

The Israel Free Loan Association

## HELPING PEOPLE TO HELP THEMSELVES

Since 1990 the Israel Free Loan Association (IFLA) has provided over \$44 million dollars in interest free loans to more than 28,000 needy Israelis to help them over a temporary financial crisis. This non-profit organization, operated primarily by volunteers, offers loans to new immigrants in Israel from any country (\$3,000), for Ethiopians moving from caravans to permanent housing (\$3,000), for parents raising a seriously handicapped child at home (\$5,000), for single parents or large families (\$3,000), for adopting couples (\$5,000), for college tuition to needy students (\$3,000), for small business loans to immigrants and other struggling Israelis (\$15,000), and for victims of terror or economic problems due to the security and *intifada* situation (\$3,000) and for special emergency situations. There is no limitation on geographical location of the borrowers, so long as they are Israeli citizens.

A recent grant was obtained to provide interest free loans specifically to small businesses in *Yesha* and the Golan.

### Loan Requirements

Applicants must be employed and have at least NIS 2,500 steady monthly income, and must have two guarantors who are employed. Loan repayments are reasonable and flexible, but the basic principle is that loans must be repaid on schedule so that they can be recycled and reissued to other borrowers.

In the past decade, our capital has been recycled almost three times its original value.

The IFLA is supported by private donations, grants and legacies from good-hearted people in Israel and other countries, and only 1.5% for administrative expenses is deducted from donations annually, mostly for bank charges and legal fees. Some overhead expenses are covered by special donations from a few outstanding philanthropic families, and the IFLA is seeking overhead grants for office expenses. No funding whatsoever has come from the Israeli government or the Jewish Agency, but only from individuals and private foundations in Israel and abroad.

### About the Israel Free Loan Association

The Israel Free Loan Association is a highly regarded national association and has received the prestigious Presidential Award for Outstanding Volunteer Organizations, the Mayor of Jerusalem Citation for Nonprofit Activity and the Ministry of Immigrant Absorption award for help to new immigrants. The Board approves over 300 new loans each month. The founder and volunteer Chairman of the IFLA is Prof. Eliezer D. Jaffe, an expert on nonprofit associations and philanthropy, and Professor Emeritus at the School of Social Work of the Hebrew University of Jerusalem. The other Board

members, all very active in making policy and managing the organization, are outstanding individuals and enthusiastic about interest free loans as a practical, immediate way to help people in need.

The office is located in Jerusalem. The IFLA provides a hand up, not a hand down, to help people help themselves out of a temporarily difficult economic situation, and the staff treats all borrowers with dignity and respect. The IFLA welcomes both borrowers and donors, and is a grass roots vehicle that brings these two together in a unique partnership that is in the best tradition of Judaism and modern philanthropy. This is not charity, but constructive self-help that our sage Maimonides praised above all other forms of help.

Major donors receive an annual report of loans made from their loan account at the IFLA, and anyone can create and dedicate a named loan fund account in their own name or the name of a loved one to celebrate a special occasion such as an anniversary or to memorialize someone. These perpetual funds are an excellent way to remember and be remembered, and over 160 individuals and foundations have chosen to open a named interest free loan fund account in their name at the IFLA during their lifetime.

Others have included the IFLA in their Will. This is a very important way to help needy people that allows the IFLA to meet requests for loans and to open new loan categories. We hope eventually to have enough funds to serve any request for loans regardless of the category of need.

The IFLA welcomes both borrowers and donors at our office at 64 Azza Street, Jerusalem 92384, telephone 972-2-5630248, fax 972-2-5669504. Our website: <http://www.freeloan.org.il>, and email address: [ifla@freeloan.org.il](mailto:ifla@freeloan.org.il).

Donations are tax deductible in Israel and abroad through the Friends of the IFLA organizations in the USA, Canada and the U.K. Donors can also send grants earmarked for us via the P.E.F. Israel Endowments Fund, or the Ziv Tzedaka Foundation in the USA.

