

DONOR

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grew up questioning the establishment in an era of increasing social ills isn't expected to follow established giving patterns.

Some don't expect the younger generation of donors to be as generous with their dollars as were their parents and grandparents. Others expect that a younger generation of trustees will shift the focus of family foundations from institutions such as hospitals and universities — traditionally the top recipients of foundation dollars — to nonprofits that deal with teenage pregnancy, domestic violence, inner-city revival and similar concerns.

The Council on Foundations in Washington recently launched a three-year project to study family foundations.

The council hopes better to serve the 20,000 family foundations in the United States whose assets total more than \$86 billion. The initiative also will study how the arrival of younger trustees might alter the distribution of \$5 billion in family foundation grants.

Many family foundations came into being early this century. That means two generations often separate younger family trustees and the original sources of wealth.

"The first generation sort of thought this is what we're supposed to do," says Tom Lambeth, executive director of the Z. Smith Reynolds Foundation in Winston-Salem and chairman of the family foundations initiative.

While that first generation for the most part followed in the funding footsteps of their parents, he says, "The next generation sees that the world has changed."

Their philosophy of helping others may set younger trustees and donors apart from preceding generations. Younger donors, says Worth Durgin, executive director of the Foundation of Greater Greensboro, think that "doing for people is a debilitating thing, and that it's very important to empower people rather than tell people what they need and give it to them."

"There seems to be a coalescing of sorts of a multifaceted way of looking at things that's quite distinct from how it was 10 to 15 years ago."

Bill Bondurant, former executive director of the Mary Reynolds Babcock Foundation in Winston-Salem, says that foundation trustees need to evaluate their giving frequently and that flexibility in response to social needs is a hallmark of a good family foundation.

"I think that John Rockefeller once observed that no living person, however wise, can better direct the use of the foundation's resources in years to come than board members, alive and dealing with those future issues at that future time."

What's important, Bondurant says, is teaching children how to decipher the important issues of the day so that they can, when the time comes, make grants wisely.

"The key is that the parents create a foundation whose philosophy is that each generation of board members must determine the most compelling needs in their day and time.

It's a matter of trusting the next generation to use its head."

Durgin of the Greensboro Foundation says the grant making tendencies of younger trustees might be different simply because many programs haven't delivered what they promised. That frustration may be reflected in how individual donors give.

"Statistics show that the younger people aren't as giving," Durgin says "but I wonder if there isn't a lot of pent-up desire for something that would work."

Whitney Jones, a fundraising consultant in Winston-Salem, says people in their 30s and 40s already are more selective about their contributions.

"They want more information," he says. "They give less and to more things."

This suggests that raising money from baby boomers will be more complicated than raising money from their parents.

"People always say that the essence of fundraising is people giving money to people," Jones says.

What that used to mean was that a small network of 10 to 15 community leaders could set in motion a campaign to raise huge sums of money. That has changed. A few wealthy families no longer can dominate the donor landscape. Today, communities are more diverse, newcomers abound and children don't necessarily share their parents' ideas.

Instead, Jones says, fundraising needs to be much more driven by information and oriented to the market.

"The solutions are to do in the

nonprofit world what's being done in the corporate world," he says. "Be far more aware of what the needs of the different segments of your donor populations are and respond to those needs more directly."

"The canned approach to fundraising won't work anymore."

Although many in the nonprofit world see wholesale change coming, others say that by the time baby boomers reach their 50s and 60s, they will be as giving as their parents were.

Five or six years ago, says Bondurant, the former Babcock Foundation executive, "I would have expressed concern that the 25-to-35-year olds were becoming less philanthropic, and were likely to carry that into their middle years and their responsiveness to the needs of their fellow men. That seems to have turned around in the past five years."

Bondurant attributes this shift to a collective realization that there's more to life than accumulating wealth.

"Some of the younger generation have lived through the years of celebration of greed in this country, and

they've seen that isn't ultimately satisfying," he says.

Kay Hagan, 40, a lawyer and mother of three living in Greensboro, is part of that younger generation. She says people her age are as committed to giving and volunteering in their community as were their parents, and that if they seem less giving, it's only because "younger people today, with younger children, have so many obligations pulling on them in so many different ways."

Whatever the baby boomers' attitudes on giving, trillions of dollars soon will be in their hands. This is the generation that grew up during Vietnam and Watergate, and came of age under Reagan. If philanthropy wants to benefit, say many foundation leaders and fundraisers, it needs to act now.

"We're seeing evidence that there's major things happening already," says Bill Spencer, executive director at Foundation for the Carolinas in Charlotte. "There's a lot of potential for all kinds of nonprofits out there ... but in order to realize it, it does take some cultivation and education."



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WORTH DURGIN
Executive Director
Foundation of Greater Greensboro

CHILDREN

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shared a stage at the University of North Carolina at Chapel Hill and together urged business leaders to fight aggressively to improve the lives of children.

"The business community should reach out and involve itself in all segments of the community, particularly children," Edelman told a symposium on the role of business in improving the lives of children.

And McColl, citing NationsBank's efforts to invest in communities and offer family-friendly policies to employees, said business leaders "must act — if only out of a sense of enlightened self-interest."

The need to take action to attack the crisis of children and families in the United States was the message of the symposium, which was sponsored by the Kenan-Flagler Business School and the School of Social Work at UNC-CH.

The delivery of that message is part of a national assault on the problems of children that quickly is gaining momentum. The same day the symposium was held, for example, the Carnegie Corporation of New York released a three-year study

that documents in extensive detail the crisis facing children in the United States.

Children in the United States, the report says, face chronic exposure to violence, poverty and broken homes. That environment, in turn, "jeopardizes our children's healthy development, undermines school readiness, and ultimately threatens our nation's economic strength."

The report recommends an all-out frontal attack by "all sectors of American society to join together to ensure the healthy development of our nation's youngest children."

The Children's Defense Fund, as coordinator of a national Black Community Crusade for Children, this month is expected to release a comprehensive poll of black families and children that was conducted by the Peter D. Hart Research Group. And in June, the national initiative will launch an ad campaign on violence prevention and children.

The Black Community Crusade for Children also is expanding its Freedom Schools program, which pairs black college students with inner-city and disadvantaged minority children for summer day programs. Edelman said the program will be offered in at least 20 sites, including Durham, Raleigh, Charlotte

and possibly Warren County.

Edelman had high — but qualified — praise for North Carolina's Smart Start project, an initiative of Gov. Jim Hunt that aims to create local nonprofits to coordinate community services for preschool children.

"You are making extraordinary strides but you have a long way to go," she said.

Hunt, in a speech to business leaders and others before the symposium, said it simply was good business to invest in children.

Children represent the future workforce, he said. And supporting families and children, and creating new jobs, he said, helps build stronger communities.

Saying that public-private partnerships characterize North Carolina's progressive approach to social problems, Hunt said the "key to this approach absolutely is the business community."

Paul Fulton, dean of the Kenan-Flagler Business School and former

president of Sara Lee Corp., North Carolina's largest corporate employer, said nothing taught at the business school was more important than the lessons of "leadership and community and the responsibility of business people to put something back into the community."

The health of a company, he said, "depends on the health of the communities it serves."

In preaching the gospel of community to improve the lives of children, McColl and Edelman are drawing on the hometown roots they share.

"Both came up from educated, supportive families," says Bill Kinney Jr., a lifelong friend of McColl's who is editor and publisher of the Marlboro Herald-Advocate in Bennettsville. "I think it's wonderful that the two at the zenith of their careers have found each other to be people of worth and who share dreams of helping make a real difference during their lifetimes."

Olive W. Covington directs the youth development and education project of the Children's Defense Fund, the only office of the national policy and advocacy group that actually delivers services to children. The office is in Bennettsville, and Covington was recruited to run it by her younger sister, Marian Wright Edelman.

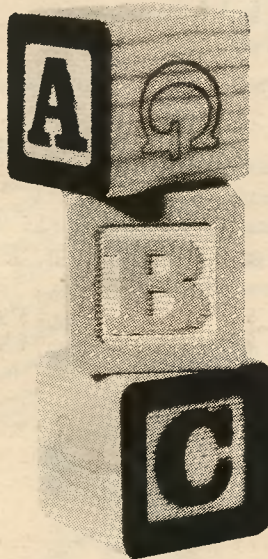
Covington runs a summer enrichment program for 600 children, and an after-school tutorial program for 275 children. And she's beginning to enlist churches and businesses in supporting her work.

Recently, for example, she challenged members of the local chamber of commerce to hire high school students in summer or part-time jobs.

"These kids are not just their parents' responsibility," she says. "They are the responsibility of the churches, of the businesses, of everybody. We have got to, everybody, come together and try to save this generation of children."

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