

FEDERATION-AGENCY STRATEGIC ALLIANCES

Creating Synergy Through Community Trusts

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The federation-agency relationship can be strengthened by engaging in creative joint ventures that use the resources of each partner to meet the needs of traditionally unserved constituencies in the Jewish community. One such venture is the UJA-Federation Community Trust for Disabled Adults, which combines financial care with a personal advocate and ombudsperson who ensure that the needs of the disabled individual are met by the involved UJA-federation agency and the Trust.

At a time when the increased financial constraints on federations are resulting in a national trend of decreased allocations to agencies, it is important that federations find approaches that maintain the federation-agency covenant through providing added value beyond the annual allocation. UJA-Federation of New York has been attempting to do so through a broad range of group purchasing, shared services, and other innovative approaches that bring together the federation and the agencies in new paradigms. Perhaps the most interesting of these approaches is the creation of the UJA-Federation Community Trust for Disabled Adults.

The idea evolved from the community services that the UJA-Federation Department of Planned Giving and Endowments provides to its donors. One particular case, because of its tragic consequences, impelled the endowment professionals to try to find a solution to the emotional and financial crises that overwhelm many parents of disabled adults. This family had approached the endowment department seeking chari-

table estate planning that would provide protection for their disabled adult child after the deaths of both parents. The child, who had a severe psychological disability, often had difficulty contending with the demands of life in New York City. His parents provided him with financial assistance and with help with most of his life decisions. Nevertheless, the child was often victimized by others, especially when he refused or neglected to take his prescribed medication.

The endowment staff conferred with the parents and their attorney, and a will was ultimately prepared. It established a trust for the benefit of the child under the management of a bank trust company. The endowment department was able to make this arrangement, despite the fact that the amount that would be available to fund the testamentary trust was below the normal threshold for a New York City bank trust department.

As time passed, the family became more and more concerned that, despite the financial protection written in the parents' wills, there was no way to ensure that the child would be protected from life's dangers after the death of the parents. Nor was there a means to ensure that a human service agency would closely monitor the child's

Written material about the Community Trust may be obtained by writing the Department of Planned Giving & Endowments, UJA-Federation of New York, 130 E. 59th Street, New York, New York 10022.

life and provide care and advocacy. The sad ending to this troubled family was the simultaneous deaths of the parents and child in a homicide/suicide resulting from the parents' heart-rending desperation that the child could not survive alone.

From this tragedy evolved a vehicle to protect families from such desperation. The UJA-Federation Community Trust for Disabled Adults combines financial care in the form of a Supplemental Needs Trust with a personal advocate and ombudsperson who ensure that the needs of the disabled individual are met by the involved UJA-Federation agency and the trust.

THE FRAMEWORK OF THE SUPPLEMENTAL NEEDS TRUST

The Trust uses the respective resources of the federation and the agencies on behalf of a group that has traditionally not been served by the organized Jewish community. Many aging parents of adult disabled individuals struggle to plan for the well-being of their disabled loved ones after their own deaths. Although some programs do provide guardianships for individuals in such a predicament (Fisher & Solomon, 1974), they do not deal with the intergenerational issues between the aging parent and the adult disabled child. In many cases, where significant assets exist, arrangements are made with banks or trust companies or more distant relatives. The acknowledged problem with these relationships is that they are not predicated upon a knowledgeable trustee who has access to the services that are likely to be needed by the adult disabled child throughout his or her life.

During the early planning stages of the Trust, F.E.G.S., the federation vocational service and rehabilitation agency, conducted focus groups with parents and families of disabled individuals. The groups determined that it was important to make a vital distinction between this Trust and other trusts. Many believed that there should be a separation between trust management and other services. This separation would en-

sure the elimination of any possible conflict of interest, since those providing services would have as their sole objective provision of the highest quality of service. The service providers, although possibly benefiting indirectly from funds that might remain in the Trust after the beneficiary of the Trust was no longer alive, would not be making the financial decisions. Conversely, the managers of the Trust, because they were not the providers of case management or other services to the beneficiary, would be able to carry out their fiduciary and management responsibilities in a more appropriate manner. In addition, centralizing the Trust at UJA-Federation also enabled the Trust managers and the persons creating the Trust to select from a variety of service providers within the UJA-Federation family, in some instances using more than one member agency.

The UJA-Federation Community Trust Program uses the respective community partners in the roles that they can best serve. The federation is perceived as having a long life with sound fiscal and administrative management, ample investment experience, and a strong sense of continuity. The agencies have a full range of residential treatment, rehabilitation, case management, health care, education, and recreational services that can meet virtually any challenge presented by a disabled adult individual. In the case of New York, several human service, health, and geriatric agencies provide the full continuum of services necessary to provide comfort to the disabled individual's parents, as well as true connection to the disabled individual.

The purposes of the Trust are to: (1) assist parents of disabled adult children to provide for the needs of their disabled children through financial participation during the lifetime of the parents and/or through their wills and (2) assist the UJA-Federation agencies who are the care providers to provide services necessary for the care of the disabled children.

The Trust is an investment and an administrative vehicle. The individual spon-

sor account that is established for each beneficiary becomes part of the pooled resources that constitute the Trust estate. Each sponsor account is credited with its proportionate share of net income from the Trust estate and is charged separately with disbursements and distributions made on behalf of the disabled beneficiary. The trustees' responsibility is to hold, manage, and administer the Trust within their power of discretion.

The Trust provides for the needs of the disabled beneficiaries over and above the benefits that the beneficiaries may be entitled to receive from any government source.

The UJA-Federation member agency provides the disabled beneficiary with a personal advocate who will represent the disabled adult with respect to his or her interest in the Trust, as well as with regard to necessary and appropriate services. This advocate works for the agency and is responsible to the agency's executive and board of directors.

In addition, an ombudsperson is available to whom the aggrieved party can apply to seek relief from decisions of the Trustees through the personal advocate. The ombudsperson is a disinterested third party selected by the Trustees. He or she is responsible directly to the Trustees, but functions as an independent third party responsible for protecting the rights of the client. The cost of the ombudservice is part of the administrative charge against the Trust.

Upon the death of the disabled beneficiary, at least 50% of the remaining funds in the individual sponsor account must go to UJA-Federation and advocacy agencies; the balance may be distributed to individuals, such as surviving siblings of the disabled beneficiary.

The Trust is being marketed to two segments of the community; the UJA-Federation member agencies that serve this disabled population and the community at large that is in need of this service.

In metropolitan New York, 15 member agencies indicated a readiness to be a part-

ner with UJA-Federation in this innovative effort. UJA-Federation chose to engage in its first marketing alliance with F.E.G.S. for several critical reasons:

- F.E.G.S. had been exploring the concept of a Community Trust for Disabled Adults for several years and was able to combine its vision with that of the UJA-Federation Department of Planned Giving and Endowments.
- F.E.G.S. was prepared to make the financial investment (approximately \$60,000) necessary to ensure a professional marketing approach to its community.
- F.E.G.S. serves a wide range of disabled adults, including those with chronic mental illness, mental retardation, developmental disabilities, and physical disabilities, through a full spectrum of services: residential, day treatment clinic, case management, educational/vocational, and other therapeutic modalities.
- F.E.G.S. is a community-wide service agency, with sites located throughout the community.
- The history of the relationship between UJA-Federation and F.E.G.S. has been one of mutual trust and the ability to move quickly at moments of opportunity.

It was decided that the best way to market the program would be to hold seminars for parents of the disabled adults, service providers and advocates, legal and financial advisors, and others who might be interested in the Trust. Personal invitations to the first seminar were supplemented by advertisements in the Jewish and secular media. "Success" was defined as an attendance of 40 persons at the seminar. In fact, the first seminar attracted over 180 people, with extraordinary levels of participation. The half-day seminar reviewed the legal and service components of the Trust. Within days of the seminar, prospective participants were using all available professional resources at UJA-Federation to complete individual inquiries and establish

sponsor accounts. This marketing approach is being replicated with other UJA-Federation agencies in other locations. Eleven signed Trusts have been established to date, and many more are in various stages of development.

Everyone signing up to participate in the Trust has a unique set of circumstances and has his or her own reasons for creating a sponsor account. Each may share the commonality of having an adult child who has a disability, but each is unique. Consider these case examples.

Yakov's parents were survivors of the Holocaust. They arrived in this country alone, having lost everything—members of their family and all of their material possessions. The miracle of Yakov's birth brought much hope and reason for living. However, Yakov was born severely retarded. He lived at home with his parents and brought new joy and meaning to their lives, as together they celebrated their Jewish heritage. Now as an adult, Yakov has moved into a new kosher community residence sponsored by F.E.G.S. Yakov's parents still worry and have serious concerns about him. "When we are no longer here, who will buy Yakov a winter coat? Who will make sure that someone accompanies him to the baseball games he loves so much? Who will speak with the institutional staff on a regular basis to make sure that Yakov's needs continue to be met, that his quality of life will be what we wish for him?"

Sheera is a young woman with severe and debilitating emotional difficulties. She lives at home and has a part-time job, but her mother recently suffered a stroke. Her father, who has health problems, is about to retire. Her parents have no relatives who are willing or able to take responsibility for Sheera in the future. She cannot live on her own without assistance. Where do her parents turn to ensure her continued independence by meeting her special needs?

It is for Sheera, Yakov, and so many others

in our community with similar stories that the UJA-Federation Community Trust for Disabled Adults was created.

CONCLUSION

Although the fund-raising and service implications of the Trust are clear, with at least 50% of the Trust proceeds after the death of the disabled adult going to UJA-Federation and its agencies, parents of the disabled can proceed into old age with the comfort of knowing that the community will take the legal and fiduciary responsibility for the care of their offspring and that a sound financial/case management system will be in place for those disabled adults.

Yet, the implications of the Trust go beyond the parameters of the program itself. The need for new vehicles of agency-federation joint ventures is clear. As the Jewish community's network has matured, the agency-federation relationship must also mature to go beyond one that is focused exclusively on its planning and allocation components.

The thrust toward joint venture development is one to which the federation and the agency must make organic commitments—one to another—that then result in new initiatives that ensure the fostering of these relationships in the future. The UJA-Federation Community Trust for Disabled Adults represents a commitment to commitment; that is, a commitment of UJA-Federation and its agencies to the mutual covenant they share in service to the Jewish and general communities. With the acceptance of this covenant, the partners are better able to face challenges together, focusing less on the natural tensions in the allocations relationship and more on the positive opportunities of a strategic alliance.

REFERENCES

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