

In Re Hungarian Gold Train Settlement

Case No. 01-1859-CIV

**SUPPLEMENTAL PROGRAMMATIC REPORT ON THE
2006 SPECIAL FUND ALLOCATION OF THE
HUNGARIAN GOLD TRAIN SETTLEMENT**

AND

**2008 SPECIAL FUND ALLOCATION
RECOMMENDATIONS**

SUBMITTED TO

Judge Patricia A. Seitz

Prepared by

**CONFERENCE ON JEWISH MATERIAL CLAIMS AGAINST
GERMANY, INC.**

December 20, 2007

I. Summary of Supplemental Report on 2006 Special Fund

This report contains financial and programmatic information for seven agencies¹ that were granted extensions through June 30, 2007 on their allocation of the 2006 Special Fund. All of the grants have been spent in full, with the exception of the Foundation for the Benefit of Nazi Victims in Israel which has an unspent balance of \$354,551.95, which will be reported on in a subsequent communication. The funds were utilized to provide essential in-home services and short term emergency assistance to needy Jewish Hungarian Nazi victims in the communities served by these agencies. The agencies highlighted in this report were referenced in the June 29, 2007 report to the Court along with two other agencies that were granted new funds in 2007 from the 2006 allocation of the Special Fund. These two agencies, Federation of Jewish Communities - Prague Jewish Community and Central Union of Jewish Religious Communities in the Slovak Republic, have until December 31, 2007 to finish utilizing the funds and a subsequent report will be submitted detailing the distribution of funds to needy Jewish Hungarian Nazi victims in these countries.

The spending of these seven agencies totals \$1,709,098.65. Together with the spending as described in the June 29, 2007 report to the Court, the total utilization of the 2006 Special Fund is \$3,816,750.72. With funding as reported herein, 1,736 needy Jewish Hungarian Nazi victims were assisted, bringing the total number to 5,770. Funds were spent on short term emergency assistance grants, as well as homecare and case management.

Finally, in Section V, we recommend extension of the Hungarian Gold Train Special Fund programs for a sixth year, using accrued interest and cancelled grants from prior years. As noted in that Section, the Claims Conference, the administering social service agencies, the survivor advisory committees, class counsel, and active class members who were consulted concur that an additional year is preferable to using all of the accumulated or unspent funds within the original five year period.

The attached charts provide detailed information on the utilization of funds and the number of Jewish Hungarian Nazi victims assisted by each of the seven agencies referenced above.

¹ In accordance with Court Order dated March 12, 2007 the following seven agencies were granted extensions: Foundation for the Benefit of Nazi Victims in Israel (Tel Aviv, Israel), Jewish Care (Melbourne, Australia), Jewish Care (Sydney, Australia), Jewish Family and Children's Service of Greater Boston (Waltham, Massachusetts), Jewish Family and Children's Service of Greater Philadelphia (Philadelphia, Pennsylvania), Ruth Rales Jewish Family Service of South Palm Beach County (Boca Raton, Florida), and Selfhelp Community Services (New York, New York). The utilization of funds by these agencies is detailed in this report.

II. 2008 Special Fund Allocation

Recommended allocations to twenty-eight agencies for the period of January 1, 2008 through December 31, 2008 totaling \$4.2 million are shown in the chart below. These recommendations are based on the Court approved agencies and percentages.

Institution	City	State/Province	Country	HGT3 (2008) amount
Jewish Care - New South Wales	Sydney		Australia	\$66,412.00
Jewish Care (Victoria) Inc.	Melbourne	Victoria	Australia	\$38,588.00
Circle of Care	Toronto	Ontario	Canada	\$148,852.20
Cummings Jewish Centre for Seniors	Montreal	Quebec	Canada	\$91,975.80
Cummings Jewish Centre for Seniors*	Montreal	Quebec	Canada	\$15,372.00
Federation of Jewish Communities - Prague Jewish Community	Prague		Czech Republic	\$5,483.15
Hungarian Jewish Social Support Foundation	Budapest		Hungary	\$953,400.00
Foundation for the Benefit of Holocaust Victims in Israel	Tel-Aviv		Israel	\$1,785,000.00
Federation of Jewish Communities of Romania (FEDROM)	Bucharest		Romania	\$35,355.60
Central Union of Jewish Religious Communities (UZZNO)	Bratislava		Slovakia	\$17,957.30
Jewish Community of Stockholm	Stockholm		Sweden	\$197,403.95
Jewish Family Services of Greater Hartford	West Hartford	CT	United States	\$11,818.80
Jewish Family Service of Broward County Inc.	Plantation	FL	United States	\$32,923.80
Blue Card	New York	NY	United States	\$140,137.20
Bikur Cholim of Rockland County	Monsey	NY	United States	\$20,260.80
Jewish Family Service of Los Angeles	Los Angeles	CA	United States	\$67,536.00
Jewish Community Services of South Florida	North Miami	FL	United States	\$30,391.20
Ruth Rales Jewish Family Service of South Palm Beach County, Inc. (Boca Raton)	Boca Raton	FL	United States	\$15,195.60
Ferd & Gladys Alpert Jewish Family & Children's Service of PBC, Inc. (West Palm Beach)	West Palm Beach	FL	United States	\$8,442.00
Jewish Federation of Metropolitan Chicago	Chicago	IL	United States	\$11,818.80
Jewish Family and Children's Service of Greater Boston	Waltham	MA	United States	\$10,130.40
Jewish Family Service for Southeast Michigan	West Bloomfield	MI	United States	\$15,195.60
Association of Jewish Family Service Agencies	Elizabeth	NJ	United States	\$33,768.00

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Selfhelp Community Services Inc.	New York	NY	United States	\$139,293.00
Pesach Tikvah/United Jewish Organizations of Williamsburg	Brooklyn	NY	United States	\$80,199.00
Guardians of the Sick Alliance/Bikur Cholim of Boro Park	Brooklyn	NY	United States	\$194,166.00
Jewish Family Service Association of Cleveland	Beachwood	OH	United States	\$21,949.20
Jewish Family and Children's Service of Greater Philadelphia	Philadelphia	PA	United States	\$10,974.60
				\$4,200,000.00
*For emergency assistance for Hungarian Nazi victims outside of Toronto and Montreal				

At this time we are requesting that the sum of \$4,242,000 is transferred to the Claims Conference for the third year of the program. This amount comprises \$4,200,000 for the funding of the Special Fund in 2008 and \$42,000 toward the administrative expenses of the Claims Conference in overseeing this program.

III. Updated Program Description for Israel

In April 2007, the Court adopted revisions to the eligibility criteria for the program in Israel. As a result, spending has increased; however, there still remain residual funds from the first year of the program and naturally the implementing agency, Foundation for the Benefit of Holocaust Victims in Israel (“Foundation”) has not been able to spend the funding designated for the second year.

Based on the experience of the past 20 months, the Claims Conference and the Foundation found that the income limits were set narrowly. Though it has taken some time, the Foundation has identified what is believed to be the poorest Hungarian Nazi victims in the country; those who are not receiving enough public assistance to meet their emergency, homecare, or other medical needs. Increasing the amount that each is able to receive under this program will insure meaningful relief for the neediest of victims. Consequently, we are proposing further revisions to the program. These recommendations result from extensive discussions with the Foundation as well the Hungarian Holocaust Survivor Advisory Committee. The following program description from the Amended Detailed Plan of Allocation, April 2007, has been updated.

Criteria for eligibility: Jewish Hungarian Nazi victims will be eligible for services through the Hungarian Survivor Assistance/Individual Grants Program if their income falls below ILS 6,650² (USD \$1,688) per month for an individual. Each request for assistance will be reviewed by the Hungarian Survivor Advisory Committee. Eligible Jewish Hungarian Nazi victims under this program may receive multiple grants up to a maximum of ILS 12,000 (USD \$3,046) per person, per year from this Settlement.³ That is in addition to grants allocated from other sources.

For Homecare, income level for eligibility is ILS 9,445 (USD \$2,397) per month for an individual and ILS 13,050 (USD \$3,312) for a couple. The yearly maximum amount per person is ILS 17,316 (USD \$4,395).

For Special Medical Cases, the maximum allowable per person is ILS 20,000 (USD \$5,076).⁴

Foundation for the Benefit of Holocaust Victims in Israel

Background: The Foundation for the Benefit of Holocaust Victims in Israel (“Foundation”) was established in 1994 by Nazi victims. It is a registered nonprofit organization with an annual budget of approximately \$47 million.⁵ The services provided include short and long term homecare provided by skilled nurses for 14,000 Nazi victims, individual grants for health needs and medical equipment, emergency response systems for survivors living alone, and a friendly visitor program.

Program:

² For informational purposes, as of November 19, 2007, USD \$1.00 = ILS 3.94.

³ This amount has been changed from the ILS 7,000 per person maximum as per the April 2007 Amended Detailed Plan of Allocation.

⁴ This amount has been changed from the ILS 5,000 per person maximum as per the April 2007 Amended Detailed Plan of Allocation.

⁵ The 2006 budget was approximately \$47 million, of which \$16 million was funded by the Claims Conference, \$3 million was funded by the Israeli Ministry of Finance, and an additional \$28 was funded by Claims Conference monitored programs such as ICHEIC, Swiss Banks Settlement and German Government In-home Services Fund.

Homecare: In the case of the disabled who are fully dependent on the assistance of others and who have an income exceeding ILS 6,945 (USD \$1,763) monthly for the individual and ILS 10,550 (USD \$2,678) for a couple, Bituach Leumi (National Insurance Institute of Israel) provides 7.5 hours of homecare.⁶ Currently, the Foundation does not provide homecare to such Nazi victims. It is proposed to provide 9 weekly homecare hours for these Jewish Hungarian Nazi victims if their income exceeds the said ceiling by no more than ILS 2,500 (USD \$635).

Currently, disabled Jewish Hungarian Nazi victims in Israel who are fully dependent on the assistance of others and who have an income under ILS 6,945 (USD \$1,763) monthly for an individual and ILS 10,550 (USD \$2,678) for a couple, receive a total of 24 hours per week of homecare. Jewish Hungarian Nazi victims whose incomes are just above the cut-off yet cannot afford this much needed care will receive it, as a result of this allocation from the Special Fund.

Emergency Assistance/Individual Grants: The Foundation assists Nazi victims in need by providing emergency assistance grants for the purchase of items such as eyeglasses, hearing aids, dental care and medication through its individual grants program on a one-time basis. With funding from this Settlement, eligible Hungarian survivors will be able to receive grants of up to ILS 12,000 (USD \$3,046) annually toward the above mentioned purposes, even if he/she has already received assistance.

Special Medical Cases: A special fund will be available to offer immediate assistance to Jewish Hungarian victims of Nazi persecution who suffer from complex medical problems. For such cases, the maximum allowable per person is ILS 20,000 (USD \$5,076).⁷

<u>2008 Budget:</u>	<u>Service</u>	<u>% Total Budget</u> ⁸
	Homecare	25%
	Emergency Assistance/Individual Grants	60%
	Special Medical Cases	12%
	Administration	3%
	Total	100%

IV. Request for Extension to Special Fund Allocation

- A. The Foundation continues to have unexpended funds from both the first and second years of the program. Requested is an extension for these unexpended funds, allocated to the Foundation, through December 31, 2008. Both the Foundation and the Hungarian Holocaust Survivor Advisory Committee understand that any funds that remain unexpended at December 31, 2008 may be cancelled.
- B. Additionally, requested is the right to extend allocations from the second year to implementing agencies that request additional time. The Claims Conference would have the right to extend an agency's spending deadline from December 31, 2007 up to March 31, 2008. Reporting on the granted extensions and their subsequent use of funds will be provided to the Court.

⁶ The international standard of assessment of disability is based on review of impairment of activities of daily living (ADL.) This category referred to herein is impairment of 6 ADL and higher (previously it was 6.5 ADL and higher).

⁷ This amount has been changed from the ILS 5,000 per person maximum as per the April 2007 Amended Detailed Plan of Allocation.

⁸ Original budget: Homecare 15%, Emergency Assistance/Individual Grants 71%, Special Medical Cases 11%, Administration 3%. Funds from the first two years of the program will be available for any of the lines except administration.

V. Accrued Interest and Cancellations

As we are all too aware, Jewish victims of Nazi persecution are aging and growing more frail as each year passes. In order to sustain the essential assistance provided by the Special Fund of the Hungarian Gold Train Settlement to needy Jewish Hungarian Nazi victims worldwide, we recommend that the interest accumulated on funds be made available by the Court for distribution during the calendar year 2011.⁹ At present the final allocation of the Special Fund will be utilized in full by the end of year five (December 31, 2010). This recommendation would create a sixth year to the program. In addition to the accumulated interest, we would add any funds from cancelled grants for distribution in year six.

In making this recommendation, the Claims Conference has consulted with the implementing agencies, class counsel, and members of the Hungarian Holocaust Survivor Advisory Committees. Class counsel reports that they have consulted with various class members as well. All concerned agree that extension of the program for an additional year is, on balance, preferred to using all available funds within the original five-year period.

⁹ It is requested that an amount of up to \$50,000 from accumulated interest will be available to conduct further outreach to Hungarian Nazi victims in Israel, informing them of the revised criteria for eligibility and the availability of assistance through this Settlement

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