



NATIONAL CENTER FOR
FAMILY PHILANTHROPY

SPLENDID LEGACY

CREATING AND RE-CREATING

YOUR FAMILY FOUNDATION



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THINGS WE WISH OUR FOUNDERS TOLD US

BY SUSAN PACKARD ORR

This year (2017) marks the 20th anniversary of our father's death. Our mother has been gone almost 30 years. Since then, we have worked to build the David and Lucile Packard Foundation into a highly effective member of the philanthropic community. We firmly believe that our parents would be pleased with the result, but of course it's impossible to be sure.

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THINGS WE WISH OUR FOUNDERS TOLD US

Through their lives, our parents led mostly by example. They left very little in the way of written direction to guide us. I believe this was done on purpose, since they knew they could not predict what would be important in the future. I think, though, that we might have benefited from a little more direction. So in the spirit of sharing some thoughts with foundation founders who are still here, here are some things I wish our founders had told us.

Favorite Grantees

There were certain institutions that were important to you that received your consistent support. These include large institutions, like your university, the children's hospital, your favorite research institute, and myriad smaller,

local nonprofits that depended on your annual donations. Perhaps more importantly, some of these organizations expected that you would make a lead gift when they were launching a capital campaign. These groups often come to us for support, and I know that you would have stepped up. How important is it that we keep supporting these? Could you have left a list of those that you especially cared about? Is there a time limit after which we should focus on those institutions that we care most about instead?

Naming Gifts

During your lifetimes you rarely put your name on anything. After you died, we received many requests to name buildings, schools, awards, and memorials in your honor. We turned

almost all of these down. Was that the right call?

Local Support

Since Hewlett-Packard Company grew up in Silicon Valley, we have felt that we should continue a robust philanthropic program in our local area, which we have done. Many of us still live here, so it matches our local concerns also. As we look to the future, however, it is likely that the next generations will be spread out around the country and may wish to support their own communities, or at least not provide as much support to this area. Of course, Hewlett-Packard has split into four companies and is spread all over the globe. Given the company history, should there always be a program for this geographic area specifically?

Family Involvement

Since you put your children on the board at a relatively young age (21), we assume the intent was to include the family into the indefinite future. You also invited non-family board members to the table from the first meeting. Did you wish that the family should be the majority? It is important to include all family voices, even if there are conflicts?

When you were at the table, we generally worked through consensus building, rarely actually taking a vote. Of course, since you were there, we had no trouble coming to agreement. We knew whose vote counted! During your time, you also set aside funds within the foundation to focus on issues that were very important to one of your children, even if the rest of the family was not especially excited about the program.

Did you intend the foundation to be a source of funds for individual family members to use to work on their special interests, or did you intend the family to work together on things that were of interest to the group as a whole?

If family members have widely disparate views, how would you feel about the foundation splitting up into several foundations, where each branch could work on their own projects? Would you be disappointed that your legacy foundation is not as large as it might

be? Or would it please you to see your children and grandchildren using the resources to pursue their own philanthropic dreams?

Program Areas

Periodically, you gave us some direction about certain areas to avoid, like religious proselytizing. You gave us direction about continuing to fund one of the institutions you founded. However, these directives were few and far between. At the same time, you were very committed to some program areas. For the most part, we have continued to work in those areas.

Is it important that we continue to work in any specific areas, as long as there are clearly important things that still would benefit from philanthropic support? As we define new areas to work on, how much weight should we give to your views, as much as we can guess what they might have been, versus focusing mostly on what we think is important?

You were quite clear in spelling out a few things to avoid. Should we assume that if something was not on that list, it would probably meet with your approval? Or is that not important, now that you are gone?

Perpetuity

We only touched on the question of perpetuity once. At that time, you said we could consider spending down

by the time your grandchildren were retiring. However, we did not explore that option in depth. It seems that your intent was to create a perpetual foundation. If we did decide to consider spending down, what criteria do you think we should use? I have always thought that your legacy was more tied to the company than to the foundation. Would you have agreed?

Conclusion

In general we are thankful that you did not burden us with a long list of dos and don'ts. We feel quite free to do what we want with the foundation. However, my generation spent many years at the table with you, and your views are well embedded into our minds. I certainly feel your presence in the room and strive to make the work worthy of your legacy.

As we move on to the next generation, it is important that we find the right balance between honoring you while providing the freedom to make the work fun and exciting. A little more direction might have helped us down that path. ■