



10 Tips: Financial Navigation For Synagogue Leaders During a Crisis

By Barry S. Mael

In the current global state where fear and uncertainty prevails, everyone is looking for answers and direction in staying financially afloat. For synagogue leadership: lay and professional, there are lots of issues and concerns to consider. In speaking to many leaders from across the centrist movement, as well as my own observations, the following 10 tips will hopefully provide guidance in navigating these choppy waters.

1. **Focus on Relationship Building:** Focus on deepening relationships with congregants. Synagogue members are feeling isolated, scared; they are literally craving personal connection. By virtually connecting for *minyanim*, classes, meetings and events, we are able to come together even when we are apart, while offering hope and support. This is a great opportunity to show members why they have chosen to belong to a sacred community. Whether they are significant donors or simply dues-paying Jews in the pew, they want and deserve a deeper connection and attention now more than ever. This could also lead to increased loyalty and enhanced financial support over time.
2. **Increase Virtual Connections:** Everyone is looking for new ways to communicate with members and community. With texting, Zoom, StreamSpot, Google Hangouts, WhatsApp and other platforms there are many and varied ways to interact and stay in touch; the telephone works just as well. Having the Rabbi, President, lay leadership, executive director call or text to check in and see how people are doing is tremendously meaningful and reassuring. Many of our synagogues have volunteers or *Chesed* committee members or the board calling every synagogue member and the response seems to be very positive.
3. **Community Demographics:** It's helpful to deepen your understanding of community demographics when assessing the financial short and long term impact. I have received many calls asking about how to approach budgeting and adjust projections for next year. People ask if there is an across-the-board percentage to reduce by. The answer is "no." That said, tap into your personal knowledge of the congregation and membership. Are there many seniors, non-working members who are concerned about their 401K? Are there many professionals such as attorneys and accountants who are, for the most part, continuing to work, versus small business owners or workers who have been cut

back or laid off? Knowing the makeup of your congregation will provide valuable insight as to whether there is a significant short or long-term financial implication.

4. **Don't apologize when asking for money:** For many of our congregations, there are significant concerns and confusion around assessing the economic impact for the rest of this fiscal year. The majority of USCJ affiliated synagogues have a July 1 to June 30 fiscal year and so we are approaching the 4th quarter. With the efforts to offer virtual school, virtual *minyanim*, classes and programs, we should be up front and honest in asking for our members to complete their dues, school and program payments. Understandably, there will be people and families who are having serious financial issues that should be handled with care and total confidentiality.
5. **Transparency Around Refunds, Cancelled Programs:** For synagogues operating pre-schools and or day care centers (often used by non members) and religious school, the concern surrounds monies already paid or owed for March onward, particularly if the program has been paused. If programming continues virtually, then payment should be expected. For paused programs, consider approaching member families to ask them to donate their payments as a donation or to complete the yearly payment commitment as a sign of goodwill. For non-member families, this will be more challenging.
6. **Assess the Complete Financial Picture:** Not all the financial short-term news is bad. There is no way to minimize issues regarding tuition, unpaid dues, lost fundraising revenue and exposure regarding salaries. In most cases, a significant percentage of dues payments have already been made, Hebrew school tuition has generally been paid, a good percentage of the fundraising has taken place. In addition, while buildings are closed many are saving on security/armed guards, utility costs and food. Try to be honest about the whole situation.
7. **Projecting next year's budgets:** Consider preparing multiple budgets based on different scenarios – dropping revenues, concerns about decreased dues income, lack of clarity regarding school openings etc. This is your worst case scenario budget and you can pick a number for certain areas 10%, 15% ? Suggestion: look at budgets for 2009 and 2010 after the 2008 crash to get a sense of historical revenue decreases and shortfalls. The second budget would be a more normalized contingency budget based on numbers coming in closer to regular projections pre-Coronavirus. There might even be a third budget for synagogue programs that are still very up in the air such as summer camps. Perhaps the worst case is voted on and an agreement is made to review numbers in September and then decide on which budget to use moving forward. Keeping a priority list of what gets added or cut based on actuals is key. Being prepared for multiple scenarios and being up front with membership and leadership is the smart thing to do here.
8. **Say Thanks:** During these hectic times, working outside the building, it can be easy to forget to acknowledge dues payments and contributions. If members or

friends are making the effort to write a check or submit a payment during this time, don't lose sight of how important those funds are. Handwritten notes and calls are more important than ever.

9. **Mobilize Professionals:** Form committees of congregants who are lawyers, accountants and insurance brokers who will volunteer their time and expertise. Have them review contracts, government benefits (particularly the three recently passed bills passed that may benefit nonprofits), insurance brokers can weigh in on insurance packages and or claims that synagogues can benefit from. Even though most business interruption policies have exclusions for pandemics, it is key to know what is covered and what protection the synagogue has from claims.
10. **Community That's Better Together:** With so many changes and operational shifts happening at once, it's important to remember that these may later inform a new type of synagogue life. Who knows, we might also permanently adapt things like how we serve *Kiddush*, using social distancing respectfully, identifying new programs for endowments and being more aware of our connection and impact on others.

I look forward to exploring and embracing this paradigm shift and preparing our synagogues for 21st century growth. For more information, email me at mael@uscj.org

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