

# Philanthropy Journal

OF NORTH CAROLINA

## Filling the void Funders target AIDS services

Private funding for HIV/AIDS programs is growing in North Carolina, but some say the focus of that funding should be broadened to include support of education and prevention, as well as residential housing and other services.

By KATHERINE NOBLE

Dollars for AIDS have been increasing, but activists say not enough of that money is targeted at prevention. Since 1984, when a mere five foundations in the U.S. made

Look for AIDS, page 11

Going out on its own

## Wellcome Fund poised for \$400 million gift

A huge gift from its British sister will mean big changes for the Burroughs Wellcome Fund near Research Triangle Park. The Fund is reexamining its mission and carefully planning how to become one of the biggest U.S. foundations.

By TODD COHEN

At the age of 38, the Burroughs Wellcome Fund is leaving the nest.

Thanks to a \$400 million gift from its British sister, the Wellcome Trust, the Fund in four years is expected to rank among the 50 or 60 biggest U.S. foundations.

To prepare for the changes that the huge cash infusion will bring, the Fund has been examining its mission and figuring out how to handle its

growth. It has decided to separate itself from its Research Triangle Park parent, pharmaceutical giant Burroughs Wellcome Co.

The Fund is expanding its grant-making and revising its investment practices. It is reworking and expanding its board and staff. And it is searching for a scientist to serve as its president — a newly-created position.

"We realize we're going to have major challenges," says Martha Peck, the Fund's executive director. "But we've embraced change enthusiastically. With a positive attitude, I think, it's easier to translate obstacles into opportunities."

While the scale on which the Fund soon will operate is much larger than many nonprofits, the lessons the organization is learning may be instructive even to small nonprofits.

The Fund has operated as the corporate foundation of Burroughs Wellcome Co., which developed the AIDS drug AZT. For the past decade, the company's annual contribution to the fund typically has ranged from \$3 million to \$6 million, although because contributions hinge on annual sales and profits, tough years have meant little or no contributions.

Annual grants by the Fund, which supports people engaged in biomedical research, totaled \$7.8 million in the fiscal year ending Aug. 31, 1993.



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MARTHA PECK  
Executive Director

Because federal tax law requires that foundations each year give away at least 5 percent of their assets, the Fund's annual giving is expected to surge to \$22 million after it receives the final \$80 million installment of the Wellcome Trust gift in 1997.

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## A winning team Western N.C. Smart Start effort spans turf lines

A seven-county regional Smart Start project for children in Western North Carolina is seen as a model for partnerships that cross geographic and organizational boundaries. For those involved in the area Smart Start team, the Region A initiative has by turns been exciting and exhausting.

By BARBARA SOLOW

When Sheila Hoyle thinks about the Smart Start team she helped organize for communities west of Asheville, the image that comes to mind is of an overworked fax machine, churning out meeting notices to hundreds of volunteers.

Her vision makes sense once she explains that the Region A Smart Start initiative for children covers seven counties covering 3,500 square miles — an area bigger than the state of Rhode Island.

Since Region A was chosen in September to be one of 12 state-funded early childhood education pilot projects, participants have found themselves swept up in a whirlwind of meetings, training workshops and strategy sessions.

Hoyle, who is executive director of the Southwestern Child Development Commission — the umbrella group for Western N.C. Smart Start — estimates she logs more than 300 miles on her car each week, driving to meetings with regional Smart Start leaders and state officials in Raleigh.

Smart Start is Gov. Jim Hunt's program for bringing public- and private-sector forces together to develop ways to improve education, health care and other services for children from birth to five years old.

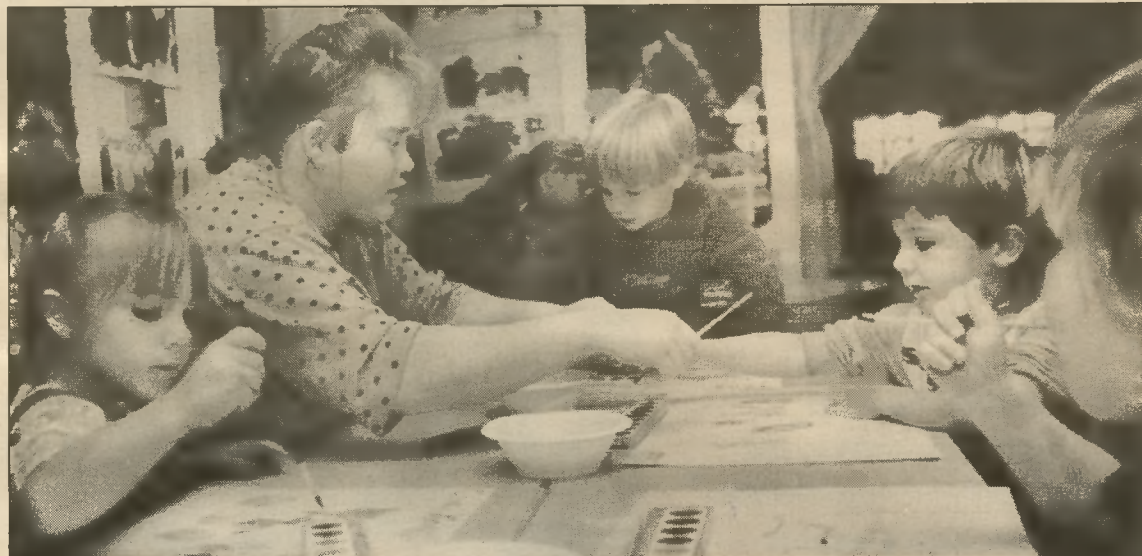
The program is being administered by the nonprofit N.C. Partnership for Children, which will raise money and coordinate activities for local nonprofit Partnerships carrying out programs in Tar Heel communities.

When asked to describe their vision for the seven-county Smart Start effort, members of the Region A team cite an unusual combination of challenges and opportunities.



Sheila Hoyle

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Instructor Tonia Biddix conducts an art class at a childcare center in Webster run by the Southwestern Child Development Commission. The commission is the umbrella group for the mountain region's Smart Start effort to improve early childhood education.

Photo by John Fletcher Jr.

On the down side of the ledger are the geographic distances their programs must cover and the intensity of the needs they must meet. Poverty rates among parents with children are higher in all seven Region A counties than statewide averages.

On the up side is a long history of collaboration among public and private agencies in mountain communities.

"Having a seven-county effort is no different from working in a large city and having each borough represented," says Hoyle, whose agency runs 36 child development programs west of Asheville.

"You just have to make sure that everyone's needs are part of the vision."

In developing a vision for seven western counties and the Qualla

Indian reservation, Smart Start supporters drew on a number of successful partnership models.

Among them was a project called Our Children Today and Tomorrow, spearheaded two years ago by Hoyle's agency and the Region A Child and Youth Planning Council.

The project, which pulled together foundations, state and local governments, social service agencies and citizens, produced a detailed report about the reach and effectiveness of services for children.

"The two years that led up to Smart Start put us in a wonderful

A two-year-old program in Buncombe County puts kids first. Page 21

position because we knew what our needs were," says Marsha Crites, a senior associate in Sylva for the Raleigh-based North Carolina Community Foundation — the organization responsible for convening the region's initial Smart Start meetings.

"In the early days, there were a couple of counties that were not sure they wanted to be part of a coalition. Part of our responsibility was to work with them to show them it was in their interest."

The early meetings drew parents, daycare providers, teachers, administrators and business owners — many of whom had been working toward the same goals but had never met.

From those sessions, a core group emerged that produced the

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As it nears its 100th birthday, the Raleigh hospital is preparing to form a partnership with physicians that will manage the delivery of health care.

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#### Babcock Foundation curtails grant-making

The Winston-Salem foundation is making fewer grants this year so it can spend most of its time studying its long-term strategy.

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#### Volunteers boost History Museum

The state's new \$23.9 million Museum of History owes much to the work of a 14,000-member volunteer group.

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### CORPORATE GIVING

#### On the job in high school

In a handful of communities, local industries are teaming with high schools to combine practical training with practical education.

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