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Nonprofit behind large donations in Greensboro

By Nancy McLaughlin/News & Record nancy.mclaughlin@news-record.com Mar 3, 2015



Elizabeth Phillips, executive director of the Phillips Foundation, a family foundation focused on "once-in-a-generation" projects in her office on Monday, March 2, 2015, in Greensboro, N.C.

LYNN HEY/News & Record

GREENSBORO — When the executive director of a coalition of local groups working on ending homelessness met Elizabeth Carlock Phillips of the Phillips Foundation, he was just looking for a grant to cover a pending \$79,000 bill connected to a data system.

“Halfway through the conversation, Elizabeth turned to me and said, “What would you do with a million-dollar grant?” ” said Darryl Kosciak of Partners Ending Homelessness. “It took me a second because you don’t hear that every day.”

You don’t. But then, the Phillips Foundation is not your everyday charitable organization.

Phillips, the executive director, said the foundation is focused on “once-in-a-generation” projects.

Like, a support system for children who are aging out of foster care.

Or college scholarships for students.

The Phillips Foundation originated from the late Greensboro native Kermit G. Phillips II, who developed residential and commercial property all over the Southeast. The Kermit G. Phillips II Charitable Trust was started in 2005 to provide funding to nonprofit causes chosen by Phillips, who died in 2008.

The trust’s endowment now operates as the Phillips Foundation.

And until recently, the organization has been a mystery to some. But the size and scope of recent donations have raised the foundation’s profile.

“Big and bold,” Phillips likes to say.

The Phillips Foundation’s endowment, valued at about \$60 million, gained the majority of its funding in 2013. And since then, the group’s leaders have been using that money to improve Greensboro. Just last week, the foundation pledged \$5 million to a single project.

The Phillips Foundation board, which is made up of family members, wants to focus on large, high-impact grants rather than a portfolio of smaller grants.

The smallest grant has been \$500,000, which went to Allen Jay Middle School in High Point to expand its preparatory academy.

But the foundation is interested in other areas, too, ranging from economic development to arts and culture.

The impact of the foundation's money in these areas, by all accounts, has been substantial.

Phillips said it needs to be. "It's not our money," she said. "It was stewarded to us, and we are trying to make the maximum impact we can with the amount of dollars we can.

"Guilford County is so ripe to do things that are once-in-a-generation game changers. That's why we go big and bold, just to be a voice to these issues that matter to the next generation."

Phillips, 27, who is married to the patriarch's grandson and has two small children, and took on the position of executive director two years ago when the family moved here. Her husband, Kevin, is president of the board of trustees and runs the family business, the Phillips Management Group.

"It was just ingrained in me at an early age ... I was to give back," said Phillips, a graduate of Southern Methodist University in Texas.

That work is fueled by two Bible verses. One is from Luke, Chapter 12, verse 48: "Don't let anyone look down on you because you are young, but set an example."

Her longtime interest in philanthropy includes her role as “founding designer” with the Akola Project, a nonprofit business that works with marginalized women in Uganda through jewelry making. Phillips trained the first group of Akola Project women in jewelry-making techniques. She keeps a photo of the women in her office because they inspire her.

Phillips also founded Echelon, a nationwide young professionals organization for The Salvation Army.

“The Phillips Foundation represents a new generation of leadership — it’s bold, courageous and exciting,” said Walker Sanders, president of the Community Foundation of Greater Greensboro. “They’ve come into Greensboro and have had an immediate impact.”

While younger than some of the more established local organizations such as the Joseph M. Bryan Foundation, the Phillips Foundation is creating a stir with the size and scope of its grants — “Where big dollars can move the dial for an issue,” Phillips said.

Last week, the foundation put up a \$5 million grant — the largest it has ever made — to Say Yes to Education Guilford County, an effort that would provide college scholarships to potentially thousands of students.

‘Say Yes’ initiative considers Guilford

The foundation was an early supporter of the Steven Tanger Center for the Performing Arts, pledging \$3.5 million. Phillips helped organize Generation GPAC, a grass-roots group of young adults supporting the performing arts center.

Phillips, who meets regularly with the heads of other local foundations, said she “gained a lot of mentors” from the existing groups already doing meaningful work here.

“I’ve learned how important it is not to work in a silo, but to work as a team and a community,” Phillips said.

And it involves a diversity of philanthropy from high-profile projects to causes that are seeing early success but are fighting for financial survival.



\$65 million Tanger performing arts center to open in 2017

The Phillips Foundation gave the lead gift of \$1 million to the Salvation Army's Boys & Girls Club's capital campaign to build a new campus planned for the Warnersville community.

Phillips connected with Partners Ending Homelessness through the Community Foundation. The \$1 million pledged to the group helped kick off the first phase of Guilford County's Housing First initiative, which tries to end chronic homelessness.

Initially, Partners Ending Homelessness didn't have the money to participate. Then the Phillips Foundation stepped in.

In the first six months of working with an initial group of five people, the number of emergency room visits dropped from eight to none. Also, the cost of housing these people dropped from \$30,650 in shelters to \$8,927 in rent for their new homes.

By the end of 2014, the program had grown to include about 30 families and individuals.

"This hasn't been done in this community in this way — ever," Kosciak said.

But the foundation just doesn't throw money at programs. It takes a thoughtful approach to who gets donations — and why.

Earlier this year, the nonprofit awarded \$860,000 to Youth Villages North Carolina to ensure that every child who ages out of the foster care, juvenile justice and mental health systems in Guilford County is connected with specialists who teach them necessary skills, such as how to obtain safe housing and manage finances.

Some of them — especially those in foster care — may not have adult role models in their lives to teach them that.

“When they turn 18, it’s a very big step,” said Andy Stehberger, the state coordinator for Youth Villages. “They want to be independent and on their own, but they don’t have the skills to do that. Our overall goal is to help them become more successful adults.”

Statistics show that one year after completing the nonprofit’s Transitional Living program, more than 80 percent of the youths live independently or are reunited at home with family. They’ve also graduated from high school or are in GED classes or at post-secondary schools.

That got Phillips’ attention. So did the fact that Youth Villages couldn’t help everybody.

Since the foundation’s donation, the program is estimated to save Guilford County taxpayers more than \$4.8 million.

“They were reaching a lot of these kids but not all of them,” Phillips said. “It’s one of those numbers where, with some philanthropic funding, they can close the gap.”

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MAJOR DONATIONS

Since 2013, the Phillips Foundation has given away nearly \$20 million, including a large amount to improve education and helping the homeless.

\$5 million: Say Yes to Education Guilford scholarship endowment

\$3.5 million: Steven Tanger Center for the Performing Arts

\$2 million: Teach for America Piedmont Triad region launch

\$1 million: Partners Ending Homelessness, Housing First initiative

\$1 million: Union Square campus health care collaborative

\$1 million: Salvation Army’s Boys & Girls Club capital campaign for new Warnersville campus

\$860,000: Youth Villages North Carolina transitional services

PHILLIPS FOUNDATION

Founded: 2005

Headquarters: Greensboro

Mission: Improving Greensboro and Guilford County

Endowment: \$60 million

Target areas: Homelessness, economic development, arts and culture, child and family services and education.

WANT TO KNOW MORE?

Visit <http://phillipsfoundationnc.org/>.

Businesses pledge \$3 million to 'Say Yes' initiative

Community Foundation pledges \$1 million to 'Say Yes' initiative in Guilford

Cone Health Foundation pledges \$1 million to 'Say Yes' education initiative

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