

New Money: From Children to Gen X

By Hilary Larson - Special to The Jewish Week, September 22, 2005

Paul Kane, senior vice president of UJA-Federation of New York, can't point to any statistics that show a decline in Jewish philanthropy among younger Jews, but he is not about to wait for a crisis to act.

"You can't do business the same way you did it 10 years ago," he said. "We've always been at the forefront of attracting the younger generation, and we've got to continue to find ways to make philanthropy relevant and engaging."

Kane and others in the field of Jewish giving say Generation X presents a new challenge for philanthropic organizations, which must change how they reach out to potential donors if they are to remain effective.

UJA-Federation sponsors a Young Leadership program for young adult donors offering events, activities and subgroups — such as Russian Young Leadership — to involve Jews under 45.

But a year ago, Kane said, UJA-Federation began formally strategizing ways to increase participation among the younger set.

"We'd engage them, and then they'd fall away," he said. "We weren't following up properly, and there was no synergy between the divisions.

"No. 1, we have to listen to them," Kane said. "No. 2, we have to adapt our marketing techniques."

That, he said, means "giving them meaningful ways to be involved."

UJA-Federation plans to target donors with volunteer opportunities — tutoring or meal programs, for example — as well as study and travel opportunities that meet specific interests. Younger donors, Kane said, are interested in a more hands-on approach and want to know exactly where their dollars are going.

They also respond to different solicitation techniques. "We've got to use technology, including the Internet, more effectively," Kane said.

Mark Charendoff, president of the Jewish Funders Network, which provides advice and charitable opportunities for more than 850 member donors, has pointed to a generational shift in younger Jews' values.

Gen X, he noted, is less likely to reflexively give to causes associated with Jewish education and with Israel, as their parents and grandparents did. So the challenge is to find ways to make such giving relevant.

The network recently launched a matching grants program aimed at enticing young adults to fund Israel-related charities. The program offers matching grants of up to \$50,000 for first-time, Israel-directed donations from those younger than 40.

Like many of his peers, Kane sees Wall Street as "the linchpin" of the younger charitable set, and UJA-Federation is forming a new "20-something" group to reach out to them.

Nora Berger, assistant director of marketing and donor relations for the **Jewish Communal Fund**, also said, "We're aiming at the Wall Street, hedge fund community."

The fund manages about \$700 million in assets in more than 2,000 donor-advised philanthropic funds for families and individuals, mainly in the New York area.

Berger said JCF reaches out to young Jews on Wall Street through targeted breakfasts, briefings and events like the annual donor appreciation event, which was held at Christie's this year and which invites donors to bring guests, many of whom learn about the fund and decide to get involved.

This year, JCF launched a program targeting the youngest potential philanthropists: children.

The Children's Fund allows young Jews to take their first dip into the pool of charitable giving by establishing special donor-advised funds through JCF, typically for the bar/bat mitzvah, to which guests and friends can contribute.

The children make decisions about how to allocate the donations, which may support any qualified charity, from a homeless shelter program to tree planting in Israel.

"It's really about teaching them to handle assets," said Berger.

In contrast to the "regular" adult funds, which require a \$10,000 minimum opening balance and a \$180 minimum grant, Children's Funds have a minimum opening balance of \$1,800 — which, given the quantity and size of checks written for New York bar mitzvahs, is not hard to amass, Berger pointed out — and a minimum grant of just \$36.

"Philanthropy is a habit that needs to be cultivated," said Berger, explaining the logic behind JCF's new initiative. "If children learn about tzedaka from an early age, by the time they're adults, they'll be part of the new generation of Jewish philanthropists, already accustomed to the value of giving."

The Communal Fund has also recently launched two parallel initiatives in its "lifecycle fund" program: the Wedding Fund and the Memorial Fund, to which contributions are made to honor marriages and the departed.

The Wedding Fund in particular is aimed at younger Jews, since they are the more likely marriage demographic.

In lieu of writing a check or buying housewares, wedding guests are advised to contribute money toward the fund. The newlyweds have the satisfaction of contributing to charitable causes to honor their union, said Berger, who views such funds as a way of engaging young adults in philanthropy.

One thing the organizations all agree on: There is no shortage of potential donors who are interested in making the world a better place.

"There are a lot of Jewish young people, and we are only scratching the surface," said Kane. "There are tremendous opportunities out there, and our mission is to make the connection."