

## **ALEH Charity no Longer Affiliated with the Aleh Foundation**

ALEH is a well-known Israeli charity that provides residential facilities for over 650 children who are severely disabled.<sup>1</sup> ALEH was founded in 1983 and now has four operating facilities.<sup>2</sup> Their goal is to provide these children with state of the art medical, educational, and rehabilitative care. These facilities allow the children to live in the same way that non-disabled children live: “attending school, participating in vocational programs and enjoying activities such as swimming at the beach or touring the countryside.”<sup>3</sup> The ALEH charity has international offices to help with fundraising; they have offices in the United States, Canada, the United Kingdom, and Mexico.<sup>4</sup>

ALEH was brought to the forefront of media attention, when the Aleh Foundation (along with Rabbi Braun), which is a Brooklyn-based charity, was recently caught up in a \$5 million lawsuit.<sup>5</sup> This Brooklyn-based charity purports to be the American fundraising arm of the Israeli charity.<sup>6</sup> The Aleh Foundation, in 2010, put up a photo of a young girl with spina bifida and claimed they were there to “help her family adapt their home to become disabled-accessible, and to ease their financial burdens.”<sup>7</sup> Her family filed a \$5 million lawsuit this fall, alleging that the Brooklyn-based charity never gave a dime for her care and used her likeness fraudulently.

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<sup>1</sup> Steven Lipman, *Israeli Charity Breaks Bitterly With U.S. Arm*, The Jewish Week, Nov. 20, 2013, available at: <http://www.thejewishweek.com/print/36460>

<sup>2</sup> ALEH Website, available at: <http://www.aleh.org/eng/news.asp?AID=596#.UpJ2co1Q2H0>.

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> *Aleh Foundation at Center of Legal Controversy*, Nonprofit Law Prof. Blog, Nov. 21, 2013, available at: <http://lawprofessors.typepad.com/nonprofit/2013/11/aleh-foundation-at-center-of-legal-controversy.html>.

<sup>6</sup> *Id.*

<sup>7</sup> Lipman, *Supra*.

The ALEH charity met Rabbi Braun in 1988 when they were trying to increase the charity's fundraising efforts in the United States. Rabbi Braun agreed to keep Aleh Foundations overhead low and to provide clear records of his expenses.<sup>8</sup> In the late 1990s the ALEH charity realized the relationship was not working. In 2010 ALEH broke ties from the Aleh Foundation and Rabbi Braun because the Aleh Foundation was not sending enough money to Israel-based facilities.<sup>9</sup> In fact, in 2009, according to the IRS Form 990, the Aleh Foundation stated that it raised \$817,651 and ALEH only received \$448,815. In 2010 the foundation claimed it raised \$523,799 and ALEH said it only received \$156,000.<sup>10</sup>

ALEH was concerned with the small amount of funds and the lack of information that they were receiving from the Aleh Foundation and considered the Foundation to be more of a liability than help.<sup>11</sup> That is why ALEH cut ties and formed it's own 501(c)(3) organization known as the ALEH Negev Foundation to be the tax deductible entity for US donations.<sup>12</sup>

The Israeli-based charity has been trying, since 2010, to stop the Foundation and its head Rabbi Braun from passing the Foundation and himself off as an affiliate and a representative of the Israel-based charity. Now that this one time private dispute is public ALEH is actively making everyone aware that the two are no longer affiliated. ALEH charity posted a statement at the top of their website that says: "Please note: ALEH's network of care for severely disabled children in Israel officially broke off ties with the foundation in Brooklyn, NY in January 2010. The two organizations are not affiliated!"<sup>13</sup>

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<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> ALEH website, *Supra.*

<sup>13</sup> *Id.*

Since the lawsuit was filed, the Foundation's rating on Charity Navigator has dropped. Charity Navigator rates nonprofits on their efficiency, from one to four stars. The Aleh Foundation used to have a one star rating, but now has no stars and is marked as "Donor Advisory."<sup>14</sup> Donor advisories are issued when Charity Navigator becomes aware of a serious issue.

ALEH stated in September that they did not think suing the Foundation to win back their good name would be a good use of their donors' money. Instead they want to continue to devote their attention to the children and hope their "good work will continue to speak for itself."<sup>15</sup>

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<sup>14</sup> Lipman, *Supra*.

<sup>15</sup> ALEH website, *Supra*.