

*Member breakdown*  
Independent foundations make up nearly a third of the membership of the national Council on Foundations; family foundations, make up one-quarter of its 1,307 members.

JUNE 1994

All in the family

## Leaders call for linking family, community foundations

The Council on Foundations has launched a study of how best to meet the needs of family foundations, which account for more than 320 of its 1,307 members. Among the key suggestions so far is to increase cooperation between family and community foundations.

By BARBARA SOLOW

### New York

Community foundations represent an untapped resource for helping family foundations grapple with issues ranging from investing to training

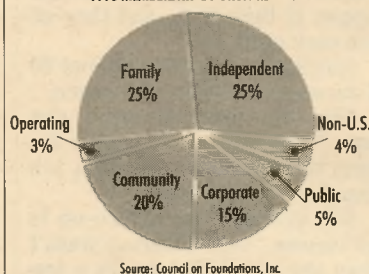
the next generation of foundation leaders.

At a strategy session on family foundations hosted by the Council on Foundations in New York City last month, staff and board members of family foundations called for strengthening what are now often weak links between community and family foundations.

In response to a growing number of inquiries from representatives of family foundations, the Council has formed a committee charged with studying the needs of family foundations - which now make up one-fourth of its national membership.

Tom Lambeth, executive director of the Z. Smith Reynolds Foundation

### COUNCIL ON FOUNDATIONS 1993 MEMBERSHIP BY ORGANIZATION



Source: Council on Foundations, Inc.

in Winston-Salem, is chairman of the council's new Advisory Committee on Family Philanthropy.

Three other North Carolinians are involved in the initiative: William

Bondurant, former executive director of the Mary Reynolds Babcock foundation in Winston-Salem; David Dodson, executive vice president of MDC Inc. in Chapel Hill and a board member of the Babcock foundation and the Kathleen Price and Joseph M. Bryan Family Foundation in Greensboro; and Joel Fleishman, Duke University's former first senior vice president and chairman of the capital campaign who is now president of Atlantic Philanthropic Service Co. in New York.

One reason the council is interested in the issue is that family foundations now make up the largest segment of organized philanthropy.

"There's a projected intergenera-

tional transfer of wealth of more than \$700 billion by the turn of the century," Lambeth says. "Presumably, that will mean a continued growth of family foundations."

At its first meeting earlier this spring, the Advisory Committee set three initial goals: developing a "mentor program" for family foundation boards and staff; identifying ways the Council can better meet the needs of family foundations; and identifying regional networks of family foundations.

At the recent strategy session at the New York Hilton, board and staff members of family foundations came

Look for FAMILY, page 7

### Words of wisdom

## Foundation conference produces wealth of ideas

Here are some notable quotes from participants and speakers at the national Council on Foundations conference in New York last month:

"Foundations should be seen as a source of experience. You can convene in ways that government cannot. There is a whole lot you bring to the table besides the investment of capital. We need you to be imaginative about the roles you can play."

Henry Cisneros, U.S. secretary of housing and urban development.



Henry Cisneros



Mary Mountcastle

"Private foundations should be out there pushing the limits. We should be getting blasted every once in a while...We ask questions of our grantees all the time. We're sort of having to face that ourselves a little more."

Mary Mountcastle, president, board of trustees, Z. Smith Reynolds Foundation, Winston-Salem

"How do you pass on the torch? In our case, the teachings were more within the family than the foundation itself. The foundation becomes the expression of the values of that generation. It's stabilizing to have that dream, but it's dangerous to cleave to it."

David Rockefeller Jr., chairman, Rockefeller Financial Services Inc.



David Rockefeller Jr.

## Beyond grantmaking Foundations grapple with issues of public trust, outreach

When more than 2,000 members of the national Council on Foundations met in New York last month, accountability and effectiveness were key issues of concern. Foundation leaders say organized philanthropy is at a crossroads and this is no time for complacency.

By BARBARA SOLOW

### New York

Philanthropic leaders from across the country are struggling with a fundamental question:

Do the activities of foundations contribute to solving the problems facing American communities?

"That is not only a fair question but one for which we have good answers," James Joseph, president of the national Council on Foundations, told a gathering of foundation leaders last month.

"These are good times for philanthropy but this is not a time for complacency."

At the council's annual conference in New York, more than 2,000 board members, staff members and other foundation representatives met to take stock of their activities and share strategies for more effective grantmaking.

Built around the theme of "Phil-

anthropy and the Challenge of the City," the conference included visits to New York neighborhoods and non-profits and appearances by such notables as First Lady Hillary Rodham Clinton and ABC News host Hugh Downs.

Faced with greater public scrutiny of their activities, many foundations are reexamining their communications and management policies with an eye to making them more accountable.

Others are moving beyond traditional grantmaking to new ways of influencing public policy.

Among the developments discussed at the conference were:

- The use of "action research strategies" to spark public debate. For example, Women and Foundations/Corporate Philanthropy has used a new report on grantmaking in Boston to challenge the notion that

### CONFERENCE

"universal funding" strategies—those that do not distinguish between programs for men and women—are meeting the needs of women and girls.

- The growing number of partnerships between foundations, non-profits and local governments that aim to bolster self-help programs in poor communities.

- A council initiative designed to identify the needs of family founda-

Look for CONFERENCE, page 7

## Tar Heel influence North Carolinians play major role in national conference

North Carolina was well represented at the Council on Foundations annual conference in New York last month. Among those who led planning committees, workshop sessions or hosted affinity group meetings were:

**CARR AGYAPONG:** Senior programs and communications officer, The Burroughs-Wellcome Fund, Morrisville.

**DONNA CHAVIS:** Executive director, Native Americans in Philanthropy, Lumberton.

**TONY DEIFELL:** Director and editor of "From the Hip" documentary project, Durham.

**DAVID DODSON:** Executive vice president, MDC Inc., Chapel Hill; Trustee, Mary Reynolds Babcock Foundation, Winston-Salem, and The Kathleen Price and Joseph Bryan Family Foundation, Greensboro; Chairman, Council on Foundation's Annual Conference Committee.

**JANE KENDALL:** President, N.C. Center for Nonprofits, Raleigh; Trustee, Bryan Family Foundation.

**TOM LAMBETH:** Executive Director, Z. Smith Reynolds Foundation; Chairman, Council on Foundation's Advisory Committee on Family Foundations.

**VALERIA LEE:** Program officer, Z. Smith Reynolds Foundation, Winston-Salem.

**MARY MOUNTCASTLE:** President and trustee, Z. Smith Reynolds Foundation, Development Associate, Center for Community Self-Help, Durham.

**LINDA KAYE STOUT:** Executive Director, Piedmont Peace Project, Kannapolis.

### BRIEFLY

#### Foundations focus on investing

Prior to the opening of the annual Council on Foundations conference in New York City last month, a group of foundations met for the first time to share information on program-related investing - a strategy that has been used to build "risk capital" in poor neighborhoods.

#### Aids funders give film award

The film "Philadelphia," was the winner of this year's Humanitarian Leadership Award from Funders Concerned about AIDS. The award is presented annually for outstanding efforts to promote compassion for those affected by HIV and AIDS.

#### Kenan Institute funds arts in schools

The Kenan Institute for the Arts in Winston-Salem has pledged more than \$500,000 to expand the North Carolina School for the Arts' program to about 25 public schools. The programs weave art into curriculum through thematic teaching, and has improved student performance.

#### UNC alum funds scholarships

Sam Winstead Jr. was the first of eight Winstead children to graduate from UNC-Chapel Hill. He and two Dallas-based foundations contributed \$400,000 to the Carolina Scholars Program, a full scholarship based solely on academic performance.

#### Babcock funds child care

The Mary Reynolds Babcock Foundation in Winston-Salem has awarded \$70,000 to the Association of Community Development Corp. for its Equity and Predevelopment Loan and its Child Care Initiative.

#### Direct deductions proposed

Congressman Michael Huffington of California has introduced a bill that would allow Americans who do not itemize on their tax returns to take deductions for charitable contributions above 5 percent of the standard deduction.