

## Can Jewish giving weather the transfer from one generation to the next?

By Jacob Berkman - January 25, 2011

NEW YORK (JTA) – Last week’s news that one of the country’s largest Jewish foundations will close in two years, its assets to be divided among the foundations of its founder’s heirs, is shining a spotlight on a major question in the Jewish philanthropic world:

How will Jewish philanthropic giving weather the transfer of assets from one generation to the next?

The San Francisco-based Richard and Rhoda Goldman Fund, which has given out about \$700 million since it was started by Richard Goldman in 1951, with most of the gifts benefiting environmental, health and Jewish causes, will close at the end of 2012, the San Francisco Chronicle reported.

The foundation, which has about \$280 million in assets, will continue to make grants until then, but after the end of next year, its remaining money will be divided among the philanthropies of John and Douglas Goldman and their sister, Susan Gelman -- the heirs of Richard Goldman, who died at the age of 90 in 2010, and Rhoda Goldman, who died in 1996.

In 2010, the foundation distributed \$12.6 million to Jewish causes, including The Israel Project, the Chronicle reported. The foundation will continue to help Jewish charities until it closes, according to one of the heirs.

“We realized that this time would come,” John Goldman told the Chronicle. “While it will be a transition for all of us, I do feel there is an opportunity for each of us to have an impact in the world and to have our role in tikkun olam,” repairing the world.

It is unclear exactly how much of the assets remaining in the foundation will find their way to Jewish causes after 2012. Of the heirs’ three funds, Gelman’s Morningstar Foundation is the only one that has a primary focus on Jewish causes.

The news about the Goldman fund comes just as several of the most significant foundations in the world of Jewish giving are in the process of spending down their assets ahead of closing.

The Avi Chai Foundation, which donates funds primarily to Jewish education and continuity, is scheduled to give away all of its estimated \$700 million by 2020. The Andrea and Charles Bronfman Philanthropies, a family of foundations that helped to found Taglit-Birthright Israel, is set to close in five years.

Both those foundations are taking steps to ensure that the philanthropic wishes of their benefactors are fulfilled. Although Zalman Bernstein, who founded Avi Chai, died in 1999, the foundation trustees he hand picked before his death have been ambitious about coming up with strategies to distribute the foundation’s money in a way that meets Bernstein’s desire to increase Jewish literacy.

Charles Bronfman, who is 79, is overseeing the final years of his philanthropies’ activities. According to the president of the foundation, Jeffrey Solomon, Bronfman and his children decided during the 1990s that it made most sense for Bronfman himself to continue his charitable endeavors until he saw fit and then simply to close up shop. His children have their own foundations with their own goals.

As trillions of dollars in wealth are transferred from generation to generation in the United States over the next four decades – about 15 percent of which will go to charity – questions linger about what will happen to Jewish philanthropy as younger

generations become more assimilated and less connected to the Jewish world.

That has become a primary focus for Bronfman over the past decade. Since 2002, his foundation has engaged in several initiatives designed to encourage the heirs of Jewish fortunes and family foundations to get involved in Jewish giving. The projects, known as 21/64, Grandstreet and Reboot, are aimed at helping young heirs to discover for themselves the value of Jewish giving and to carry on the tradition of their families' philanthropic choices.

"The first generation of Jewish philanthropists are reaching the end of their life spans, and that manifests itself very differently from foundation to foundation," Solomon said. "Once you lose the knowledge of the original donor or granter, it becomes a different dynamic at the foundation."

Solomon pointed to a lack of preparation in the next generation of philanthropists.

Gelman, daughter of Richard and Rhoda Goldman, declined to comment for this story, but Solomon predicted that her Morningstar Foundation will become a much more significant player on the Jewish philanthropic scene in coming years.

Asked if the Jewish world should be concerned about the closing of major foundations like Bronfman's philanthropies and Avi Chai, Solomon said no.

"For every foundation that spends down, there are three or four or five foundations being created," he said. "There continues to be growth in the foundation field, and especially the Jewish foundation field, and I believe that as newer business entrepreneurs come into the field, we are going to see greater support."