On the Phone with the Self Family Foundation
September 2010 Family Giving News

Editor’s note: This is the third installment in our new “On the Phone With... “ feature. Each month, we share a short audio conversation with leaders in family philanthropy from around the country. This month, we talk with the chair and president of the Self Family Foundation, based in Greenwood, South Carolina about their ongoing investments in the transformation of the region’s economy, and of the foundation itself. A streaming audio of this interview, as well as previous interviews in the series, are available here.

Family Giving News: Welcome to the September edition of “On the Phone With...,” our monthly series of interviews with leading family philanthropists from around the country.

Since 1942, the Self Family Foundation has distributed over $60 million in grants to improve the quality of life for the citizens of the city of Greenwood and the state of South Carolina. On August 6th, the Foundation announced a $2 million challenge grant to Clemson University to enhance the Greenwood Genetics Center and to fund an endowed chair in human genetics at the University. This month, we talk with Virginia Self, Chairman and Trustee of the Foundation and Frank Wideman, President of the Foundation, about their goals for this grant, and about how the foundation’s board has been able to sustain and renew its commitment to the citizens of Greenwood and South Carolina over several generations.
Family Giving News: Let’s start with Virginia by hearing a little about the history of the foundation. The Self Family Foundation was founded almost 70 years ago, and the grandchildren of founder James C. Self now make up much of the board, including yourself. How have the grantmaking strategies of the foundation changed over time and what new ideas and perspectives has the new generation of leadership brought on how best to serve the citizens of South Carolina?

Virginia Self: My grandfather founded the foundation in 1942 to build a hospital here in Greenwood. And in 1951 at Lander College - now Lander University - in Greenwood, he also funded a nursing school so that we could have a reliable source for nurses at the hospital. And when he died in 1955 we were still supporting the hospital, but we also were looking more to include higher education and youth and elderly activities.

The biggest difference when my brother and sister and I came on board was that we seemed to change to a more proactive approach in the community. This has been a real learning curve for us. When you go out to be proactive, you need to ensure the strength and the support of the organizations you’re looking at. And this needs to be well thought out and planned so that they can become self-sufficient. One of the things we don’t like to do here is have ongoing commitments over 2 or 3 years. So, Frank and Mamie Nicholson, our program director, have really run well with this ball and going out and meeting people and making sure that the strength and the support of the organizations are there before we doing any major commitments. Frank?

Frank Wideman: In 1996, Virginia became the chairman and really Jim Self stepped back and gave control of the foundation to Virginia, her two brothers and her sister and that’s when they decided to become more proactive. And instead of focusing on capital projects which had been their grandfather’s and their father’s style, again they became more proactive and more programmatic in their style of grantmaking. We expanded our guidelines to include K-12 education, community wellness and increasing access to the arts and cultural activities in the community. One of the real accomplishments of the 3rd generation, Virginia’s generation, is we’re very proud of helping to establish public school Montessori education in South Carolina and funding a Montessori curriculum at Lander University, our local public university. And now their master’s of teaching program in
Montessori education is nationally certified and its one of the only public universities in the country that offers that type of curriculum and of course, that’s to supply teachers for the public school Montessori programs across the state.

Family Giving News: And this reflects some of the interests of the trustees. So you’ve really evolved in both the strategic approach to grants that you make, as well as the issues that you are funding. That’s really interesting.

Frank Wideman: We’ve always tried to be strategic about where we place our investments.

Family Giving News: Well let’s talk about one of the big strategies you’re using right now, one of the big investments you have today, which is the big recent news of the foundation, the $2 million gift to Clemson. And how does that rank in importance among the wide variety of philanthropic investments you’ve made in the past, and what are your plans for this gift for the future?

Frank Wideman: Well, it’s certainly not the largest single investment that we’ve made over the years. But potentially it could have the largest impact on Greenwood - even more than the building of Self Memorial Hospital, which is now Self Regional Hospital, which has grown into a 400-bed tertiary care hospital that serves a seven county area of South Carolina, and is really one of the leading nonprofit hospitals in the state. Over the years we’ve had a very close relationship with Clemson. Many members of the Self family are graduates, and Virginia’s father was a life trustee. And, the Greenwood Genetics Center, which this $2 million pledge to Clemson will help support, has also had a very close tie with Clemson in that they provide the faculty for Clemson’s graduate programs in human genetics.

Family Giving News: Now, you chose to make this grant a challenge grant, and your specific challenge was that the state, rather than other private sources, comes up with the match funds in
order for the university to receive the gift. Can you talk a little about your thought process behind this requirement, as well as about some of the other match opportunities that are out there for you?

Frank Wideman: Over the years we’ve had discussions with Clemson to build a graduate research facility on the 150-acre campus of the Greenwood Genetics Center. In addition, there’s the Self Research Institute on the campus that also contains the South Carolina Treatment Center for Genetic Disorders, and the South Carolina Biotech Incubator, so we’ve really tried to build some synergy around research and treatment of genetic disabilities, and we’re really proud of our Genetic Center and the Research Institute. There have been 100 genes identified that cause mental disability, and of the 100, the Greenwood Genetics Center has played a role in identifying 30. So we feel that we’ve built the intellectual capital to really leverage a biogenetics industry in South Carolina.

And what was really attractive to us is that South Carolina, as part of their economic development effort, has established what they call Centers of Economic Excellence. Really, this is an effort to provide the three research universities funding to create endowed chairs, and the State has established a matching fund to encourage private investment to create these endowed chairs, and the hope is to build world class research facilities around a particular industry to attract private investors to South Carolina. So, our purpose in making this pledge to Clemson was to help secure a $2 million match to establish a $4 million endowed chair through this program on the Genetics Center campus. Concurrently, Clemson is building the graduate research center on the Greenwood Genetics Center campus. So, what this is leading to is Clemson actually having part of their campus on the Genetics Center campus, with this graduate research facility that will also have an endowed chair which will attract someone of national prominence to fill that endowed chair, which of course creates all sorts of other

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opportunity around moving the Genetics Center campus forward to be a magnet for private
investment and to become the center for a biogenetics industry in South Carolina.

Really we think this is going to be transformative to our community. Greenwood traditionally is an
old textile town. The major business for 100 years was Greenwood Mills, which is the Self
enterprise. We’ve diversified our economy to offset the
decline of the textile industry, but we really think that
the opportunity is to build a knowledge-based economy
for Greenwood, and bring higher paying jobs for the
community. Already the Genetics center is an economic
engine for Greenwood in that it employs about 160
people. And 30 of those are PhDs and MDs in genetics.
We think that we really have an opportunity here.

Now what we’ve done is we’ve made this pledge to
Clemson conditional on the state match. So really we’re
making a challenge to the state of South Carolina to
match our investment. And that helps strengthen
Clemson’s request for the funding for the endowed chair.
And this money is being funded through the State Lottery. Now there’s a $5 million cap on these
matching funds from the state, and what we hope is that Clemson is going to add to our $2 million
investment and potentially we could get a $10 million endowed chair, if Clemson can come up with
a $5 million match - $3 million in addition to our investment.

Family Giving News: It’s a really, really creative way to leverage your grantmaking. And you’ve
also been, Virginia, very creative, I know, in your governance structure. You now have 10 fourth
generation family members serving on a Next Generation Board, which meets twice a year to
review proposals in its focus area of youth development in Greenwood County. Can you talk just a
little bit about what your goals are for this Next Gen Board, and whether you think it is important
for the long-term health and vitality of the foundation?

Virginia Self: Of course we think the Next Generation is the future of the foundation. Not only
that, we view the foundation as more or less a touchstone for the family. That is really important
to us, too. This 4th generation is spread out over about a 25 year age span. We’re hoping through this next generation to educate and engage our children in the work of the foundation. And this also gives them a history of working together which I think is extremely important. What we’ve done is we allocate 5% of our annual payout to go to the Next Generation. They have developed their own funding guidelines - so my idea is if it can pass muster with the lawyer, then we let them do what they think is important. They have never ceased to surprise me on how creative and how thoughtful they are in their decisions.

Governance-wise, they have a rotating chair every year, and this chairperson is a voting member of our senior board. In addition, this gives the members exposure to the leadership role and the inner workings of the foundation. I won’t call them kids - but this group is just amazing, and it’s important that they have learned to think strategically and to say ‘no’ - which is a good thing to learn at that age group. As we became more proactive with our generation, we can lead them to the head of a trail, and with their history of working together and their own strategy, they will take us in the direction they want to go.

*Family Giving News:* Yeah, that’s a great metaphor. Frank, anything else you want to add?

*Frank Wideman:* I’m really looking forward to seeing how this all plays out with reference to Clemson and the state meeting our match and how this is going to transform the future of Greenwood. Here we have a small, rural southern town that has a world class research institute partnering with a world class research university, and I just think there are enormous possibilities for the future of our community as a result of these partnerships.

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*Family Giving News:* That’s really terrific. You guys are great leaders both for your state, as well as for the field of family philanthropy. You’ve been long-time members of the Southeastern Council on Foundations and the Council on Foundations, and a close friend of the National Center for Family Philanthropy, as well, and we thank you for that and for all that you do.
Frank Wideman: Well we depend on the National Center for Family Philanthropy. You all are absolutely the best on the unique issues that surround family philanthropy, and we appreciate all you do, Jason.

Virginia Self: I know I’ve been through all your programs, and a bunch of the Next Generation has been through programs and it’s really helped us clarify our vision and where we want to go.

Family Giving News: Terrific! Well we hope that this month’s “On the Phone With...” has given you some ideas for what you can do with your own foundations, and I want to thank again Frank Wideman and Virginia Self. We will talk to you next month!