

DIALOGUES ON CIVIC PHILANTHROPY
P E R F E C T I N G O U R G R A N T S

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Dialogue 5

Bequests and Legacies:
What Should Guide People Who Leave Their
Money? What Should Govern Its Receipt?

Edited Transcript of the Discussion

November 29, 2005, 3:00 to 6:00 p.m.

Dallas, TX

Hosted by the Communities Foundation of Texas
and the Conference of Southwest Foundations

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INTRODUCTION TO DIALOGUE 5

The ability of established foundations to make grants depends in part on the bequests of founders and major donors. Family foundations, increasingly important actors in American philanthropy, are largely born from parental bequests and legacies. In recent years, much public attention has been directed to measures needed to encourage such gifts (for example, the debates about the pros and cons of the estate tax/death tax). Less attention has been paid, however, to what is arguably even more important: what is required to give and receive such gifts *wisely and well*. Paul Schervish, a researcher studying intergenerational transfers of wealth, suggests that it is “teaching and learning that enables subsequent generations, like the disciples in all spiritual traditions, to become generative bearers and propagators rather than simply receivers and distributors of the moral citizenship of financial care.” Even if he is right, it is still far from clear what sort of teaching and learning is most needed. Indeed, given the often vexed relations between parents and children, it is also unclear by whom, how, when, and where, it is best communicated.

Legacies and bequests that are explicitly directed beyond the family may avoid intergenerational strife. But comparable and equally vexing issues may arise here as well, connected to the standing owed to and claimed for the donor’s intent. These reflections invite the suggestion that all legacies and bequests require prior preparation. What really should guide people who leave their money? What should govern its receipt?

COMMISSIONED ESSAYS FOR DIALOGUE 5

These essays, which served as background for the discussion, can be found online at www.civicphilanthropy.net.

“Legacies and Bequests: What Should Guide the Client/Donor/Person/Citizen?” by Phil Cubeta

“Legacy and the Middleman” by Neal Freeman

“On Legacies and Bequests” by H. Peter Karoff

“What I’ve Learned from Peter Drucker about Philanthropy” by Bob Buford

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Hosted by the Council on Foundations
Washington, DC
March 17, 2005

2. Accountability: For What and To Whom Should Philanthropy Be Responsible?

Hosted by the Northwest Area Foundation and the Minnesota Council on Foundations
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Hosted by the Communities Foundation of Texas and the Conference of Southwest Foundations
Dallas, TX
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6. Effectiveness: How should philanthropy judge its success?

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Atlanta, GA
June 15, 2006

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DIALOGUE 5 PROCEEDINGS

AMY KASS: Good afternoon. I am Amy Kass, and it's my great pleasure to welcome you to the fifth of our dialogues on civic philanthropy, and thank you all very much for being with us today.

Let me also thank and acknowledge publicly those that have given their support and mixed their labor with this event and with the project in general. First, our sponsors: Hudson Institute's Bradley Center for Philanthropy and Civic Renewal; the Council on Foundations; the Association of Small Foundations; the Bill & Melinda Gates Foundation, the Achelis and Bodman Foundations, and the Pettus-Crowe Foundation.

Second, special thanks go to Fred Smith, who was unable to be with us today, but was responsible for directing us to the Conference on Southwest Foundations, and, in particular, Lucille DiDomenico, our local host this afternoon. Many thanks, too, to Lucille and her very able staff for attending to all of these lovely arrangements.

LUCILLE DIDOMENICO: Our pleasure. Our pleasure.

MS. KASS: Third, let me thank the people who have so ably and interestingly helped to seed the ground for this afternoon's conversation by writing short opinion pieces – Bob Buford, Neal Freeman, Peter Karoff, and Phil Cubeta. The last did so on very, very short notice, for which we are particularly grateful.

And finally, let me single out for special thanks our project manager, Krista Shaffer, who, as always, shouldered the major burden of preparing for this event and, as always, did so with her characteristic pluck, goodwill, and intelligence.

Now, if you will, let me invite you to introduce yourselves. And if you don't mind, let me ask you to identify the part of the philanthropic landscape with which you are most closely affiliated, and in light of our topic for this afternoon, let me also invite each of you to take a stab at answering the question that Neal Freeman puts to the prospective donors with whom he meets – “Who do you want to be in one hundred years?” Rest assured, I have no reason to believe that there is anyone in the room who is now, or who will one day be, in a position to be a major donor or to leave a large inheritance. I am well aware, that is, that few of you think of yourselves as philanthropists or even as would-be philanthropists. But not so thinking may not be fair.

For if we take our bearings from the root sense of the term “philanthropy,” from the Greek, *philanthropia*, which literally means love of human beings, or practical goodwill toward human beings in general, being philanthropic means having the disposition to promote the happiness and well-being of one's friends and neighbors. But that would make us all, in one way or another, at one time or another, philanthropists. Whether we consciously choose to or not, at one time or another, we are all called upon to give or to serve, be it through wealth, talent, or time. Each of us, then, willy-nilly, will leave some sort of a legacy.

So, “Who do you want to be in one hundred years?” Or, to put it another way, what story do you want to have told about you. Or, yet another way, what of you do you really want to live on. Please know that I labor under no illusion that putting you on the spot like this will enable you to come up with an answer, however tentative. So, if you choose to take a pass, I'll certainly understand. Bob Buford, would you mind starting?

BOB BUFORD: Start with me, yeah. (Laughter.) I was afraid that would be the case.

I am Bob Buford. There are two major influences on what I do, which includes money but also being a social entrepreneur. Those influences are Peter Drucker, who died a week ago last Thursday, a few days short of his 96th birthday, and the Bible, specifically Christ, if you want to narrow it to a person, but really that whole body of work.

Though I am more a social entrepreneur than a philanthropist, a great deal of money – I mean, millions of dollars – have passed through my hands. I'm guided by a mission that Peter gave me in 1991 after I had been working on it 8 or 10 years, following a career of being primarily a compulsive moneymaker in the television and cable television business. He said, it is your mission to work on converting the latent energy in American Christianity to active energy. Let me say that again: to work on converting the latent energy in American Christianity into active energy. So it's American, it's Christian, and it's about converting belief in a passive sense of that word into action, or as Peter Drucker would say as well – another favorite Druckerism – it is from moving good intentions to results and performance. I don't consider results and performance giving away money; I consider it a medium perhaps toward that.

And the last thing I will say – see you are going to wish you called on someone else – (laughter) – is Peter has told me and numerous other people that you ought to be able to get your personal mission statement on the front of a T-shirt. As I have already told some of you, I am going to have to leave a little early, at 5:00, and the reason is to do the best thing I have ever done for my nephew, who is a senior in college and spends most of time going to rock concerts. And this very night the Rolling Stones are playing at American Airline Center. So I must confess that I won't be at your reception at 6:00 because I will be on my way to hear those decadent characters and to see what they do. Anyway, I'm sure I'll see a lot of T-shirts there. I might wear mine. I might wear this T-shirt.

MS. KASS: Do the Rolling Stones share your desire to convert intentions into good action?

MR. BUFORD: Yes, they do. But no – Some spiritual leanings have been attributed to Mick Jagger, but he said to a person I know – he said, yes, I am that way, but basically we are a party band. And they are – (laughter). And in my judgment, having discovered them in my middle 60s, they are about the best party band there ever was. (Laughter.)

So anyway, my T-shirt says on the front of it – and yes, there is an actual T-shirt – “100x,” and that is rooted in the Bible in the parable of the sower, where Jesus says that the good soil – which is what I hope to be – has the capacity, if the seed falls into it to multiply 30 fold, 60 fold, or 100 fold. And I am persuaded that by that every human being alive has that capacity, and of those three I like 100 better than the others. I liked it better in business and I like it better in being a social entrepreneur.

MS. KASS: Thank you.

DEANNA DUGAS: I have to follow that? (Laughter.) It is a real honor to meet you, Mr. Buford. Thank you.

My name is Deanna Dugas, and I am associated with the M.R. and Evelyn Hudson Foundation. We are a private family foundation just north of DFW Airport. In the world of philanthropy, we are relatively young. We were chartered in 1991 and opened an office in 2000. Our donor founder was M.R. Hudson of Hudson Oil and Fisca Oil. I'm the grant administrator for them, and I am probably the only member of the staff who is not a family member or a lifelong friend, but they have engulfed me and made me a member of the family.

The person that I would like to be in a hundred years is someone who leads a legacy of faith for people who come after me. And so what you said, Mr. Buford, really touched a nerve with me because I feel the same way. I don't have children of my own; however, in our life's journey we affect a lot of people and we never realize – we never fully realize the effect we have and the influence we have on people that we don't even know. So I would like to leave a legacy of faith. For me it would be faith in Christ.

MR. BUFORD: Is that the intention of your donor as well?

MR. DUGAS: I did not know the donor; I didn't know Mr. Hudson personally. That is one of the intentions of our president. She is the granddaughter of Mr. Hudson. So I don't know what his personal intention was, but that is my personal philosophy and it guides pretty much everything I do.

SARAH LOSINGER: I'm Sarah Losinger and I'm chairman of the board of the McCune Charitable Foundation in Santa Fe and also on two other foundation boards. So that makes it really interesting because I see how differently they all work. But the person I want to be in a hundred years is related to what has already been said. I remember going to a luncheon once, where someone said, we plant trees but we don't get to enjoy the shade; someone else will. So I always think, as long as I can keep planting some trees, someone else will later benefit. The trees themselves will show that someone else cared. I wouldn't even want my name on it, but I believe in the pass-it-on thing: If you pass on something, the ripple effect goes out to other people.

JOHN RYAN: My name is John Ryan. I am the chairman of the Ryan Foundation. We are located in Fort Worth and conduct the majority of our business in Tarrant County. We are a chartered support organization. Three named organizations receive our support, and they have representation on our board.

I guess one of the favorite sayings of my father's was, to whom much is given, much is expected in return. And I think he has tried to plant that within me and I would like to do so in my children and carry that thought forward.

WILLIAM SCHAMBRA: I am Bill Schambra and I am the director of the Bradley Center for Philanthropy and Civic Renewal at the Hudson Institute. I work with Amy Kass and I can't believe she didn't give me advance notice she was going to toss out this impossible question. (Laughter.) She will pay a price – (inaudible, laughter).

As the name of the center suggests – Philanthropy and Civic Renewal – if in a hundred years philanthropy paid more attention to civic renewal, and if I were known as someone who had something to do with that I would be happy.

My fear about philanthropy today is that it thinks of itself as a much more sort of exalted scientific systematic enterprise that all too often overlooks its connections to the everyday neighborhood work that people of good will are doing invisibly in inner cities and poor rural parts of the country. And foundations have sort of turned their back on that work because they have more important things to do, in their own mind. And I must say I don't think they do. So if I could somehow rectify that oversight I would be happy to be known as the person who contributed to that.

MS. KASS: Thank you.

BRENT CHRISTOPHER: My name is Brent Christopher. I am the president and CEO here at Communities Foundation of Texas.

MS. KASS: Well, thank you very much for making this space available to us.

MR. CHRISTOPHER: Well, it's our pleasure.

MS. KASS: This is truly a magnificent place.

MR. CHRISTOPHER: Thank you. I am always slightly defensive whenever folks visit our building for the first time because it does not look like the typical offices for a community foundation, and I recognize that. This is not a facility that we necessarily would have built for ourselves, but we do have a wonderful donor, whose portrait is on the wall up there as you enter, who believed very much in the work that is done through Communities Foundations of Texas.

And shortly before she passed away, she made a gift of this land and the money for this facility and an endowment for the operation and maintenance of this facility that made it possible and removed this as a burden really from the foundation and freed us up to focus on the things that we really need to be doing. So it is a great blessing that we have this building and we are very grateful for it. And I am happy that we could share it this afternoon to be available for this meeting.

Now, this is very much a new career path for me. I began my work-life here in Dallas as a trial lawyer, which is not something that I usually share with people early on in a relationship, so I am telling you all of this much earlier than I would ordinarily have confessed that. I enjoyed doing that for a number of years, but eventually worked with a career coach out in California. I didn't have the benefit of being able to work for Peter Drucker. That obviously would have been an extraordinary benefit, but I did have the advice of a person who spent quite a bit of time talking with me about where I was headed in life and what I needed to be doing, what my strengths and weaknesses were.

And the idea of taking some of the same skill set that I had used as a trial lawyer but using it in a different arena, to be able to effectively engage people in the process of philanthropy and to be a part of a high-performing team of people, with colleagues that I could work with every day was really the perfect match with what I believe are my gifts or my abilities. The transition out of the practice of law and into this role in philanthropy was really a natural fit for that, and I am extraordinary grateful for the opportunity to be a part of the team here at Communities Foundation of Texas.

Have I worked out exactly what I would want people to say about me in a hundred years? Certainly not. I hope I will have been a good husband a good father, and I hope that I will have been effective in my role here not just in managing the operation of an institution but through this institution to have been effective in really engaging folks who have philanthropic capacity and interest in a way that makes a difference here in our community. We will see how that works out.

DAWN TOWNSEND: I'm Dawn Townsend. I am on the staff for the Conference of Southwest Foundation, the associate director, and I have been at the organization for about three years now.

I have not yet decided what I want to be in a hundred years. (Laughter.) I have been thinking that something will occur to me by the time the conversation got to me. I think that what I would like for I guess my grandchildren, great-grandchildren to know about me is that I was someone who had very strong values and who lived by those values, and who, hopefully effectively, passed those along to my descendants, my children and grandchildren.

ADRIENNE COX TRAMMELL: I'm Adrienne Trammell with the Conference of Southwest Foundations. I come to the table from the nonprofit side. I was at the Dallas Institute of Humanities and Culture and then the Center for Nonprofit Management before coming to the Conference of Southwest Foundations, where I have been for four years.

As far as who I would like to be in a hundred years, I have a 12-year-old-son, and so a lot of my time and energy is focused on him right now. I would say that it has to do with being a person that is remembered for fostering individual genius and have that impact – (inaudible).

JOHN CRAIN: I'm John Crain with the Summerlee Foundation. I have been with Summerlee since 1990. We have two program areas: Texas history and animal protection. And so for some of you it would be I guess quite a change, something that would be reduced down to only two program areas. For us it's a big world.

I became president two years ago and now I am living a life of dealing with the investment world as well as the program area. I remained a program officer in history so I still am doing what I did for several years with this added component of looking after the welfare of the foundation. I guess looking ahead a century, I think that the answer might be he was a good listener.

BECKY SYKES: My name is Becky Sykes and I am executive director of the Dallas Women's Foundation, which is a small public foundation or community foundation. We just celebrated our 20th anniversary this year, and we are part of a broad network of women's funds around the world. There are more than a hundred of them now, and we are one of the oldest and largest of those women's funds.

I was a founder of this organization 20-plus years ago and came back seven years ago to serve as the executive director. So I have worn different hats. I am primarily a fundraiser. And we have to raise the money that we grant out. And I have a whole new feeling about that label, having read Lynne Twist's book, "The Soul of Money," which if you haven't read I highly recommend. And I feel that my mission, my work is about connecting people's resources with their values and helping them identify what their best and highest values are.

At the Women's Foundation, part of our mission is to promote women's philanthropy and to empower women to think of themselves as philanthropists. So I guess a hundred years from now I would hope that the Dallas Women's Foundation is as big as the Communities Foundation of Texas and growing, and that there are many thousands of women who have been empowered both through giving and through receiving our grants.

MARCUS VYVYAN: My name is Marcus Vyvyan. I am associated with the Conference of Southwest Foundations. I am kind of in the beginning of my career right now. I hope to use business as a medium at some point to bring social, environmental awareness to the public. In the future I would just like people to know me as a person who is caring and thoughtful.

KRISTA SHAFFER: My name is Krista Shaffer. I am with Bill Schambra and Amy Kass at Hudson Institute and with Hudson's Bradley Center for Philanthropy and Civic Renewal. And I was just thinking back about what I remember from my relatives from a hundred years ago, and I don't know much about them. So I hope that my relatives – at least my relatives remember something at all of me in a hundred years. What I think of is that my relatives came from different countries to the United States, and whether for good or for bad, I don't know much about the values they had that led them to that decision. But I know that they came and that was important for me.

Fifty years ago my grandfather decided that farming was his dream and he was going to have a farm, and so I grew up on his dairy farm in Pennsylvania, and that has shaped my life in so many ways. He passed away not too long ago, and someone from California who had been a neighbor a long time ago wrote of him that he thought that corn came up in the summer and cows let down milk because my grandfather

was up every morning just to make sure that it did – (laughter) – and I thought that was a wonderful thing to write.

And I think people will remember him 50 years from now because he had this passionate love for the land and for cows. Now, I probably will be remembered for leaving the farm and going to the city. (Laughter.) And I don't know that I can say much more than I hope that I can use my life to shape that move into being a good thing for my family, my children and grandchildren. But I'm still young so I am going to spend a lot of time trying to figure out how to do that and what else I can add to that if anything.

MS. KASS: Was your move regarded as an act of rebellion?

MS. SHAFFER: (Chuckles.) Going to the city? I don't know. Would coming to the United States be considered an act of rebellion?

MS. KASS: For more than a few, probably so. But of course, it depends on the circumstances.

MS. SHAFFER: I don't know, but I would hope not; I would hope it wouldn't be, but good question. I have answered the first question; I'll get to the second another time. (Laughter.)

PHIL CUBETA: My name is Phil Cubeta. I work with about 225 financial advisors who work with many clients. And some of those people are donors. And what I try to do is to help the advisors better relate to the donors and think with them critically about what the donor is trying to accomplish, their visions, values, goals, hopes, and dreams – the same kinds of questions you were asking – and encourage them to have a – what really amounts I guess to also a Socratic dialogue about that so that it's both serving the donor but also challenging to a degree. Whatever – (inaudible) – I'd hope to have or be in the future would not be under my own name but through the other people I work with.

LUCILLE DIDOMENICO: Lucille DiDomenico, associated with the Conference of Southwest Foundations, where I have been for about nine years. I have had the experience of having a lot of money passing through my hands that was not from my family, as well as the opportunity to run organizations like drug rehab centers, banking associations and bank departments, and to do language teaching, plus a lot more.

I was sitting here waiting for some divine inspiration – asking for some wisdom to come from my mouth or I wasn't willing to say anything about a hundred years from now. Indeed, in every one of those situations that I have been in work-wise or family-wise or life situations, I work on suspending judgment. I mean, it is a lifelong chore for me. And I would like to think, as I am maturing, that I am getting better at doing that. But this still seems like it pops up when I least expect it.

So starting at a very basic level – this is as far as I have got – this is as far as the inspiration has come: I would like people to be able to say a hundred years from now that I went to her home and I was welcomed.

MICHELLE MONSE: I'm Michelle Monse. I'm the executive director of the Carl B. and Florence E. King Foundation, a post that I have held since February of this year. And before that I was associated with the cross-town rival to Brent's group, another community foundation here in Dallas.

And far as your question about what you want to be, I wasn't quite sure when you first asked it if you were asking it in terms of an individual philanthropist or as a manager of a foundation. I guess I'm one of those evil middle people that Neal Freeman talked about. (Laughter.) Really.

But I think it's very useful to maintain the distinction in your mind – I mean, that the roles are very distinct, because I think it – what I might want my own personal legacy to be should not necessarily dictate what my role is as a manager of the King Foundation or any other institutions that I have served. But there is a common thread. And in both my personal and business life, I would say that is the desire to be a good steward of what has been given to me, you know, be it whatever personal gifts I might have, or whatever opportunities, personally or professionally, I might have, I have that moral responsibility.

Given events in the foundation community of late, the example of my mother when I was a kid came to mind. You probably heard a phrase somewhat like this too. When she was exasperated with me, she would say, is that the best that you can do? And I have to say looking at some of the excesses in the foundation the last couple of years, they have struck me that same way. Surely that is not the best we can do as individuals; that is not the reason anybody really starts a foundation.

And so, in answer to your question, I would like to turn my mother's view around in a more positive way, and say that a hundred years from now I would like it to be said that I did the best that I could do as a manager and as a person with the opportunities and the gifts that were given me.

CAROL STABLER: I'm Carol Stabler. I am the director of communications at the Meadow Foundation, a position I have held for about a little over nine years. And I apologize for my tardiness. I was on a conference call that got long winded. I'm not – and I missed the questions, so –

MS. : So what did you think the question was? (Laughter.)

MS. STABLER: What do you want to be remembered by?

MS. KASS: More precisely, it is who do you want to be in a hundred years, or what about you do you really want to live on?

MS. STABLER: Well, the two greatest accomplishments of my life are my daughter Lisa and my son Scott. And I guess in a hundred years I would love for their grandchildren to say that their great-great grandma touched lives in a meaningful way.

MS. KASS: That is lovely. Thank you all. And thank you all for being so game and forthcoming. I knew, had I given advance warning, that your responses would probably not have been as candid. But I also know that it would be unfair of me to refrain from answering the question. So,

I am Amy Kass and I'm closely affiliated with two nonprofits -- the Hudson Institute (my recently acquired Washington home) and the University of Chicago (my long time university home). On the bigger question: it's pretty clear what I would aspire to have written on my tombstone, which will, in a way, convey my story: "Loyal and devoted wife, mother, and grandmother." But not to be too greedy, through my familial descendants and others, in addition, what I hope lives on is not something that my name needs to be or should be attached to. It is the major cause to which I have devoted my adult professional life, namely, the perpetuation of liberal arts education, especially via great books. Should there be places or even small pockets, at schools or universities, in civic life or in the foundation world, where people continue to meet and to talk, as we will this afternoon, about fundamental issues and abidingly human questions, I would be most gratified.

As we turn now to the dialogue itself, let's try not to forget the personal stake each of us has in the future. I trust you are all aware of the fact that this conversation is being taped and that it will subsequently be edited and posted on our website. As none of us will be speaking as a representative of or for our respective organizations but, rather, for ourselves, all the more important that we each try to keep in mind

what matters most to us, what our own opinions are.

As our invitation to you indicated, the dialogues project, as a whole, takes its bearings, from the current unrest and the great promise in the philanthropic community today. Its immediate purpose is to engage people from across the philanthropic spectrum, in focused conversations, about the fundamental questions and issues that they must confront, professionally as well as personally. We are aiming, through the dialogues, our website, and subsequent publications, to reach and involve seasoned warriors, as well as newcomers, as well as the many of the about-to-be-beneficiaries of the projected 40 plus trillion dollar intergenerational transfer of wealth, which is predicted to take place over the next 50 or so years.

Better than repeating my own (at least to me) familiar formulation of the ultimate or real purpose of these dialogues and, in fact, of the project as a whole, I hope Phil Cubeta won't mind if I quote from the last part of his reflections. By my lights, he stated our purpose far better than I have. Apologies for taking some, I hope small, liberties with your text, Phil.

'In conversations like these, we are well aware that no one can claim to be "value-neutral," "value free," or completely disinterested. In the words of Bob Dylan, "We all gotta serve somebody." Still, we can serve ourselves, our clients, our customers, our constituents, our company, our political group, and also use the conversation to transcend or moderate partisanship, maintaining our own views, but rising above our differences, *not to reach consensus*, but to support the fragile open spaces of democracy in which we come together, as we do here today, to have an open dialogue about public ends and private means. In these . . . conversations we can hash out for ourselves what it means to be a person, a parent or child, a brother or sister, a citizen, a donor, a grantor or a grantee. The "should" in our questions this afternoon, "What should guide people who leave their money? What should govern its receipt?" – or, more generally, the "should" in the questions that guide each of the dialogues, however ineffable, has fundamentally to do with what each of us regards as just and good. Thus, our ability to discuss our differences openly is vital to keeping open our open society.'

I think that is a lovely formulation, and thank you for it, Phil.

MR. CUBETA: Thank you.

MS. KASS: Our topic this afternoon is "Legacies and Bequests." Of the two questions that commend our attention, let's begin with the first, "What should guide people who leave their money?" Since the essays especially prepared for this session provide us with some ideas, which may be useful for seeding more ideas, for the sake of getting more swiftly into the general discussion, let me begin by reviewing, very briefly, the bidding.

As we are all no doubt aware, given the vexed relations that too often exist among the generations, inside as well as outside the family, and, as Phil's "Case of the Forest Primeval" makes conspicuously evident, even within the same generation and in the same family, it is far from clear what, how, when, under what circumstances, or with what hopes or expectations gifts should be bequeathed. What should guide donors? Here's the bidding, as I understand it.

Bob Buford takes his bearings from the teaching of his mentor in philanthropy, the late Peter Drucker. Taking to heart Goethe's wise dictum – "What you have as heritage, take now as task, for only in that way can you make it your own." – Bob gives us a window into the rich legacy bequeathed to him and indicates, in outline, how he received it, i.e., how he made it his own. But assuming Peter Drucker's advice that eventuated in successful present practice can also guide the gifts of donors to posterity, it sounds like the overarching principle might be this: first and foremost, know – define and articulate as

clearly and as knowledgably as possible – your self (your limits and possibilities) and, most especially, your goals. For always remember, it’s results that matter.

Phil Cubeta thickened our landscape by giving us the already mentioned “Case of the Forest Primeval,” which maps the terrain that Meg, heir to her late husband’s enormous fortune and, hence, now chief decision-maker, has to navigate. He wonderfully articulates the competing and incompatible interests of her two very determined and worthy grown children. He doesn’t, because he needn’t, even begin to introduce the many other good causes that must come knocking on her door.

The generalizable point seems to be this: donors should be guided by their own lights, or more specifically, by their own values and goals, but at the same time, they must be mindful of the financial and legal constraints within which they must make their decisions, as well as needs of others, and the needs greater community. And he makes the best case I have heard yet, for the need for philanthropic consultants, especially those who know the liberal arts.

The title of Neal Freeman’s little piece “Legacy and the Middleman” points to its message: donors should, first and foremost, be wary of middlemen – “professional’ foundation managers, program officers, and the like, that is, people like us, or at least most of us around the table.

MR. BUFORD: All of you.

MS. KASS: All of us?

MR. BUFORD: Except me.

MS. KASS: Well, perhaps. But to continue, Freeman argues, if the past is precedent, thanks to the collapse of trusteeship, donors’ and trustees’ willing displacement of their own authority, and their own very successful lobbying efforts, middlemen have undermined, and left unchecked will continue to undermine and transform, donors’ intentions.

Peter Karoff, emphasizes, as the others do too, the importance of aligning one’s legacy, first of all, with one’s deeply held individual or family beliefs or values, and second, with one’s goals – the hopes and dreams that will result from one’s gifts. But he seems far less worried than Neal Freeman is about the future of donor’s intent, and seems, in fact, positively to urge donors to adopt a more “fluid, living, breathing and adaptive footprint.” And he warns us, in addition, of the need to be fair to recipients.

Unfortunately, he is not here to tell us how the alignment he speaks of as essential can go hand and hand with the openness he urges, but perhaps we can figure that out. How can you (in his terms) “Codify goals” without giving very specific advance directives regarding strategy?

Okay, that is, oversimplified to be sure, the help we have been given. Now its up to all of us to go forward, to expand upon or challenge these suggestions or to chart a new path entirely. Please know there are no rules for proceeding. We will, more or less, try to follow the conversation where it takes us. If somebody says something that you want to respond to directly, either with a comment or a question, you needn’t go through me to do so. Just speak up.

So, what do you think should guide people who leave their money?

MR. BUFORD: I will give you three Peter Drucker words followed by a question mark: To what end? It seems like a great deal – then I will say something critical. It seems like a great deal of philanthropy is to

the end of simply giving away money; I mean, just getting it dispersed. For example, The Meadows Foundation must give away money to how many recipients a year?

MS. STABLER: A little over 200.

MR. BUFORD: Yeah, 200. So it's just scattered in bits and pieces far and abroad and it's giving away money. And at least in my case having made the money and intending to give it away in my lifetime to avoid this issue of middlemen, I intend to stay very focused on what I feel called to do and destined to do – if you want to use a more liberal artsy type word – in my lifetime.

And I am focused on two things: the application of management to large Christian organizations, a lot of them called mega churches nowadays, and the transition – encouraging people in the transition from success to significance when they reach midlife, and when they are successful, to make a conversion of what they have learned and what they have acquired in the first half of their life to serving others in the second half of their life. And to that end I have written four books, and to the former end I have done a lot of things.

MS. KASS: Yeah, great, but let me make a little trouble for you, okay?

MR. BUFORD: Sure.

MS. KASS: By your characterization, The Meadows Foundation seems basically to be throwing money off the back of a truck, giving money for the sake of money, and surely –

MR. BUFORD: Widely diffused in much the same way most foundations are, rather than focused.

MS. KASS: So foundations are basically throwing away their money when they disperse it to many causes or organizations?

MR. BUFORD: Do you think that?

MS. KASS: I'm asking – it sounds as if that is what you are –

MR. BUFORD: Did I say that?

MS. KASS: It sounds as if that is what you are suggesting happens, that is, if there is no particular focus or no particular goal in mind, which is in contrast to your strategy. I suspect there is going to be some disagreement around the table about this.

MS. STABLER: There will be plenty of disagreement around the table. (Laughter.)

MR. BUFORD: Okay, I frankly expect that everybody will disagree.

MS. KASS: But I haven't finished making the mischief.

MR. BUFORD: Can I put one more ball in? Why do foundations, if they have an end in sight, restrict themselves to giving the least amount of money they can give away that the government allows. I mean, why only 5 percent a year, as opposed to, say, whatever it takes to accomplish what they are trying to accomplish.

MS. STABLER: I'll weigh in on that one.

MR. BUFORD: Please do.

MS. STABLER: I think in the case of The Meadows Foundation – I am not a member of the family; I am on that third rail. I am the middleman. But in the case of The Meadows Foundation, Al Meadows established the foundation to exist in perpetuity. Perpetuity, the last time I checked, was a long time. And we cannot anticipate the needs of the future. When we had the dotcom boom and foundations coffers were flush with money, we maintained a very conservative level of giving, knowing that the dotcom boom would not go on forever.

Had our crystal ball been perfectly clear, we could have foreseen the catastrophe of Katrina and Rita and what it did to 396,000 evacuees who ended up in Texas. Our giving will be above the line this year because we couldn't anticipate that; we didn't know. I think that prudent fiscal management of foundation resources are important when you are looking at a perpetual foundation and when you are looking at decisions that will affect unborn generations of Texans in meaningful ways.

MR. BUFORD: So the objective is to give away the money in perpetuity. The overriding – the commanding objective I mean.

MS. STABLER: The commanding objective is to enrich the lives of the people of Texas.

MR. BUFORD: I see.

MS. STABLER: That is the commanding objective.

MS. KASS: The existence of the foundation in perpetuity was, then, stipulated in its establishment. But the goal, if I understand you correctly, is not to perpetuate the foundation for the sake of perpetuation but to be responsive to what is immediately happening --

MR. BUFORD: Listening to pitches.

MS. STABLER: There is some long-term – there is some long-term view, but for the most part, the underlying theory at Meadows – “theory” is not the right word, but the underlying wisdom at Meadows is that no one understands the needs of the people of Texas better than those nonprofit service providers and workers who are out there in the trenches, daily dealing with those needs, assessing those needs, looking at those needs. They come to us; we do exhaustive due diligence. It can sometimes take six months to get an application through the system.

MR. BUFORD: Longer.

MS. STABLER: Yeah, exhaustive due diligence, but the resulting gifts are meaningful gifts and they make a difference.

MS. DIDOMENICO: But, you know, you are talking to someone who has a goal for self-actualization in his lifetime, which means a really different scenario.

When I think about how the Conference of Southwest Foundations came into being, it was three people, who by chance met for lunch, two trustees and one staff person who also served as a trustee on the Board of Regents of the University of Texas. They realized that their three different foundations were giving money to the same organizations that were coming to them with a spiel. And they thought that maybe they could do better, and what they should be doing in their grantmaking was being more strategic.

And so they decided to get a group together six months later, invite 10 or 15 other organizations – actually, not organizations but individuals, who were not necessarily connected with foundations – to talk about how we can be more strategic in our grantmaking and to learn more about what is happening in the world, and to get more information to make the kinds of decisions that would reflect more self-actualization of an individual or prosper the foundation.

This is kind of like the early Christian cells situation here, and as we get larger and as we get older we come back to feeling like this sort of afternoon is more of what our founders were doing and wanted the organizations to do. So it's funny how it just kind of goes full circle.

MS. STABLER: Good point, yeah.

MS. SYKES: I would like to speak to the question of endowment. Women's foundations, many of them feel that it's very important to establish an endowment, for several reasons. One is because programs that support women and girls have been chronically under-funded, and many of us who are involved in starting these women's funds had been out there trying to raise money for the girl- and women-serving organizations and had found it hard to do that.

Many of the women involved in women's funds had also been doing a lot of fundraising generally in the community for their schools and their kids and whatever, and we were getting tired of what we called the bake-sale mentality, which was go out there and raise the money – have a ball, have a bake sale – give it to a good cause and then do it all over again. And society was changing and we were running out of women who had time to do all of that as a career – as a volunteer career, so we felt that for ourselves it was important to establish an endowment, which could grow and be an ongoing source of funding for the causes that we thought were important.

So for us to kind of distinguish ourselves from the traditional fundraising efforts of women for many hundreds of years in this country was important.

MS. KASS: But let me understand this. One big reason for starting the endowment had to do with the fact that women were no longer available to volunteer their services. Is that right?

MS. SYKES: That was a factor, yes.

MS. KASS: Well, that is a large factor that has really transformed civic life in general. And so what you wanted to do was to make it really possible for women to somehow be empowered without having to spend so much of their time fundraising. Okay, and was the guiding thread then, and is the thread that guides the giving now, the desire to empower women? Does it, in other words, make any difference what the women do or the direction they turn or –

MS. SYKES: Well, we have certain underlying values about what is helpful to women that guide the grantmaking. It is not just any program for women. It would be programs that we deem are helpful and life-giving and enhancing.

MS. KASS: I'm sorry to put you on the spot, but might you give us an example of what you think would be very important, or better, what guides your decisions?

MS. SYKES: You mean a value or grant?

MS. KASS: Something that guides you in determining what is important.

MS. SYKES: You mean an example of a grant that we have made?

MS. KASS: Okay, or a program.

MS. SYKES: Or a program that we funded? Sure. We often support small grass-roots programs that spring up around a kitchen table in a neighborhood that are close to the issue and often very responsive to the issue. And one that comes to mind that we have funded several times is a little program in South Dallas, which is a low-income neighborhood, called Circle of Support. It is an after-school program for girls who live in a public housing project, and it's tutoring and enrichment activities every day after school and now it's grown into a summer-long program as well.

MS. KASS: So what guides you, assuming this is a typical example, are the needs, immediate needs, of local women or girls?

MS. SYKES: Yes. We have a geographic area that we serve.

MS. KASS: Okay. How about some of the rest of you?

MR. RYAN: In our case locality is important in that it was thought if the family's money was made in a particular community, it ought to be directed back into that community to support whatever needs might be assessed there.

MS. KASS: Aside from Bob Buford, are the rest of you guided basically by immediate and present needs? Is your giving directly responsive to what is currently going on out there?

MS. SYKES: I think that is fair, at least for us.

MS. KASS: And the rest of you?

MS. MONSE: Yeah, but not exclusively. I mean, I would say there is certainly a role, an important role, for foundations to take the lead and to initiate as well, but I think there is a balance that needs to be stressed. For example, I wouldn't want – I would not have wanted my foundation to be so focused that in the face of Katrina we would have said, well, that is outside our area of focus; we are not going to pay any attention to that; we are not going to respond to that in any way. That is the most serious recent example. So I think there is room for both in every foundation. It's a very individual decision.

MS. STABLER: Yeah, there are programs and there are grants. You can operate meaningful programs that you fund on a continuing basis, which places you in a proactive philanthropic role versus the grant applications that come across the transom, which become more of a reactive analytical grantmaking role. And that percentage of balance will sway over time.

MS. KASS: On what basis do you decide what the "proactive programs" should be – what guides those choices? Is there an overall vision, say, of a specific end? If so, to what extent is it informed by, or remain beholden to, the intention of your donor? I mean, how many of you, if any, would take issue with Neal Freeman's stress on the importance of donor intent?

And, as I said in my beginning summary remarks, Peter Karoff seems to me to want it both ways. He wants, on the one hand, donors to be open regarding the future, but on the other hand, he wants to make sure that the donors' wishes are honored. He gives us the wonderful example of the Catholic man who

wants to leave money for Catholic causes, but on the very issues that Catholics in particular get exercised, for example, stem cell research or abortion, he urges neutrality.

So, more generally, to what extent should a donor's intent be spelled out? To what extent should it guide future efforts by his/her foundation?

MS. DUGAS: Well, speaking from – (audio break, tape change). He gave one grant a year to a local community college in Kansas City, to the Johnson County Community College. And that one gift was meant to be used as scholarships for single mothers, women by themselves with children, so that they could go to school and get an education and eventually get a better job and be able to support their family.

So we keep that education component to honor our donor. We also have three other areas of interest that the members of the family – other members of the family have expressed an interest in supporting and dealing with, and each area gets an equal amount – one quarter. We have a certain amount, you know, the 5 percent, which we have gone beyond. We've gone up to almost 7 percent in 2004 and we'll probably go over a little bit in 2005 too. But each area gets one-quarter – gets an equal amount of attention, and we're –

MS. KASS: But the donor was especially interested in education?

MS. DUGAS: Yes, he was especially interested in one area of philanthropy, and so we retained that to honor him. He did not stipulate, I guess, that his money had to be used for education; he left that door open. So I think a lot of it depends on whether or not the donor is willing to do that.

MS. MONSE: It is an issue that – or principle that guides what I do on behalf of my foundation, but I have to say – going back to your earlier question about what should guide donors in leaving bequests, the more information, the more explicit I think a donor is about the kinds of things that they want to accomplish, the kinds of things they want to fund, the easier it is for middleman like me to honor them and their intention. I think it also makes it morally harder to disregard it, because if all the donor says in organizing documents is education, well, you can shoehorn a lot of things into that, even though the donor might have been philosophically opposed to that particular approach.

The more there is some kind of explicitness to the donors' intention, I think the better off one is. It's been very hard for me to determine what they meant by a lot of their terms. We have a grandson on the board who helped some, but I said, well, what did you – for example, medical and scientific research was in the organizing documents. I said, do you have any idea what they were talking about – if there were specific illnesses that they were concerned with or anything that touched other lives? He said, no, I don't know. So I'm trying to follow donor intent but I can't because they didn't help me very much.

MS. STABLER: I'd be curious to know if there are any foundations, particularly private family foundations, where there was a donor or a family that endowed the foundation – if in any of the organizing documents or any of the conversations there was anything to the effect of, because I have found joy in giving I want to give that legacy to my children so that they can find joy in giving. It seems to me, you know, if I had the resources and could establish a foundation, that would be one of the key elements that I would want in there.

MS. KASS: So your intention would be to give money to the next generation as long as the next generation will give it away to the next generation, and so on?

MS. STABLER: No, not give it away to the next generation but give it to things that make you feel good about giving, that make you feel – make you feel warm and fuzzy inside, make you feel like a better

human being, make you feel like you've made a meaningful difference in somebody's life. It's a little self-serving, I'll admit.

MS. MONSE: So the donor intent behind my foundation basically is, well, to give the money in Pittsburgh— that's where he lived — and he gave a large amount there. So we have a faction of the family that says, well, it needs to stay in Pittsburgh, even though he never wrote that.

So we've dealt with his intention in this one foundation in a convoluted way. We ended up with a member's discretionary fund. When he died it was endowed for such and such amount of money, and it's grown since then. So technically, the part that grew was not the money he put in there. (Laughter.) So that was justification for making a fund that could also be the relief valve, because we have people almost as opposite as the two that he wrote about.

So the members' discretionary is a fund where you're not supposed to say anything about what somebody puts in, and it's passed as a package deal, and the other ones supposedly go pretty much with what we thought the donor wanted to give, but we're slowly, after 25 years, getting away from that because of the regions — everybody is developing different regions. And it was so broad it was hard to say — I would have loved if he had written down something specific — but there is nothing. And everybody says, oh, he must have been so generous, and then it's like, well, I don't know; one person is telling me he did it so he wouldn't have to pay taxes. So I don't know; I'd like to think he did because he was generous.

MS. KASS: John.

MR. CRAIN: Well, our foundation is strict constructionist all the way. It was written down. And so what happens at our foundation is we receive grant applications for so many worthy causes — social services and so forth — and we have to say no. And people will come back and say, well, why do you give to animals? Why don't you give to the sick, children, this and that? And so we encounter a lot of issues based upon the decision that our founder made back in 1988, and it's just that way.

So, you know, sometimes you say, well, you have it all written down, so forth and so on; it's just easy running and there are no problems. But there is always a challenge.

MS. KASS: So you're an example of the middleman who remains true to the donor.

MR. CRAIN: We try to. We try to. We have some interpretive issues having to do with the animal side in international giving. That's the side that has been the most troubling for us -- crossing borders, dealing with geography. I would proceed to move back into the United States and serve the needs of the United States, but, again, some of our founder's writings indicate an interest overseas, and so this becomes an issue for us, and — (inaudible). We do our best. But at least we have a legacy of many things that she wrote that she wanted us to follow.

MS. KASS: Well, how good is doing your best?

MR. CRAIN: We don't have a measuring stick. We don't have —

MS. KASS: Doing your best has come to mean lots of things. I'm sure that Pew Charitable Trusts thinks that they are doing their best. That's a perfect example of doing something very different from what guided or seemed to guide the founder. Carnegie Foundation is another example of that. By their own lights, of course, they are doing their best. But the question is, to what extent do we really have to honor what we know of the donor and the donor's intent, or is that really finally a matter of discretion?

MR. CRAIN: Under the law we have obligations to honor that intent. So if there are issues that would be – if we decided suddenly to change, I'm sure we would need to go through the court system to deal with that.

MS. STABLER: When you bust the trust.

MR. CRAIN: And again, if we were a foundation that was to – let's say we were dealing in gifting of kerosene lamps to the homes in Dallas, maybe we might want to change that. There might not be a lot of need for kerosene lamps. But, I mean, there are times that you do change, based upon what happens in your community.

MS. KASS: Your example reminds me of the famous gift that was bequeathed to Bryn Mawr College, a woman's college in Pennsylvania: The donor stipulated that her money should be used, in perpetuity, to serve every girl at every dinner a baked potato. (Laughter, cross talk.) Baked potatoes are still in, but the girls will have nothing of them these days. So what do you do about something like that? (Inaudible.)

MR. CUBETA: Just to draw on some of the thoughts in Peter's piece. Now, Peter is working very, very closely with Belners (sp), whose intent he does accede to. His job is to help them to move forward with their intent. But what he's doing is – I think he's taking really more of a counseling role in saying if your intent is going to determine someone to – before your intent solidifies once and forever for a thousand years, can we give it more thought, and can we be more humble. Can we be wiser; can we anticipate changing circumstances, and can we possibly delegate to those who will still be alive a thousand years from now the opportunity to adjust your intent in the light of changing circumstances?

He pushes those issues, and if the client agrees, that's when he'll go forward, or he'll back off. But I think some of his key words are "hubris" and "arrogance." I mean, it takes a lot of guts when you're working with a family with 100 million bucks to talk about hubris and arrogance. That's Peter's gift. That's his strength.

MS. SCHAMBRA: But isn't the institution of philanthropy understood as sort of the Council on Foundations, the large associations? I mean, if you go to the annual meetings of those associations, very few sessions are devoted to donor intent, being faithful to the donor and the donor's intention. Those sessions you occasionally see at, let's say, the Philanthropy Roundtable or some other association, small foundations perhaps. But the Council on Foundations has a very different – and the large membership associations have typically in their educational project a very different aim, which is to harness philanthropic resources to sort of the latest theories of social change, and then make sure that we have collaborative efforts built around those theories of social change to the exclusion of whatever the donors – whatever the donors wanted.

In fact, there is a – it's almost an organized attempt to evade the intent of the donor, I would think. You hear very little praise and very little sort of support for the notion of 11,000 flowers. That's regarded as a kind of scatteration (ph). That's the old, terrible way of doing philanthropy; people actually just pursuing their idiosyncratic purposes when in fact we're today blessed with sciences that teach us how to solve social problems, and we need to harness resources more effectively to the experts who know how to solve social problems.

MS. STABLER: Do you think that maybe in part this emphasis – in the business world and in entrepreneurship and everything else -- on outputs and outcomes and results is responsible? We've developed a whole jargon in the business world that is just, you know, somewhat comical.

MR. SCHAMBRA: Yeah, I think –

MR. BUFORD: Well, it isn't comical to me. I'll just say that.

MR. SCHAMBRA: Well, I think what's interesting about the whole jargon of outcomes and outputs is that it has an appeal to the Bob Bufords of the world, and it has an appeal to the staffs of the world, and the middlepersons of the world because it really is a way of passing control over to the people who set up the metrics and who do the measurement. And to people like Bob Buford, who come to this area of philanthropy with a certain understanding of what that means in business, it sounds very appealing, but unfortunately it's a wolf in sheep's clothing.

MS. STABLER: What about results? What happened to the old-fashioned word "results?"

MR. BUFORD: Well, results – you've got before you my way of continuing to write. Having written four books and wanting to maintain a discipline, I write a newsletter every two weeks on the net, which you can get for free if this one interests you. This particular one is about a dinner that I had with Jim Collins, who is the author of a book called "Good to Great," which sold 2.5 million copies.

When I wrote my fourth book, which is two to three years ago, called "Finishing Well," I interviewed him and I said, well, what are you going to do next now that you're rich and famous and that you've written a best-seller book, and he said, I'm going to study the implications of what I found in "Good to Great" to social-sector organizations, whether they just apply to business – whether business things just apply to business or apply to social-sector organizations. That's what he said.

When I met him about a month ago he handed me the galleys of this monograph, which means that this is less than a month old, in which he draws his conclusions. The first conclusion that he draws is that the "Good to Great" framework that he came up with is applicable to social sector. The greatness in the social sector is very much akin to greatness in anything, as is mediocrity in the social sector – that you wouldn't go to a mediocre business store and have it be great just because it was a business and because they measured in terms of money. But he said about outputs or results that in business what he found is that money is an input and an output, that you put \$100 in hoping to get \$110 out, or some number at the end of a period of time – that in the social-sector organizations, money is an input but not the output you're after, that something other than money – that a great skill in a social-sector organization is learning how to measure outputs in non-monetary terms.

And he uses the example, for instance, of the Cleveland orchestra, and that their challenge was to find out how to measure their success in terms other than their revenue. And the three that I remember were the percentage of standing ovations they got at their concert, because that's a genuine measure of whether people – I mean, it's the way people who go to concerts express themselves. The invitations of their orchestra to go play in some other venue – Avery Fisher Hall or some such – and the invitations of their conductor to conduct other orchestras, none of which are a monetary thing at all.

Peter Drucker once told me –

MS. KASS: But measurable? They are –

MR. BUFORD: Yeah, they're measured. And in my case – I promise – I mean, one fund I have supports the work of people who do two things: who hold teaching events for other churches – that are churches that teach other churches – and the other thing is they start new churches. And in the last six years – I've actually brought the numbers, to show you how compulsive I am, but I won't burden you with them unless you want them – those people began six years ago starting 52 new churches, and last year started 466, and over a period of six years will have started 1,600 new churches that average about 150 each,

which is about the average size of churches in the United States, and they will have simultaneously conducted 1,200 teaching events for other churches that were attended live last year by maybe 40,000 people from other churches, so that they're – I mean, they're –

MS. KASS: Does it make any difference what goes on at those teaching events?

MR. BUFORD: I kind of put that in the hands of – well, first of all, I suppose yes. They're not teaching Satan worship or anything like that – (laughter) – if that's where you're going with that question. They're orthodox evangelical would be the way I'd say it, and very growth-oriented. And you can measure whether people show up or don't show up, whether they – you know, they're – it's a real challenge. If I don't do anything more, and I probably won't, read the newsletter and find out how to order this monograph. I think this is going to be the seminal piece of work in the next 10 or so years in this field by one of the most brilliant social analysts, who's not yet a believer, I don't think – I mean a Christian believer.

MS. KASS: Okay, Bill, just off the top of your head, does that allay your fears about what people are doing to corrupt or derail donors' intent into something measurable?

MR. SCHAMBRA: Count it. I mean, you can count, but I think what was described was more output. I mean, I think that the science enters when we start trying to figure out what outcome is, and that's when the experts come in and begin to describe outcomes that are destined only to be reached by programs that they themselves design and impose on that issue.

MS. KASS: So if you narrow the results question into output questions –

MR. SCHAMBRA: We can always – there's no question that you need to count something. You know, everyone always counts something. Every grantee of – when I worked at the Bradley Foundation we were flooded with numbers of conferences and people who attended and op-eds that were placed and all that. But counting itself doesn't much. You know, you can have 100 op-eds placed in conservative rags and it may not mean anything. If you're a conservative and you get it placed in *The New Republic* – a typically liberal magazine – that could be a hugely influential article, but it's only one article. So that is part of my complaint with the counting.

MS. DUGAS: Our foundation wasn't always outcome driven. They started that before – I started with them in May of 2003, and they had just implemented outcome funding. And it really did help them. Being a new foundation, it really did help us to understand what we were doing and to see the impact that we were having because our president said one of the things that her grandfather always said is that he just didn't want to be a check-writer. And so we don't want to be just a check-writer, like you said you know, standing on the back of a train just handing money out.

So being an outcome funder has really helped us to see what we're doing, see where our money is going, see where it needs to go or where it doesn't need to go anymore. That's been a great help to us. On the other hand, there is a very good, large foundation in the DFW area that does not do backend evaluations, and they are an excellent foundation and they make excellent grants. So I wonder – I wonder, how could that be?

MS. KASS: By what criterion is excellence determined?

MS. DUGAS: Well see, it's public perception. I think that has a big – I think that's a big part of whether or not a foundation is considered successful or not. You know, we can look at ourselves and say, well, we did this, this, and this, and this is better because we put the money here, or this social ill is lessened

because we did this, but a lot of our success I think is going to come from the public sector, you know, from the non-profit world. What do they think? Do they think we're successful?

MR. BUFORD: Do you measure their performance as a result of what you did and they intended to do?

MS. DUGAS: We allow them – we tell them that we would like to see some sort of measurement of what they're going to do. We leave that to them: However you want to measure it, we'll accept it as long as it's, you know, not a lot of BS or something. (Chuckles.) You know, I mean you do get a lot of that from some of the nonprofits. But the ones that we work with have been really good. They really do sit down and they think, all right, how are we going to measure this? What's going to work for us? And so they come up with their plan – much like a business plan, I guess – and then they submit it to us. And we say, okay. Then at the end – our grants are made on a one-year basis – most of them. At the end of that year, we ask for an evaluation, and we give them, you know, a little form that we have. And they let us know whether they met their own goals, what changes they had to make along the way, what problems they encountered, how they solved their problems. And so that tells us, okay, we made a good grant.

MS. KASS: I know there are lots of different ways of thinking about effectiveness and thinking about what makes a grant good, but let me try to bring us back to the question of what guides the giving to begin with. I invited you to try not to speak in terms of your organizations, but most of you are nevertheless speaking in terms of your organizations.

MS. : It's a frame of reference.

MS. KASS: I know, but my initial question about who you want to be in 100 years was really meant to recall us to us. We, individuals, here and now. And several of you did speak back then about wanting your children to remember you in a certain way or thinking about yourselves as parents or grandparents or so on.

So, let me try to return to our main question and narrow it a bit. Each of you, I think we can safely assume, is a part of a family, and probably most of you are part of two families, your family of origin and your family of choice. You come from somewhere; you all had parents. Many of you, as you said, also have spouses or children or both. So, just thinking in terms of family inheritance, what should guide parents who want to leave something for their children? Should they – just to narrow the question even more, should they, for example, be like the father in the parable of the prodigal son, that is, divide up the inheritance when the children are alive and give it as a gift. Or should they leave it as a bequeathment? And by the way, Andrew Carnegie gave the same advice: Give your wealth as a gift now, he advised, not as a bequeathment.

So, what do you think should guide parents when they think about their children? Think about yourselves as children, or think about what you might do with your own unborn or existing children.

MS. MONSE: Do no harm.

(Laughter.)

MR. : Well, that's wise.

MS. KASS: Do no harm. That is very wise and very large, but I am sure we all know some teenagers who would tell you that what you think is harm, my dear mom or dad, is not what I think is harm. So, please, give us another sentence.

MS. : Well, I'll say that's why one of them is the parent and the other is not.

(Laughter.)

MS. MONSE: I think Curtis Meadows talks about this, doesn't he, when he talks to families – if I remember – I may be ascribing it to him and it's not correct – about how much money you think you can leave to your children without ruining them? Or is it Warren Buffett who says that, you know, so that they can't do nothing but they can do something? Doesn't the number come up around 5 million or something that? It seems like it's something like that.

MS. KASS: Leave 5 million without ruining them or changing their lives?

MS. : Not more than that. Yeah, don't leave more than that.

(Cross talk.)

MS. : Five million would change my life.

(Laughter.)

MS. MONSE: I guess your question about who do we want to be in 100 years is really about who do you want your children to be? And what amount of money is going to enable them or completely disfigure them from being able to do that? And what do they want to be? I mean, that has to be a factor in it too. I mean, if you have a child who's an artist, has a dream of a career in the arts and you want them to be a physician, I don't think you can impose that career choice on them.

MS. STABLER: Inheritance is not a birthright.

MS. KASS: Okay. Another sentence.

(Cross talk.)

MS. : Yeah, I don't think you can disown your children.

MR. CHRISTOPHER: Amy, I'll chime in with just an interesting sort of example that we've seen play out recently. Communities Foundation historically has been extremely donor-centered institutions, focused intently on following through on the specific wishes of the donors that have placed their money at the institution as a community foundation. And there's a lot of tension right now nationally among community foundations about the focus on following through on donor intent or becoming more program-driven and outcomes-driven. There's a huge new study that – (inaudible) – published this fall on that very topic.

But from our perspective of the way that we relate with donors, an interesting trend that we've seen lately is several donors who have come to us to create donor-advised funds where they have invited their children to serve with them on an advisory committee. And together they create a framework for the collaborative process by which they will make grant recommendations from the donor-advised fund at the Communities Foundation. But the money is given already upfront as a charitable gift to create the donor-advised fund here and through that collaborative process of forcing their children to work with them on the advisory committee, they are able to impart the values, the priorities, the things that are driving their motivation to be philanthropic in the first place through to their children, and engage them in a pretty

meaningful process by which they can work through a lot of these things together. And it's interesting to see that play out. It seems to be a relatively new trend.

MS. KASS: Is the approach as democratic as it sounds?

MR. CHRISTOPHER: Yes.

MS. KASS: Then, it really tries to obliterate the difference between the generations, by making parents and children partners in a common enterprise?

MR. CHRISTOPHER: I have to say that I'm not sure that "partners" is quite the right way to – (laughter, inaudible) – in most of these cases.

MS. KASS: There's a leader or a teacher and a follower?

MR. CHRISTOPHER: There is a leader, yes.

MS. : Mentor.

MR. CHRISTOPHER: Mentor is a very kind way to describe it. (Laughter.) But it's very much viewed as an educational – a multigenerational educational opportunity to deal with these issues.

MS. KASS: And have you – have you witnessed this firsthand?

MR. CHRISTOPHER: I have to say I have been president here for all of four months now so I am still very new at this role. I have been able to witness the creation of several of these donor-advised funds. I have yet to witness the practical realities of how the grant-making is going to work, but I can see in theory what they're wanting to do.

MS. KASS: Theoretically, I can see what they want to do, and to a certain extent it makes sense. But it sounds like they're really trying to give their children an education, and the assumption is that the children are really going to come round and see things the way they do. But as Phil pointed out in his scenario, you can have children, grown children, who will sit around the table with Mother Meg, and she could express herself, and even make clear her deceased husband's intention. But still, it looks like it will be difficult, if not impossible, to bring the children around to agreeing with each other, never mind the donor's intent.

MS. STABLER: I think that's one of the beauties of the dynamics of a family foundation, in that you're sitting there – I mean, how do you tell your ol' cousin Bob here that he's just totally all wet when it comes to spay and neuter clinics, that that's just not the way it's done anymore, you know, when this is the guy who taught you how to ride a bicycle, this is the guy who took you on your first fishing trip, bought you your first Bible and taught you how to read it? You know, there's a huge dynamic that goes on. We're now into three generations of Meadows family members who are in the decision-making process of where the money goes. And there has to be a respect for individual opinions and beliefs. We're geographically diverse. We're age diverse. We're economically diverse in terms of the types of personalities of people that come together at that table. And it's like the – you know, it's like the family table at a holiday. There's respect for why you're there. And if there's not, then you have no place at the table.

MR. BUFORD: I described in "Finishing Well" a person who some of you might know. I don't know if you know him or not. But anyway, he has three children, and he wants to – he has made a lot of money

doing what he's doing. And the three children are as follows: a practicing, out of the closet, and fairly aggressive homosexual son, a son who has had the need for incarceration for about the last, oh, 20 years or so, and another son who's married, has bought a house with a picket fence in front, and is raising two wonderful suburban children. I mean, he's just straight as an arrow. And he wants to use this family foundation to have just this conversation.

MS. KASS: Do you think it's possible?

MR. BUFORD: I think it's a very difficult conversation to have. I mean, you've got three utterly different lifestyles and three people independent of the father, even, who has got yet another lifestyle. I'm not sure money draws people together; I'll say that. And that's the last I'll say because I need to go get my jeans on and go hear the Rolling Stones, a radically different experience for the evening.

MS. : Enjoy.

MR. BUFORD: But I enjoyed being here.

MS. : Thank you so much.

MS. KASS: Thank you very much for being with us. Perhaps, this is a good time for all of us to take a 5- to 10-minute break.

(Audio break.)

MS. KASS: (In progress) – Phil, I'm not yet satisfied with your claim (and Peter Karoff's) that you could be really loyal to the donor, knowing the legal restraints and conditions and so on, and yet still be open . . . (inaudible)

In speaking with Phil just now about honoring donor's intentions, he suggested the analogy of teaching. And he asked me whether my aim is to put my imprimatur on my students. My answer is absolutely not. I mean, it's not that I want them to remember Amy Kass. That is certainly not my intention and I would not regard myself as successful if a memory of me were the main thing that my students carried away from my classes. But I don't think – and tell me if I'm wrong – that a donor is a teacher.

MR. CUBETA: No, I don't think he is. I think – (inaudible) – and his family, I think specifically of an example from Peter Karoff, an example of a father whose goal was to pass on a tradition of giving to his children and to mentor them, tutor them so they could take, in a sense, ownership of that. And I think what Peter was suggesting is there might be some tension between what the father had in his mind and what he could see the daughter had in hers. Peter's hope was that the father would treat that situation as a good teacher would a good student, to help her be herself rather than her father's clone.

So his intention is to kind of let go of his specific intention and say, more power to you; you're a free agent and I trust you and I love you, and whatever you do is okay with me. And I'd say letting go is a difficult thing for many people to do.

MS. STABLER: So as a teacher you don't necessarily want your students to remember you, but you want them to remember the subject matter and how they related to the subject matter? What do you want them to remember?

MS. KASS: That is a good question. A rather wise person once told me that education is everything you have and remember after you've forgotten everything that went on in the classroom – (laughter) – or

everything that remains after you have forgotten the books you read and the things you memorized to pass your classes. I think that mostly my aim is to help students become more thoughtful about who they are and what they're doing. And by "thoughtful," I really do not mean simply being kind, and certainly not thinking as I think. Rather, being thoughtful is being able and open to seeing the complexity of things. I guess it's accurate to say that I take aim, then, at complacency. I try to stir things up, inviting students to take a good look at themselves – who they are, where they are going, and how they are going to get there. Of course, I do not do this directly, as say, a therapist might, but rather mostly by taking a good hard look at characters in literature, especially characters that find themselves at a crossroad.

MS. STABLER: And what subject do you teach?

MS. KASS: Humanities, which includes literature, philosophy, history, and theology. What could be broader – (laughter) – than humanities? But I would have thought that donors want something more specific, that they really do want to leave a personal legacy. But do you want to tell me that the good donor – the parental donor – is really tantamount to the Socratic teacher, and that he does not aim to have his heirs come to his point of view about what is and what is not important but really just wants them to come to grips with what they – the heirs – really think and where they're really going and what they want to do?

MR. CHRISTOPHER: Ideally.

MS. KASS: And now are you as parents, leaving legacies to your children, neutral or indifferent to what they become? Or more precisely, are you indifferent to what they do with the money that you leave them?

MR. CHRISTOPHER: I don't think it's a matter of indifference. I care very much how my children would use the money that may be left to them or what they choose to do with their lives. But I think you're talking about ideally having your children make choices within – for lack of a better phrase – sort of an acceptable range. In other words, there is a – there is a realm or a spectrum within which there are many variations of options that would be wonderful. Some of them may not be the options that I would choose, and some may be the options that my daughter would choose. But they all fall within that definition of things that would be valuable to society, productive, worthwhile, ennobling kinds of activities. And within that spectrum, sure, I would hope that I would allow my children to have the flexibility to act as they saw best.

MS. KASS: Imagine this situation. You each have three children. You have a large inheritance to give them. And you know that one of your children is far better than the other two in heart and in mind. She is devoted to far nobler causes. She is more reliable, more intelligent, and, in general, just finer. What do you do? And what guides your decision?

MR. CRAIN: I think you have an issue as to the time frame that you're making this decision. And you're calling the shots right now. We don't know what we're looking at a year later, 10 years later.

MS. KASS: Do you have children?

MR. CRAIN: I have three children, and I have the same scenario that you suggest. I have one right now that I would lean on and two that I wouldn't, but, you know, I also know that they're all capable of changing very, very quickly. And that's an issue.

MS. STABLER: I guess it's the question of, is it fair to – if you are in a position to leave money, is it fair to leave one child more than you leave another child? I mean, you love your children equally. You may love them differently, but you certainly love them equally. So why would you – why would you tilt –

MS. MONSE: I think there's lots of different definitions of fairness.

MS. KASS: Say the three children, you know – one is somebody who wants to go work in the Peace Corps or in an international relief agency and is never going to make a dime in his life. One is an independently wealthy and successful businessperson and doesn't need the money. Is it quote "fair" to divide it evenly? What would be fair under these circumstances? So, I don't know that a per capita division is always necessarily fair. What do you think, Lucille?

MS. DIDOMENICO: Well, I'm still hung up on Carol's statement that you love your children, but you love them differently. I think if you love them, you love them. You may be able to see different strengths and weaknesses in them, which may not resonate with you in the same way. I mean, one may be a little bit more of an image of your values and goals than the others. And it really is an issue of safety. I mean, you know, who do you feel safe about whether it's your future care or the money you may entrust to them? It's all about, you know, it's all about fear and your own protection in terms of relationships.

So, you know, when I think of our three children – and I remember my husband doing this without much conversation together before he did it. He gave a sum of money to each of our three children one Christmas and told them to do with it whatever they chose – you know, he was really asking them to consider giving it to some other cause or some other person. And two of the children kept the money for themselves, and the other one gave away most of it. And it was really hard. I mean, I wasn't even exactly part of this the way I would have liked. It was really hard not to feel some resentment about that, but then we weren't good teachers in the process. I mean, they saw us giving all the time, and in that sense maybe we were teachers. But we really hadn't had conversations about being a philanthropist in any kind of formal way. You know, somebody gives you money and asks you to give it away. You know so you certainly couldn't lay blame, but I remember having those feelings I just was saying. So you have, I mean, so who would take care of us then? I guess those two wouldn't, you know. (Laughter. Inaudible.) I mean, you start going on and on with judgments about your own kids. I hope he never does that again, or at least not without consulting me.

MS. STABLER: Or you put the old Catholic guilt on them and say, I gave you the first 22 years; you owe me the last 22.

MS. DIDOMENICO: But when you think about that just in terms of – if you translate that into formal philanthropy and to foundation, and you think about your grant seekers on whom you bestow money, I mean, there's a real analogy there. I'm never giving to those two. That agency looks the same as it did 20 years ago, you know. So it's just – it's really about our own – in a lot of ways – just our own ego needs, you know, about what we think is the right way, what we think is important, and how we want to be remembered.

MS. KASS: So let me overstate your position. You are suggesting that a parent or a philanthropist is – should be – guided by his own needs. And, in fact, even if she shouldn't be so guided, one's own needs, especially for security, in any case, determine what one does.

MS. DIDOMENICO: I think so. I think that's true.

MS. KASS: Their own likes and dislikes, or more fundamentally, their own needs. So, there is no generalizable one or two or three things to look to for guidance? Do you all agree –

(Audio break, tape change.)

MR. CHRISTOPHER: (In progress) – with his children – he had multiple children. But the way that his children would have been able to follow through and carry out his philanthropic intent, he had very specific objectives that he was interested in accomplishing through his philanthropy, but did not have confidence in his children.

And so he provided a reasonable amount of money for his children for their support, but left the bulk of his assets to Communities Foundation of Texas with explicit instructions about what his philanthropic purposes and intent is and how the system was to work to continue carrying out his philanthropic wishes, and in essence was saying I trust a third-party independent organization with which I have no family connection to better be able to follow through on my intent for what will happen with my resources than my own family and that is the system I am going to put in place, and call it a day, and that is it.

MS. KASS: Do you think that wise?

MR. CHRISTOPHER: I didn't say that I think it was wise. I think it was extremely destructive within that particular family.

MS. STABLER: Is that something that you see as a criterion for establishing a donor advisement in a community foundation, namely, that someone says I believe that this organization, this structure can manage my philanthropy better than I personally can or my family personally can or Harold the banker can?

MR. CHRISTOPHER: No, absolutely not. And typically the situation that we have is one that there continues to be very close involvement either directly with donor while they are alive or their generation as successor advisors, or some collaboration of the two. That is far more typical, but that was not this particular example.

MS. MONSE: One very practical principle I think should guide the donor – I don't think it's going to dictate a particular result necessarily – is there needs to be a certain amount of clear-eyed realism about the family, what the dynamics within that family are, because I think sometimes people will set up a foundation as a means of achieving some ideal that they were never able to accomplish. You know, they think that this is going to be a vehicle for bringing my family together, and, you know, Bob Buford gave this example – I don't think those three sons are ever going to really be able to get along in this sort of golden idyll that the donor came up with.

If I look at my own foundation in its particular circumstances, I think one of the reasons we got into as much trouble as we did is because there were rifts in that family that were never resolved in an open way. All that happens is you give the players, or the combatants, another field to battle. They just fight over the foundation and whose grants get made and that kind of stuff. So it's not a vehicle that is going to work in all circumstances. I mean, obviously I see it working in many but it's not going to work in all.

MS. STABLER: If the family is dysfunctional, the family foundation will be dysfunctional.

MS. MONSE: Talk about 100x on the T-shirt. This has got new meaning. (Laughter.)

MS. KASS: Please.

MS. SYKES: There was a very interesting article I think yesterday in *The New York Times* on the op-ed page about a foundation that had been set up by a man who wanted to spend it all out before he died because he had seen what happened to the Ford Foundation, which had changed course. Did any of you read that?

MS. KASS: Yeah, the article about the Olin Foundation.

MS. SYKES: And I thought it was fascinating that, A, he wanted to spend it all down while he was still here and could control it, but even more interesting to me was how – what he invested in terms of the grants – a lot of research, a lot of think-tank kinds of things. He was very conservative. And his spending policy actually moved the needle in the area he was concerned about and has had a huge impact in the last 20 years. And, I mean, that was a donor who had an intention and saw that it was carried out. And maybe we need more like that, so we don't get into these third and fourth generations.

MS. KASS: Well, but then the point is that – or at least one important point is that foundations should not be set up in perpetuity.

MS. SYKES: That was certainly his view.

MR. SCHAMBRA: Well, going back to Bob Buford's point, and it does relate to this in this way, namely, the question is never asked what is it that we are trying to accomplish and then adjusting the spend out according to what you are trying to accomplish.

Mr. Olin thought that in this particular critical junction in American political and cultural life, a massive infusion of cash into financing ideas would possibly save the republic from this – pull it back from the brink that he saw it sort of heading over. And if you're a conservative, you would say he was right and it did save the republic. If you are not a conservative, you wouldn't say that.

But the point is that the perpetuity – and this is the complaint that Bob Buford has about it and I think that Neal Freeman has about it. The point is perpetuity almost automatically means that sooner or later you are going to have a foundation staff interpreting the intentions of the founder, and more often than not the staff will be hostile to the intentions of the founder if the founder is Joseph Pew who made his disdain for bureaucratic federal government absolutely crystal clear. There couldn't be anything clearer than his disdain for the federal government, and yet today the Pew Charitable Trust is where it is. But all of that of course is almost guaranteed by perpetuity.

MS. DIDOMENICO: You know, I'll throw out the idea that when children inherit money from their parents be it through a foundation or just inherit money, that they may have different feelings about that money than the money they have earned themselves and would choose to give away.

And just a post-script to the story about my three children is that one of them – and this was 15 years ago – one was in high school; one was in college; one was in graduate school. Fifteen years later, the two that did not give the money away have come to us and said I just got a really good raise in my job and I would like your help in figuring out where to give the money. So, talk about children changing. Right. So I think that they treat their –

MS. STABLER: Somewhere along the line that seed you planted – (laughter) –

MS. DIDOMENICO: Well, you know, it's their money; they are giving away their hard-earned money. It wasn't a gift from dad and mom, we would like – (inaudible) It's very different from, you know, their having earned money and matured, and now their really wanting to make sure it's given wisely. They were coming back to us as teachers. So that, you know – I think the attitude about the money is different – (inaudible).

MS. STABLER: Well, and I think the attitude about the money changes in a family foundation the further you get away from the original donor.

MS. DIDOMENICO: The original donor, right.

MS. STABLER: You know, with The Meadows Foundation, it started with Al Meadow sitting at his desk and just writing checks and sending them off to people. And then he really got into organized philanthropy and established the foundation with a charter and everything else. And then after his death – I called it the Waldo generation because they would sit around the table and go, well, what would Al do – (laughter) – what would he do. So we called it the Waldo generation. And it was donor intent, donor intent.

And then it began to evolve. As the third generation comes on board it's evolving as, well, what are my interests and how do they align with what this foundation stands for and what the donor intent was and is. And so we are moving in that direction. And I am waiting for the ultimate evolution – and I probably won't be around to see it – but the ultimate evolution of the perpetuity foundation – how can these resources best serve the needs of the people of Texas, which was the intent of the foundation, not how do I feel about it or what would Al do, but how can these resources best be used.

And to me that is the ultimate goal of a foundation in perpetuity, to move to true altruism.

MS. KASS: Which is very difficult to accomplish?

MS. STABLER: Inordinately so.

MS. KASS: It is difficult, I would think, because true altruism is inevitably difficult to determine. Suppressing what is of interest or pleasing to ourselves is often very difficult to disentangle from what is of interest or pleasing to others.

Let me ask some of our younger colleagues around the table, especially those who have been very quiet this afternoon, what difference receiving 5 million dollars would make to you. I have no doubt that it would make a difference – Marcus has already confessed that if he were given \$100 his life would be different – (laughter). But as our time is almost up, I really would like to ask our younger colleagues about receivership.

So, you have just been given a windfall. You know very well who it's from. What do you regard as your obligation, if any, to the source that gave it to you? That source can be a parent, grandparent, friend, or foundation. And the sum is whatever you think would make a real difference in your life.

MS. DIDOMENICO: More than a hundred dollars.

(Laughter.)

MS. KASS: Let's say \$100,000. As a receiver now, what is your first, second, or third inclination or obligation with respect to the money.

MS. TOWNSEND: Invest it to make more money. I mean –

MS. KASS: Invest it so that you can make even more money?

MS. TOWNSEND: To be a good steward and not go out and buy foolish things that won't matter in a year or five years, but to do something that will have some longevity. In my case, I would consider doing something that my daughter might benefit from, either setting up some sort of trust fund, or something depending upon her age at the time, that would have some legs and continue – I mean, \$100,000 is a lot of money – (inaudible).

MS. KASS: A hundred thousand – but this is Texas.

(Laughter.)

MS. TOWNSEND: But you know for a – (inaudible) – like \$5 million, I would do something that would last, and I don't just mean something like, you know, long-term investments. I'm thinking about things that would make a difference in the community where I live or in the lives of the people that are important to me. I have often thought about, you know, if I had a million dollars I would do this or that in assisting other people or other organizations or some cause. So I think I would –

MS. KASS: Having received a large sum your impulse is not to change your own life but to improve the lives of others? Do you regard yourself as obliged to do that?

MS. TOWNSEND: Or to do something that would enable me to do that maybe even in a larger capacity at some point down the road.

MS. KASS: How about you, Adrienne?

MS. TRAMMELL: Well, my husband is the executive director of a small arts organization, a very small arts organization. And he has been in the arts for many, many years. And so I have listened to him complain for years and years about the way the arts are funded. So that is what I would want to do; I would want to give it to that community and to the small really unique organizations that don't get noticed because they are not really on the radar of the larger organizations, the larger foundations.

MS. KASS: So your sense as a recipient is not an obligation to anything the giver might believe or desire but to the giver as a giver. That is, having received a windfall you want, in turn, to be a giver and, in particular, you want to give to a community that means something to you, which is not necessarily what the original giver might want or approve.

MS. TRAMMELL: Well, since we haven't really talked about who that giver is or why they are giving it's hard to say.

MS. KASS: You know – the hypothetical is you know who the giver is and you know something about what he or she stands for.

MS. TRAMMELL: Well, I am also a person that is very aware of things that are unspoken. And so I think that if that gift were given and there were some type of strings or intent that was unspoken but that would be an expectation, if it is something that I didn't feel comfortable with, if it was something that I could not fulfill, then I think I would decline the gift.

MS. KASS: Five million dollars?

MS. TRAMMELL: Well, if there was really a kind of a sense of – well, I'm not going to say, but this is what I'm expecting you to do with it –

MS. KASS: And if that expectation were against your personal views, you would feel the obligation not to accept the gift. Marcus? Any thoughts on this?

MR. VYVYAN: I think I would try to fund organizations that I think would be beneficial in ways that I think would be beneficial, whether that be social or environmental, like I said earlier, and I would try to create jobs around that. I would try and create jobs, like a lot of foundation money does. I think it is a very beneficial to create economy around something that is beneficial, sustainable – so I would focus all of my energy on that – creation of jobs and the building of an economy based on sustainable techniques or ideas.

MS. KASS: So it wouldn't really transform your own personal life.

MR. VYVYAN: Not much.

MS. KASS: Well, but I guess becoming a philanthropist would be a major change. But would it make any difference to you if you knew that the person who gave you the money was someone who thought creating sustainable jobs or ideas was just poppycock? Would that make any difference to you?

MR. VYVYAN: I would have to align myself with Adrienne on this. I don't think I could accept the money if I knew – I mean, seriously, if I knew that there were strings attached that money –

MS. KASS: Not spoken or articulated strings, just awareness of what the donor believes?

MR. VYVYAN: That is a hard one.

MR. RYAN: I think in the most basic sense you just want to – I would just want to spend the money in a way that would meet the giver's approval or expectation, whatever my interpretation was of that. But I would not just go blatantly against something I knew would not rest well with him. I would, though, apply a liberal amount of my own interpretation I think.

MS. TOWNSEND: Is the giver still around? I mean, the question really would be is the person or the giver there to – if there is some sort of unspoken sense of what you are supposed to do with this money, is the person who didn't speak going to witness what you do, or is the person not there and it was never spoken. I guess my view would be to use the money – they obviously gave it to me for a reason, if it is an individual, and I'm going to interpret it in a way that I deem appropriate.

MS. KASS: The person is alive.

MS. TOWNSEND: That's different. I think it adds a different dimension. I mean, obviously it aligns directly with donor intent – (inaudible) –

MS. STABLER: But if the person is alive, say the person is your mom, or the person is your sister, there are dynamics and colors that influence how you would respond, how you would react depending upon who the giver is.

MS. KASS: The donor – let's simply say the donor is someone you know and –

MS. TOWNSEND: And alive.

MS. KASS: And alive. Krista.

MS. SHAFFER: I would agree with several aspects of what you all had said. If the person gave it to me it would have to be for a reason. And I can't believe that someone would give me a sum of money and not expect me to devote everything I could into making sure that the money – that it doesn't just sit there; that something happens to it– there was a reason for the gift.

I mean, given the fact that – you know, where I am in my life and I have had the education that I have had or haven't had, with me – and if this person is alive I would want to communicate with them. It's going to be a learning process. If you gave it to someone who was retired and had a lifetime of experience in doing this or that, they would be much better at perhaps doing exactly what you want. But if this money comes to me – it's an investment in me, and I'm going to – (inaudible)

And it's – (chuckles) – it is hard to be accountable for that then. You see I'm still here. What could you say? I have received grants and have not been very clear on how to use them and in the end come away with the feeling, sometimes I even have the feeling that I don't think I got the most out of the money, or I don't think I got out of it what was intended.

And so it almost becomes a burden and I very much want to pay some of those back because it wasn't – I wasn't the right person or I didn't use the money well, you know. Those are things I think about a lot.

What I do with the money is most likely this: I would use a part of it to sustain me as I went forward, trying to figure out what to do with it, and also to – I don't know – I would have a hard time figuring out where the money and me – where we began and ended. That is a very tricky issue.

MS. KASS: So, though you said you would communicate with the donor, more likely, your impulse would not be to wonder what this grantor or donor expects of you or hopes for from you. More likely, you would think that, for whatever reason, the investment is in you and that you should therefore really make the most of it. Interestingly, however, you admit to feeling some guilt with respect to a grant that you have received in the past.

Does Krista's response make sense to you, Phil?

MR. CUBETA: Yeah. I'm a little baffled, however, about why the donor is picking people at random for the gift. I mean –

MS. KASS: It was not random. He knows this person.

MR. CUBETA: Well, an actual case in point I'm thinking about as we are talking – this is a father who has only one daughter and no other living relatives. He is very wealthy and very Christian and very conservative. His one daughter is gay, out, married, or as close to married as she can get, and they are at an absolute standoff. I mean, they have barely talked to each other and he is getting older and older and older. And if she – if he gives her any money it's going right to her causes. And if he asks her help on his causes it's not going to happen.

Now, either he is going to give her his money or he isn't. And if he does, then I would read that as a sign he has reconciled himself to what is going to happen, that was his intention because she is absolutely adamant. And if he detours the money around her and gives to somebody whose viewpoint is closer to his own, he has also made his intentions clear.

MS. STABLER: Right. Sent a very clear message either way.

MR. CUBETA: So I don't think it's mind reading; I think it's – (chuckles) – the intention will be visible in what he does and how he does it.

MS. KASS: And your job as the middleman?

MR. CUBETA: I would hate to be in the middle – it's very hard to work with because neither part wants to – But as the consultant, I would ask the woman – because she sees him giving away his money very rapidly, leaving her out of the equation, and is concerned it will be spent out – if you can commandeer some of that money on the condition that you did something in alignment with his values, could you reconcile yourself to that? In other words, I would ask her whether she could take some of that money and give it to the Christian causes, or could she be the loyal servant to his ideals? Very likely, she would say, absolutely not.

So she is not cutting him any slack at all. So it's like two trains running and I'm not sure what the outcome would be. But in that process of coming closer to a collision do you think that the intentions will change, that there will be at least flexibility enough to have a meeting in the minds where both parts give up a little bit and come up with a mutual intention, which is created out of that dialogue.

MS. KASS: Okay, let me rephrase the question and put the emphasis, again, back on the donor. Imagine this: you are about to write your will and you know your children, and you don't have 20 years ahead of you. You have three children and you know one of them, in whatever way you reckon, is better in heart and mind.

I had this very conversation with my own father shortly before he died. For I happen to have three siblings, one of whom was living a life that my father strongly disapproved of. It also happened that I was teaching King Lear at the time and this is, as some of you no doubt know – (laughter) – the King Lear problem.

MR. : (Inaudible.)

MS. KASS: For very complicated reasons King Lear botched it, right? But in fact, real life circumstances are always rather complicated. So, I put the problem to my father and asked him what he would do.

He said, without any hesitation, that every child must get the same amount. His response was very democratic, very democratic, and he wouldn't budge. And it had to do with exactly the kind of thing some of you have been talking about: The desire to avoid future strife.

MS. : That is a legitimate reason, sure.

MS. KASS: Do you all agree with my father's position? Bill.

MR. SCHAMBRA: I'm just thinking about everyone that I know, the older folks that I know, and that is exactly what they do; it would be equal division not because it's democratic but because everyone is equally theirs. Each of the children is equally somehow peculiarly theirs. And that somehow is the deepest bond, and to override that very deep bond with each of the children in the name of some principle – you would have to select some child on the basis of some principle, saying because this child comes closer to that principle I'm featuring this child. I don't think you can do that.

Of course what is interesting about this problem is that it really does – the problem, donor intent, viewed from the standpoint of the donor, you can see why a Bob Buford sees it as he does, which is it's my money and I am going to do with it as I want, and I am not going to have anyone coming to me with their

principles trying to talk to me out of doing with my money as I see fit, which has always been his position incidentally for 20 years. He's been adamant about that, if anything he has become even more adamant.

But it certainly is a curious – I mean, when you look at it that way, the case for donor intent is – I mean, why do donors come to this marketplace with their money if they think for a second that that principle is going to be violated. That is his view.

MS. DIDOMENICO: You know, I don't think Bob is that unusual.

MR. SCHAMBRA: Right.

MS. DIDOMENICO: And he stated that –

MR. SCHAMBRA: He is just more articulate about it. He's willing to come –

MS. DIDOMENICO: Right. Exactly. And he is going to spend everything on what he wants –

MR. SCHAMBRA: And he is willing to come to meetings like this and say to all of us this is my –

MS. STABLER: Going back to your equal distribution based upon I love my children equally therefore they each get an equal share – stating some criteria that would move the needle is not something our parents' generation would ever consider. What happens if you look at – and I'm going back to what you said, Michelle.

There is a – case in point, I have a son and I have a daughter. My son is going to have greater earning power throughout his lifetime than my daughter; that is just a fact of business phenomenon. So should that outside factor influence my decision in doling out any inheritance I may have. I don't know.

MS. MONSE: I think it's a factor but not the only one.

MS. STABLER: My theory is I'm going to spend it with them while I've got them. (Laughter.)

MS. KASS: But your concern is something that I did raise with my father. Three of his four children, all grown with children of their own at the time, were living lives that he approved of, and it was clear that they would be able to support themselves. The fourth one was not living a life he approved of, nor was it clear that he would be able to support himself or his offspring in the future. But still, he persisted: everything has to be equal. But isn't that a question? Or is it?

MR. RYAN: Or, I mean, what if one of the recipients is engaging in self-destructive behavior and you know that the gift could be detrimental to him –

MR. : Should that influence what guides you in leaving your money?

MS. KASS: Exactly.

MS. MONSE: Or what if one of the recipients is disabled, is never going to be able to care for themselves – cerebral palsy – you know, a very severe level of development delay or something like that? Is that quote "fair"? I just think there is room for it. I certainly understand the sentiment of the equal division and that is probably the most common.

MS. DUGAS : Too much is given, too much is expected. To those who have a cross to bear, you help them carry it.

MS. : If somebody is going to need to be in assisted living for the rest of their lives, I would argue they need more money.

MR. : I think one of the places where you see this difficulty is especially with people in agriculture. When you have a family farm, or a family ranch, and you have males and females in the family, and you want to retain the property, I think that is where it really becomes a difficult –and you can be very challenged by that.

MS. MONSE: I think that is why primogeniture was invented. (Laughter.)

MS. KASS: But remember, primogeniture was abandoned. Still, I think many of your comments, especially, over the last 15 minutes or so, enable us all to see more clearly why the question of what should guide us in leaving our money is really a thorny question. However democratic our fathers were likely to be, democratic or equal allotments to one's heirs is not necessarily the best.

As usual with these dialogues, we are, collectively and individually, probably now in a better position to address the question with which we began. And I do hope that the question has been opened not closed for you.

But a good caveat, and on this I will end, to keep in mind, should you continue to ponder who you want to be in a 100 years, or what you want to have live on, as well as what should guide you in leaving your bequests or legacies, is contained in a wonderful little poem by Shelley. It seemed to me so fitting to this occasion that I brought copies for each of you. Indulge me, please, as I read it aloud. No doubt some of you are familiar with it. It is called "Ozymandias."

MR. CUBETA: Speaking of donor intent. The corrective is right there.

MS. KASS: Yup, it certainly puts the whole question of the importance of donor's intent into a larger context.

The persona in the poem meets a traveler who tells him of a broken statue in a desert commemorating the kings of kings, Ozymandias. But, as I suggested, what the poem really tackles and invites us to continue to tackle is what of us lives on, and hence, what should guide our decisions with respect to our legacies and bequests. Here is the poem:

"I met a traveller from an antique land
Who said: Two vast and trunkless legs of stone
Stand in the desert. Near them on the sand,
Half sunk, a shatter'd visage lies, whose frown
And wrinkled lip and sneer of cold command
Tell that its sculptor well those passions read
Which yet survive, stamp'd on these lifeless things,
The hand that mock'd them and the heart that fed.
And on the pedestal these words appear:
'My name is Ozymandias, king of kings:
Look on my works, ye mighty, and despair!'
Nothing beside remains: round the decay
Of that colossal wreck, boundless and bare,

The lone and level sands stretch far away.”

You might be wondering what difference it would have made if Ozymandias had asked people to hope instead of to despair. If that is the case, I would suggest, the philanthropic impulse is clearly alive and well in you, and while that is all to the good, it might also be a good reason to read the poem over again.

Thank you very much for you attention and participation this afternoon.

ALL: Thank you.

(END)