

**PHILANTHROPISTS,
PHILANTHROIDS, and
PHILANTHROPESTS: HOW WE
CAN WORK TOGETHER FOR A
BETTER FUTURE**

December 11, 2003
Humphrey Institute
301- 19th Ave. South
Mpls. Minnesota

Come to an exciting afternoon. Joe Selvaggio will give a 40-minute speech (not your usual lecture, I promise), followed by questions and reactions.

Then there will be breakout groups including participants from large institutional foundations, community, family, and corporate foundations, wealth managers, the public sector, and the non-profits who carry out the public interest work.

The afternoon will conclude with a bit of entertainment and socializing.

This event is the culmination of the first year **Louis W. Hill Jr. Fellowship** award.

The Hill family donated \$1 million over 5 years through its Northwest Area and Grotto Foundations. Consequently some call it (the lecture and the white paper) the \$200,000 lecture/paper. And you'll get them both "for free."

If you'd like to attend the whole afternoon, or at least the lunch and lecture, call Camille Gage at 612-625-5309.

Or, e-mail your rsvp to me at joeshmo@qwest.net, and I'll forward it to Camille.

Joe Selvaggio
One Percent Club Executive Director
2003 Louis W. Hill, Jr. Fellow

Bill Gates, Sr. (continued)

Mr. Gates said the "Aristocracy Tax" affecting less than the top 2% of the wealthiest American families should be *reformed*, not eliminated for the following three reasons.

- It should be part of needed revenues to fund the government no matter how small you'd like the government to be.
- It helps non-profits because a big motive to give a large amount of money to nonprofits or foundations is the tax consequences. The donor can still *control* the use of the money even though the donor does not own the money.
- Repealing the tax would create a permanent wealth aristocracy—something this country has always abhorred.



The One Percent Club
2516 Chicago Avenue South
Minneapolis, MN 55404
Tel. (612) 813-3240
Fax (612) 874-6444
www.theonepercentclub.org

Giving
111111%
of Net Worth
Back to the Community

The One Percent Club News
Edition #53 November 2003

111111%

The mission of the One Percent Club is to increase charitable contributions in our community by engaging people to commit to a minimum standard of giving: the greater of 1% of net worth or 5% of income annually.

**BILL GATES, SR.
TALKS ABOUT
"ARISTOCRACY TAX"**



William Gates, Sr. (right), father of Microsoft chairman, Bill Gates, was in town on October 23, 2003 to speak about the "Aristocracy Tax" sometimes called the Estate Tax. Joe Selvaggio (left), Executive Director of the One Percent Club introduced him to a large number of supporters on the 50th floor of the IDS at a breakfast sponsored by the *Minnesota Council on Nonprofits*. (cont'd on the left.)

The Burdicks' Philanthropy Rises From Solid Footings

By. Henry G. Owen

Lou and Allan Burdick have constructed their philosophy and pattern of philanthropy on a firm foundation of targeted giving—the Burdick-Craddick Charitable Foundation, to be precise.

The foundation “basically provides annual support to community and social service organizations ... helping people in poverty to gain economic self-sufficiency and supporting a small number of arts organizations that reach out to those in need,” according to Lou Burdick, now engaged in community service after a long career in public relations. It concentrates on non-profits serving Minneapolis and its suburbs.

The foundation was created in the early 1970s with \$25,000 as an outreach program of the Burdick Grain Company. When ConAgra Foods, Inc., of Omaha acquired Burdick Grain in the late 1970s, the Burdicks decided to continue the foundation as a vehicle for family philanthropy.

At its highest, the foundation had assets of \$800,000 but, “with vagaries in the stock market, it’s now about \$650,000,” Allan Burdick said. Foundation giving is supported by annual contributions from Lou, Allan and Allan’s mother, Helen (Burdick) Craddick. These yearly contributions have ranged from \$50,000 to \$90,000. Family donations “come out of current income, and we distribute 100 percent,” Allan Burdick said. “Take a dollar in, and a dollar goes out. Although the foundation is small by today’s standards, we hope to continue building both principal and annual gifts.”

In 2002, the foundation made 79 grants totaling \$86,450, with social services organizations receiving 70 percent. The remainder was dispersed to groups active in arts, education, health and quality-of-life issues. Most grants were \$750 to \$1,500, going to an eclectic range of social services beneficiaries, including Bridge for Runaway Youth, Cabrini House, Hammer Residences, and Hmong American Mutual Assistance. Also: the Human Services Ex-Offenders Program at St. Stephen’s Church, where the Burdicks worship, the Minnesota AIDS Project and the James P. Shannon Leadership Fund.

The Burdicks also supported the *MN Sinfonia*, one of few professional orchestras that always performs free of charge. Its concerts range from light-classics at the Lake Harriet bandstand to in-school performances tuned to mathematics, science and other classroom subjects. For example, MN Sinfonia’s current program “Music Tells the Story,” offers Tchaikowsky’s “Romeo & Juliet Fantasie Overture” to accompany study of Shakespeare’s play.

Allan Burdick said that all but \$3,000 of last year’s grants went “for operating purposes rather than specific programs.” Lou Burdick added that non-profits especially appreciate grants that fund operating costs, “because it seems like nobody wants to help pay for ... the costs that keep the organization running so it can do direct service.”

Theirs is a “kitchen-table foundation,” Lou Burdick said. She and Allan form the board, along with a son, Steve, and Allan’s stepsister and her husband, Susie (Craddick) and Nick Lottm, and administrative help from a friend, Becky Elj. The grant-making process is hands-on, with board members making eight to twelve site visits annually to meet grant recipients or prospective recipients. Applicants are asked to use the Minnesota Council on Foundations Common Grant Application Form, “which makes it easier for them and for us,” Lou Burdick said. The Burdicks also use data from the Minnesota Charities Review Council to scrutinize funding requests.

“Over and above what we give through the foundation, we also have been making contributions to organizations in which we are involved personally with our time,” Lou Burdick said. Rotary, International, is one of these. Both Burdicks belong to the Minneapolis University Rotary Club, which supports Jeremiah House, a residence where welfare mothers live with their children while gaining knowledge and skills to improve job prospects and function as effective parents and citizens. The Burdicks also provide personal support of time and dollars to the Courage Center, NAMI, People Incorporated, The Blake Schools and the United Way.

Of her and Allan’s participation and giving, Lou Burdick said, “Now that we’re at retirement age ... active engagement in philanthropy turns out to be a wonderful way to stay abreast of what’s going on in our community and to meet and learn about some people we would not have come in contact with in our business lives. It’s very enriching!”



Lou and Allan Burdick

“Over and above what we give through the foundation, we also have been making contributions to organizations in which we are involved personally with our time.”