



**Israel Guide
Dog Center**
מרכז ישראלי לכלבי נחיה

BOARD MEETING MINUTES

December 3, 2023

In attendance: Susan Dornstein, Neil Gordon, Remy Leventhal, Steven Leventhal, Sarah Silver Luksenberg, David Nover, Bob Victor, Jim Wartenberg

Unable to participate: Joel Leventhal, Mike Leventhal

- I. **WELCOME:** Gail began by thanking everyone for joining the call. She has enjoyed her start at the organization learning its ins and outs, meeting people, and starting to build relationships. Mike has officially retired yet has been a great teacher and is willing to help as we need it.
- II. **ISRAEL UPDATE:** Noach provided a brief update about the Center and sent the attached formal report (separate attachment).

He noted that all Israelis are under stress and they can't hide it. Even in moments of calm, there is an anxiety of what's to come. Noach noted that yesterday, while walking his dogs the sirens sounded sending everyone running to the shelters. But Noach, Orna, and the entire Israel Guide Dog Center team are focused on their important mission. In fact, today, a class of 4 clients started at the Center. They will stay for 2 weeks as they begin their partnership with new dogs.

III. BUSINESS AGENDA

Previous meeting minutes: Gail provided a copy of the previous minutes and since there were no questions or comments, Neil motioned to accept the December 2022 Board Minutes without change. It was seconded by Bob and approved by the entire Board.

Reaffirm current Board Policies: Our Board has some extensive policies that were created by our non-profit attorney. These policies include: Conflict of Interest Policy, Document Retention Policy, Gift Acceptance Policy, Fair Market Value Policy, Grant Application Policy, Nondiscrimination Policy, Whistle Blowers Policy, and By-Laws.

Bob asked Gail's opinion on these policies compared to other organizations. Gail noted that they are more extensive than other organizations she had previously worked with. Moving forward, as we look to evolve the Board, it will be prudent to revisit these policies.

Bob motioned to accept these policies without change. Neil seconded the motion and the entire Board voted to approve.

IV. 2024 US DIRECTION: Gail noted that she has been with the organization long enough to reflect on its strengths and areas of possible enhancement. With these in mind, she created a proposed 2024 budget that reflects five main strategic goals (see below for full chart and budget):

- 1) Build **new entry points** for people to connect, learn, and donate
- 2) Strengthen relationships with **current donors** and friends
- 3) Increase our capacity to bring in, foster, and secure new **legacy gifts**
- 4) Strengthen the Board by creating **leadership** opportunities
- 5) Streamline online and off-line **processes** for efficiency and to engage in more fundraising

Income: In the US, the Israel Guide Dog Center has two primary income streams

- 1) **Contributions:** Gail budgeted a conservative increase in donations, but noted that we are unaware of the income that will come from Wills & Bequests. In addition, she mentioned that as a result of the War communications, the Center has raised funds from 560 donations. She isn't sure if or for how long that trend will continue—donor fatigue may set in or the increase in domestic anti-Semitism may push people to re-prioritize their giving.
- 2) **Investment Income:** Our investments are doing better than during the Covid years. Neil noted that the Investment Committee continues to work with the team at Bank of America which focuses on charitable investments for many organizations. The committee relies on that team to give advice and walk us through the investment process. The Bank of America team is also transparent and manages our funds in a fiscally responsible way. We have recently started working with their non-profit consulting practice to guide us on other areas.

Noach noted that when he and Norman started the organization, with the help of the Weinberg Foundation, an endowment fund was started. Over time, our hope has been to grow the investment to have a principal of \$60-80 million. The interest from these investments would be an important ongoing income stream for the Center and it could help sustain it in difficult times. At present, Israel has not requested funds from the investments, but Noach assured the group that they would not be shy about asking if needed.

Expenses: In 2024, Gail anticipates spending to further our ability to raise more funds. The biggest area or expenditures will be in the category of professional services, which

include our fundraising counsel (Imageer), marketing firm (Lautman Mask Neil & Co), auditors (Bee Bergvall), and bookkeeping services (Your Part-time Controller).

Specifically, Imageer, has asked for an increase of \$1,000 per month. Gail has been satisfied with their work noting that they have significant institutional knowledge and a historical perspective on many individuals and foundations. They have directly helped secure \$1.17 million from 110 gifts and they provide important counsel on various matters. After a discussion, Gail said that she suggested increasing the fee and offered to provide a more thorough breakdown of Imageer's work after the close of year.

The group also had a short discussion about securing more legacy gifts. Gail has been less than satisfied with FreeWill—a service that focuses on helping people create template language for their simple Wills. Moving forward, she is excited to work with group "Israel Legacy" that will help the increase our capacity to ask for bequest, retain donors, and implement a stronger legacy program. In addition, we have a donor who has pledged a gift payable over 2 years to support this work.

Gail also noted that there may be additional expenses related to our technology because we need our data to work better for us. We are looking to use a more robust CRM that has integrated mailing services, peer-to-peer fundraising efforts, video messaging, corporate matches, forms, wealth screening, and more.

Grants

- 1) Grants to Israel Guide Dog Center: Israel expects to ask for approximately \$1,915,000 in 2024 for general operating funds. In addition, the Center may be asking for a 1-time grant of \$100,000 to pay the leasing fees from Israel's Land Authority. This has been an outstanding issue for 6 years since the building of the east side campus. Our staff and some good lawyers are currently negotiating lower fees because as a charity the funds could otherwise be used for charitable purpose. Gail requests the flexibility to grant up to \$2.5 million. This is an upper limit, so we don't have to hold additional board meetings to vote for more funds.

Sarah Silver Luksenberg asked if this general operating support will also cover the breeding program. Noach mentioned that the breeding program is a critical element of the work of the Center and it will be covered specifically in the effort of the refurbishment of the clinic, our efforts to expand our success with frozen sperm, and continuing to bring breeding dogs from outside of Israel.

Noach noted that the Center also needs to recruit more dog training staff which is challenging in Israel.

In addition, the because of the War, the Center is expecting to have fewer Israeli donors this coming year. But it is seeing good fundraising numbers from Canada and the UK, so it hopes that will continue growing.

2) Grants to other organizations:

Eliya School for Blind Children: The Center has had a close relationship here since many of their children are our future clients. Last year we granted \$12,000 which included \$5,000 from the organization and \$7,000 from an anonymous donor. The Board has agreed to grant \$5,000 and Gail will approach the anonymous donor to see if he would like to renew his support.

Ofek Liyladenu is an organization of parents of blind children that focuses on providing music education to visually impaired children. Last year we granted \$8,000 including \$5,000 from the organization and \$3,000 from an anonymous donor. The Board has agreed to grant \$5,000 and Gail will approach the anonymous donor to see if he would like to renew his support.

Steve Leventhal motioned to accept this budget with the upper limit of a grant to the Israel Guide Dog Center of \$2.5 million this upper limit, grants to the two other organizations, and the projected expenses for 2024. Seconded by Bob Victor and accepted by the entire board

- V. **CLOSING:** Gail thanked everyone for joining and noted that if there are any further comments or questions the Board should feel free to reach out.

2024 ORGANIZATIONAL FOCUS

Goal: To grow the capacity of the US organization to attract and retain donors, while increasing fundraising to ensure long-term financial stability.

Strategy	Rationale	Tactics
1) Build new entry points for people to connect, learn, and donate	Our aging donor population needs to be supplemented by new donors	<ul style="list-style-type: none"> • Engage a marketing firm to consolidate and align our cross-channel marketing efforts and small donor fundraising • Build out our digital fundraising footprint • Expand 2 key programs: Name a Puppy (NAP) and Follow a Puppy (SAP)
2) Strengthen relationships with current donors and friends by being more donor centric (focusing on their interests, their needs)	Building deeper relationships with donors is critical for securing larger gifts	<ul style="list-style-type: none"> • Create new pathways for various groups (visitors, schools, mitzvahs, lapsed donors) • Increase segmented outreach • Modernize our language & look
3) Increase our capacity to bring in, foster, and secure new legacy gifts	With aging donors, it is the right time to expand efforts to secure estate gifts	<ul style="list-style-type: none"> • Work with Israel Legacy to create and launch a structured legacy program
4) Create leadership opportunities for people to become better educated, engaged, and willing to connect with new friends	Enhance IGDC Board structure to be more active and support these goals	<ul style="list-style-type: none"> • Build a new leadership model • Populate groups and onboard members • Create distinct strategies for committees
5) Streamline online and off-line processes to more efficiently manage the organization and create more opportunities for raising funds	IGDC's small infrastructure requires us to be mindful of limited resources to ensure organizational compliance, transparency, responsiveness, and growth	<ul style="list-style-type: none"> • Review tools to ensure integration • Increase data entry and data hygiene efforts • Explore ways to increase efficiency • Utilize data to make better informed decisions regarding fundraising, growth potential, and investment of resources

PROPOSED 2024 IGDC BUDGET

		2024	2023	2023	2022	2021
		Budget	Thru Q3	Budget	Actual	Actual
INCOME						
3000	Contributions	\$2,720,000	\$2,499,721	\$2,400,000	\$2,655,206	\$3,092,773
3001	Contributions Pledged	\$60,000	\$54,000	\$50,000	\$43,739	\$82,500
3002	Special Event Income	\$0	\$0	\$80,000	\$0	\$0
3005	Dividend Income	\$220,000	\$145,880	\$200,000	\$360,102	\$181,974
3006	Interest Income	\$11,000	\$13,947	\$5,500	\$7,023	\$119
3007	Realized Capital Gains	\$27,500	-\$23,069	\$25,000	-\$38,975	\$497,161
3010	Endowment - Realized Cap Gains	\$27,500	-\$4,774	\$25,000	-\$3,725	\$416,754
3011	Endowment - Dividends	\$55,000	\$104,735	\$50,000	\$59,287	\$152,708
3012	Endowment - Interest	\$1,000	\$5,113	\$200	\$152	\$91
3025	Unrealized Gain - General Funds	\$440,000	\$369,047	\$400,000	-\$2,147,738	\$747,951
3026	Unrealized Gain - Endowment	\$440,000	\$271,407	\$400,000	-\$1,658,719	\$586,014
TOTAL INCOME		\$3,982,050	\$3,436,006	\$3,436,006	-\$723,649	\$5,758,046
EXPENSES						
4000	Collection Expense	\$17,600	\$7,478	\$16,000	\$15,281	\$15,640
4002	Community Outreach	\$249,650	\$172,849	\$221,500	\$205,723	\$197,759
4005	Computer Expense	\$8,000	\$16,277	\$5,000	\$13,459	\$8,095
4008	Continuing Education	\$1,000	\$0	\$1,200	\$0	\$0
4009	Database Management	\$15,000	\$6,838	\$6,400	\$7,086	\$4,617
4015	Dues/ Subscriptions & Registrations	\$5,500	\$16,942	\$5,000	\$14,150	\$853
4025	Fundraising - USA	\$58,000	\$36,000	\$45,000	\$44,194	\$48,097
4030	Insurance	\$5,000	\$1,372	\$24,000	\$29,429	\$34,355
4035	Endowment Investment Expense	\$20,000	\$22,816	\$15,000	\$14,712	\$35,562
4040	Investment Expense - General	\$66,000	\$38,284	\$60,000	\$63,603	\$44,133
4045	Interest Expense	\$0	\$0	\$0	\$0	\$91
4050	Maintenance Expense	\$1,650	\$711	\$1,500	\$3,511	\$3,054
4060	Office Supplies	\$2,750	\$1,599	\$2,500	\$1,442	\$2,481
4062	Payroll	\$258,000	\$156,250	\$180,000	\$125,000	\$125,000
4063	Benefits	\$10,000	\$7,349	\$11,700	\$0	
4064	Payroll Tax Expense	\$20,000	\$16,790	\$25,000	\$22,201	\$20,452
4065	Postage	\$23,000	\$9,336	\$18,500	\$18,308	\$18,347
4070	Printing / Advertising	\$93,500	\$72,926	\$85,000	\$99,515	\$86,784
4075	Professional Services	\$135,000	\$28,056	\$12,000	\$76,630	\$7,620
4078	Registration Fees	\$13,000	\$9,010	\$11,100	\$11,090	\$8,837
4080	Rent	\$15,853	\$10,800	\$14,412	\$14,405	\$15,310

4084	Endowment Service Charges	\$0	\$0	\$0	\$0	\$1,473
4085	Service Charges	\$1,760	\$1,304	\$1,600	\$1,622	\$1,365
4086	Special Event Expense	\$13,200	\$0	\$12,000	\$0	\$0
4090	Telephone	\$5,000	\$3,620	\$4,500	\$4,444	\$4,947
4092	Travel Expense	\$3,000	\$280	\$2,500	\$1,793	\$1,621
4095	Utilities	\$4,180	\$3,154	\$3,800	\$4,347	\$3,258
4097	Website Expense	\$1,800	\$2,454	\$1,500	\$9,600	\$4,533
TOTAL EXPENSES		\$1,047,443	\$642,495	\$786,712	\$801,545	\$694,284
NET ASSETS FROM US OPERATIONS		\$2,934,557	\$2,793,511	\$2,848,988	-\$1,525,194	\$5,063,763
ASSETS TRANSFERRED TO ISRAEL						
5000	Funds Transferred to Israel	\$1,915,000	\$1,260,000	\$2,400,000	\$1,425,000	\$1,743,000
5001	Program Expense	\$0	\$0	\$0	\$20,000	\$18,397
5002	Land Authority Tax (one-time)	\$100,000	\$0	\$0	\$0	\$0
5010.1	Advertising	\$18,000	\$12,739	\$13,000	\$13,906	\$22,758
5010.2	Building & Equipment	\$0	\$0	\$0	\$0	\$69,172
5010.3	Client Travel	\$60,000	\$56,203	\$25,000	\$27,925	\$16,138
5010.4	Continuing Ed	\$5,000	\$1,604	\$6,000	\$5,421	\$500
5010.5	Dog Expenses	\$30,000	\$25,072	\$30,000	\$30,551	\$20,504
5010.6	Gifts & Contributions	\$10,000	\$349	\$0	\$0	\$0
5010.7	Training Equipment	\$30,000	\$4,019	\$25,000	\$22,277	\$50,054
5010.8	Website	\$3,000	\$743	\$2,700	\$2,565	\$2,432
5010.9	International Fundraising	\$500	\$28	\$0	\$7,749	\$10,770
5010	Purchases in Israel	\$500	\$0	\$0	\$0	\$1,554
	TOTAL PROGRAM EXPENSE - ISRAEL	\$2,172,000	\$1,360,757	\$2,501,700	\$1,555,392	\$1,955,278
NET ASSETS AFTER ISRAEL EXPENSES		\$762,551	\$1,432,754	\$347,288	-\$3,080,587	\$3,108,485