

CAMPUS SHOWDOWN

The Hillel at the University of Chicago is considered one of the best in the country.

So why was its innovative executive director, and its entire board, fired?

The story of a battle over power, money and independence.

By **Pauline Dubkin Yearwood**
Managing Editor

Nearly a month into the very public dispute between the Jewish Federation of Metropolitan Chicago and the University of Chicago's Newberger Hillel Center that resulted in the firing of the Hillel's executive director and its entire board, questions persist.

The most elemental: What was the melee really about? Money? Abuse of power by one side or the other? Centralized versus localized governance of a Jewish institution? New ways versus old? Or all of the above?

As with most such battles, it depends on who you ask.

What's clear at this point in the clash that has made headlines in Jewish media from Chicago to Israel is that there will be no going back to the way things stood just a few months ago.

Daniel Libenson, the award-winning former Hillel director, is going ahead with plans – some made long before the current troubles – to launch two new campus organizations, one of which will continue at least some of the programs that won him acclaim as Hillel director.

The Jewish Federation has installed recently retired Hillels of Illinois director, Rabbi Paul Saiger, in Libenson's old post while it conducts a national search for a successor and a new board. Federation officials promise programs will continue.

Students are caught in the middle, and it may not be until the university resumes classes in the fall that all the implications of the recent events become clear.

While some facts are in dispute, there's basic agreement about several issues. One is that the ownership model for the Chicago area's 17 Hillels is, as far as anyone connected with the issue can tell, unique in the country. In most cities, campus Hillels are autonomous not-for-profit organizations with loose ties to a national organization,

Hillel: The Foundation for Jewish Campus Life, but with their own staffs, boards and budgets. Some receive federation funds but are not controlled by the organization.

In Chicago, the Jewish United Fund/Jewish Federation controls – some say “owns” – the Hillels, an arrangement that began more than 40 years ago, according to federation officials, when the organization began supplanting the B'nai B'rith Hillel Foundation, Hillel's original parent body. Today, Federation lay leader Harvey Barnett wrote in a March 30 letter to two Newberger Hillel board members, the federation is “the primary institution that operates, manages and funds Hillels on Illinois campuses.”

Also in no dispute is the fact that in his six years at the Newberger Hillel, Libenson has made it into one of the best and most innovative in the country and one that attracted many Jewish students that would not ordinarily fit the Hillel mold.

Advocating an individualized approach that used student interns and part-time staff members to bring Jewish experiences to students on campus rather than expecting them to come to a central Jewish address, Libenson hosted Shabbat dinners that regularly drew 200 or more students, and the Hillel racked up the highest percentage of Birthright Israel registration nationally.

A Harvard-educated lawyer and former law professor, Libenson, 40, is widely believed to have transformed a moribund Hillel into a vibrant organization popular with both students and local Jewish community leaders. He was recognized with an Avi Chai Fellowship and a Covenant Foundation Signature Grant, making his one of only three Hillels in the country to receive one.

The current conflict, according to sources, began more than a year ago – and here's where portions devolve into a “he said-she said” issue involving figures that are manipulated in different ways by the different sides and

terms whose meanings are unclear.

As early as last spring, federation leaders told Libenson and the Hillel board that they were seeking major budget cuts to reduce the Hillel's ongoing deficit. Such cuts were necessary in federation-led institutions across the board due to the general economic situation and losses in annual fund-raising, the leaders said.

“They were running six-figure expenses, and our first approach was, how could we raise more money?” John Lowenstein, the new executive director of Hillels of Illinois, the federation organization that oversees all Illinois Hillels, said in a recent phone conversation. “We said, let's work together to raise money. That requires a partnership and collaboration between federation, which is great at fund-raising, and their lay leaders.

“We were unable to convince them to work closely with us. That approach began the first time I sat down with Dan (Libenson) more than seven months ago. We said, we see areas where we can do things more efficiently. Their response was, we will not cut one dollar,” Lowenstein said.

He said Hillels on other campuses have had to “retrench” and “we used that as a way of re-energizing our leadership to go out and raise more money.”

Libenson and the former board members see the situation differently – that the cuts the federation was proposing would slice the heart out of the highly successful Hillel.

He told the federation leaders that the cuts would gut the Hillel's programming and staff. “If they make enormous budget cuts, they are going to have to eliminate staff. They were talking about budget cuts ranging from \$120,000 to \$150,000 a year, which would have decimated our programs,” Libenson said in a phone conversation.

Adam Levine-Weinberg, a graduate student and the Hillel's treasurer, who was involved in many of the talks with federa-



Daniel Libenson

tion, said, “There was the perception that we were wasting money. We were not wasting money; all the money we were spending was going to programs that were very important, keeping the operation running. The cuts would have had a tremendous impact on services.”

Instead, Libenson said he and the board proposed a different way of saving money: getting competitive bids on a number of services, such as building maintenance, janitorial, phone, IT and payroll services. (Most other Hillels around the country use a national Hillel payroll system, for instance, they noted.)

Asked to come up with \$100,000 in budget reductions, the board came up with \$155,000, members said, based on competitive bids.

Federation officials turned down the proposal, saying the Hillel had to remain within the

federation facilities management system for those services and that the Hillel was actually saving money by using the federation contracts.

Libenson and board members then suggested that the Hillel restructure its relationship with the federation – in essence, declaring independence. In a March 28 letter to federation president Steven Nasatir and chair Skip Schrayner, Hillel board chair Ruth O'Brien and past chair James A. Cherney wrote that “we are grateful for Federation's ongoing support, but at this time we are unable to fulfill our mission if Federation will not allow us to make budget cuts from the building management and administrative charges it controls ...

“We continue to believe that a solution exists. By restoring the corporate independence of the University of Chicago Hil-

l – a status that it enjoyed for most of its history and the very same status that is enjoyed by nearly every other Hillel in the country – the Board of Hillel would take steps to manage the building and the administrative needs of the organization in a more cost-effective way than is possible under the Federation system ...”

The letter asked for the establishment of a working group “to effectuate Hillel’s return to corporate independence” and suggesting a neutral party be appointed as a mediator.

A March 30 letter to the two board members from Harvey Barnett, an attorney who worked with federation leaders on the issue, states that “after reiterating your positions concerning key issues, you give notice that unless the Federation yields to your demands, the advisory committee and the executive director, Dan Libenson, a Federation employee, will resign your positions ...”

The letter goes on to express regret that a solution could not be reached. “We emphatically reject your contentions that (the federation) does not ‘own’ Newberger Hillel ...” it states. “We take particular umbrage at your statement you will take ‘our executive director with us.’ Dan Libenson works for and is paid by JFMC (the Jewish federation). It appears that the advisory committee and Dan have been planning to separate from JFMC while he has been employed by JFMC. We regard such conduct as a breach of the duties of loyalty owed to JFMC.”

Federation leaders also stated that the original donors, the Newberger family, gave their gift with the stipulation that the federation be in charge of the Hillel.

The letter concludes: “We are compelled to accept the resignations of all the members of the advisory committee, effective immediately, and, in the absence of such resignations, to terminate forthwith any further service on your part. We have dealt separately with our employee Dan Libenson.”

The next day, according to sources, federation officials notified Libenson that he was also fired, then came to the building while he was out at an appointment, packed up his belongings and changed the locks on his office door, refusing to speak to several board members who were present.

Federation officials deny that Libenson and the board members were “fired,” preferring to say that they “resigned” through their refusal to consider any solution besides declaring their independence from federation.

James Cherney, a former Hillel board chair who was involved in many of the negotiations, said the action was

premature.

“I’m disappointed that we couldn’t have a further dialogue to try to work this through without there being such a public breach, which I feel was caused by federation cutting off the conversation. We were certainly willing to try to work with federation on these issues.” The suggestion to bring in a mediator was rejected, he said.

Levine-Weinberg, the Hillel treasurer, said, “The attitude that always came up (from the federation leaders) was that they were committed to the Hillel but also committed to keeping a very tight budget. There was never a realization that the two aims were not compatible.”

He said that he was involved in a meeting earlier this year “where the JUF leadership called us in to beg that we stay as part of the federation.” But when he later went over budget figures in detail with Lowenstein, “we agreed that the only way to cut the budget the way they wanted was going to involve one or more staff layoffs, and we had a very small staff as is.”

Meanwhile the federation appointed Saiger – recently retired after 22 years as Hillel of Illinois director – to the position as interim Newberger Hillel director. He said he expects to hold the job for 12 to 14 months while a permanent director is found. He said the Hillel is “strong and flourishing” and despite the fact that some students are angry and unhappy over recent events, he expects the programs Libenson set in place to continue.

On April 18, a group of 37 University of Chicago faculty members sent a blistering letter to the federation, charging it with a “total lack of regard for the values” of the university and the community.

“We find your actions disgraceful and unwelcome in our community. Your having taken these actions without notice on the eve of Shabbat, a week before Passover, and during the weeks when newly-admitted students are deciding which university to attend (students were touring the building at the time of the lockout of Libenson’s office, according to observers) is a profoundly un-Jewish, indeed unkind, action ...” the faculty members wrote.

They continued: “The disregard for our community that you showed in treating our colleagues so disrespectfully and in the timing and manner of your actions in terminating Mr. Libenson’s employment ... after six years of award-winning and dedicated service to our community – shocks the conscience and demonstrates your total lack of regard for the values of the University of Chicago and for the humanity of the members of our community.”

Signatories came from a number of departments including neurobiology, physics, philosophy, medicine, political science, law and others. The faculty members concluded: “We urge you to reconsider and do the right thing: allow the University of Chicago Hillel to self-govern and concentrate your efforts on initiatives and programs that only you, as a metropolitan organization for Jewish life and concerns, can achieve.”

The exchange of letters continued the next day, with five former Hillel board members writing donors and supporters with what they consider a point-by-point rebuttal of federation figures, charging that, for instance, federation uses “above-market costs for facilities management, infrastructure services, and fringe benefits” and that “we offered to eliminate \$120,000 in expenses, multiple times.”

The members also stated that, unlike other Illinois Hillels, theirs serves graduate and professional students as well as undergraduates, which has added to their costs. “The proper denominator is the number of students touched by the program, not the number of students on campus,” they wrote.

As the news began to make headlines in Jewish media and became the subject of intense online discussions, both sides have tried to explain their positions, focusing less on arcane details of janitorial service costs and more on root issues of control and autonomy of Jewish institutions.

One of these is Sara Segal Loevy, the Hillel’s former vice president for development. “From my perspective and the perspective of the board, this has been very clearly a governance issue,” she said during a recent phone conversation. “It’s a question of who sets the mission statement, who sets policy, who implements that policy. From our perspective, this is not a situation in which a primary locus of control functions well.”

She said she and other board members could not understand federation officials’ thinking in rejecting the Hillel’s proposed budget savings through competitive bids on services. The cuts the federation proposed, she said, “would leave us a building with no programs or staff.”

“We were more than baffled by the federation’s refusal to accept the line item cuts we had identified. We were successful at fund-raising – it had tripled in the six years Dan has been at Hillel,” she said. “The federation paid very little attention to the budget we submitted until this year.” Making cuts to programs in the middle of the school year, she said, would disappoint donors who had given money for those programs.



Rabbi Paul Saiger

Libenson and the board members did not expect to be fired, Segal Loevy said. “We hoped it wouldn’t happen,” she said. “We requested that we sit down with a mediator and work through together how we might reach an amicable separation and the ability to be independent with some middle ground.” She said board members told federation in writing that if a settlement could not be reached, they were prepared to resign at the end of the quarter.

“We said we don’t want this to be public. We were really quite shocked to be fired,” she said.

Federation officials take a different, darker view of the matter – that Libenson and the board members wanted independence all along while still retaining federation funding, a situation that does exist in a number of other communities.

“This was never about finances. I think it was about their desire at any cost to be independent of us,” Lowenstein, the federation official in charge of Hillels, said. “We never sought to make any changes to the program. This was never a conflict. We were excited to continue the programming that has been going on there that has very successfully engaged Jewish students. We weren’t controlling them or interfering.”

Lowenstein, who has been savaged in online comment boards for having a lay, fund-raising background rather than a background in Jewish education or as a Hillel director, said that the primary reason he was given the job was “to improve the fund-raising” among Illinois Hillels.

“When it comes to fund-raising, one of the reasons JUF has been able to withstand the great recession, is that we have

innovated. My job is to bring that innovation and develop our campaign to reach Hillel. It’s hard to expect these Hillels to be great at everything and at fund-raising too,” he said.

He said he finds the current situation “incredibly sad” for the students. “There are some students who are very upset,” he said. “If the result is it changes their upward trajectory when it comes to engagement in Jewish life, that is very sad.”

Nasatir, the federation president, said he doesn’t want to get into conflict and name-calling because “what’s really important here, what really matters is support for programs on college campuses. We are so committed – way committed to serve and develop Jewish leadership on campus,” he said in a recent phone conversation. “At the University of Chicago, we continue to be very committed to working with Jewish students on campus” through Saiger and the Hillel staff, which has been retained.

He said, however, that he and other federation officials are “hurt” on a number of levels. “A dichotomy gets set up that this is a battle of innovation versus the archaic establishment,” he said. “That hurts, and it is easy and glib to say that.” Federation programs may not be “creative,” he said, but they provide food for poor Jews, bring Israel Studies programs to a number of campuses, engage teens and perform a multitude of other needed services.

“There isn’t a federation in the country that has developed an Israel Studies program, and we have it at several Hillels,” including at the University of Chicago, he said. “People talk

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**John Lowenstein,
director, Hillels of Illinois**

Hillel

CONTINUED FROM PAGE 11

about a lack of creativity, and yet no other federation in the country has done that.”

Nasatir and other federation officials have said they know the conflict has made the federation look bad in some sectors of the community, but that wouldn't be the case if all the facts were known.

A federation official said many are portraying the conflict as a David and Goliath scenario, which is inaccurate, he said.

“It's very painful,” Aaron

Cohen, the federation's vice president of communications, said. “We're hurt. The federation has invested enormously in trying to avoid the very situation that was forced on us. Every opportunity that could be given was given, and it hurts a lot.”

Libenson, meanwhile, took his case and his thoughts to the Israeli public – at least the English-speaking sector – with an article in the newspaper Ha'aretz headlined “U.S. Judaism is going through its iPod stage.”

He wrote: “People have asked me why this split happened. The simple answer is that there was a disagreement over where to cut the budget to com-

pensate for the federation's declining fortunes. Should we cut administration and overhead, as the Hillel board wanted, or should we cut the student programs, as the federation wanted?”

He then went on to elaborate a “deeper answer” that can be partially found in a book called “The Innovator's Dilemma” and in the notion of “disruptive innovations” – “innovations that constitute true paradigm shifts (which) almost always come from new players in a market and not from a market's dominant companies.” Such a paradigm shift occurred when the iPad came out and began displacing the iPod, he wrote.

Today, he contends, there is such a shift occurring within the American Jewish world. “It has become quite clear that the old network of American Jewish institutions ... are in an advanced state of decay,” he wrote, while calling for a “disruptive innovation” in American Jewish life.

The article plays into the view of some federation leaders that Libenson is framing the conflict as being between the dinosaurs of the Jewish world and the innovators, but Libenson said that, while he does see that conflict at work in the American Jewish world, his intention was never to disrupt the functioning of the Newberger Hillel.

“There was never anything in our minds other than wanting to build a great student program,” he said, noting its many successes, including attracting some 25 percent of the university's Jewish population to its monthly Shabbat dinners.

Now Libenson is going forward with two new projects, one of which predates the conflict. That is the Institute for the Next Jewish Future, described as a “network of laboratory communities, a think tank and an education center dedicated to accelerating the discovery of a more resonant and compelling Judaism for the 21st century.”

That program, he said, will be independent of the university and is designed to develop Jewish innovators. It was incorporated as a not-for-profit more than a year ago, Libenson said.

Another program, jUChicago, will operate more like a Hillel. “It will carry on many of the most successful projects we were doing at Hillel, engaging students who most likely would not become engaged in Jewish life on their own,” Libenson said. The new organization will make extensive use of student interns to engage their peers, just as Libenson's Hillel program did.

The funding will come from private donors, Libenson said. He has already registered the new organization as an official religious life group at the university and is now looking into securing a space for it.

The new organization “has the backing of the entire board, including the student members,”

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**James Cherney,
former board chair,
University of Chicago Hillel**

Segal Loevy said. “We have continued to meet in each other's homes. We are very excited about the possibilities that lie ahead of us and the opportunity to work without some of the budgetary constraints placed upon us by the federation,” she said while also expressing appreciation for the federation's generosity in previous years.

As for the students impacted by the changes, both Saiger and Levine-Weinberg agree that they are split into several groups, with a range of emotions. “Some students decided they were going to adapt to the new reality, doing their best as if nothing happened. Others are very upset about the changes,” Levine-Weinberg said.

Students have gathered for several informational meetings to discuss the changes. An article in the Chicago Maroon, the university newspaper, describes Jewish students as “bewildered” over the firing of Libenson and his board. “The suddenness of the firing has been a source of misgiving for students, who are

divided over how the change might impact them,” the author, Sarah Miller, wrote. Further meetings are reportedly planned.

Cohen, the federation vice president, said the organization has no objection to Libenson starting a new campus group. “Multiple portals exist for Jewish students on every campus – Hillel, Chabad. University of Chicago students will be well served. It's a free country.”

Levine-Weinberg predicts that “Dan's program will be very popular, because over the past six years, he has built a very good reputation on campus. But many will still be involved with Hillel and Dan will be perfectly happy with students being involved with both organizations.”

It remains to be seen – and probably won't be seen until the university resumes classes in the fall – whether having two major Jewish student organizations on one campus will lead to a duplication of precious resources or an increase in the vibrancy of Jewish life on campus. Stay tuned.

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**Sara Segal Loevy,
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