

Philanthropy Journal

OF NORTH CAROLINA

A nonprofit newspaper for the nonprofit community

Antidote to federal cuts

Arts funding looks strong in state

State and local funding for the arts is up in North Carolina, says a draft study by the N.C. Center for Public Policy Research.

BY SEAN BAILEY

Support for the arts by state and local government, and by foundations and individuals, has jumped significantly in the last five years, more

than offsetting federal cutbacks, says a draft study of arts funding in North Carolina.

The study, by the North Carolina Center for Public Policy Research, says the arts have thrived in the state even though federal funding from the National Endowment for the Arts fell by more than 50 percent from 1990 to 1995.

"North Carolina's arts community has prospered due to steady and growing support from state and local

governments, private foundations, corporations, and individuals," the study says. "This variety in the sources of financial support has helped North Carolina earn, with some justification, a national reputation as one of the leading states for supporting the arts."

Past federal support of the arts in North Carolina played a crucial role in launching many arts organizations that now receive funding from state and local governments, the study

says. It also says the cutbacks in federal funding for the arts could have a ripple effect, with state and local governments possibly beginning to reduce their support for the arts.

The study is being prepared in the face of a growing debate about the importance of public funding of the arts. Arts groups contend that cuts in public funding could threaten the growth and vitality of the arts - and in

Look for FUNDING, page 22

Passing on a legacy

Frank Kenan's impact lives on

The Durham businessman and philanthropist is believed to have left a significant portion of his estate to charity. His death could mean fewer new large gifts for UNC-Chapel Hill.

BY TODD COHEN

Durham

Frank Hawkins Kenan, an entrepreneur and philanthropist who helped channel tens of millions of dollars to the University of North Carolina at Chapel Hill and other charities, died June 4 at his home in Durham. He was 83.

Kenan's legacy will continue. His estate is worth an estimated \$250 million - and may be worth considerably more - and much of that wealth is expected to go to charity. In the past 15 years, Kenan gave away millions of dollars to charity, much of it anonymously.

The direction in which Kenan helped take the \$312 million-asset William R. Kenan Jr. Charitable Trust - particularly its focus on education - is expected to continue, although some changes are likely.

In the past decade, Kenan was the dominant figure on the trust's board, and his death could mean a shift in its grantmaking, despite its continuing focus on education.

Under Kenan's leadership, for example, the trust made huge gifts, particularly to UNC-CH and its Kenan-Flagler Business School. With a new board member, the flow of new large gifts to UNC-CH from the Kenan Trust could slow considerably.

Kenan's will was filed June 17 in Durham. It makes two charitable gifts of \$1 million each - one to the \$3 million-asset Kenan Family Foundation, the other to the UNC-CH Foundation to establish the Elizabeth Price Kenan Fund. That fund will be an unrestricted gift unless Kenan's widow, for whom it is named, designates in writing within a year of Kenan's death how the fund is to be used.

The will also makes provisions for members of Kenan's family, but does not include details on the size of his estate or on how the remainder of it

Look for KENAN, page 22

The politics of inclusion

Rocky Mount mayor boosts nonprofits

Supporters say that Rocky Mount Mayor Fred Turnage has created an atmosphere in which nonprofits are respected and partnerships are encouraged. That may be one of the reasons Turnage has stayed in office for 23 years.

BY BARBARA SOLOW

Rocky Mount

The walls of Mayor Fred Turnage's wood-paneled law office are lined with awards and framed letters from a host of local and regional organizations.

There are citations from the North Carolina League of Municipalities, the National League of Cities, the Rocky Mount Human Relations Commission and a home-made plaque honoring Turnage as "Boss of the Year."

Such accolades are not unusual for a public figure who has been in office for 23 years. What is unusual about Turnage, supporters say, is the breadth and depth of his influence.

PROFILE

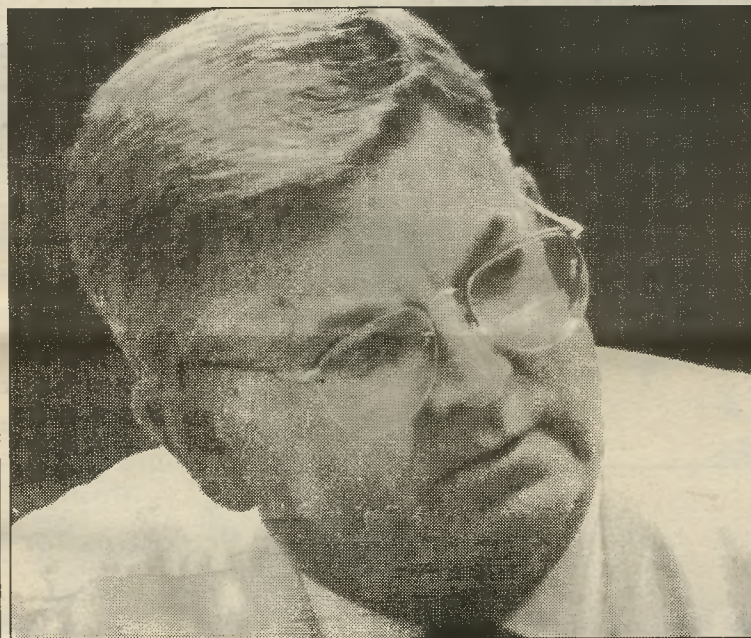
Nonprofit leaders in particular, praise Turnage's understanding of the role their organizations play in improving the quality of life in Rocky Mount and his ability to bring people together across sector lines.

"Fred just knows everybody," says Henrietta Zalkind, executive director of the Down East Partnership for Children, Rocky Mount's Smart Start organization. "He is as comfortable talking to the big CEOs of corporations as he is the folks in some of the neighborhoods that need help."

"More than anybody, he has aggressively tried to bridge the gaps between races, classes and counties that exist here. And a lot of that has been done by example."

In a city government system in which the mayor holds little power, Turnage, 60, has been a force in most of the major public-private initiatives of the last two decades in Rocky Mount.

Look for MAYOR, page 11



Rocky Mount Mayor Fred Turnage wins high praise from the city's community leaders for his skill in bringing nonprofits, for-profits and government agencies together.

Photo by Roger Winstead

Environmentalists gaining political power

As the number of environmental groups in North Carolina increases, so too does the pressure they bring to bear on government officials.

BY VIDA FOUBISTER

Tar Heel environmentalists have established themselves in capital politics and are beginning to wield some power.

However, they remain limited by their resources. They don't have the money to achieve all they would like to. They also face formidable oppo-

nents who have long held sway with politicians in the state - representatives of agriculture, business and industry.

Electoral politics are still a challenge. The environment has never been an issue that sways the ballot choices of North Carolina voters.

"The great majority of people in this state want to protect the environment," says Steve Levitas, deputy state secretary of environment, health and natural resources. "When it comes to achieving goals, it's much more complicated."

In addition, most environmental

groups lack the resources to be large campaign contributors and, as a result, their battles have to wait until after the election. They must try to influence the political leaders chosen by the majority.

The current leadership of the state Department of Environment, Health and Natural Resources (DEHNR) is viewed by key environmentalists as sympathetic to environmental concerns. But whether that gives environmentalists more clout in the department's day-to-day operations is another matter.

"I think we're given a say by state

officials," says Kristen Rowles, executive director of the Pamlico-Tar River Foundation in Washington, N.C. "They subscribe to the importance of citizen participation. Whether we have an impact is another matter."

But Douglas Boykin, a Pender County developer who also sits on the commission, says environmental groups "are very well funded and very clearly focused, and they have driven regulatory policy, if not legislative policy, for the last 10 years."

"The business community had been used to, in the past, calling in

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Raleigh agency eyes funding gap
After Congress cut off its funding, Project SEE in Raleigh is struggling to maintain its summer job program for mentally disabled teenagers.

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Tax law questions delay foundation
Political gridlock over federal tax changes is delaying the start of a new \$2 million North Carolina foundation.

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Science program goes into orbit
The Science STARS program, a volunteer-run organization for students who love science and math, is growing across the state.

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Sprint establishes volunteer corps
In response to a more competitive phone service market, Sprint has created a volunteer corps to help change the way it works with nonprofits.

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Museums reach for new support
Funding cutbacks and increasing public scrutiny have led many art museums to look beyond their traditional markets for new funding and audiences.

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