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OPINION - Editorial

Balancing acts

Like many Americans, we kept an eye on the political theater over the debt-ceiling limit that played out in Congress this past weekend and in the early part of the week. It reminds us of how a structural deficit can choke off cash-flow and restrict options. It also reminds us of the structural deficit revealed by the Jewish Federation of Greater Phoenix back in January.

Much of the federation's time this year has been spent on getting its fiscal house in order because of unrelenting financial pressure - too many commitments and not enough revenue to pay them - spawned by past spending.

The federation pared its staff to the bone, and current management and fundraising are largely in the hands of volunteers who are doing the work that professionals are customarily hired to do.

The federation's deficit was rolled forward for many years. In January, Bob Silver, the federation's board chairman, said he checked records back to 1986 and stopped investigating. The deficit was that old. The \$3.3 million deficit in 1986 had grown another \$1 million by 1998, and so forth.

"Where did that money go?" he asked at the time. "The answer is, 'It went out into the community."

It's a disarming statement - you can't argue with pumping money back into the community - but concrete examples of what was funded in lieu of balancing the budget would give the statement some substance - not to mention inspiring confidence in the federation at a time when its relevancy is being re-examined. The time for transparency is now.

Silver took federation town halls on the road last summer to the far corners of our Valley in an attempt to engage more community members in the federation's decision-making process, and although tumbleweeds weren't exactly blowing through the venues, the attendance didn't set any records.

Clear answers might help. For instance, did operation and management costs of the Ina Levine Jewish Community Center divert resources that could have addressed the needs of the most vulnerable in our community? The federation circumspectly acknowledged the issue in its May 25 Jewish Community Update ("Solar energy, endowment key to association's future," Jewish News, June 3).

Leaders at the event, which drew fewer than 50 community members, said that campus costs had been a financial drag on its tenants, not to mention its federation landlord. They said that establishing an endowment to fund those costs was a job left undone when the campus was built and they were seeking to rectify that.

Federation leaders of the past may have had their hearts in the right place when they took on the debts that led to its financial issues. It's just that whether your heart's in the right place or not, bills will come due.