A Family Foundation:
Looking to the Future, Honoring the Past

Preface

This (1995) is the hundredth anniversary of Nathan Cummings' birth. His descendants collaborated to make this foundation a living, vibrant institution. It is a memorial which embodies his commitment to service and draws together the efforts of his children and grandchildren. For us, it has been a profound challenge and opportunity.

Foundations play a unique role in American society. They support the network of non-profit organizations providing human services to the poor and disadvantaged, as well as cultural sustenance to people of all economic levels.

Within the larger constellation of American foundations, there are over 20,000 family foundations. Just as each family is unique, each family foundation has a different viewpoint with differing areas of focal interest, all enlivening the democratic debate. In the next 40 years, approximately $10 trillion will be transferred from one generation of Americans to another. Historically, such transfers have been opportunities for the creation of new family foundations. When our grandfather, Nathan Cummings, died twelve years ago in 1985, he endowed the foundation in which we now participate.

In our experience, we have had the joy of helping many people to better their lives, and assisting many institutions to strengthen their capacity to serve the public interest. The financial support we have provided, the lessons we have learned, and the satisfaction we have taken justifies the many hundreds of hours that our family has devoted to this enterprise. We have built a significant program, evaluated its effectiveness, and continue to modify it as appropriate. We have dealt with tensions among family members and emerged from the process with a stronger and more unified foundation and family.

On behalf of the Nathan Cummings family, I want to express my deep appreciation to those non-profit institutions whose vital work we have gratefully found ourselves in a position to support. Their contributions to the lives and well-being of all Americans have been immeasurable, and we are pleased to have played a part in their success. I also want to thank the staff of the foundation who have worked so effectively with us to make this happen.

We offer this progress report to others in family foundations who are facing the same challenges we are, and to other families who are considering the creation of a new family foundation. Each one will be special; some will be smaller and others larger, some local in their reach, some national. We can support each others' efforts and learn from one another as we endeavor to sustain the independent sector and strengthen democratic values. --*James K. Cummings*

Part One:
Nathan Cummings, the Donor and his Interests

"Many know Nate more as a legend than as a man."

Making a name in business

Little in the first 35 years of Nathan Cummings' life suggested that he would become one of the great immigrant success stories of the 20th century. He was born in October, 1896 in St. John, New Brunswick, Canada to Jewish parents who had fled Lithuania seeking economic opportunity and freedom from religious persecution. Around the time of World War I, the family settled in Montreal, and Nathan left school to find a job. After years of working as a traveling salesman, Nathan finally opened his own shoe factory in 1924. It failed eight years later in the midst of the Great Depression, but he was determined to pay off his debts. "Although legally he was not required to pay off any of his creditors, he felt a moral obligation to make good on his commitments. And that he did.

"I know he took great pride in keeping his word," recounted James Cummings, Nathan's oldest grandson. The elder Cummings started over to support his family. Married in 1919, he and Ruth Kellert had three children in the next six years: Beatrice, Herbert, and Alan.

With Nathan's work frequently taking him away from home and with his wife chronically ill, their in-laws, the Blocks, helped raise the children. Grandfathers who built synagogues and aunts and uncles who led Jewish welfare organizations instilled in the three Cummings children indelible lessons about individual and communal responsibility. Beatrice (or Buddy, as she was known) recalled, "it was during my grammar school days that I began to understand about tzedaka*, about my responsibility to help the poor...that we were, indeed, our brother's keeper."

As his children reached their teens, Nathan Cummings became increasingly successful. By the late 1930s, he had commenced what proved to be a legendary career in the food business. During this time, he bought and sold small companies, including one in Baltimore which brought the family to settle permanently in the United States. Later, in the 1940s, he entered the wholesale grocery business, acquiring old firms and streamlining their operations. Now based in Chicago, he conducted business with transactions totaling millions of dollars, and his prosperity attracted national attention. In 1945, Time magazine proclaimed him the "Duke of Groceries" when he set up the Consolidated Grocers Corporation as a holding company; later it was known as Consolidated Foods, and then finally in late 1984, as the Sara Lee Corporation--named after the most famous consumer product line held by the multi-billion dollar conglomerate.

Becoming a philanthropist

Nathan Cummings' growing wealth inevitably transformed him into a public figure. Starting in the 1950s, and increasingly over the next two decades, his donations to a variety of organizations epitomized, in the best tradition of tzedaka, the philosophy of "giving back to the community." Health, the arts, and Jewish life were the areas he favored. He gave generously to the Chicago-area synagogue, where he and his children, now married and beginning their own families, worshipped. He helped the United Jewish Appeal raise millions to benefit American and Israeli communities; he visited the new state of Israel and gave additional gifts. To honor his wife, who died in 1952, he funded medical research and the building of new health facilities in Chicago at Michael Reese Hospital and in New York at Sloan-Kettering. Several colleges and universities received arts centers as beneficiaries of his largesse. The "Cummings" name was inscribed on many of the buildings to which he had contributed.

As Nathan Cummings became more affluent, he began to collect art, an activity which he characterized as "a source of tremendous satisfaction." His collections were diverse--ranging from French Impressionist paintings and modern sculpture to ancient Peruvian ceramics. He enjoyed lending his pictures for exhibitions because he believed that "anyone who has the good fortune to own lovely things is only a trustee for humanity." Eventually, he gave various art works to major museums and a large collection of pre-Columbian Peruvian ceramics to the Metropolitan Museum of Art.

In recognition of his generosity, Nathan Cummings received many honors and awards. His philanthropy and business acumen brought him into contact with prominent politicians, as well as figures in the arts and entertainment worlds, and members of the international social set. He met with Israeli Prime Minister Golda Meir and U.S. Presidents Lyndon Johnson and Richard Nixon. He even played host to royalty--Prince Phillip, and on other occasions the Duke and Duchess of Windsor. On Nathan Cummings' 80th birthday, he was entertained by his friend Bob Hope who amused him greatly by emerging from a giant Sara Lee cake. Nathan maintained homes in Chicago, in Palm Beach, and in New York, where he had his own table at the prestigious 21 Club.

Nathan Cummings found himself at ease with heads of state and international celebrities. Yet he never forgot his humble origins, nor those significant places where his family had established their lives and begun to thrive. He gave substantial gifts to the Montreal Jewish community and supported such American groups as the Anti-Defamation League (of the B'Nai B'rith) that would keep strong the country where he had flourished. Nathan Cummings, the prosperous son of immigrants, considered it of paramount importance "to build a better future for all by preserving the democratic integrity of society and insuring the well-being and security of the American community."

Providing for family and foundation

As part of that future, Nathan Cummings provided for his immediate family (and continued supporting his parents throughout their lives). His three children and nine grandchildren received sufficient gifts from him to assure their financial security. In 1958 he spoke to his children of a foundation which would function as a mechanism that would help his grandchildren stay in touch with each other and, furthermore, would "accustom them to the understanding that we must contribute to worthy causes, thus sharing our good fortune with those less fortunate than we are." When he died in February of 1985, in his 88th year, he left most of his estate, then estimated at $200 million, to a foundation he had already established in 1949. Known first as The Cummings Foundation, it had been the vehicle for some of his charitable giving, and for years Nathan had run it himself--a typical pattern for successful men of his generation. In 1969 it was renamed The Nathan Cummings Foundation, and at his death, the endowment was valued at approximately $26 million.

Nathan Cummings' children were not actively involved with the foundation until after he died. Only then did it become the engine for family unity that he had envisioned almost 30 years earlier. His will contained a standard charitable gift clause, which left his residual estate to the foundation "for its charitable, eleemosynary, educational, scientific, literary, religious and artistic purposes." He provided no instructions as to what projects the foundation should fund or how it should operate. When he was alive and Buddy, Herbert or Alan had pressed him for specific directions, he would (as Buddy remembered) duck the question and say, "I feel it's up to you to make wise decisions. You know what my interests have been in the community, and this should be a sufficient road map for you." Nathan Cummings had made another major decision: he was not going to control the foundation after his death. For a foundation endowment of this size, the complete lack of specificity was highly unusual, an unexpected about-face for a man who had so dominated his world. Not surprisingly, it also proved an enormous challenge to his family.

Learning about foundations

Nathan Cummings' three children--the second generation--became trustees of the foundation, along with their father's close advisors, his lawyer and his accountant. With no statement of donor intent, it was up to these five individuals to shape the foundation. For the trustees, the task seemed daunting, the numbers staggering.

The enormous responsibility seemed overwhelming until the third generation--notably the seven older grandchildren, then in their thirties--offered to help. Excited by the prospects, they said to their parents, "We want to be part of this. Let us work together." The grandchildren saw many advantages: learning about organized philanthropy, carrying forward family values, and forming "a family partnership" that would bring the three branches--geographically dispersed for years--back together. (For a few years in their childhood, all the cousins had, in fact, lived on nearby streets in Winnetka, a suburb of Chicago.) "Moreover," they said to their parents, as Michael Cummings (Alan's son) later remembered, "we think it's a wonderful opportunity not only for you, but for us and our children." The parents agreed and determined that their children would assist as an "advisory committee." The three oldest grandchildren were granted official status as minor officers of the foundation: James K. Cummings, Herbert's son; Ruth C. Sorensen, Alan's daughter; and Robert (Rob) N. Mayer, Buddy's son. A leader was needed to organize the planning and estate matters. Because Alan had a terminal illness, Buddy and Herb flipped a coin, and Herb became the first president of the foundation.

All the grandchildren (except for the youngest) and their spouses pitched in. They talked with board members and officers of foundations and listened to experts who detailed the various options and tasks involved in planning a foundation. Like her cousins, Ruth Sorensen was energized by the challenge of her grandfather's bequest:

"I felt enormous excitement and commitment to it, and thought, 'This is a great task.' Instead of being intimidated or feeling that it was a burden, I thought, 'amazing opportunity.' It was amazing to be able to work with family. It was amazing to be able to carry forward the name of Nathan Cummings."

Most importantly, the grandchildren persuaded their elders, who were initially skeptical about the need for such assistance, to hire a consultant well-versed in foundation work. A professional could educate the family about organized philanthropy, guide the family discussion on values and objectives, and help define a mission and various program areas for the foundation. Furthermore, a neutral person could defuse the emotional components of family dynamics by mediating disagreements that might arise among siblings or cousins, or between generations, or among the different branches of the family. (The branches were the families of Buddy, Herb and Alan.) The family selected Leeda Marting, an experienced family foundation administrator, as their facilitator. With her help, they moved rapidly to focus on the most important issues.

Part Two:
Organizing the Foundation: Basic Decisions

"The ball's ours; let's run with it."

Choosing the type of foundation

Even as Marting began work with the family, some basic decisions had already been made during the year following Nathan's death. The family wasn't going to give all the money away at once, an option which had appealed to some in the older generation because it meant a short-term commitment, not a long-term encumbrance. In the aftermath of Nathan's death, and Alan's death soon after, quick disbursement appeared to be in a practical sense less stressful, fatiguing and time-consuming to people confronted with the huge task of settling the estate and providing oversight for an influx of grant requests. Yet, this was not the course chosen. Nor would there be a division of assets. There would be one foundation, not three (one for each branch of the family), because, argued the grandchildren, more good could be done that way than by splitting it up.

The actual organizational format was selected from a range of possibilities presented by the facilitator, each requiring a different degree of commitment. As one option, the family could have rejected the level of responsibility necessitated by the governance of an independent foundation, and given their money, instead, to a community foundation, where staff could then manage and disperse the funds. With a modicum of time, a family could maintain some control through a "donor-advised" fund held by the community foundation. Or, as an alternative, the Cummings family could have chosen to set up an independent foundation, governed by the family or outsiders, but with a "sunset clause," which, in effect, would have limited the foundation's existence to a set time period, say 10 or 20 years. By spending down the endowment in large grants, such a foundation might make possible a major development in science or medicine or another field.

After examining all the options, the Cummings family decided it was willing and able to commit to a major obligation over time. Its foundation would give grants to tax-exempt organizations for their programs instead of becoming an operating foundation that developed and ran programs itself. "There was an assumption that we would assist other charities rather than try to run it ourselves," recalled Stephen Durchslag, Buddy's son-in-law, "because this option felt more natural to everybody." The Nathan Cummings Foundation would begin its work as a family foundation in perpetuity. It would retain in its by-laws, however, the flexibility to change over time. As Herb put it, "Its current model is not cast in stone."

Family values

Over the course of the next year, Leeda Marting led a series of discussions centered on philosophical and procedural issues. One involved understanding the role of stewardship. Did the money belong to the family or was it a public trust? Members of both generations had little trouble putting the public good before family interests, a perception that was perfectly condensed in a statement by James Cummings:

It's not my money. I didn't make the money, and it doesn't belong to me. It doesn't belong to the family. It really belongs to the grantees, and it has since the point of my grandfather's death...I'm very privileged to be able to participate in any manner.

During Nathan Cummings' life, the family knew about his large public gifts. But on a much more profound level, they had absorbed his philosophy, as Herb's son Richard (Rick) pointed out:

"There was always a sense that we had been extremely fortunate and that we had an obligation to give something back to society. This attitude came from my grandfather and from my parents."

'Giving back to the community' was a deeply held value in the family's collective psyche, reiterated by each generation.

Working together

Like many other families, both generations of Cummings discovered that it was one thing to socialize together, and another to make decisions together. To compound the issue the family as a whole had done little of either in the years before Nathan's death. "That was one of the hardest parts to work through," remembered Herb's wife Diane, "to think of ourselves again as a family after so much separation." Working together in the planning process, with the facilitator, helped Herb and Buddy and the grandchildren rediscover their bonds.

Leeda Marting established an environment in which people could talk openly; she reinforced a sense of inclusion for everyone by helping the group make their decisions by consensus, rather than by voting. She organized the agendas of planning meetings and helped maintain their focus. Rick Cummings attributed to Marting's skillful and insightful work the enhanced credibility of the third generation with their parents. James attributed to his father Herbert and his Aunt Buddy the wonderful qualities of "being willing to listen to the third generation, when there was nothing which said they had to; and with being able to bow gracefully to the collective decision around the table when they didn't always agree with it."

In contrast, the youngest grandchildren, barely past their teens, felt out of their element because they didn't have the experience or the knowledge to participate fully in these ardent discussions.

"I tried to fit into the role. It was very difficult--it was over my head," recollected Adam Cummings, who was 17 when he first went to planning meetings. His brother Marc, a few years older, "foresaw a giant being created," even though he felt at the time as though he "had been dropped into a pool, and it was sink or swim." Nevertheless, they attended meetings when they could, not wanting to be left out of this unique enterprise.

Mission and programs

Taking stock almost two years after Nathan's death, the family found that it had both chosen the kind of an organization best suited to its goals and, with the help of an adept advisor, learned the basics of working together. The family was now ready to define a mission for the foundation and select its program areas. For this next stage, Marting separately interviewed all the family members and analyzed their answers to a questionnaire she had prepared. What was Nate's legacy, his vision, their vision, their experience? Would there be enough common threads among the responses to enable the family to make decisions about mission and program areas? She prepared a report that summarized her findings, and this was used as the basis for a crucial family meeting.

The family came together in Dallas in April 1987 for several days of intense deliberation, punctuated by tears and laughter, a sense of loss and gain, and, in the end, clarity. They began by remembering who Nate was--someone who was strong-willed, totally focused, and committed to his religion. "He seemed to have an amazing grasp of exactly what he wanted to do and how he wanted to do it," recalled Rob Mayer. He always demanded excellence, saying to his grandchildren, "I don't care what you do, as long as you're the best." Yet in spite of his demanding ways he was able to have fun and enjoy himself in all aspects of life. The family remembered the man as well as the legend: a grandfather who may not have been a "sit-on-your-lap" kind of grandpa, but rather one who had taken his grandchildren, as a group, on wonderful trips to Israel and Japan; a businessman whose motto was "Nothing will ever be accomplished if all obstacles must be first overcome." A philanthropist who enjoyed having his grandchildren cut the ribbons at dedication ceremonies for the buildings he had paid for. The qualities the family wanted in the foundation reflected the boldness, creativity, and risk-taking that had characterized Nathan Cummings' life and business. Buddy summarized the conclusions reached after lengthy discussions:

"We were going to be pro-active, take reasonable risks, and be willing to fail at times. This was how Dad had approached life. I felt this foundation should reflect those values, that stance of inquiry, those standards of conduct--that's what spelled progress. We didn't want to be just another Jewish foundation; we didn't want to be just in the business of handing out money."

At the same planning meeting, the family compiled a list of 40 possible program areas. Realistically, only four or five could be designated. For Ruth Mayer Durchslag, Buddy's daughter, "It was fun, it was terrific, sitting around and saying, 'What do we want this to be?' It was intellectually exciting and stimulating." Following many hours of "healthy dialogue," there was agreement. Three of the four areas were those which had engaged Nathan Cummings: health care, Jewish life, and the arts. In one way or another, many family members shared these interests, which were broad enough to encompass varied approaches; and which, by their selection, honored the memory of the donor.

The fourth program area, the environment, was suggested by several members of the third generation. Brothers James and Rick Cummings, and their cousin Michael, Alan Cumming's son, brought their passion to the table. In James' vivid words:

"I got up and spoke from my heart. No matter what else we did, if we didn't address what was happening to our environment, somewhere down the line--maybe not this generation but perhaps by the time of our great grand-children--there wouldn't be any breathable air left; our planet would be in crisis."

While largely unfamiliar with specifics, the older generation accepted the environment as the fourth area. They recognized its potential importance and respected the validity of the third generation's concern. As Herb concluded, "The grandchildren are going to carry out the programs. They're going to be more involved with the foundation if we allow the program opportunities to grow in areas where they are already interested."

Subsequently, the family decided that the four program areas would co-exist with a special funding area to be known as "community grants." This idea emerged from the family's initial research into foundations, and from the pressures they were experiencing from local groups seeking help. The money

for these community grants was to be drawn from a fixed proportion of the yearly budget. These funds would be distributed equally to the three family branches, whose members would then recommend to the foundation board specific grants for organizations in their own communities. For both community grants and the core areas, the family decided that foundation funds would support programs, not building construction, a departure from Nathan Cummings' own approach.

As Diane noted, "He gave to buildings with his name on them. That's the way he felt he was doing his share." The same sentiment was confirmed by Stephen Durchslag, "Public recognition was very important to him as a self-made man." His children and grand- children, however, chose a different mode for effecting change, one that was consonant with their experience and beliefs.

By the end of the planning meeting in Dallas, the family had prepared a mission statement that embodied the convergence of core program areas with the family's values:

"The Nathan Cummings Foundation is a national, grantmaking organization dedicated to the well-being of all people. The Foundation seeks to meet the fundamental human need for sound health and a safe environment. It also seeks to foster understanding and respect between Jews and non-Jews. And it believes that the human spirit often achieves its finest expression through the arts."

Within this broad mandate, there were several themes that the family later elaborated upon to inform the foundation's approach to grantmaking: concern for the poor, disadvantaged, and underserved; respect for diversity; promotion of understanding across cultures; and empowerment of communities in need.

Location

With the foundation's mission in hand and its funding priorities in place, the family now turned their attention to the next item on the agenda--location. Where should the foundation's headquarters be located? With family members scattered around the country, only two places made sense: Chicago and New York. On the one hand, Nathan Cummings had built his corporate empire while living in Chicago and had given generously to many institutions there. One branch of the family still lived in the city. The question arose: if the foundation were located there, would the Chicago branch dominate the foundation and possibly undermine the delicate balance among the branches? On the other hand, Nathan Cummings had lived in New York for almost 20 years before his death, presiding over business and financial matters--including foundation affairs--from his apartment in the Waldorf-Astoria hotel and his offices in the Seagram building. New York hospitals and museums had received substantial gifts from him, too.

It became apparent that New York had one overriding advantage: it was home to many of the country's major foundations--Ford, Rockefeller, Carnegie, Revson--as well as the Foundation Center itself. If the Cummings Foundation wanted to be at the center of foundation activity, and if it wanted ready access to other foundations to collaborate on programs, then New York was the place to be, in spite of the extra expense of doing business in the city. Moreover, it was close to Washington, DC, where legislative matters concerning foundations and the non-profit sector as a whole were vigorously debated and decided. All agreed that it was important to be part of such discussions. The family decided to locate the foundation offices in New York.

By the middle of 1988, the fundamental decisions about the foundation had been made. For almost four years, the grandchildren had contributed substantially to the discussion and proved their interest by their work and their dedication. In response, the five trustees--Herb, Buddy, Ruth Sorensen (who succeeded her father Alan after his death), the lawyer and the accountant--expanded their ranks to eleven, bringing on board several grandchildren and allowing for non-family trustees in the future. Shortly thereafter, equal board representation for each branch would be written into the foun-dation's by-laws. Less formally, it was agreed that board leadership would rotate among the branches, first within the second generation, then moving to the oldest grandchild in each family. These principles helped inspire trust among family members, who brought to their work dissimilar life experiences and temperaments.

One other basic decision concerned compensation. Following the policy of many American foundations and most non-profits, the family decided that no member of the board, or officer of the board, would be compensated. Trustees would be reimbursed for the expenses of attending a meeting, but would not receive salaries for their work. Even the modest honoraria offered for board service by some foundations was not acceptable. For the Cummings family, payment was incompatible with managing a public trust.

The family had invested a great deal of time in planning. They did not just jump into a flurry of grantmaking activities but proceeded slowly, first getting a firm grasp of what they needed to do. "We prepared ourselves," recalled Ruth Sorensen. "Instead of rushing ahead haphazardly, we were wise to spend the money and take the time to figure out our program areas in a methodical way." This cautious and considered approach proved worthwhile. Having decided that a single foundation making grants nationally would best serve the public good, the family realized that the amount of work and responsibility would far exceed what board members alone could possibly undertake. Just the experience of making grants during the interim planning period--to meet the requirements of federal law to spend annually five percent of the value of the endowment--demonstrated to the family how much effort was involved, even though at this time many of the grants were awarded to organizations which Nathan Cummings and other family members had supported in the past. The family's honest appraisal of the time required to match the new program areas with public needs and to establish a grant-making mechanism convinced them that a professional staff was essential. The family's careful planning provided a blueprint to guide its search for staff.

Part Three:
The Foundation Begins its Work

"Learning about boundaries and teamwork"

Hiring the senior staff

Hiring a president

Hiring a president had top priority. The family sought a chief executive whose experience, world view, and approach exhibited specific traits: a willingness to take chances but not in a reckless way; a combination of innovation, leadership and creativity, leavened by personal responsibility and thoughtfulness. They hoped to find someone fresh--a person who hadn't been working in the foundation world for years, yet someone who had a background in several of the core program areas. Personality and religion were important too. Because of the role of the grandchildren, an ability to work well with young people was critical. By its mission, the foundation had reaffirmed its Jewish identity, which reflected Nathan Cummings' ties to his heritage. For many family members, this identity would best be fostered by a Jewish president who would help the foundation find its way as a progressive Jewish organization in a multi-cultural American context.

The initial attempt to find a suitable candidate--which relied on suggestions from family and friends--foundered. The facilitator then urged the family to undertake a public search, assuring them that this approach would not only yield more appropriate candidates, but also "notify the world of philanthropy that the family was serious about the foundation serving the public good." The family decided to advertise the position and engage a search firm to screen candidates. A board committee interviewed several firms, choosing the one that best understood the family's criteria for a chief executive officer (CEO). The family decided to spend the money on a search firm for several reasons: it could cast a wider net, save time in narrowing the field, protect the family from the awkwardness of turning aside interested acquaintances, and educate the family regarding interviewing and evaluation of candidates. Employing a search firm to fill this topmost position, as well as to screen for subsequent staff jobs, and working with a facilitator--these two decisions marked the Cummings family as unusually open to outside help, a somewhat atypical stance in foundation ventures.

The search firm and the family narrowed the field to a few candidates who were each interviewed several times. Out of these, Charles R. Halpern (Charlie) was selected. He was a lawyer with the requisite experience in starting up new non-profits and the active involvement with cutting-edge programs--two elements which the family believed critical in launching its foundation.

A founding father in the field of public interest law, Halpern had worked on health and environmental matters. His most recent achievement was establishing a new alternative law school at the City University of New York. As a result, he knew the foundation world from the perspective of the grant-seeker. His experience seemed to embody the mix of conventionality and unconventionality that the job required. "Charlie persuaded us much more eloquently than some of the other candidates," recounted Rob Mayer, a member of the search committee, "that he didn't have an extensive personal agenda, that his job was to serve the foundation. He also had a wonderful warm way about him as well." The family was comfortable with Charlie personally. This factor was absolutely crucial for a family foundation. He could have met all of the qualifications of the position, but if his personality had not been compatible with those of the family members, the situation would not have worked.

From Charlie's perspective, the lengthy series of interviews were important to him too. He wanted to make sure that he could work with the family. A start-up in any organization--new law school, small business, family foundation--was not easy. "I thought there was an element of risk to it," said Charlie, "but I also thought that the challenge of realizing the family's vision was so appealing that I would take the chance." He shared their values and enjoyed their company. Charlie Halpern became president in April 1989. With his arrival, just four years after Nathan Cummings' death, the foundation prepared to open its doors.

Hiring a financial officer, deciding investment policy

Searches began immediately for senior staff, starting with a chief financial officer (CFO). A search firm helped identify Ellen Lazarus, a Harvard Business School graduate with extensive experience in private sector finance, who became the CFO. Her duties comprised completing asset transfers from the estate to the foundation, deciding on investment strategies for the endowment, and setting up administrative financial systems. The CFO essentially took over the duties of Nathan Cummings' accountant, named a trustee in the will.

It was not a smooth transition, however. There were differences in procedure and philosophy--from the accountant's manual ledger book entries to the CFO's computerized files and programs, from his allegiance to Nathan's investment strategies to her use of money management firms to oversee the endowment.

This clash between an old family retainer and new staff and board was neither unusual at a family foundation nor quickly resolved. The family respected the accountant's abilities and service, and recognized his relationship with the founder. The foundation needed his knowledge and hence his cooperation. It was a delicate matter--weighing his concerns, his desire to be "keeper of the treasury," against the CFO's need to modernize the organization's financial procedures. As Rob Mayer noted, "it's difficult to have trustees select themselves out; it doesn't happen easily." The accountant eventually left the foundation board.

The CFO then worked closely with the new Finance Committee of the board to invest the foundation's endowment. While seeking the best returns, they nevertheless worked within board guidelines, which stipulated some restrictions related to, for example, socially responsible investment. The foundation avoided investment in tobacco companies and South African companies. (The latter screen was revoked after apartheid ended). Program-related investments, e.g., investing in companies whose activities supported core program goals, or other beneficial social purposes, were discussed but deferred. The Finance Committee selected fund managers who represented various investment and risk-taking strategies and reviewed their performances quarterly.

Hiring program directors

Next to be hired were four program directors, one for each of the core areas. The board and president sought experienced staff; seasoned professionals, they reasoned, would merit the respect of the board and their peers and could exercise leadership in their fields. Diversity also figured into the selection process, reflecting the foundation's mission and the family's interests in serving a multi-cultural society. The search firm identified candidates; then the president and a board committee interviewed the finalists. This direct involvement assured the board that the program officers were, as Rob put it, "sensitive to the same issues and knowledgeable about the same things that were important to the trustees." Such teamwork reinforced the sense of a collaboration between board and staff. The family was delighted with the results of the search process--a strikingly diverse and talented group that included African-American and Japanese-American women.

This group of accomplished staff were drawn by the opportunities to shape the programs of a foundation that, on the one hand, had enough money for them to do innovative work, and that, on the other hand, was small enough so that they wouldn't get trapped in a bureaucracy. In their interviews with Charlie, he described himself as a collaborator who would share ideas with them but still give them enough room to build the core programs, and initiate projects around ideas that were really important to them.

First, Joan Shigekawa was chosen to head the arts program. She came to the foundation with a background as an executive producer in public television and with the Program for Art on Film.

Next, Andrea Kydd was recruited to develop the health programs. A dedicated community organizer, she had served as director of the Youth Project in Washington, DC and as a senior executive at VISTA.

Then, Rabbi Rachel Cowan, herself a convert to Judaism, was asked to lead Jewish Life. She was co-author of Mixed Blessings, a book on intermarriage. Her personal experience and professional expertise with innovative religious programs resonated with many family members who had mixed marriages.

Finally, an experienced activist and administrator, Conn Nugent, was drafted to head the environmental program. He had been co-ordinator of the Five Colleges Program in Amherst, Massachusetts, and was previously Executive Director of the International Physicians for the Prevention of Nuclear War.

This diversity among the senior staff underscored the progressive identity the family had sought for its programs. Support staff, headed by Annette Ensley, mirrored New York's multi-ethnic population as well as the foundation's commitment to promoting diversity in all aspects of its grant programs.

Grantmaking

Designing the grant process

As the program directors settled in, their earliest challenge was to create a user-friendly, yet efficient grant process. Potential grantees were invited to submit preliminary letters of inquiry with brief outlines of their proposals. These were screened by staff, and those applicants with ideas which seemed most promising were invited to develop full proposals. Program directors consulted with each other, with the president, and with some members of the board's Program Advisory Committees (PACs) to determine which projects to recommend. Proposals which made it through this evaluation process were presented to the board in summary form, in a group "docket," for approval.

Once a grant was funded, program directors continued to work with the grantees. They made site visits, traveling to check on progress and to offer assistance. "Each site visit makes you a more sophisticated grantmaker," affirmed Charlie Halpern. Then he continued, "It is not enough to sit in an office and look at what people promise or expect to do and then how they report on what they've actually done. Dealing with that much abstraction can be misleading. Site visits help give you a framework for thinking about what those words on paper mean." Such interaction often stimulated new thinking and new projects. Charlie frequently passed on to his program staff ideas inspired by site visits. His ongoing involvement with the programs was directly related to the flexibility of work in a medium-size foundation.

Site visits reflected a two-way relationship between grantmakers and grantees. Program officers gained a renewed appreciation for the grantees' work in the field. Cummings' staff encouraged grantee organizations to evaluate their organizational culture in light of strongly held foundation values. "On your board do you have women? Do you have minorities? Do you have representatives of the constituency you're serving?" were the kind of questions that provoked change, reported Ruth Sorensen.

Program advisory committees

The program directors worked closely with board members serving on the PACs for each core area. At the early PAC meetings, guest speakers helped sharpen the focus for program areas by providing overviews of current work in the field and by identifying topics that might be explored with funding. Such experts were invaluable at all stages in the foundation's development for educating trustees and staff. Speaking to the Environment PAC, for example, policy analyst Jessica Tuchman Matthews singled out transportation as an issue which not only merited attention but one which also currently lacked significant foundation involvement. As a result, the Cummings Foundation became one of the leaders in this field, assisting the many groups working on the development of mass transportation alternatives to the automobile. Rachel Cowan first came to the attention of the family as a guest speaker at the Jewish Life PAC, where she outlined the religious and cultural concerns of contemporary American Jewish communities.

With the exception of one year when the board set up a unified program committee, the individual PACs now meet several times each year, reviewing the program objectives for their core areas and for the grant dockets. Representatives from each PAC, with the president, also oversee a fifth program area known as "Interprogram." It funds projects touching two of the core programs. An example bringing together Jewish Life and art is photographer Frederic Brenner's documentation of Jewish life around the world. Entitled "Chronicle of Exile: A Vision of Memory," the project will culminate in an exhibition, a book, and an archive of Jewish life in the 20th century. Another Interprogram grant, linking health and the environment, funded the Physicians for Social Responsibility, which has turned its attention from nuclear war to the impact of environmental protection on public health as revealed through studies of toxic contamination by industrial poisons.

Core grant programs

From the very beginning of its operations, the foundation's grantmaking was premised on the values inherent in its mission--compassion, innovation, creativity, and reasonable risk-taking. Projects funded by the board soon created the profile of a cutting-edge foundation. Grants catalyzed new areas of inquiry and reformulated traditional fields of practice. The foundation's core programs began to take on a distinct personality, shaped by the energetic interaction of family members with the skilled, professional staff.

To this end, three experienced family members lent their voices to the arts programs. Diane Cummings, after first volunteering as a docent, had served as a trustee and then president of the Phoenix Art Museum. Ruth Sorensen was a museum professional and filmmaker. Buddy Mayer and her late husband, Robert B. Mayer, had amassed one of the best collections of contemporary art in America and had also been among the founders of Chicago's Museum of Contem-porary Art. In the arts, foundation grants helped set up model arts education programs which assisted youth at risk; encouraged arts institutions to foster cultural pluralism in their programs, staff and audience; and helped support the work of innovative arts entrepreneurs.

Sustaining freedom of expression in the arts was another major focal program area. Significant grants went to the American Civil Liberties Union Foundation to create the Project on Arts Censorship, a program designed to protect First Amendment rights of artists and arts institutions. This aid to legal strategists committed to protecting freedom of expression--central to artistic creativity in any democracy--was accompanied by funds to educate and develop public support for the arts and humanities. Grants were given to counter threats to freedom of expression, as censorship became a politically volatile issue in the 1990s. The focus on censorship aptly met the foundation's standards for grant sponsorship: "Is the problem important? Are other foundations ignoring it or failing to deal with the issues?" On both counts, the answer was "yes" for the issue of censorship. Building a constituency that understood and supported the role of free expression and diversity in cultural affairs was the aim of grants to such organizations as National Public Radio and People for the American Way. These were the counterparts to grant projects which illuminated the terrors of repression, such as funds for a film about the exhibition, "Degenerate Art: The Fate of the Avant Garde in Nazi Germany"; and funds to support the exhibition at UCLA entitled, "The View from Within: Japanese-American Art from the Internment Camps, 1942-46."

Family members offered their expertise in shaping the health programs. Debra Weese-Mayer, MD., Rob Mayer's wife, had been involved in the earliest discussions of the core program. Projects were chosen that served the long-term goal of making health and well-being accessible to all Americans, with a particular focus on the health-care needs of low-income children and their families. Whether funding a monitoring program of state services through the Children's Defense Fund or funding model pediatric care units in hospitals--planned jointly by healthcare workers and families of patients--the foundation sponsored many inventive projects which attempted to rethink contemporary medical practice.

One aspect of the foundation's pioneering work in health was its active support for the emerging field of mind/body and behavioral medicine, a focus brought to the core program by James and Diane. Their knowledge of this area derived from their ties to the Institute of Noetic Sciences, originally of Palo Alto, California, and its trailblazing work in the field. A growing body of scientific evidence suggested that mental and emotional states actually do affect physical health, and that effective psychological intervention could influence the course of physical illness. Foundation grants subsidized efforts to bring mind/body techniques and other aspects of alternative medicine into mainstream medical practice and public discourse. Early grants were awarded to underwrite the research for what became a well-received public television series, "Healing and the Mind," produced by Bill Moyers. A few years later, the foun-dation's support in this area would culminate in the creation of the Center for the Advancement of Health, a clearinghouse and advocacy center located in Washington, DC. Its staff would seek to educate health policymakers on the importance of these developments, and on their potential for making healthcare more effective, less expensive, and more humane. Over time, the Center's agenda became broader than just the mind/body focus. it expanded to look at health in a larger perspective: to examine the social and economic roots of health and illness and generally to design health systems that would take into account the complex realities of what makes people sick or well.

In other healthcare initiatives, a sustained focus on preventive care informed grants for cancer programs. Approaching cancer prevention and treatment from the patient's perspective arose from the family's experience, first with Alan's death, then with Herb's illness. "When he got sick,"

recalled Diane Cummings, "we both rolled up our sleeves and did as much research as we could. Herb said, 'There's got to be a better way.'" Their determination led to foundation funding for projects aimed at changing the behavioral and medical protocols for cancer treatment. Grants to Commonweal, an organization headed by Michael Lerner, for its Institute for the Study of Health and Illness furthered ground-breaking work on mind/body strategies to help cancer patients cope with their illness as well as with the often stressful side-effects of their medical treatment. After Herb's death in 1992, the cancer programs honored the memory of his devotion and hard work for the foundation during its formative years.

The Jewish Life program turned to Jewish heritage, religious insights, and culture as the basis for its grants in four key areas: (1) relations between Jews and non-Jews, and among Jews; (2) social justice; (3) Jewish renewal and spirituality; and (4) Jewish arts and culture. The personal religious journeys of both Ruth Sorensen and James Cummings influenced the Jewish Life program, as did that of Stephen Durchslag, who was also an ardent collector of Haggadah (the texts used by families during the Passover seder), and Buddy Mayer, who had been raised in a religious home. Their interests influenced grants for reviving Jewish contemplative traditions, supporting rabbinic education, and furthering women's efforts to find spiritual meaning and new roles in Jewish religious life. Other grants, reflecting even wider currents in American-Jewish life (such as those related to the complex blending of Jews and non-Jews in the families of the Cummings foundation--both board members and staff alike), sustained programs to assist the Jewish community in dealing with the short- and long-term consequences of high rates of intermarriage. Revitalizing Jewish congregational life and improving the curriculum of religious schools were a program response to the uninspired teaching Cummings' grandchildren and great-grandchildren had experienced. "The family is a microcosm of American Jewry," observed Ruth Sorensen, "and the Jewish Life program mirrors that."

While normally limiting its giving to groups within the United States, the foundation awarded a major three-year grant to address the events spawned by the break-up of the former Soviet Union (FSU) and the attendant mass migration to Israel. It helped those who remained in the FSU (principally in Russia and the Ukraine) to live freely and knowledgeably as Jews, and those who migrated to Israel, to integrate into Israeli society. The Nathan Cummings Foundation had been the first foundation to recognize and evaluate the needs of Jews choosing to remain in the nations of the FSU; Cummings' leadership had encouraged other funders to provide for educational, religious, and community-oriented programs.

The FSU programs grew out of a report the Cummings Foundation had commissioned from a scholar in the field, as well as what was learned during an intensive site visit by several board members and the foundation president. On that trip to the FSU, and during one other to Israel, meetings with various groups and individuals generated new program ideas. "They were also important institution-building experiences for members of the board," said Charlie, "for people really get to know each other traveling from Moscow to Kiev on the overnight train." He continued:

"Some of these journeys have been deeply emotional experiences. During the Russian trip, one was a visit to Babi Yar outside Kiev, the site of the Nazis' slaughter of 30,000 Jews. Then we went to a Reformed Jewish service in Moscow with a lot of people who were rediscovering their Jewish identity--and they looked like they could have been our cousins. We were very moved, and that emotional energy fueled the foundation projects. I see these things, and I turn them into project ideas."

In the eyes of the board, the educational value of such trips and their contribution to developing the foundation's programs far outweighed their costs. Commitments to social justice and social change--central values for both the foundation and other Jewish institutions--were affirmed in grant support for education and outreach. The history of the struggle for social justice was explored in research supported by a foundation grant for an exhibition sponsored by New York's Jewish Museum. The subject of the exhibition was the experience and relations between African-Americans and Jews in America: "Bridges and Boundaries" opened in 1992 and then traveled to several other cities. Social justice informed grants made in Israel: to encourage dialogue between Jews and Palestinians, to address the injustices faced by Arab citizens in Israel, and to stimulate the evolution of inclusive democratic organizations in Israel. These may have been among the many initiatives advanced by non-governmental organizations which have cumulatively helped to facilitate the peace process.

The environmental program, championed by James, Rick, Michael and his brother, Marc, focused on three areas: energy efficiency, protection of natural resources, and the projection of a sustainable future. In energy efficiency, the foundation targeted U.S. transportation policy, calling for its consideration "as an environmental issue of utmost urgency." In a field which was virtually ignored by other grantmakers, the Cummings Foundation mobilized several funders to work in collaboration on a new environmental agenda to change the ways in which Americans traveled, whether commuting locally or journeying long distances. Again, since such massive change was not something that could be accomplished quickly, the foundation committed itself to a multi-year grant program. By the mid-1990s, public policy began to reflect the priorities promoted by the foundation's grantees for improving and expanding mass transit, and for coalitions working to force debate about the environmental dimensions of American transportation--most notably, the detrimental impact of the automobile and its infrastructure, and their drain on energy resources.

Substantial seed money secured spiritual allies for the foun-dation's program focus on a sustainable future. The roots of The National Religious Partnership for the Environment, an organization embracing representatives of all faiths in the United States, originated with the foundation's first year start-up grants. Achieving a sustainable future was predicated on the need for widespread support for environmentally responsible behavior. Hence, there were grants to secure more leadership for environmental causes from communities of color, as well as to support environmental ethics programs. The foundation funded mainstream organizations, such as the Environmental Defense Fund, in addition to such regional organizations as the Indian Law Resource Center in Helena, Montana, and the Southwest Network for Economic and Environmental Justice, in Albuquerque, New Mexico. The foundation's long-term approach was reflected in grants for college-level environmental educational programs and for teacher-training courses.

Part Four:
The Foundation Comes into its Own

"Yes, we made a difference."

Evaluation

Five years into its existence, the Nathan Cummings Foundation had tackled and solved many problems of a new organization. Certain techniques contributed to, and solidified, those accomplishments. Among the most important was evaluation: the continuous evaluation of board process, of staff responsibilities, and of the foundation's program objectives. Evaluation was ongoing and permeated all foundation activities.

Retreats

Evaluation was at the heart of the retreats, the foundation's annual decision-making forums. Held during the summer months at conference centers in such places as Santa Fe, New Mexico and Aspen, Colorado, they lasted three to five days. The retreats had several purposes: to allow the board, family, and staff to come together in a relaxed setting, to review the work of the past year with staff, and to chart the future. "The ideal retreat," Buddy explained, "included outside speakers to bring fresh ideas to us, with plenty of time to evaluate where we've been and where we're going to go."

The retreat agendas aimed to balance serious work with fun, to make time for refreshing bonds between family members, and to build bonds among family, outside trustees, and senior staff. Group hikes, cookouts, parties, and sports activities offset the effect of hours of serious talk and work. A consultant, Jane Pierson, helped run the meetings and fostered group participation. When James Cummings was chair of the board, he introduced the "check-in" at the beginning of the retreat, an innovative method to nourish an atmosphere of trust and camaraderie. Buddy Mayer described it:

We sat around in a circle and each of us talked about our successes and our frustrations. Everybody spoke frankly. It was a group cleansing of the soul, and it felt very good. It helped us all understand that there is no such thing as a perfect life or perfect behavior. A level playing field of human frailties came out of those discussions.

During the retreats, the board looked carefully at large questions, refining the goals of the core program areas as well as formulating new operating guidelines for grantmaking. Background papers, prepared by staff and board committees, provided overviews and analyses. At one meeting, the board examined its program objectives with an eye toward narrowing the focus of each core area. In health, for example, the program areas were pared down in order to concentrate on issues surrounding the beginning and end of life: i.e., the health needs of children under six and in the case of adults, the treatment of dying. At another retreat, the group began what turned into a multi-year evaluation of its grantgiving. The end result was an entirely new way of evaluating grant programs, proposals and projects, dubbed "Objectives, Strategies, Outcomes," or OSOs for short. As his cousins had helped shape the core programs, Rob Mayer brought his background in the business world and Ph.D. training in organization and management to bear on the development of the OSOs, which he worked on both during and after his tenure as chair of the board.

Program evaluation and change

The evaluation process which led to the OSOs was not new to the foundation. Evaluation was already embedded in all aspects of the foundation's work--from staff review to grantee assessment of the foundation's performance. On a yearly basis, staff and board scrutinized the programs, asking such questions as: "Is this an area we want to continue funding? How successful have we been? Where can we be more effective?"

Such routines were the backdrop for the preparation of the OSOs, which were designed, using a number of criteria, to clarify goals and measure results. Rob argued that without a more systematic evaluation of grantmaking, it would be "hard to know if you've done anything." The ultimate reward of a more structured approach, he stressed, "would be looking at a particular area three to six years down the road and being able to say, 'Yes, we made a difference.' Within the framework of the OSOs," Rob explained, "there is still a world of grantmaking you can do. The only difference is that now you've got a template to measure it against. Before, we didn't have a way of calibrating whether or not our grantmaking was really closely aligned with what we wanted to achieve. Now we do."

Evaluation generated substantive as well as strategic change. This was the case with Interprogram grantmaking. The foundation retained its funding of projects that crossed core program lines, but added attention to concerns--contemplative practice and democratic values--that potentially touched every core program. The goal of the "Contemplative Mind in Society" initiative was to explore and communicate the benefits of meditation and contemplation as paths to wisdom, equanimity, health, and spirituality.

The foundation's funding supported meditation programs in the three different programs: health (reducing pain and stress); Jewish Life (reviving ancient meditation practice); and the environment (retreats for environmental activists).

The democratic values initiative was more complex: rebuilding a greater sense of community by supporting such concepts as fairness, tolerance, and pluralism--all central values in democratic behavior; protecting First Amendment liberties; maintaining the separation of church and state; and defending reproductive choice. Democratic values initiatives inspired a reformulated set of programs for grantees, known as the "Toolbox." Board members recognized that there were "communication issues relating to democratic values the idea that you need technical equipment and technical training to carry out specific programs." Without appropriate technical assistance to grantees (to improve management and leadership skills), these grantees would be unable to carry out their projects, however exciting or innovative. Nor would they be able to disseminate their results. Toolbox funds helped organizations overcome weaknesses that had previously prevented them from having an equal role in kindling social change.

The kind of intense, ongoing self-scrutiny pursued by the Cummings Foundation under the rubric of evaluation was unusual for a mid-size foundation. Such shared self-examination could become a model for non-profits willing to put in the time and accept the discipline of the process. As one board member noted: "It's a different style of grantmaking. This type of approach may work only in an organization that has the right culture to accept it." Yet some family members have found themselves bewildered by the unceasing review. "When I see something working so well," said Rick, "I'm at odds with the obsession that 'we have to do it better.' Of course, we want to strive for excellence, but the margins of improvement keep getting smaller and smaller." He concluded, "So much goodness is already happening. I think now we can relax a bit and enjoy what we have achieved." Even Reynold Levy cautioned against tinkering too much with what was working well. "There's some alchemy going on. Charlie Halpern's mix of meeting with colleagues, reading, engaging consultants, and talking to trustees somehow results in divining the direction of programs that really resonate in the minds of both philanthropists and public policy practitioners."

Changes in the staff

Beginning in the mid-1990's, staff changes supplemented evaluation as a source of change. When the directors of the environment and arts programs left in early 1995 to pursue different opportunities, their replacements brought new perspectives.

Claudine K. Brown became head of arts. She had been Deputy Assistant Provost for the Arts and Humanities at the Smithsonian Institution, and previously had served as Assistant Director for Government and Community Relations at the Brooklyn Museum. As a consultant to the Cummings Foundation, a few years earlier, she had helped reshape program policy to emphasize community-based and culturally specific arts institutions. As program director, she now strengthened the foundation's leadership role in validating how essential these groups were to the larger arts eco-system.

Richard F. Mark joined the staff to lead the environment program. His experience included work with the Energy Foundation and leadership positions with such policy groups as the Union of Concerned Scientists, Common Cause, and Professionals' Coalition for Nuclear Arms Control. His community organizing background was perfectly suited to enlarging the foundation's work with local, non-governmental organizations, increasingly the front-line in safeguarding the environment as federal powers devolved to the states. He also sought projects which would explore the connections between the environment and economics, public health, and community development.

CFO Ellen Lazarus also left the foundation in 1995. She was succeeded by Henry Tzu Ng, who was appointed as Vice President with expanded administrative responsibilities at all levels of the foundation, including program work. Henry was formerly Director of the J.M. Kaplan Fund, Vice President of the American Academy in Rome, and Deputy Director of the Municipal Art Society.

In 1993, Jennifer H. McCarthy had become Director of Special Projects. Her predecessors, Elizabeth Leiman and Kathryn Roth, had successively worked as assistants to the president and then had taken on numerous assignments for projects affecting the foundation as a whole. McCarthy took over the growing communications area, as well as the supervision of Interprogram.

While the family wholeheartedly welcomed its new staff members, the entire foundation family felt the loss of the old ones. The Cummings' custom had always been to treat staff as part of its family, and that practice has not changed. However, the impact of such departures was, in this case, somewhat alleviated, as fresh waves of energy and imagination arrived in the wake of new staff members.

Organizational culture

Delegating authority

Encouraging a high degree of individual expression among staff members and trustees alike was a hallmark of the Nathan Cummings Foundation from the start. As the staff and board members grew into their roles, this feature of life at the foundation expanded. In recent years, it has had a special influence on the growth of discretionary grantmaking. Family trustees had always had a pool of community grant funds to recommend for disbursement. Outside trustees were also given discretionary funds for community grants. And the foundation's president had a pool of discretionary funds--not uncommon for the CEO of a foundation--to support projects related to the core programs or for support of the foundation's mission.

In 1995, the board decided to invest senior staff officers with discretionary authority to award some grants--within certain guidelines--without prior board approval. These staff-initiated grants were then reported to the board at its next meeting. Such grants enabled the program directors to respond quickly to grantees outside the normal grantmaking cycle. For James Cummings, this delegation of control "honored staff and allowed them to have greater ownership, as opposed to just being employees." Furthermore, such discretionary grantmaking authority was comparable to that of program officers at some larger foundations and offered program directors an incentive to stay at the Nathan Cummings Foundation.

"It was a challenge in a small organization such as ours for the board to find ways of encouraging the staff to continue to develop themselves professionally," said Rob Mayer. The discretionary grants complemented the other tools the Cummings Foundation used to enrich the work of its staff. The board encouraged their leadership of professional affinity groups and their work on the boards of organizations the foundation had created. "In return, the additional work the program directors did in their grantmaker affinity groups," said Charlie Halpern, "was a way of promoting the values the foundation stood for by methods other than just giving money away. They used their meetings to project the foundation's points of view in its various program areas. All things considered," he concluded, "the time was well spent."

Family values and culture

Organizational culture reflected the foundation's family origins as well as the values articulated in its mission. Expanding upon the foundation's religious heritage opened up possibilities for innovative projects with definite spiritual dimensions, outside the parameters of the Jewish Life program--projects which might otherwise have been bypassed. Examples of these were the recruitment of religious organizations to improve the environment, and the contemplative practice initiative.

In addition to the emphasis on religious, or spiritual values, personal ethics, too, have influenced the foundation's culture. "My grandfather's values of integrity, and excellence in business and charity have been imparted to the foundation," Rick Cummings commented. "And at the same time," he continued, "values of my generation have been incorporated--our idealism and respect for diversity have influenced the work, the staff and the board." Some of the concerns for social justice originated in Buddy's social welfare work and in her admiration for the achievements of Eleanor Roosevelt; her later involvement in civil rights was an experience shared with her nephew Rick. A lighter aspect of family influence on the foundation's culture was evident in the ongoing life of the organization. "We do business very socially," stated Ruth Sorensen. "It's the family culture that has seeped into the way we've set up our office." A central common area in the office was specifically designed to serve as a gathering place for conversation and meals; and no major meeting was scheduled without including time for convivial talk.

Contemporary mores concerning the role of women have had an impact, through the family, on organizational culture. While women in family foundations have traditionally served on their boards--in proportions much greater than for corporate or other independent foundations--the complete egalitarianism found on the Cummings Foundation board is distinctive. Women of the family have chaired the foundation's board and occupied virtually all leadership roles. The transformation from the patriarchal style of Nathan Cummings could not be more dramatic. That he would have been pleased with this outcome, Ruth Sorensen has no doubts: "Grandpa did not discriminate between the girls and the boys among his grandchildren. He believed in excellence and in equality of opportunity. He would not have wanted any talent to be lost to the foundation. In our family, there has never been any question about gender equality among the ranks of the third generation working with the foundation." Staff demographics also reflect the mass movement of American women into the workplace as professionals, and their increasing numbers as senior foundation personnel.

Finally, inherent in family culture is the idea that to be good grantmakers, family members must remain vitally interested in the programs, even passionate in their commitment to the foundation. Sustaining enthusiasm for the work--whether on the board or in community grants--would best be supported by feeling that the intellectual adventure continues, that the mandate holds infinite possibilities. At the first hint of routine, or complacency, grant-making could become burdensome. The only way to avoid that, says Ruth Sorensen, is to "stay sharp and not be too content."

She continues:

"You don't want to change everything in the first few years. We thought, 'Wait until we reach middle age when we can settle in and just have the ship moving.' But the opposite is that you don't want to get too comfortable, and you don't want to talk to the same people who are going to say, 'Yes, you are doing great.' You need to talk to other people, to have multiple viewpoints, and to do whatever else is necessary to stay sharp. If we want to be bold and creative, we should always be poised on the edge."

Fortunately, many of the practices already part of the ongoing life of the foundation--such as the retreats, the ongoing evaluation, and the site visits--also serve as channels for new ideas and as forums where the family finds inspiration to continue its growth and "remain on the edge."

Communications

Public image

During its formative years, the foundation did not seek public attention for its work. Its appearance in the media was normally limited to the "trade press," that is, such specialized publications as the Chronicle of Philanthropy and Foundation News, in which its grants were announced, or where it was cited in articles about family foundations. True, community grants usually received mention in local newspapers where grantees were located; but with the exception of a few articles by the president, the foundation tended to take a low-key, almost old-fashioned view towards public disclosure. It did not have a press officer as did some of the major foundations. "If anything, this family tends to err not on the side of self-satisfaction," observed Reynold Levy, "but rather on the side of 'what's the next challenge and how do we meet it?'" For the family, the rewards came from doing good work, not from public recognition.

In recent years, however, the foundation has begun to attract more public notice. With its cutting-edge philosophy and progressive values, the foundation inevitably funded some programs which were controversial. Among them were programs which mounted a defense against the practice of art censorship. Harsh debate surrounded "Old Glory: the American Flag in Contemporary Art," an exhibition at the Phoenix Art Museum in 1996 which documented the uses of the flag to make political--as well asesthetic--statements. Most criticism of the Cummings' programs originated from within an environment that fostered negative attacks on progressive foundations in general.

In light of these developments, the Nathan Cummings Foundation moved to define a more coherent communications strategy. Rather than courting publicity for its work per se--it had always helped grantees to disseminate information about the results of their projects--the foundation sought allies for the issues it propounded and the values it believed in. It worked with the Council on Foundations and with the Independent Sector to improve the image of foundations. The ultimate goal of the Cummings communications outreach was to make its grantmaking more effective, while at the same time, strengthening the role of the non-profit sector overall.

To this end, the foundation changed its presentation to the outside world. It crafted a pro-active communications stance to be carried out by Charlie Halpern. Having built an effective staff organization, and having hired able deputies to administer the foundation on a daily basis, he and the board reconfigured the president's role as a spokesperson. Charlie Halpern and the trustees decided that he should devote more time--through speeches and publishing--to the task of giving the foundation's mission a human voice and a public face. Furthermore, he sought to clarify the important role foundations have always played in our democracy. He also strove to emphasize the positive impact foundations have had in this century--by virtue of their progressive values and their willingness to experiment. He hoped to persuade others to follow a similar path.

Internal and external communication

Staff and board began to evaluate their channels of internal and external communication. By now, the foundation was large enough and its trustees sufficiently far-flung so that a regular, formal means of communication was desirable. A quarterly newsletter, Cummings & Goings, kept family members informed about foundation work and activities. Advanced computer technology allowed family and staff to communicate swiftly via e-mail. The installation of a Web site invigorated external communication: suddenly, people all over the world had immediate access to detailed information about the foundation's grant programs and grantees.

The Internet supplemented that more traditional medium for reporting on the foundation's work--the annual report. The report's essays permitted staff to comment on the grant programs within the context of foundation objectives and of social conditions in the United States. Singular illustrations and attractive graphic design enticed readers and expanded the reach of the report, which was sent out nationally and internationally. Over the course of six years, the report had become not only a more sophisticated reflection of the foundation's philosophy and grantmaking, but also the most comprehensive means of communicating its values and achievements. For an extraordinary melding of content and design, the 1995 report received an award.

Changing role of the family

As the foundation matured, it was clear that relationships among family members on the board were fraught with as many quirks and permutations, positive and negative, as in "real life"--with one huge difference: this family was engaged in the ongoing job of dispensing millions of dollars each year. "One of the challenges of a family foundation," asserted Ruth Durchslag, "is that it involves family relationships, and family relationships are, by nature, intense and complicated."

Working together with their parents on the board had enriched those fortunate enough to have done so. For James Cummings, working with his father Herb "was really the first time that we had ever been in some kind of a collegial arrangement. Instead of being just father and son, we were now also two men dealing with issues of importance to us both." With his mother Diane Cummings on the board, Michael Zuieback found disagreements about issues "no different than when you sat around the dinner table and voiced opposing viewpoints." His wife Sheila regarded Diane as a mentor in helping her assimilate well onto the board. Buddy Mayer felt blessed to have worked so closely with her son Rob, an experience which she described as "a repetition of the privilege she had in learning about charitable giving with her father many years before." To some younger members of the third generation, it seemed to take a while, as Karyn Cummings expressed it, for the second generation "to see their adult children as true adults, or to see young professionals, new to the board and family, as equal to the tasks of governance." This became less of an issue as the third generation came to prominence.

The branch relations on the board had changed, too. After working together for some years, the family no longer felt the need to mandate branch equality, and so this stipulation was removed from the by-laws. It remained only in the equal division of community grant funds. No longer did it seem necessary to define board roles in such terms; for, with few exceptions, board voting patterns had not been defined along family lines. The chair had rotated from branch to branch, from generation to generation, from Herb and Buddy to Ruth Sorensen, Rob Mayer, and James Cummings. After completing these rounds, there was no family member available who had both the time and the experience to take on the office of chair. The family decided that the position would go to one of the respected outside trustees who had been on the board since 1991, Reynold Levy. He had been on the board long enough, they thought, "to feel like family." The family interest would be safeguarded, predicted James at the beginning of this experiment, "by the knowledge that the family was being served well and that nothing was being taken away." Nonetheless, electing a non-family trustee to the board chair brought home the important lesson that maintaining long-term family participation was critical; if there were only a limited number of family members to call upon, it would be difficult to keep up the foundation's record of family commitment and input.

By the mid-1990s, there were more opportunities for people to stay involved with foundation governance without taking on the responsibility of a trustee: interested parties could attend PAC meetings or retreats, become associates, or serve as adjuncts who represented the foundation in special capacities. A more consciously welcoming atmosphere permeated the board, inspired by the success of the foundation itself, as well as by the wisdom that came with maturity. Ruth Durchslag reminded the family "to keep in sight that the goal was involvement; that there should be various means to accomplish that goal; and that the point is to have people be there in whatever capacity they want." Rick Cummings, who had been involved since the beginning, traced some of those changes as the family and foundation had grown: "There were lower hurdles to be jumped over. One didn't have to try so hard to receive the appropriate levels of respect and acceptance. A young person could sit at the board table as a full-fledged member without trepidation." For Karyn Cummings, it was simpler: "I felt much more valued, and my opinion was listened to." Regard for the perspectives of other family members characterized the dynamic of board conversation, as Reynold Levy noted: "People are more patient with one another. They listen more carefully, not simply so they can anticipate the end of someone else's contribution, the better to begin their own. Now they really try to listen to what is being said and to engage with it." An atmosphere of openness didn't in the least eliminate disagreement; but the expression of difference had a more constructive tone, as Levy reported: "Family members might say, 'That's not the way we would do it, but we'll yield to your view.' Or, 'Let's try that and develop some criteria to measure whether it's been successful in a year.'" That was the kind of conversation heard around the board table as trustees and associates refined their skills and grew into their roles.

Nevertheless, there was more that could be done to prepare new people for the board. A structured introduction to the business of the board by the foundation and training courses on foundation work offered by relevant organizations such as The Council on Foundations or The Philanthropic Collaborative were suggested as ways to help assimilate family members into the culture of the foundation world.

"Training programs in philanthropy would provide the groundwork," Adam predicted, "for acquiring skills in assessing the work of organizations or grants." Or, as Michael Cummings phrased it succinctly, "Empower people to grow. Do what you're doing for the rest of the world, but first just do a little of it internally. Take care of home."

The family also needed to think about how the larger issues of career, life-cycle and burnout affected board service. Family members who needed to concentrate on their careers or family life at certain times dropped out of a formal commitment to board or committee service. Then they came back on when they had more time to give. Certainly the community grants program had proven invaluable as an important way of engaging family members on a continuing basis with the foundation, whether they were serving on the board or in other capacities. The family members who had been involved the longest "found it difficult to maintain the same intensity," observed Ruth Sorensen. "We needed new blood and new energy and new ideas." A sabbatical year for long-serving family trustees provided the opportunity for reflection and renewal.

The board had been expanded to fifteen so that there would be a place for several more outside trustees--people who could provide depth for the core subjects and PACs and foundation expertise--while the family preserved its majority position. A larger board meant less work per person, as more people were available to serve on committees. Board service was more reasonable in its time demands than it had been during the early years of institution-building. A more limited time commitment made it possible for more members of the family to serve. At the same time, the associate system prepared people gradually to assume full membership on the board. Even with all of these changes, being a trustee still carried with it grave responsibility: "You have tremendous power. You make big decisions," Marc Cummings explained. "When I voted and made these decisions, I was always conscious of that." Fundamental to Reynold Levy was recognizing "that different kinds of contributions can be made by different kinds of trustees. Together, that makes for a challenging and exciting board."

Part Four:
The Foundation Comes into its Own *(continuation)*

Planning for the next generation

Succession planning

In foundation life, there is another dimension--with a much longer timeline--to sustaining family involvement. Will the Nathan Cummings Foundation remain a family foundation and a Jewish foundation over several generations? How can the family reach out to prepare and engage the fourth generation, the great-grandchildren of Nathan Cummings? In the mid-1990s, they ranged in age from 9 to 28. Most had never known Nathan; they lacked, as Ruth Durchslag put it, "that powerful impetus of connection with the founder." Unlike their aunts and uncles, they had not grown up together, with the kind of long-standing bonds that had served the third-generation cousins so well in working together. Could the third generation pass along that sense of being rooted in the family tradition, asked Ruth Sorensen, "of being anchored to something that has meaning and purpose and continuity?"

The families of the fourth generation had done some groundwork in passing along the basic concepts of charity and communal giving. They were going to follow a Jewish precept, embodied in the daily prayers of their forefathers, "You shall teach them to your children." The foundation started a program for the youngest of the Cummings offspring that included visits to the foundation office. There, the next generation could get a more tangible sense of Nathan Cummings, and of the "living, breathing business" that has flourished from his legacy. In future years, the retreats will offer an experience of foundation life to the fourth generation. Going with their parents on site visits in their community will foster the fourth generation's understanding of the community grants program, as will carefully tutored participation that expands as the children grow older. Marc Cummings predicts that community grants will be "the critical arena for channeling the interests of the fourth generation and securing their involvement with the foundation." Ruth Durchslag assesses the work with the fourth generation as "the foundation's most important task" and counsels that, "It's got to be fun, because if it's too serious and the issues are too difficult, they won't do it." The family has faith that with such mentored training and exposure, the fourth generation will continue to choose to express their understanding of tzedaka through the foundation; that they, too, will step forward and carry on "a joyous legacy."

Older family members want to pass on to the fourth generation a sense of the intangible compensation they have received. Second-and third-generation family believe that the rewards of working with the foundation more than offset all the time and effort they put in. They all share the same feeling: "To be recognized as an integral part of this foundation and to serve as a board member--these opportunities provide great satisfaction." Representative comments by family members define their experience with the foundation. The learning experience has been "an incredible gift," one that has enriched family members individually and collectively; "truly a complete circle encompassing family, community, and personal growth." Without previous training, the family set out with high ideals and succeeded in ways that they could never have envisioned. "It's amazing to look back now and see it--to take great pride in the organizations that Cummings created, of being the first to do so many different things." They were able to "do remarkable work in the world," to make a "difference in some of the important social challenges that we all face." With community grants, they all had the opportunity to do good in areas they "passionately believed in," while at the same time contributing to society as a whole. The family could be proud of the organizations the foundation had helped create, of being the pioneers in many important areas; and of standing for a different, more open set of values than some other long-established foundations; of having dared "to assist the people that no one else has looked at, the people who have great ideas for the betterment of the world."

Looking to the future

The survival and success of the Nathan Cummings Foundation demonstrate more eloquently than words that Nathan Cummings' descendants have found an exceptional way to come together.

After a decade, the family is remarkably in accord in its vision for the future. They want the legacy of Nathan Cummings--"the aggressive, creative, willing-to-take-reasonable-risks approach"--to continue to energize its activities. They want to retain flexibility, "one of our best hidden assets." They want to remain open to issues and concerns that may inspire a new generation to action. They want to say "Come in. Participate. Make it yours." At the same time, they want family members to maintain the same standards of commitment--of time and creativity--that have brought the foundation to its current eminence and that will perpetuate it as a family foundation. In partnership with a strong, professional staff, they want to retain the "camaraderie and mutual respect" they have for each other. They will continue to ask: "What is it we want to do? How do we want to do it?" They will remain open to improvement and change so that they can get into "arenas that we can't even imagine right now." They want the foundation to use its strength to gain visibility "for points of view that we think ought to be heard, for standing up and saying, 'We believe in something.'" Nathan Cummings' wish has come true. The foundation he inspired serves as a vehicle for the entire family to come together, even while it continues to evolve in directions that differ from his style of philanthropy. After a decade of making a difference, the Cummings family perseveres in its work of honoring the past and looking to the future.

Acknowledgments

In writing this essay I drew heavily on the series of oral history interviews I conducted in 1996 with members of the extended Cummings family, staff and trustees. The Cummings Foundation commissioned the interviews as part of the 100th anniversary celebration of Nathan Cummings' birth; a foundation archives will be created to preserve the history of its activities for future generations. The intent of these projects documenting the foundation's evolution from 1985 to 1996 is to better understand its own work and to glean lessons that might be of use to families contemplating, or beginning, their own foundations.

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--Deborah S. Gardner

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