	Spring	18,500	17,500	
Ashland, Ky. FJC	December	5,000	3,801	
Ashtabula, O. J.F	April	1,750	-	First campaign
Bay City, Mich. JWF	June	11,000	10,000	
Beaver Valley, Pa. UJA	Fall	5,500*	4,400	UJA only
Bellaire, O. J.K	October	3,500	3,000	
Brownsville, Pa.	November	2,500	NR	UJA only
Butler, Pa. JCC	May	8,388	8,130	
Canonsburg, Pa. UJC	Fall	NR	3,600	
Canton, O. J.F	May	39,155	38,800	
Coraopolis, Pa.	NR	1 NR	600	UJA only
Donora, Pa. UJA	November	NR	1,700	

NR Not reported

\* Returns incomplete



	1940 Campaign Date	Amount 1940	Raised 1939	Remarks
<u>East Central (Cont'd.)</u>				
Carnegie, Pa. UJA	Fall	\$ 2,700	\$ 1,450	
Charleroi, Pa. UJA	November	4,000	1,200	
Cincinnati, O. JWF	September	351,000 <sup>1/2</sup>	320,538	
Clairton, Pa. UJA	Spring	1,018	600	UJA only
Cleveland, O. JWF	May	786,100	764,000	
Columbus, O. UJF	June	140,000	111,000	
Dayton, O. UJC	October	56,000 <sup>1/2</sup>	54,299	
Detroit, Mich. AJC	May	735,970	651,889	
Duquesne, Pa. UJA	Spring	2,500	1,500	UJA only
East Liverpool, O.	Fall	2,500	NR	
Erie, Pa. JWF	May	23,219	16,890	
Evansville, Ind. JCC	November	30,000	29,400	
Fairmont, W.Va.	Fall	2,500	NR	
Flint, Mich. FJC	February	16,500	19,000	
Fort Wayne, Ind. JF	May	50,458	42,000	
Gary, Ind. JWF	Fall	30,000	-	First campaign
Grand Rapids, Mich. JCF	October	15,000	-	First campaign
Hamilton, O. UJA	Spring	11,000 <sup>1/2</sup>	11,000	
Hammond, Ind. UJA	October	17,006	10,150	
Homestead, Pa. UJA	May	5,521	6,008	
Huntington, W. Va. FJC	November	25,300a	20,500	a-Approximate
Indiana Harbor and East Chicago, Ind. UJA	October	8,000 <sup>1/2</sup>	3,300	a-1st joint campaign
Indianapolis, Ind. JWF	May	140,075	132,007	
Jackson, Mich. JF	November	2,400	NR	
Jeanette, Pa. UJA	November	2,400	NR	
Johnstown, Pa. UJA	Fall	24,000	24,100	
Kalamazoo, Mich. WJA	September	4,000	NR	
Kittanning, Pa.	Fall	3,000	NR	
Lafayette, Ind. FJC	March	11,980	9,138	
Lansing, Mich. FJC	NR	NR	8,500	
Lexington, Ky. UJA	NR	NR	18,000	
Lima, O. AJC	NR	10,640	NR	
Lorain, O. JWF	May	6,900	5,600	
Louisville, Ky. UJC	January	110,314	102,310	
Mansfield, O. UJA	Spring	11,367	10,472	
Marion, Ind. FJC	January	3,600	3,300	
McKeesport, Pa. JF	October	12,782	10,800	
New Castle, Pa.	NR	NR	10,000	
New Kensington, Pa.	Fall	NR	4,000	
Oil City, Pa. UJA	Spring	3,974	3,700	
Pittsburgh, Pa. UJF	March	405,566	458,431	
Pontiac, Mich. FJC	May	9,800	9,053	
Saginaw, Mich. JWF	January	7,800	6,500	
Sharon, Pa. UJA of SV	Fall	14,000a	13,400	a-1st joint campaign
South Bend, Ind. JWF	October	NR	30,000	
Springfield, O. UJWF	November	8,500	NR	
Steubenville, O. JCC	May	10,000	11,000	
Terre Haute, Ind. JF	January	NR	16,688	a-Approximate
Toledo, O. UJF	Fall	102,500a	97,000	a-Approximate
Uniontown, Pa. UJF	Fall	10,500 <sup>1/2</sup>	10,400	
Warren, O. JF	Fall	10,800	13,300	
Washington, Pa. UJA	November	7,000	2,400	
Wheeling, W. Va. JCC	Fall-	12,000	13,690	
Windsor, Ont. UJWF	May	16,000 <sup>1/2</sup>	20,000	
Youngstown, O. JF	October	91,000 <sup>1/2</sup>	89,414	

	1940 Campaign Date	Amount 1940	Raised 1939	Remarks
<u>Metropolitan Chicago</u>				
Chicago, Ill. JWF	January	\$1,600,000	\$1,848,499	
<u>Metropolitan New York</u>				
Bayonne, N.J. UJA	December	41,000	37,378	
Elizabeth, N.J. UJA	June	22,000	19,288	
Jersey City, N.J. UJA	November	65,400 <sup>#</sup>	50,118	
Morristown, N.J. UJA	Fall	NR	5,700	
New York FSJPS and Brooklyn FJC	October	a	6,300,000	a-Campaign still in process; Local only
New York, UJA	Spring	6,187,649	6,644,103	'39 UJA only; '40 UJA and ORI
Newark, N.J. UJA	May	238,400	208,205	
Passaic, N.J. JCC & C	March	36,000 <sup>#</sup>	37,045	
Paterson, N.J. UJA	June	52,000	50,000	
Perth Amboy, N.J. UJA	June	26,875	30,000	
Plainfield, N.J.	May	12,319	11,000	
Rutherford, N.J.	May	NR	3,000	
Summit, N.J. UJA	May	1,902	1,535	
Union City, N.J. UJA	February	10,000	10,869	
Yonkers, N.Y. JF	May	12,150	14,900	
<u>New England</u>				
Ansonia, Conn.	May	3,800	-	First campaign
Attleboro, Mass. UJA	March	1,600 <sup>#</sup>	1,500	UJA only
Biddeford & Saco, Me. JC	January	1,750	1,282	
Boston, Mass. AJP & UJC	October	1,091,000a	1,203,449	a-1st joint campaign
Bridgeport, Conn. JCC	May	36,582	30,460	
Bristol, Conn. UJCF	NR	NR	1,650	
Brockton, Mass. BCUJA	May	14,559	22,000	
Derby & Shelton, Conn. UJA	March	1,250a		a-Approximate
Fall River, Mass. JCC	May	32,500	36,400	
Fitchburg, Mass. F-L JCC	May	14,500 <sup>#</sup>	16,000	
Hartford, Conn. JWF	April	119,103	99,492	
Holyoke, Mass. UJA	April	8,743	10,174	
Lowell, Mass. UJA	May	19,500	13,000	
Lynn, Mass. UJA	April	22,500a	17,000	a-Approximate
Middletown, Conn. UJA	May	5,300-	NR	
		5,400		
New Bedford, Mass. UJA	May	18,696	26,000	
New Britain, Conn. UJA	May	14,000	12,000	UJA only
New Haven, Conn. JWF	May	73,600	78,544	
New London, Conn. UJA	May	12,000	12,000	
Northampton, Mass. UJA	October	2,000 <sup>#</sup>	2,300	
Norwalk, Conn. UJA	Spring	8,500	5,500	
Norwich, Conn. UJA	May	15,000a	18,000	a-Approximate
Portland, Me. UJA	April	20,000a	NR	a-Approximate
Providence, R.I. UJA	December	60,000	65,000	UJA only
Springfield, Mass. JWF	April	44,695	50,917	
Stamford, Conn. UJA	May	17,520	12,399	
Waterbury, Conn. JFA	April	26,000	24,031	
Worcester, Mass. JWF	April	72,000	71,686	

	1940 Campaign Date	Amount Raised		Remarks
		1940	1939	
<u>New York and Ontario</u>				
Albany, N.Y. UJA	May	\$ 41,500	\$ 50,000	
Amsterdam, N.Y. UJA	November	2,800a	3,000	
Binghamton, N.Y. UJC	May	16,500	20,000	
Buffalo, N.Y. JPSS	November	158,000	160,000	Local only
Buffalo, N.Y. UJWF	May	112,002	a	a-'39 \$75,000 emergen- cy campaign covered 1939 and part of 1940; non local
Hamilton, Ont. UJWF	May	24,425	11,435	
Kingston, N.Y. UJA	Fall	7,900a	8,500	a-Approximate
Middletown, N.Y. UJA	May	8,000a	NR	a-Approximate
Montreal, Que. FJP	NR	NR	309,744	Local only
Newburgh, N.Y. UJC	May	14,000	13,600	
Niagara Falls, N.Y. JP	May	13,700	12,500	
Poughkeepsie, N.Y. UJA	November	NR	11,000a	a-approximate
Rochester, N.Y. UJWF	November	135,000	130,222	
Schenectady, N.Y. UJA	November	20,000	25,655	
Syracuse, N.Y. JWF	April	59,123	54,145	
Toronto, Ont. UJWF	October	290,000a	268,032	
Troy, N.Y. UHC	January	21,596	a	a-Campaign Nov. '38
Utica, N.Y. UJA	June	25,267	25,384	
Watertown, N.Y. UJA	Fall	6,300	6,200	
Oswego, N.Y. UJA	May	NR	3,000	
<u>Southeastern</u>				
Alexandria, La. JWF	October	NR	7,000	
Asheville, N.C. FJC	Fall	7,700	5,850	
Atlanta, Ga. JWF	May	108,250	94,459	
Augusta, Ga. UJA	April	NR	8,000	
Birmingham, Ala. UJF	December	49,000	49,929	
Charleston, S.C. UJA	NR	NR	16,000	
Charlotte, N.C. FJC	February	6,500	-	First campaign
Chattanooga, Tenn. JWF	May	23,441	a	Emergency campaign only
Clarksville, Tenn. TBE	May	1,432	1,425	
Fayetteville, N.C. UJA	March	1,350	1,225	
Gadsden, Ala. JFC	May	1,070	1,000	
Helena, Ark. FJC	January	2,854	3,474	
Jackson, Miss. JWF	March	4,800a	4,800	a-Approximate
Jacksonville, Fla. JCC	January	22,500	20,500	
Knoxville, Tenn. FJC	April	8,400	-	First campaign
Little Rock, Ark. JWF	October	24,057	22,970	
Memphis, Tenn. JWF	May	90,587	105,794	
Miami, Fla. GMJE	January	95,379	83,485	
Mobile, Ala. JWF	June	12,000	NR	
Monroe, La. UJC	March	8,739	8,636	
Montgomery, Ala. JF	a	a	20,400	a-Campaign Jan. 1941
Nashville, Tenn. JCC	April	56,203	50,000	
New Orleans, La. JWF	April	141,000	128,058	
Raleigh, N.C. FJC	March	4,012	4,000	
Savannah, Ga. UJA	May	27,000a	25,050	a-Approximate
Selma, Ala. JWF	April	6,975	8,754	
Sheffield, Ala. MSFC	October	3,200	3,500	
Shreveport, La. UJC	Fall	27,000	40,000	
Tuscaloosa, Ala.	NR	5,000a	5,000a	a-Approximate
Vicksburg, Miss. JWF	October	5,000	5,486	

	1940 Campaign Date	Amount 1940	Raised 1939	Remarks
<u>Southeastern (Cont'd.)</u>				
West Palm Beach, Fla. FJC	January	\$ 5,232	\$ -	First campaign
Wilmington, N.C. UJA	April	3,500 <sup>a</sup>	NR	
Winston-Salem, N.C. JCC	Fall	NR	6,087	
<u>Southwestern</u>				
Beaumont, Tex. UJA	April	10,000	10,500	
Corpus Christi, Tex. JWF	September	15,500	15,900	
Corsicana, Tex. JF	March	6,800	6,745	
Dallas, JFSS	April	153,000	a	a-Emergency campaign only; local and non-local
El Paso, Tex. JF	April	18,000 <sup>a</sup>	21,000	
Fort Worth, Tex. JF	NR	NR	27,535	
Galveston, Tex. UJWA	March	NR	18,000	
Houston, Tex. UJC	April	115,927	105,723	
San Antonio, Tex. JSSF	March	29,785	28,540	UJA emergency campaign;
San Antonio, Tex. JSSF	a	a	34,337	a-Campaign Spring '41
Tulsa, Okla. JCC	October	47,982	48,320	
Tyler, Tex. FJC	May	8,800	5,800	
Waco, Tex. JFC	February	4,425	4,700	Exclusive of UJA
Waco, Tex. UJA	May	13,000	13,500	
<u>West Central</u>				
Appleton, Wisc. UJC	November	NR	6,000	
Aurora, Ill. JCD	October	5,600	5,180	
Champaign, Ill. C-UEJC	March	6,800	6,000	
Davenport, Ia. JC	NR	NR	12,627	
Denver, Colo. AJC	November	60,000	65,000	
Des Moines, Ia. JWF	March	71,169	67,295	
Duluth, Minn. JWF	June	50,694	38,162	
Elgin, Ill. JWC	May	5,682	4,100	
Fargo, N.D. JC	May	5,184	NR	
Green Bay, Wisc.	September	NR	5,300	
Joliet, Ill. JWC	NR	NR	8,500	
Joplin, Mo. JF	January	6,900	a	a-Campaign Fall '38
Kansas City, Mo. JWF	May	201,906	166,553	
Kenosha, Wisc. JWF	October	5,153	5,040	
Lincoln, Neb. JWF	March	14,421	13,583	
Madison, Wisc. JWF	May	12,800 <sup>a</sup>	-	First campaign
Milwaukee, Wisc. JWF	June	250,000	232,447	
Minneapolis, Minn. FJS	April	123,230	126,500	
Omaha, Neb. JP	April	90,229	81,100	
Peoria, Ill. JWF	May	27,000	24,000	
Rock Island, Ill. UJC	NR	NR	11,000	
Rockford, Ill. FJC	May	NR	NR	
St. Louis, Mo. JWF	May	524,642	506,488	
St. Paul, Minn. UJF	April	103,200	88,283	
Sheboygan, Wisc. FJC	March	3,400	NR	
Sioux City, Ia. UJA	May	25,000	20,000	
Sioux Falls, S.D. JWF	September	3,000	3,500	
Topoka, Kan. UJA	Fall	1,750	2,484	
Virginia, Minn. FJS	October	5,670	4,611	
Wichita, Kan. M-K JWF	NR	NR	13,000	
Winnipeg, Man. JWF	May	76,414 <sup>a</sup>	70,251	



	1940 Campaign Date	Amount Raised		Remarks
		1940	1939	
Western				
Aberdeen, Wash. JCC	April	\$ NR	\$ 1,000	
Albuquerque, N.M. JFC	March	NR	8,282	
Bakersfield, Cal. UJWF	May	7,334	6,078	
Boise, Idaho	May	NR	3,600	UJA only
Butte, Mont. JWC	March	7,055 <sup>1/2</sup>	6,880	
Centralia, Wash. C-CJWF	Spring	1,318	1,379	
Edmonton, Alb. JF	November	12,000	NR	
Fresno, Cal. JNWF	April	9,877	10,000	
Great Falls, Mont. UJA	Spring	1,650 <sup>1/2</sup>	2,250	UJA only
Helena, Mont. JCC	May	1,557	NR	
Long Beach, Cal. UJWF	May	10,038 <sup>1/2</sup>	8,800	
Los Angeles, Cal. UJWF	May	700,441	862,452	a-Approximate
Oakland, Cal. UJWF	April	51,258	57,776	
Ogden, Utah ONF	May	3,100	3,000	
Olympia, Wash. JFF	NR	NR	1,675	
Ontario and Pomona, Cal. O-P RC	May	2,100	1,200	
Petaluma, Cal. UJA	April	3,300 <sup>a</sup>	2,900	a-Includes Santa Rosa- 1st joint campaign
Phoenix, Ariz. JMF	May	8,000 <sup>1/2</sup>	13,200	
Pocatello, Idaho UJA	June	2,500 <sup>1/2</sup>	NR	
Portland, Ore. OJWF	April	103,245	104,050	
Regina, Sask. UJER & RC	November	3,668	NR	
Reno, Nev. UJA	June	1,988	1,400	
Riverside, Cal. JJDC	April	5,624	3,000	
Sacramento, Cal. UJWF	May	9,601	9,300	
Salt Lake City, Utah UJC	April	30,772	29,000	
San Bernardino, Cal. UJA	May	4,710 <sup>1/2</sup>	3,350	
San Diego, Cal. UJF	May	26,000	25,355	
San Francisco, Cal. JNWF	May	563,367	577,320	
San Jose, Cal. JF	June	13,500	NR	
Santa Ana, Cal. UNF	Spring	1,338	2,500	
Seattle, Wash. FJF	April	87,264	81,774	
Spokane, Wash. JWF	May	11,478	10,368	
Stockton, Cal. EJWF	March	10,500	10,500	
Tacoma, Wash. FJF	April	5,300	5,500	
Tucson, Ariz. UJA	March	7,806	8,300	
Vallejo, Cal. JUB	NR	NR	1,000	
Vancouver, B.C. JNWF	February	10,376	-	First campaign
Ventura, Cal. JC	May	4,200	3,020	

# SPECIAL BULLETIN

from the ATLANTA GENERAL ASSEMBLY

February 3, 1941

(Several of the situations which developed during the course of the 1941 General Assembly which has just closed, are of such immediate importance to the member agencies, that this brief summary is being sent you from Atlanta. A more complete discussion of these major questions will follow.)

For four days representatives of organized communities in all sections of the country devoted themselves to the grave questions resulting from the world situation, its impact on social welfare activities and fund raising in the United States. It was evident from the outset that the tension created by the dissolution of the UJA had not lessened in the intervening weeks. This tension stimulated an eleventh hour effort to reconstitute the United Jewish Appeal and permeated the discussion of the proposal for a national budget advisory service. Even consideration of American programs for social planning for defense in connection with extended government efforts and the current status of the General Jewish Council and its constituent agencies was colored by this atmosphere of anxiety. There was intense interest, much lobby discussion and frequent caucuses.

In spite of this charged atmosphere, it was possible for William J. Shroder, Chairman of the Board, in the closing address

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**COUNCIL OF JEWISH FEDERATIONS AND WELFARE FUNDS**  
**National Office: 165 West 46th Street . New York City**

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of the Assembly, to point to the fact that community organization, as exemplified by the member agencies and their Council, had withstood its first great test. The clash of individual interests and points of view was resolved in an acceptance of the larger goal - the unified community. "Ideological differences" is the phrase that was heard everywhere throughout the Assembly, but Mr. Shroder emphasized that these differences legitimately belong within the framework of the community organization. The American pattern, Mr. Shroder said, calls for all groups making their contributions to American life through organization. At an earlier session, Mr. Amos Deinard of Minneapolis stressed the need for tolerance within the organized communities as a step toward better coordination of organized national activities.

Negotiations  
for a 1941 UJA

Formal and informal efforts were made throughout the Assembly to bring about agreement between the three agencies constituting the 1940 UJA.

The question was first raised at the afternoon session on Friday during a review of the negotiations which had failed, and explanations of the positions of the three agencies involved, and of the part the Council had played. This session closed with the acceptance of a suggestion by Mr. Shroder that Mr. Lowenstein and Rabbi Silver, representing respectively the JDC and the UPA, meet with him and the welfare fund representatives on the Allotment Committee in a further effort to work out an agreement.

Earlier in the week, President Gustave Kann of the Pittsburgh United Jewish Fund had invited representatives of the UPA, JDC, and NRS to meet with welfare fund presidents during the Assembly. This meeting went over substantially the same ground and brought out a suggestion for a new formula as a basis for further negotiations.

Mr. Shroder, with members of the Allotment Committee of the 1940 UJA and the agency spokesmen, held a protracted meeting at which this and other formulae were considered. The concrete result was the assent of the agency spokesmen to have their respective administrative boards consider the new proposals. It was announced that the Allotment Committee had voted to publish the report of its Inquiry on the activities and finances of the UJA agencies, before the end of February.

Pledge No Independent  
Campaigns in Welfare  
Fund Cities

During the Assembly sessions, spokesmen for the JDC, UPA and NRS each pledged to the delegates that their organizations

would not undertake separate campaigns in welfare fund cities but would make their appeals for 1941 through the organized welfare funds wherever such Funds exist.

Proposal for a  
National Advisory  
Budgeting Service

At the May 1940 meeting of the Board of Directors, action was taken on the proposal of the Western States Region, calling for the establishment by the Council of an advisory budget service, as an additional aid to local budget committees of member agencies in determining their allocations. The Board had then set up a committee under the chairmanship of Jacob Blaustein of Baltimore, with William Rosenwald of Greenwich as acting Co-Chairman, to study the proposal. The Committee had reported favorably on the principle of setting up such a service at the October Board session. This report was then adopted by the Board with instructions to the Committee to develop a plan for carrying it out.

The Committee met again on Thursday evening preceding the Assembly and adopted a report recommending the establishment of such a service, based on continuous fact finding by a special commission consisting of not less than five nor more than nine members. The recommendations of this Commission would be transmitted to member agencies by the Council together with the data on which they were based, and would of course be merely advisory. As a first step in the national advisory budgeting process, this Commission would devote itself to the 1941 needs of the three agencies formerly in the UJA.

The report of Mr. Blaustein's Committee was debated at a further meeting, at which time a minority report by one of the members of the Committee - Henry Montor of the UPA - was also presented, arguing that insufficient time had been allowed for consideration of the proposal, that action at this time would be precipitate, and that the principle of a national advisory service was unsound. He agreed with the majority report, however, that fact finding should be continued and expanded.

When the Board met, it was advised by the Credentials Committee that the voting procedure for delegates, as provided in the By-Laws, was unclear. Henry Monsky of Omaha therefore moved that action on the report be taken by the Board, so that no technical question of voting legality could confuse the issue. The Board approved the majority report in the following motion:

That this Board approve of the majority report to set up an advisory budget service as submitted to the meeting this afternoon; that it shall report that decision to the meeting of the Assembly tomorrow. The Assembly shall be informed that both the majority and the minority reports are to be submitted to the member agencies for a referendum vote, with an appropriate questionnaire, to be returned not later than April 1, 1941.

The Motion was carried with the votes cast as follows: 17 in favor and 5 dissenting.



This action was reported to the Assembly, and the majority and minority reports will be forwarded to the member agencies, who will be asked to vote on the proposal to set up an advisory budget service.

Funds for UJA  
Agencies

In his letter of December 31 to member agencies, Mr. Hollander, in referring to the need for an advisory budget service, had suggested "that welfare funds await the recommendations of such a body before completing their local budgeting. "

Since no advisory budget service can become effective until after the referendum is completed, some time after April 1, the Board therefore voted -

1. To suggest to member agencies that they make such initial appropriations for 1941 to the UJA agencies as they may consider appropriate, and transmit such funds as promptly as possible, in order that their work may not be impaired.
2. To indicate to the member agencies that the recommendations for partial allocations, contained in the majority report\* are merely illustrative of a procedure that might be used at this time. Each community will doubtless develop such a formula as may best serve its individual views.

In view of the general agreement on the need for continued fact finding along the lines initiated by the 1940 Allotment Committee Inquiry, the Board instructed the staff to proceed immediately with such studies of the three UJA agencies. The further stage of evaluation and other budgetary advice, proposed in the report adopted by the Board, will be determined by the referendum of member agencies.

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\*Copies were distributed at the Assembly and will be mailed to all agencies within a few days.