

**Exhibit C**  
**PEF Endowment Funds. Inc.**  
**Annual Progress Report 2014: AVIsrael**  
**February 10, 2015**

**I. Program Summary**

The past year, 2014, was a climax in the twenty year history of AVIsrael. Receiving honorable mention in the Prime Minister's Award for Innovation and Entrepreneurship was a thrilling achievement for AVIsrael, reflecting some recognition of the work that we do on behalf of children with hearing loss in Israel. But it is through tireless efforts on the ground with children, parents and professionals that we see the rewards of our efforts. Throughout the year we continued to expand and to grow- both in activities and in numbers of families reached. The following is a brief outline of some of our activities in 2014:

- Ⓜ At the end of 2013, we opened our AV Speech therapy to children from the southern peripheries from hundreds of kilometers away as well as from the neighboring towns. In 2014 the program grew by 50% with additional families joining for weekly speech therapy.
- Ⓜ In 2014, we launched our Pediatric Audiology Program in Sdot Negev in the south. Our staff performed over one hundred and twenty hearing tests to children who otherwise would have had to wait up to six months for this critical service.
- Ⓜ Almost 60 new families sought our services throughout 2014 for consultation in the three areas of service- speech therapy, audiology and cochlear implant mapping!
- Ⓜ Today we serve 60 children in speech therapy in our four centers: Jerusalem (43), Hod Hasharon (3), Beit Shemesh (9) and Sdot Negev (5) AND GROWING
- Ⓜ In light of the increased case load and programming, we hired a Yiddish speaking therapist (33%) as well as increased the position of a part time therapist from 33%-50%.
- Ⓜ We now offer services in Hebrew, English Yiddish and (with parental involvement) in Arabic!
- Ⓜ Our staff completed the first year of International Certification as Listening and Spoken Language Specialists. We have just begun the second year of the program.
- Ⓜ We completed a seven week course for professionals (50 hours) on AV Principles with an additional course to begin in April
- Ⓜ We served as a practicum site for students from three academic programs of Communication Disorders (Hadassah College- Regular program, Haredi Program, Kiryat Ono College
- Ⓜ We offered continuing education opportunities for parents (Lectures) as well as networking events (Chanukah Party, Performance)

**b. The Program's Successes, Challenges – accomplishments, problems and solutions**

**1. Raising our public profile** to reach a broader audience is vital. Receiving the Prime Minister's Prize and the publicity around the ceremony was effective in many ways- new parents, new donors, old donors, new professionals. In 2014, we significantly increased the activity of our website and facebook page as well. We recognize that these are the new frontiers of publicity and marketing and have outsourced to a young "techy" professional on an hourly basis to help increase our profile.

2. We see our **Expansion to the South** as a major achievement and a new frontier for services. There is much work to be done to publicize the program through partnering with other regional councils and towns in the area. There is a new project for in the channels that will connect Sdot Negev with 4 other regional councils in service sharing. The project that allows Sdot Negev to benefit from this program is the AVIsrael Audiology Project. We anticipate that once this initiative is underway, the program will grow significantly. This partnership will also bring with it the funding necessary to expand.

In our efforts to supply services in the south both in speech therapy and in audiology, we have discovered that there is a huge scarcity of professionals in the area. Despite our efforts through the various speech therapy and audiology facebook forums and websites, there was very little response. We were successful in finding one excellent audiologist who is the senior professionals in the program. We are now focusing on training professionals in the area and are opening a course in April with preference to professionals from the south. We have made this a priority in an effort not only to serve the residents of the area, but also to employ local people in their professions. We already know of three professionals who will be participating in the April course who are located in Sderot, Sdot Negev and the area. We are hopeful that they will be taken by the exposure to AV and to AVIsrael and will want to work with us.

3. As more and more families become aware of the excellent results of AV therapy, the **demand for our speech therapy services** is growing. Only two of our therapists are on a full time basis, but share part of their time in other areas of work (mapping the cochlear implant, audiology, professional education). A third professional spends every Thursday on the road to Sdot Negev to provide speech therapy to families in the area. Three of our therapists work in other places in addition to AV and thus are limited in the hours they can give. Two of our therapists are going out on maternity leave. Fortunately, after much hard work, we have found therapists to take over the caseloads during that time. It is our hope that we will be able both to keep these new therapists on even when our therapists return from their maternity leave so that we will be able to meet the increase in demand.

4. In 2014, our **audiology program** was located in a clinic where we sublet use of the space one day a week. We paid the salaries of our staff and trained students and graduated audiologists in the International Protocols by which we work. It became evident that this was no longterm solution as there was no room to grow and offer another day of services. The overhead costs were increasing monthly and we needed to find a solution for the continuation of our program. After searching for another site to sublet, we secured a generous private donation to build a hearing booth along with the necessary equipment in our Jerusalem offices. We just opened the program last month and already we are seeing the possibilities- with everything under one roof we can be more efficient while providing a better service for our clients.

The renovation our of premises to accommodate this new program offers opportunities to upgrade our physical premises and build infrastructure for observation of speech therapy sessions for the many students who come to us for their practicum. In addition, we are planning to offer a training program for students in pediatric audiology in the future and perform diagnostic tests (like speech perception tests) in house.

5. Our **Cochlear Implant Mapping Program** in partnership with the Shaare Zedek Medical center is another of our flagship programs. We have helped Shaare Zedek develop an outstanding CI program thanks to our relationship with Dr. John Roland, Head of the CI Program at NYU whom we brought to Israel more than once to launch the program and set the highest standards of practice. The medical team at Shaare Zedek have developed an excellent relationship with Dr. Roland and the Shaare Zedek program has become well known throughout the country.

In 2014, we noted a slight decline in the number of services in our cochlear implant program. This is due in part to the evening off of the program that is already running for 5 years. Noting this drop, we have assessed ways to increase our activity both through interfacing with the Shaare Zedek administration to open the program to families who transfer from other centers, and assessing what our own staff must do to increase activity. In addition, we secured a reallocation of income from the original 50-50% , we are now receiving 65% of the income from our services at Shaare Zedek.

In a recent meeting with the heads of the ENT Department, we were given authorization to inform our families from other medical centers how they can move over to Shaare Zedek. We expect that this will increase the caseload and hope to see higher numbers in 2015.

We are looking into creating a research project in cooperation with the hospital to assess the efficacy of AV rehabilitation for children with residual hearing prior to cochlear implant surgery.

#### **6. Teaching Center:**

As a dynamic and growing organization, we recognize that we need to invest in a new generation of professionals who see the auditory-verbal approach as the state of the art approach to the rehabilitation of children with hearing loss today.

We had planned to host a conference for AV professionals in January 2015. However, due to circumstances beyond our control, our guest, Dr. Diane Brackett director of the outstanding AV Center NECHEAR in Connecticut, could not make it. Undaunted, we launched a series of presentations with Dr. Brackett over Skype where she will function as our "Scholar in Virtual Residence" until she can come here in person. Twelve professionals participated in the first session and we see this is an excellent model for future distance learning!!

In 2014, three of our therapists completed the first year of the International Certification program (LSLS) and we are into our second year of mentoring by the LSLS approved senior mentors. Since October 2014, our own pedagogic director (who is the only LSLS certified professional in the country!!) is serving as the mentor to one of our staff members while the other is continuing her training with our out of country mentor, Ms. Cheryl Dickson who is located in New Zealand. The entire process has been demanding yet invigorating for our staff as they are encouraged to reflect on their work and learn new techniques to serve the families better.

AVIsrael continues to be a practicum site for students from three academic programs, with a fourth program interested in joining us in the winter semester of 2015. We have tried to ensure that our Dr. Maurine Kessler AV Education Center in Jerusalem is equipped for student observation by adding additional technology for observing lessons and filming sessions for individual screening. Some of the students who have come through our doors are now working with our AV families on a private basis. The feedback from the students has been most positive.

7. We are proud of our successes both in the expansion of our programs, in our ability to sustain ourselves through rigorous fundraising (both private, foundations like the Weinberg Foundation and our initiatives.) However, I would have to say that **our biggest challenge** however, is in the area of securing government funding. Over the past year our new Assistant Director has spent endless hours in meetings, in round table discussions, in the Coalition of Organizations of the Deaf to which we belong, trying to crack the code of how we at AVIsrael can be included as an organization devoted to the rehabilitation of children with hearing loss, like the existing organizations.

We have applied to new sources of funding over the past year- the Jerusalem Municipality, a new initiative of the Ministry of Welfare, other councils in the Southern Region. All answers are pending.

In 2014 we benefitted from a very small initiative with the Ministry of Welfare (less than 0.02% of our budget). In order for AVIsrael to secure government funding, there is a need for a major rethinking about the needs of children with hearing loss today. Early diagnosis and state of the art technologies make it possible to mainstream children from the getgo towards total integration in the hearing world- and it costs less to the system!! We are trying to prepare the documentation to open this discussion. The Law of Rehabilitative Day Care Centers (Law passed in 2000, Adjustments to law in 2006) states that all children with hearing loss have free access by law to a special preschool service for children who share the same disability. However, families with children with hearing loss who choose to integrate their child in the mainstream have no access to government support. While headway was made with the former Minister of Welfare, with the upcoming elections, there will most likely be a new Minister of Welfare and the process will have to start all over again. We are preparing an academic forum of academics to discuss the efficacy of AV as an evidence based approach towards recognition and government funding.

### **C. Major Changes in the stated objectives and/or budget that occurred**

We have stayed very close to our objectives while growing in many directions. It has been clear that in order to grow, we must invest in the professionals and increase the number of AV practitioners. We completed the fiscal year of 2014 with a balanced budget. This year, 2015, is the exit year of the Friedberg Foundation and we are focusing efforts on finding new sources of funding to fill the gap that this leaves.

#### **II. Indicators of Progress or Success**

##### **a. Proof of Increased salaries to some staff**

In January of 2014, we gave a 5% raise to the original professional staff members from our original team from 2007:

Name of Professional	Annual Salary for 2013	Annual Salary for 2014
Mrs. Miriam Cohen	166,389 NIS	206,068 NIS
Mrs. Genia Brill	153,200 NIS	170,573 NIS
Mrs. Debbie Margolies	93,438 NIS	107,170 NIS
Mrs. Mira Suissa	52,462 NIS	56,831 NIS

##### **b. Expansion to the periphery of at least one center:**

In 2014, we launched our audiology program in the Sdot Negev Regional Council near Netivot. Our staff

performed almost 120 hearing tests from the opening in May to children from the area and beyond. Our speech therapy program had begun in October of 2013 but settled in with 5 families joining the program for therapy once a week.

- c. *Completion of at least one study to gather convincing data to show the Ministry:* We have learned from many researchers in the field that producing a comprehensive study about AV is problematic- and not only in Israel! Statistically there is not a large enough population, the diverse variables make it difficult to develop a significant group to study. While abroad there is a multi center approach for comparative study, experience shows that partnering with other existing program is difficult. Following our interactions with representatives of the Ministries of Welfare, Education and Health, we prepared a package of 5 research studies performed in the US and Australia with the abstracts translated into Hebrew for a quick peruse by non-professionals. Our children participated in a number of student research projects. Having said that, you will see in the strategic plan that we are hoping to begin a specific study about AV results in the coming year.
- d. *AV Certification Center:* In 2014, three of our therapists completed the first year of the international Listening and Spoken Language Specialists of the AGBell Academy. Each educational offering at AVIsrael is recognized and accredited by the AGBell Academy for LSLs continuing education hours. In 2014, we provided over 15 hours of Continuing Education credit to our staff in visiting lectures, in house learning initiatives and courses.
- e. *Increase in number of children served (from 50 kids per week per year to 60)-* In 2014, we served over 60 children in our speech therapy program, meeting with over 60 new families who came to us for consultation of who over 10 children began weekly therapy with an additional 10 children joining our pediatric audiology program. In our new audiology program in Sdot Negev that was launched in 2014, we saw over 100 children!!!

### **III. Next Steps and Sustainability**

- a. Plans for the next year and steps taken to ensure financial sustainability  
While it is clear that securing government funding is our ultimate goal, we are in the process of appealing for a new addendum to the law regarding early childhood day care for children with hearing loss. To date, the law allows for total funding for families who choose to send their child to one of the existing “rehabilitative day care programs” (Maon Yom Shikumi). We are preparing an analysis of the cost effectiveness of rehabilitation according to AV strategies which encourage mainstreaming in regular day care centers.  
At the same time, we have applied to new sources for funding- from municipalities to regional councils and the Ezvonot of the Ministry of Justice.  
We continue to appeal to foundations and individuals abroad for support-reaching out through contacts of board members and individuals  
With the increase in our services, we are seeing an increase in the income that will ideally help to cover the salaries of the professionals  
We continue with our fundraising initiatives- our Purim campaign, our Rosh Hashana mailing, our Fall fundraiser in Jerusalem and our Jewish Music Concert.
- b. Strategic plan not previously submitted (attached is our new Strategic Plan for 2015-2017)