THE JEWISH AGENCY FOR ISRAEL BOARD OF GOVERNORS

Joint meeting of Assets and Liabilities Committee and Companies Subcommittee VIA ZOOM

14.11.2024

Summary of Meeting

Members Present: Richie Pearlstone, Harvey Blitz, Andy Groveman, Richard Bernstein, Robert Hertzberg, Robert Kaplan, Donald Davis, Harry Levy, David Silvers, Yohanna Arbib-Perugia.

Members Absent: Fred Zimmerman, Masha Lubelsky, Harvey Wolfe, Ehud Naor, Gael Grunewald, Debbie Berman, Eran Agai, Beth Kieffer Leonard, Abrao Lowenthal, Silvio Joskowicz, Yossi Gilor, Dror Morag, Dina Hahn, Gusti Yehoshua Braverman, Dor Davidyan, Meir Melnick, Dudu Mor.

Invited: Yaron Shavit, Bruce Sholk, Mark Wilf, Rachel Abecassis, Sandy Antignas, Jo Murciano, Inbar Ruimy.

Professional Staff: Josh Schwarcz, Moshe Ashirie, Lea Weiss, Hila Deutsch, Bosmat Chelouche, Yoel David, Rivka Weg, Keren Hadad.

Opening Remarks

Harvey Blitz opened the joint meeting of the two committees and welcomed the participants.

The minutes of the previous joint meeting of the two committees, from May 2024, were approved.

Josh Schwarcz - Companies Report

Josh Schwarcz reported several significant changes, including the appointment of Meir Holtz as the new CEO of Masa, Shirel Dagan Levy was appointed as the CEO of Voices of the People (President's Initiative), Idit Nagar appointed as new CEO of TechUnity, Dr. Shuki Friedman appointed as Director General of JPPI, working alongside Prof. Yedidia Stern and Lior Finkel Pearl was appointed as new CEO of the Spirit of Israel.

Youth Futures - Josh reported significant fundraising success of Youth Futures, leading to doubled annual revenue (40M to 80M shekels). Secured funding includes: 35M shekels for 5 years from Mifal HaPayis and Ministry of Galilee \$3M for 3 years from JFNA and Mandel Foundation. Expanding operations from 50 to 80 municipalities, growing to 500 employees, becoming one of the largest non-profit companies after Masa.

Community Center in Tiberias - Josh informed the committees about the community center in Tiberias where an audit uncovered embezzlement of 2.1 million shekels by the accounting director and CEO. Following discovery, the case was reported to leadership and the assets committee, resulting in termination of both the CEO and CFO, replacement of signatories and audit committee members, and filing of an insurance claim to recover the stolen funds.

ITC Update - The company is in final shutdown phase after business plan failure. All employees terminated, Tel Aviv facility evacuated, and student obligations completed. A former student has filed a class action lawsuit against ITC claiming unpaid internship compensation. Legal counsel indicates a strong defense position, though litigation will likely continue for years due to Israeli court delays. Financial exposure cannot yet be determined.

Gaza Envelop Resilience and Expansion Initiative – Moshe Ashirie

Moshe Ashirie presented the Gaza Envelope Community Expansion Project, a \$500 million initiative led by The Jewish Agency, Amigour, and the Israeli government to rebuild and revitalize southern Israeli communities affected by the October 7, 2023, attacks. The plan aims to attract 1,000 new families by rapidly constructing 1,000 homes. With government-funded infrastructure and a mix of community, government, and loan financing, the project ensures affordability and long-term growth. Beyond housing, it integrates social services and economic support to foster resilience. To move forward, securing \$40 million in philanthropic funding is crucial, alongside government agreements and financial structuring. The initiative is a strategic effort to restore stability, encourage demographic growth, and reinforce global Jewish solidarity with these communities.

Discussion:

David Silvers expressed concerns about government delays and bureaucracy. Jewish Agency and philanthropists may need to play a larger role in ensuring project execution.

Moshe Ashirie emphasized the need to continue negotiations with the government for loan guarantees, initiate formal site assessments and architectural planning for new housing, and engage financial institutions to finalize loan structures.

Harvey Blitz suggested forming a task force to oversee project implementation and recommended a follow-up briefing at the next committee meeting.

Closing Remarks:

Richie Pearlstone recognized the outstanding work of Amigour staff, who have been working seven days a week since the crisis began. Emphasized the need for ongoing engagement and updates to ensure project success. Richie closed the meeting and thanked the participants.

Summary: Hila Deutsch