

# the artist as philanthropist

## strengthening the next generation of artist-endowed foundations

a study of the emerging artist-endowed  
foundation field in the U.S.

### Artist-Endowed Foundations, Their Charitable Purposes and Public Benefit: Selections from the Study Report

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Selections from the Study Report

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# OVERVIEW

This monograph focuses on artist-endowed foundations, their charitable purposes, and the public benefit that derives from their activities. It depicts this important topic by presenting key selections from the Study Report of the Aspen Institute’s National Study of Artist-Endowed Foundations, *The Artist as Philanthropist: Strengthening the Next Generation of Artist-Endowed Foundations*.

By way of context for these selections, the **Executive Summary** of the Study Report describes the overall Study, its organization and goals, highlights the major findings of the research program, forecasts the field’s growth, and discusses opportunities to strengthen the field for new artist-endowed foundations, including recommendations for future research.

The monograph’s initial selection, **Foundation Taxonomy: Types of Artist-Endowed Foundations by Function**, organizes foundations identified by the Study in a taxonomy based on the functions undertaken in fulfillment of their charitable purposes, notes the resulting public benefit, and briefly discusses operational aspects of foundations conducting these various functions. The second selection, **Other Philanthropic Forms Used by Artists**, provides a context for the private foundation form by commenting on alternative philanthropic forms used by artists to realize goals for posthumous philanthropy based on their creative works. The final selection, **Select Chronology: Philanthropic Firsts and Evolution of the Form**, presents a timeline highlighting particular foundations whose creation evidences the field’s development and the ways in which the artist-endowed foundation form has evolved in charitable purpose and in the nature of its assets.

Lastly, the **Appendices** detail the Study’s Research Partners, list the members of the Study Committee providing guidance to the research and dissemination program, and present the members of the donor consortium supporting the Study.

Each of the three selections presented here can be found in full in the Study Report itself—[www.aspeninstitute.org/psi/a-ef-report](http://www.aspeninstitute.org/psi/a-ef-report)—alongside cited references, including briefing papers, data reports, and a listing of identified artist-endowed foundations, together with snapshot data profiles of those holding assets of \$1 million and above as of 2005 and 2008.



# EXECUTIVE SUMMARY

An artist-endowed foundation is a tax-exempt, private foundation created or endowed by a visual artist, the artist's surviving spouse, or other heirs or beneficiaries to own the artist's assets for use in furthering charitable and educational activities serving a public benefit.

Artists' assets derive from art-related activities, as well as other sources unrelated to art.

Among assets conveyed to artist-endowed foundations are financial and investment assets, art assets (such as art collections, archives, libraries, and copyrights and intellectual property), real property (such as land, residences, studios, exhibition facilities, and nature preserves), and other types of personal property.

## PROJECT OVERVIEW

The mission of the Aspen Institute's National Study of Artist-Endowed Foundations is to help the next generation of artist-endowed foundations make the most of its donors' generosity in service to a charitable purpose. Its aim is to fill a significant information gap facing individuals involved in creating and leading new artist-endowed foundations. The complexity of forming and operating private foundations endowed in great part with artworks is generally recognized, as is the fact that the learning curve can be steep and sometimes costly. With evidence that the number of artist-endowed foundations is increasing and substantial artistic and financial assets are moving into the field, shortening this learning curve—thus helping to ensure that charitable resources will be spent on charitable purposes, as opposed to costly lessons—will have a significant philanthropic impact.

The Aspen Institute's National Study of Artist-Endowed Foundations, initiated in 2007, is the first effort to define and describe the artist-endowed foundation field. Artist-endowed foundations represent less than one-tenth of a percent of the total universe of 71,000 private foundations in the US, but are growing in number and have particular relevance to cultural philanthropy. Little understood in either the private foundation or not-for-profit cultural fields, artist-endowed foundations are worthy of study because of their increasing numbers and also because their distinctive asset mix, and the activities they undertake with respect to their nonfinancial assets, sets them apart from most other foundations. The Study aims to illuminate the origins, development, current status, and future prospects of this population, which is a potential force shaping cultural philanthropy and stewarding this country's significant postwar and contemporary art patrimony.

The Study has six components:

- 1) quantitative research, including a census of artist-endowed foundations and a data profile examining trends in formation and focus and projecting future development;
- 2) bibliographic research to identify literature relevant to and about artist-endowed foundations;
- 3) qualitative research based on interviews with individuals influential in creating and leading artist-endowed foundations to learn about variables that have an impact on foundations;
- 4) focus group convenings with foundation trustees, directors, and managers, as well as foundation donors and professional advisors, to explore practical and policy issues;
- 5) preparation of briefing papers authored by independent scholars to address critical issues identified during research; and
- 6) identification of opportunities to strengthen the emerging field on behalf of the next generation of artist-endowed foundations.

This comprehensive Study report presents research findings organized in three parts. The first provides an overview of the field, its development, and structure, concluding with a consideration of the field's prospects and recommendations on practice and future research. The second discusses considerations in foundation practice, both with respect to forming, sustaining, and terminating foundations, and in planning and conducting charitable programs. The third part encompasses the collected briefing papers authored by independent scholars as references for practice and policy. The Study report and its materials are available online at the Aspen Institute's Program on Philanthropy and Social Innovation ([www.aspeninstitute.org/psi/a-ef-report](http://www.aspeninstitute.org/psi/a-ef-report)).

## **HIGHLIGHTS OF STUDY FINDINGS**

### **Quantitative Profile of the Artist-Endowed Foundation Field**

A group of 261 artist-endowed foundations with Ruling Years from 1938 through 2007<sup>1</sup> was identified for the Study's research purposes; data were available for analysis on 239 foundations. Additional foundations continued to be identified, with identified foundations now totaling 300, including those extant and those active previously and subsequently terminated. The database used for analysis in 2007 and 2008 drew from foundations' annual information returns (Forms 990-PF), with 1990 being the earliest year digital data were available and 2005 the most recent year for which data on the greatest number of foundations were available at the time of analysis.<sup>2</sup>

The number of artist-endowed foundations has grown rapidly in the past 15 years; almost half were created in the decade between 1996 and 2005, corresponding with growth of 43



percent in the foundation universe overall. Most artist-endowed foundations are small, with 73 percent reporting assets less than \$5 million, similar to family foundations with 86 percent reporting assets that scale in the same period. The Andy Warhol Foundation for the Visual Arts, the largest foundation, reported \$230 million in assets for the tax year ending 2005, while the smallest foundations, those just formed or those with living donors and functioning on a pass-through basis, typically held fewer than \$100,000 in assets (for example, Museo Eduardo Carrillo).

In 2005, artist-endowed foundations with data available for analysis reported aggregate assets of \$2.4 billion, fair market value, a more than three-fold increase in the decade since 1995. Art assets, totaling more than \$1 billion, represented 45 percent of all assets. More than half of all assets were classified as charitable-use assets, defined as assets used or held for use in direct charitable activities, these being charitable activities conducted by foundations themselves as opposed to charitable purposes realized by making grants to other organizations.

Between 1990 and 2005, artist-endowed foundations paid out \$954.7 million in charitable purpose disbursements. Of this, \$639 million, or 67 percent, comprised contributions, gifts, and grants, and another \$315 million, or 33 percent, comprised charitable operating and administrative expenses, including expense for direct charitable activities.

### **Update to 2005–2008 Assets and Grantmaking**

To assess the impact of the current economic downturn, a sampling of aggregate assets and aggregate grantmaking compared data for 2005 to those for 2008, the most recent year in which data for the greatest number of foundations are available currently. The number of artist-endowed foundations holding assets of \$1 million or more increased from 113 to 127 in this period, and aggregate assets held by foundations of this scale increased almost 12 percent, from \$2.39 billion to \$2.68 billion. The aggregate value of total grants paid by the 30 foundations reporting the largest total grants paid in 2005 was \$42.7 million, and was \$52.5 million for those 30 reporting the largest total grants paid in 2008, excluding one-time extraordinary grants made in both years.

Twenty foundations with living artist-donors were among the foundations with assets of \$1 million and above in 2005, compared to 17 foundations with living artist-donors in 2008. Three foundations with living artist-donors were among the 30 foundations with the largest total grants paid in 2005, compared to five with living artist-donors in 2008.

### **Significant Trends**

Almost three-quarters of artist-endowed foundations are associated with artists working in fine arts disciplines, including painters, 51 percent, and sculptors, 21 percent. The remaining foundations are associated with artists working as designers or architects; photographers; and illustrators, animators, or cartoonists. As is the case in the higher levels of the

contemporary art world and other realms of professional art and design practice, artists associated with artist-endowed foundations are not diverse. Almost three-quarters of artists associated with foundations are male artists, and only nine percent are artists of color from either gender.

Artist-endowed foundations are concentrated in the Northeast and West, with 45 percent in New York and 11 percent in California, and the fastest rate of increase is in the West. More than one-third of artist-endowed foundations were created during the artists' lifetimes, but the portion created posthumously is increasing, growing from 50 percent of those formed prior to 1986 to 69 percent of those formed from 2001 on. The age of artists creating lifetime foundations has risen from an average of 64 years prior to 1986 to 74 years by 2005.

One-quarter of artist-endowed foundations are operating foundations, compared to 6.7 percent of all private foundations, and foundations with this legal status are increasing in number at a faster rate than nonoperating foundations. Contrary to expectations, operating foundations are active grantmakers, with some sustaining ongoing grant programs and others making grants dynamically, often grants of artworks.

Also contrary to expectations, nonoperating foundations classified a third of all assets as charitable-use assets and reported almost a third of charitable disbursements as made for charitable operating and administrative purposes, a level at the higher end of the range identified for the foundation universe overall. This points to the potential for strong involvement in direct charitable activities in addition to grantmaking, typically assumed to be the sole focus of nonoperating foundations.

Among both operating foundations and nonoperating foundations, grantmaking with artworks is an active practice, pursued programmatically or as an occasional activity. While grantmaking by artist-endowed foundations encompasses activities comparable to those found among private foundations generally, grants with nonfinancial assets (artworks and art-related materials) sets them apart. Also of note are the multiple modes for distributing artworks charitably, including grants and partial grants/partial sales—defined variously as bargain sales or gift-purchases.

Artists and their family members play a strong role in foundation governance. More than one-fourth of artist-endowed foundations reported the artist in a governing role, and one-fourth reported family members in the majority among foundations' governing bodies.

### **Field Taxonomy**

Artist-endowed foundations can be categorized as one of four functional types: grantmaking foundation; direct charitable activity foundation—either a study center and exhibition foundation, house museum foundation, or program foundation (for example, a residency or

education program); comprehensive foundation, which combines multiple functions, often including grantmaking; and estate distribution foundation, defined as one formed to accomplish the posthumous, charitable distribution of assets owned at the artist's death and not bequeathed to other beneficiaries.

Foundations created by artists are dynamic and can evolve in function. Foundations of living artists most often are grantmaking foundations, but upon receipt of full funding, including nonfinancial assets, following an artist's death, they may take on study center or exhibition collection functions or operate programs using an artist's real property. An artist's estate plan can create more than one foundation (for example, a grantmaking foundation and a program foundation operating an artist residency), or alternatively can establish a foundation and a related public charity, such as a house museum. Not all artist-endowed foundations exist in perpetuity. Some estate distribution foundations are created with a term limit, while others exist briefly in pass-through mode. Foundations that function as house museums are likely to convert to public charity status in order to garner broader support than provided by the artist's bequest.

### **Early History of the Field**

The two earliest US artist-endowed foundations identified by the Study are the Rotch Travelling Scholarship (Ruling Year 1942), MA, and the Louis Comfort Tiffany Foundation (Ruling Year 1938), NY, the former with a precursor lifetime entity formed by architect Arthur Rotch and his siblings in 1883 and the latter with a precursor lifetime entity formed by the designer in 1918. Both have a generative mission, the former to advance architectural education through support to young architects for travel and study abroad and the latter initially by operation of a residency program and now by grants to artists and designers.

Foundation formation in the US picked up mid-century, exemplified by the Martin B. Leisser Art Fund (Ruling Year 1942), PA, created posthumously by the painter to assist student artists and support museum art acquisitions; the (Madge) Tennent Art Foundation (Ruling Year 1955), HI, set up during the painter's lifetime to operate a public art collection; and the Sansom Foundation (Ruling Year 1959), FL, established 21 years after the death of artist William Glackens by his family to own the artist's works and make grants supporting the arts and assisting animal welfare. This was the first artist-endowed foundation created to fund its grants through sales of an artist's works.

Among foundations formed by US artists who achieved postwar prominence are the Charles E. Burchfield Foundation (Ruling Year 1967), NY; the Josef and Anni Albers Foundation (Ruling Year 1972), CT; and the Adolph and Esther Gottlieb Foundation (Ruling Year 1976), NY. These represent three typical ways in which artist-endowed foundations are structured: with a function of grantmaking; with a function as study center and

exhibition collection along with ancillary activities, such as artist residencies; and with a function of grantmaking combined with an exhibition program.

### **Artists' Demographics Influencing Foundation Formation**

Artists' demographics point to a variety of considerations influencing decisions to create an artist-endowed foundation. The most prominent factor appears to be survivorship. Among foundations associated with deceased artists, more than 60 percent of those holding assets of \$1 million and above are associated with artists who were not survived by children; 40 percent had no immediate survivors—defined as a spouse, nonmarital life partner, or child—and 22 percent were survived only by a spouse or nonmarital life partner. Examples include foundations associated with Adolph Gottlieb, Hans Hofmann, Lee Krasner, Robert Mapplethorpe, Barnett Newman, Joan Mitchell, and Andy Warhol.

Artists' demographics also relate to motivations in charitable purpose. Among foundations holding \$1 million or more in assets, those associated with deceased artists who had immediate heirs beyond a surviving spouse or nonmarital life partner are more likely to function as study centers, exhibition programs, or house museums. Those associated with artists who had no immediate heirs or were survived only by a spouse or nonmarital life partner are more likely to be grantmaking foundations or include grantmaking among key functions.

### **Public Tax Policy as One Influence in Foundation Formation**

Although estate taxes are not a factor when an artist's estate plan exclusively benefits a charitable organization, they can be a potential influence contributing to foundation formation in other circumstances. The estates of successful artists that achieve market recognition during their lifetimes can have substantial value but be significantly nonliquid. When such an artist's estate plan includes noncharitable bequests subject to estate tax, creation and funding of a private foundation is one means to accomplish the reduction of nonliquid, taxable assets held in the estate. At the same time, however, other aspects of tax policy, particularly the 100 percent federal estate tax marital deduction, might actually serve to delay or even eliminate the need for formation of foundations among those artists with surviving spouses.

### **Charitable Activities of Artist-Endowed Foundations**

#### ***Support to Individual Artists and Scholars***

Grantmaking to individuals, primarily artists but in some cases scholars, is an interest to varying degrees among one-third of the 30 largest artist-endowed foundations identified by the Study. Some of these foundations have a primary interest, as a single focus or one of a few program areas, and these divide between use of open application and eligibility by nomination. Others make awards or present prizes, both by nomination, typically in combination with other functions. A small group operates residency programs for artists

and scholars. Many artist-endowed foundations choose to provide support to artists and scholars through grants to organizations.

### ***Grants and Charitable Sales of Artworks***

Almost one-quarter of foundations with assets of \$1 million or more make grants or charitable sales of artworks. Half do so periodically or at particular points in a foundation's lifecycle. Another half undertake programmatic initiatives, making grants of artworks or making partial grants/partial sales, sometimes referred to as museum sales programs, as an ongoing focus or a time-limited endeavor.

### ***Grants to Organizations***

Two-thirds of artist-endowed foundations with \$1 million or more in assets make grants to organizations, some on a discretionary basis, but the great majority on a sustained basis and as a primary focus. Much grantmaking targets art institutions, including museums, art education organizations, and those supporting artists and their works. Non-art purposes include support to address HIV-AIDS, animal welfare, social justice, mental health, the environment, and in many cases, community betterment generally in locales to which artists and their families have ties.

### ***Direct Charitable Activities***

More than half of artist-endowed foundations with assets of \$1 million or more realize their charitable purposes by conducting direct charitable activities, either exclusively or in combination with grantmaking. Half of these function as exhibition programs or as study centers with archives and study collections made available to scholars, curators, educators, and students for study purposes. Such foundations undertake research, sponsor scholarship, issue publications, assist art conservation, lend artworks to museums, organize and circulate exhibitions, prepare educational materials, and so forth. The other half divides evenly among functions as house museums open to the public; operation of artists' and scholars' residency programs or art education programs; and multiple functions, such as grantmaking in combination with exhibition programs.

## **FINDINGS ON FOUNDATION PRACTICE**

The Study examined foundation practice across a number of topics, including: foundation formation, governance and management, programmatic use of artists' assets, foundation economic models, and overall foundation viability. Ten key findings hold the greatest significance for the next generation of artist-endowed foundations.

### **Relevant expertise in legal advising**

Mistakes costly to artist-endowed foundations often are associated with legal advising that lacks expertise in private foundation law. Effective advising of artist-endowed foundations requires expertise in private foundation law (which is not the same as art law), intellectual property law, trust and estate law, or other areas of law. Individuals

creating and managing artist-endowed foundations are responsible as clients to retain and work with appropriate legal counsel.

### **Fiduciary responsibility for professional development**

As in the greater foundation universe, many individuals who become leaders and board members of artist-endowed foundations do not have experience in foundation management and regulation. They might be expert in related areas, such as art museums or art history, which are governed respectively by the law of public charities and by peer-group professional guidelines, each different than for private foundations. Managers and board members of artist-endowed foundations are responsible for seeking professional development to educate themselves in their new roles.

### **Uncertainty about conflict of interest**

There are varied opinions among legal advisors with respect to how laws regulating conflict of interest apply to artist-endowed foundations. Some new foundations with missions to educate about and promote an artist's works are being formed with boards whose members include persons that own, sell, and license the artist's works, potentially benefiting economically from the foundation's activities and heightening possible conflict of interest risks, particularly in the absence of experienced foundation management.

### **Artists' lifetime foundations**

Artist-endowed foundations active during artists' lifetimes differ significantly from those active posthumously. Artists' lifetime foundations focus on grantmaking or, in some cases, conduct programs such as residencies. They do not own the artist's artworks or intellectual properties or undertake study and exhibition activities focused on the artist's oeuvre, as do posthumous foundations. These types of activities by an artist's lifetime foundation might inadvertently breach laws prohibiting private benefit and self-dealing if they serve to promote the artist's career, thereby benefiting the artist economically.

### **Factors in foundation viability**

Artist-endowed foundations require administrative competencies among individuals in governance and staff roles in four key areas: program expertise—effective implementation of direct charitable activities and grantmaking programs that merit exempt status; curatorial expertise—knowledgeable care and appropriate disposition of art collections, archives, and intellectual property, whether intended for income purposes or charitable use; business management expertise—capable transformation of the diverse resources contributed under an artist's estate plan into a sustainable economic enterprise; and foundation administration expertise—basic knowledge of how to operate for public benefit consistent with private foundation law and regulations. The practice of forming foundations with boards comprising only artists' relatives and associates might not provide the required competencies.

### **Realistic assumptions about art**

Artist-endowed foundations funded only with art will not be viable unless the art has economic value. If art sales did not support the artist during his or her lifetime, art is unlikely to be sufficient as a foundation's sole resource. Art that requires a long-term strategy to develop economic value must be supplemented by financial resources sufficient to sustain the foundation and its programs and care for the art in the meantime. Artworks classified as charitable-use assets, thereby excluded from required annual distribution calculations, must actually be used, or held for use, in direct charitable activities.

### **Uncertainty about commercial activity**

In support of their charitable and educational missions, artist-endowed foundations endowed with art collections and intellectual property periodically sell art, license intellectual property, edition works for sale, and engage the art market in other ways. Educational and charitable purposes and periodic commercial activities often intertwine, with realization of educational value in some instances dependent on economic activities that enable broad dissemination and public access to artists' creative works and principles. There are differences of opinion in some cases as to how such activities with foundations' assets relate to laws limiting business activity and holdings by exempt organizations and private foundations.

### **Public benefit, charitable purpose, and professional practice**

There can be confusion among artists' heirs and beneficiaries about the change from private purpose to public benefit when artists' assets are contributed to private foundations. Decisions about programmatic use and access to archives no longer are a private individual's prerogative, but are institutional, based on fiduciary responsibility for assets subsidized through tax exemption to serve a public benefit. Legacy stewardship is not a charitable purpose and does not suffice as a foundation's mission, which is educational or charitable and benefits individuals unrelated to the artist.

### **Public benefit derived from charitable-use assets**

Foundations increasingly choose to classify art assets as exempt purpose assets, used in direct charitable activities such as study centers and exhibitions programs, and as such, excluded from calculation of the annual charitable distribution requirement. As a greater number of art collections flow into the artist-endowed foundation field in the coming decades, the scale of assets classified as exempt purpose assets will increase substantially. Effective realization of the charitable use of such assets will be important to justify this practice.

### **Transparency and visibility**

Spurred by heightened regulation and public concern, a movement toward greater transparency is advancing in philanthropy. As they grow in number, artist-endowed

foundations have the opportunity to increase their visibility, offering inspiration to future artist-donors, educating policymakers about how they differ from art museums and proprietary artists' estates, and informing the public about their charitable and educational purposes, which are supported through periodic art sales, as well as development and licensing of their intellectual properties.

Finally, formation of artist-endowed foundations most often is related to estate planning. The average age at which artists are creating lifetime foundations, now 74 and rising, indicates estate planning is taking place ever later in artists' lives. In some cases, options for effective estate planning strategies narrow with age. Beginning estate planning earlier in their lives can offer artists a greater range of choices to realize plans for both family members and for posthumous philanthropy.

## **LOOKING AHEAD**

### **Field Growth and Development**

Demographic data on aging artists suggest that the number of those in a position to create a new foundation will grow. Some of these artists will choose to create a foundation, expanding the artist-endowed foundation field even as a small percentage of foundations continues to terminate or convert to public charity status. Surviving spouses currently managing artists' estates will make their own estate plans, in some cases creating new foundations. Despite the current economic downturn, the field's assets are likely to expand. In addition to new foundations, foundations created in the past decade and funded annually by living donors will receive full funding upon their founders' deaths.

The types of artists creating foundations and types of assets contributed will continue to broaden as artists active in a greater range of media reach their seventh decade. The number of women artists and artists of color in a position to create a foundation will increase, but whether that will translate to greater diversity among artists who do create foundations—as well as among foundation boards, staff, and program interests generally—is difficult to predict. However, as a positive sign, among new foundations are several whose programs take up matters of diversity in race and ethnicity, gender, and sexuality.

### **Opportunities to Strengthen the Field for New Artist-Endowed Foundations**

With artist-endowed foundations poised to expand in number and aggregate assets, the Study's findings point to seven objectives whose realization will strengthen the artist-endowed field overall. In so doing, these objectives will help ensure that the next generation of artist-endowed foundations has the greatest potential and best opportunity to fulfill its donors' charitable intentions:



- 1) clear visibility of artist-endowed foundations, their programs, and their commitment to public benefit;
- 2) transparency in foundation governance and administration;
- 3) effective practice in foundation governance and management by trustees, directors, and officers;
- 4) optimal public benefit deriving from artworks classified as charitable-use assets;
- 5) informed choices about economic viability by those creating foundations;
- 6) access to the experiences of established foundations in developing charitable programs; and
- 7) increased information about alternative forms for artists' posthumous philanthropy.

### **Recommendations for Future Research**

A recommended agenda for future research on critical issues identified by the Study focuses on five areas:

- 1) expanding the availability of relevant data about the artist-endowed foundation field;
- 2) stimulating policy analysis of the dual roles played by art and intellectual property assets and associated charitable, educational, and commercial activities;
- 3) encouraging policy scholarship and discussion concerning potential conflict of interest risks associated with artist-endowed foundations' unique characteristics;
- 4) developing professional practice principles, including for institutions and individuals stewarding artists archives, for artists bequeathing their estates to museums and educational institutions, and for artists' lifetime documentation and inventory practice; and
- 5) increasing information exchange and exploration about effective strategies for posthumous philanthropy by artists for whom a private foundation is not a viable option economically.

Finally, the Study's quantitative research should be updated with 2010 data in order to provide the next five-year benchmark for comparative analysis of the field's development over 20 years. Data for tax year 2010 should be available for the greatest number of foundations by 2012.

## DISSEMINATION

The Study report and its materials are available online at [www.aspeninstitute.org/psi/a-ef-report](http://www.aspeninstitute.org/psi/a-ef-report) and also can be purchased in hard copy at the Aspen Institute's online bookstore. Over the coming year, the Study's findings and recommendations will be disseminated through presentations at conferences and meetings of professional organizations in the arts, philanthropy, law, and related fields, and through release of additional publications and materials.

## CONCLUSION

The history and evolution of the artist-endowed foundation field is the story of individual artists, and often their family members and associates, committed to a characteristically unique cultural and philanthropic vision, few of whom assumed that a broader enterprise would emerge from their individual efforts. To their great credit, artists whose creative works and generosity made possible the earlier generation of artist-endowed foundations have contributed defining concepts to what is now an emerging field. Providing assistance to realize talents of artists and creators at all stages of their careers, establishing an enduring cultural resource as reference and as inspiration to specialists and to the general public, helping to better local communities and support efforts that define the humanity of our world for all its beings—these themes found among the earliest artist-endowed foundations are evident among foundations today. There can be little doubt now that there will be artists who have philanthropic visions, charitable intentions, and exceptional resources of some character and scale to commit to their realization. The task at hand is to make available useful information and develop an informed and supportive environment to ensure that the next generation of artist-endowed foundations has the greatest potential and best chance to fulfill its donors' charitable intentions.

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<sup>1</sup> The Ruling Year is the year the Internal Revenue Service approved a foundation's application for recognition of tax exemption, and is used by the Study to define a foundation's year of creation.

<sup>2</sup> Analysis focused comparatively on benchmark years at five-year intervals from 1990 to 2005. Aggregate revenue and disbursements were analyzed across the 15-year period. A current snapshot profiled the field as of 2005.

# I. FOUNDATION TAXONOMY: TYPES OF ARTIST-ENDOWED FOUNDATIONS BY FUNCTION

Artist-endowed foundations fulfill their charitable purposes by making grants to charitable organizations and, in some cases, to individuals, or by conducting direct charitable activities, typically scholarly, cultural, or educational in nature. In some cases, foundations do a combination or all of these things. Private foundations can be organized with nonoperating status, these often being described as grantmaking foundations, or with private operating status, generally described as those that conduct direct charitable activities. Either legal status obligates a foundation to meet specific requirements with respect to how they use their assets to fulfill the charitable purpose for which they've received tax exemption.<sup>1</sup>

Both types of legal status, nonoperating and operating, are pertinent to artist-endowed foundations; however, the Study's findings confirm that each is flexible and can accommodate a variety of functions. For example, some artist-endowed foundations with nonoperating status classify their art assets as charitable-use assets and conduct direct charitable activities with those assets. Likewise, some artist-endowed foundations with operating status conduct grantmaking as an integral aspect of their direct charitable activities. Although the choice of legal status has bearing with respect to a range of planning considerations and operational parameters, discussed in **7.1.2 Considerations in Foundation Planning** of the Study Report, the construct of nonoperating status versus operating status is not a particularly useful lens through which to understand artist-endowed foundations and their activities. More useful is a taxonomy based on the actual functions of foundations undertaken in fulfillment of their charitable purposes.

This chapter presents the taxonomy of artist-endowed foundations developed by the Study based on foundation functions evident among identified foundations. It notes the four functional types of foundations, describes their characteristics, and briefly discusses aspects of their operation. These practical matters are treated in greater detail in **Part B. Considerations in Foundation Practice** of the Study Report, which includes a specific discussion of the ways in which legal status (nonoperating or operating) and classification of assets (charitable use or noncharitable use) combine to provide optimal support for foundations' exempt purposes.

## Foundation Functions

An artist-endowed foundation can be categorized as one of four functional types: *grantmaking foundation*; *direct charitable activity foundation*—either a study center and exhibition foundation, house museum foundation, or program foundation; *comprehensive*

*foundation*, which combines multiple functions, often including grantmaking; and *estate distribution foundation*. Foundation practice in governance, administration, choice of legal status, classification of assets, and program operation will differ among these different types of foundations, as discussed in the related chapters on those topics in **Part B**.

**Considerations in Foundation Practice** of the Study Report.

In considering the four functional types of artist-endowed foundations, it should be remembered that artist-endowed foundations are not static; they often evolve in their function. Likewise, they can be organized in relationship to other foundations or public charities to accommodate distinct or complementary functions necessary to accomplish a donor's purposes. These matters are discussed at the close of this chapter.

A review of 117 foundations reporting assets of \$1 million and above for 2005, including those with living donors as well as deceased donors, found that 44 percent are grantmaking foundations; 42 percent are direct charitable activity foundations (comprising 25 percent as study center and exhibition foundations, seven percent as house museum foundations, and 12 percent as program foundations); nine percent are comprehensive foundations, often including grantmaking; and five percent are estate distribution foundations. The discussion below outlines the four types of foundations and flags a few operational issues associated with each type.

## **Grantmaking Foundations**

A majority of artist-endowed foundations functions as grantmakers or as dedicated funding resources, the most familiar activity associated with foundations in the US. Of foundations with \$1 million or more in assets, forty-four percent are grantmaking foundations. These foundations fulfill their charitable purpose by making grants to tax-exempt organizations or to individuals, such as artists or scholars, in order to enable these recipients to conduct charitable activities. Activities supported by foundations' grants might focus on assisting individual artists, developing particular types of cultural institutions or art disciplines, facilitating art education opportunities, or advancing the arts, design, and culture broadly. Foundations' grants also might address societal concerns, such as those involving social justice, public health, community betterment, animal welfare, environment conservation, and so forth. In some cases, foundation grantmaking addresses several distinct concerns.

## **Operational Aspects**

Many grantmaking foundations are funded with financial assets, which is a fairly straightforward matter. Among the largest artist-endowed foundations, almost one-fourth hold financial assets exclusively, and these are grantmaking foundations. With a few exceptions, most artist-endowed foundations with living donors are funded solely with financial assets. The same is true of dedicated financial resources, such as charitable trusts, that often are stewarded by bank trust departments or trust companies.

Grantmaking foundations also might be funded with a combination that includes artworks and art-related assets in addition to financial assets. In some cases, foundations conduct programs making grants of artworks. In a few cases, these are ongoing programs, although more often they are targeted initiatives. For the most part, however, nonfinancial assets are intended for sale to support the foundation and its program, in which case a grantmaking foundation will be involved in a variety of activities necessary to make its art assets productive, optimizing their economic value in order to properly support the grantmaking function.

This is accomplished variously through scholarship, exhibitions, and publications about the artworks, placement of artworks in leading museum collections by grants or charitable sales, and sale of artworks to prominent private collectors who are likely to contribute the works to museums. Where the assets are not artworks but intellectual properties, exhibition and publication activities might take place to increase recognition of the property's economic value. Once properly valued, these assets are sold or licensed through art dealers or licensing brokers, the disposition timed to enhance and sustain value.

A grantmaking foundation endowed primarily with artworks that have an uncertain market but are held for income purposes (noncharitable-use assets) can be vulnerable to a mismatch between the liquidity of its assets and the timeframe in which a grantmaking mission must be implemented. The timeframe might be defined by a foundation's limited life-term or by the payout requirement based on noncharitable-use assets, if the foundation is of the type that meets that rule. Block sales of art assets to achieve liquidity can be problematic if sales are discounted; such sales might conflict with the obligation to optimize the value of assets in support of a grantmaking mission. With a viable business plan, foundations can secure cash flow financing against future art sales. If consistent with a donor's intent, special initiatives to make grants of artworks to charitable organizations can help meet the payout requirement.

In some cases, grantmaking foundations receive their artist's artworks, archive, home and studio, or other real property, and there is a determination by trustees, directors, and officers that these should be used as educational, cultural, or scholarly resources. If a foundation has not been designed to conduct such activities, it will distribute these assets to appropriate organizations, most likely museums, libraries, archives, and universities, or in some instances a new organization established specifically for this purpose.

Some grantmaking foundations are created to exist in perpetuity and others are formed for limited terms. As to the latter, donors might place a greater value on providing assistance toward a philanthropic goal at a scale that will deliver an impact than on sustaining a foundation permanently, but at a modest level with nominal results. Similarly, a foundation might be set up to utilize financial assets considered a windfall. Under these circumstances, a

foundation will terminate when its assets are expended. On the other hand, many grantmaking foundations do aspire to permanent status and work to build the necessary financial endowment over time.

Grantmaking foundations include Milton and Sally Avery Arts Foundation; the Herb Block Foundation; Charles E. Burchfield Foundation; Graham Foundation for Advanced Studies in the Fine Arts; Renate, Hans and Maria Hofmann Trust; Jerome Foundation; Ezra Jack Keats Foundation; Walter Lantz Foundation; Barnett and Annalee Newman Foundation Trust; the Pollock-Krasner Foundation; George and Helen Segal Foundation; Aaron Siskind Foundation; Louis Comfort Tiffany Foundation; and the Andy Warhol Foundation for the Visual Arts, among others.<sup>2</sup>

## **Direct Charitable Activity Foundations**

### **Study Center and Exhibition Foundations**

More than 25 percent of the largest artist-endowed foundations function as study centers or exhibition programs, typically focused on the works of the artist with which they are associated. Study center and exhibition foundations fulfill their charitable purpose by directly conducting activities that make their art collections, archives, and other art-related assets available as scholarly, cultural, and educational resources. These foundations serve scholars, curators, educators, artists, and students who utilize archives and study collections that are made available by appointment to persons with study purposes. They also serve the general public by lending artworks to museum exhibitions or organizing exhibitions that circulate to museums, universities, civic facilities, botanical gardens, and other types of public venues. This type of foundation also might conduct research and produce new scholarship about the artist's works and creative principles.

### **Operational Aspects**

Study center and exhibition foundations are established with a combination of assets, including financial resources, art collections, archives, and other real property assets, such as the artist's home and studio, which might remain the setting for the foundation's activities. Artworks and art-related assets, such as archives, that have been committed for use in accomplishing the educational, scholarly, and cultural mission (charitable-use assets) are assigned to the foundation's permanent collection for study, lending, and exhibition activities.

Unless blessed with a substantial financial endowment from the start, study center and exhibition foundations will periodically sell artworks or other assets not assigned to a permanent collection in order to generate funds to support operation of the foundation and its programs. If this is the case, the foundation will undertake the types of activities noted above to optimize the value of the artworks or other assets that are to be sold or licensed. Study center and exhibition foundations are likely to be involved in generating other sorts

of program-related revenues as well. These include proceeds from sales of collection-related publications; fees for lending artworks or exhibitions to other charitable organizations for educational use; licensing revenue enabling the artist's works to be reproduced and distributed widely in direct furtherance of the educational mission; or income from sale of the artist's editioned works, again as a means to advance the educational mission by disseminating the artist's works to a broad public audience.

Study center and exhibition foundations that commit their art assets as resources for direct charitable activities, classifying them as charitable-use assets, must actually conduct such activities. This is necessary if they intend these assets to be excluded from calculation of the annual payout requirement or if they plan for the value of the artworks to be attributed to fulfilling a financial requirement that their assets be devoted substantially to the conduct of exempt activities.

Many study center and exhibition foundations are intended to exist in perpetuity. As noted below, however, some estate distribution foundations function as study center and exhibition foundations during the period prior to termination in which their distribution task is accomplished. The Georgia O'Keeffe Foundation is one example of this.

Study center and exhibition foundations include the Richard Avedon Foundation, Calder Foundation, Jay DeFeo Trust, Willem de Kooning Foundation, Lachaise Foundation, Jacob and Gwendolyn Lawrence Foundation, Roy Lichtenstein Foundation, Mandelman-Ribak Foundation, Inge Morath Foundation, Niki Charitable Art Foundation, Frederick and Frances Sommer Foundation, and the Stillman-Lack Foundation, among others.

### **House Museum Foundations**

Seven percent of the largest artist-endowed foundations function as house museums, maintaining and operating facilities that serve public audiences. These foundations are distinct from study center and exhibition foundations, which do not operate facilities providing public access. House museum foundations fulfill their charitable purpose by directly conducting exhibitions and educational activities featuring their artists' artworks and related collections, installed in the artists' former residence, studio, or exhibition facility. In some cases, an artist's home or studio itself is the focus of the educational program as an architecturally significant structure. In addition to the artists' works, featured collections might include artworks created by others that have been assembled by the artist or the artist's heirs or beneficiaries and are relevant as context.

### **Operational Aspects**

In addition to the types of program-related revenues noted above for study center and exhibition foundations, house museum foundations might also generate revenue from admissions, membership programs, and museum shop sales to the public, and in some cases also raise funds from individual donors and other private foundations. As with other types

of artist-endowed foundations, some that function as house museums have been endowed with artworks intended for sale to support the foundation and its programs, or alternatively, their trustees, directors, and officers have the discretion to use art assets as necessary to realize the foundation's charitable purpose.

Most artist-endowed foundations functioning as house museums have not chosen to seek accreditation by professional museum associations. It isn't clear whether that choice pertains to the museum field's limitation on sales of artworks from collections, stipulating that proceeds exclusively support art acquisition and not operating expenses.

House museum foundations often are challenged to balance the scope of their missions with the financial resources provided by their donors' estate plans. They serve public audiences and maintain facilities, frequently with historic significance, that must be upgraded to meet standards for public access. In many cases, the result is a decision to convert to public charity status in order to generate public support beyond resources provided by a bequest. Public charity status affords donors an optimal income tax charitable deduction for their contributions. The success of a transition to public support depends on the stature of the subject artist and the extent to which the artist's oeuvre and lifetime setting are of interest to the public and the donor community. A failure to meet the public support test stipulated for public charities, requiring substantial support from the general public on an ongoing basis, can result in reversion to private foundation status.

House museum foundations include DeGrazia Art and Cultural Foundation, Alden B. and Vada B. Dow Creativity Foundation, Charles and Ray Eames House Preservation Foundation, Frelinghuysen Morris Foundation, Fred Harman Art Museum, Judd Foundation, Kirkland Museum of Fine and Decorative Art, Albin Polasek Foundation, Newington-Cropsey Foundation, Slobodkina Foundation, and Tennent Art Foundation.

### **Program Foundations**

Twelve percent of the largest artist-endowed foundations function as program foundations. These foundations fulfill their charitable purpose by conducting direct charitable activities that address educational, scholarly, cultural, or broader social concerns, often using artworks and real property assets as program resources. Unlike study center and exhibition foundations or house museum foundations, program foundations do not focus on their associated artist; if they do, they encompass the artist's artworks within a much more broadly defined mission. Program foundations might serve public audiences broadly or scholars, curators, artists, students, educators, or other categories of individuals specifically.

Program foundations might administer a residency program for individual artists and scholars, typically utilizing the artist's former home or studio as a setting in which these individuals live and work for a defined period focused on their creative endeavors; operate



an educational program providing instruction for artists, scholars, and students; conduct a research or exhibition program focused on an art form or philosophy of concern to the foundation's artist; administer a community art program (such as an art center or exhibition gallery) for artists, students, and the general public; or steward a unique resource (such as a nature preserve or other type of specialized property) used by the general public or as the location of research activities. A program foundation might undertake special projects, such as assembling and exhibiting an art collection or organizing and administering creation of a new institution or new art project.

### ***Operational Aspects***

With respect to their artworks and art-related assets, program foundations are involved in the same sorts of activities as noted above for other types of foundations, depending on whether these assets are intended by the donor to be sold to produce funds needed to conduct the program and sustain the foundation or to be used directly in accomplishing the program. Program foundations also might engage in the type of program-related revenue-generating activities noted above. In some instances, program foundations will be established assuming a limited term based on completion or conclusion of the defined program. In this case, a program foundation might distribute the special project, collection, or other assets to a public charity after which it terminates or continues on as a grantmaking foundation.

Program foundations conducting residency programs include Camargo Foundation, Morris Graves Foundation, Heliker-La Hotan Foundation, Jentel Foundation, and Constance Saltonstall Foundation for the Arts. The Leslie Powel Foundation, Schweinfurth Memorial Art Center, and Paul and Florence Thomas Memorial Art School Inc., operate community art galleries, art centers, or art education programs. Gloria F. Ross Center for Tapestry Studies and Lucid Art Foundation conduct research and exhibition programs focused on art forms and philosophies of interest to their founding artists. The Eric and Barbara Carle Foundation focused previously on developing a new museum, and Up East Inc. stewards a conservation property as the site of funded research to advance marine livelihoods in Maine.

### **Comprehensive Foundations: Multiple Activities**

A growing number of artist-endowed foundations function in a comprehensive mode, combining aspects discussed in the categories above while emphasizing a particular central role. More than 11 percent of the largest artist-endowed foundations function in this way. A notable area of growth is among foundations with a primary grantmaking function that also develop, or are designed with, exhibition functions featuring their art assets. Similarly, foundations with primary functions as study centers or exhibition programs might develop, or be designed with, related grantmaking functions or might conduct other activities, such as residencies for artists and scholars or educational programs for artists and students. The

combined functions of comprehensive foundations might serve specified categories of individuals, as discussed previously, as well as the general public.

Comprehensive artist-endowed foundations include the Josef and Anni Albers Foundation, a study center and exhibition foundation with a visiting artist residency and discretionary grantmaking; the Dedalus Foundation, a study center and exhibition foundation making grants to artists, scholars, museums, educational institutions, and cultural organizations; the Adolph and Esther Gottlieb Foundation, which makes grants to artists and conducts an exhibition program; Nancy Graves Foundation, a study center and exhibition foundation making awards to artists; and Joan Mitchell Foundation, which makes grants to artists and organizations assisting artists, operates art education classes, and conducts an exhibition program.

## **Estate Distribution Foundations**

Some artist-endowed foundations are formed with a limited brief, functioning as the mechanism for the posthumous, charitable distribution of the artist's estate in whole or in part—including the artworks and art-related assets remaining after all other bequests are fulfilled. Estate distribution foundations fulfill their exempt purpose by distributing their art assets, either contributing them as grants to museums and other charitable organizations that will use the artworks as educational and cultural resources, or in other types of public benefit activities, or by selling the art assets to museums and educational institutions, in some cases as partial grants/partial sales (referred to as bargain sales or gift-purchases). Sales also are made to private collectors, with proceeds supporting costs to administer the foundation and its activities.

### **Operational Aspects**

Artists' archives generally are contributed to an archive, library, or educational institution, although an estate distribution foundation with greater resources might choose to operate as a study center and retain ownership of the archive for a period of time (for example, to complete a scholarly project using these materials). Some cash grants might be made on an opportunity basis when sufficient sales of art permit. However, cash grantmaking is not usually a substantial activity or a mandate that drives efforts of those managing an estate distribution foundation.

Given their defined purpose, estate distribution foundations don't aim to develop a permanent endowment. In fact, this type of foundation is vulnerable to the erroneous assumption on the part of artists or their heirs or beneficiaries that only art assets, not financial assets, need be provided for the foundation to be viable. The assumption, which can be problematic for works with an unproven market, is that periodic art sales will support the care and charitable use of the artworks. Absent financial assets, research and education activities necessary to facilitate charitable distribution are unlikely or very difficult, undermining the foundation's charitable purpose. Related to this, as noted above, artworks

classified as charitable-use assets must actually be used or held for use in direct charitable activities.

An estate distribution foundation might be established to accomplish its work within a specified term following the artist's death, such as 10 or 20 years, or simply to be active until artworks are completely dispersed, which might take place over a number of decades. The various ways in which foundations terminate are discussed in **Part B. Considerations in Foundation Practice** of the Study Report.

Examples of foundations intended to accomplish the charitable distribution of an artist's estate in whole or in part include Gershon Benjamin Foundation, C & B Foundation Trust (Joseph Cornell), Milton Horn Trust, Reuben Kadish Art Foundation, Emilio Sanchez Foundation, Stella Waitzkin Memorial Library Trust, and Jacques and Yulla Lipchitz Foundation, among others. There are exceptions to the generally modest scale of these foundations. The foremost of these is the Georgia O'Keeffe Foundation, formed with a 20-year term to fulfill the artist's intentions to contribute her works charitably, which functioned as a study center and exhibition foundation during that term.

## Changes in Function

Although many artist-endowed foundations maintain the function with which they were organized initially, some change their function. Changes in function take place at three junctures: in the face of practical concerns, such as resource constraints, that require a new function in service to an enduring mission; following receipt of a bequest by a foundation organized during the lifetime of an artist or artist's heirs or beneficiaries; and upon completion of a special project.

Foundations that changed functions in light of practical concerns include Louis Comfort Tiffany Foundation, which initially operated a residency program for young artists and now makes grants supporting artists and designers, and Graham Foundation for Advanced Studies in the Fine Arts, which initially conducted a fellowship program to fulfill its donor's intention to function as a school of fine arts and now makes grants to organizations and individuals in the field of architecture and its related disciplines.

Artists' lifetime foundations that changed functions following receipt of a bequest include Robert Motherwell's Dedalus Foundation, a simple grantmaking foundation during the artist's lifetime that now is a comprehensive foundation operating a study center and exhibition collection and making grants to individuals and organizations, and the Josef and Anni Albers Foundations, a simple grantmaking foundation during Josef Albers' lifetime that is now a comprehensive foundation operating a study center and exhibition collection with a visiting artist residency.

Foundations that changed function following completion of a project include Girard Foundation, initially a program foundation focused on assembling and exhibiting a collection

of world folk art and subsequently a grantmaking foundation following donation of the collection to a museum, and the Eric and Barbara Carle Foundation, initially a program foundation planning and developing a new museum set-up as a separate public charity and, having completed that task, now a grantmaking foundation.

## **Multiple Entities for Multiple Functions**

Although a growing number of foundations function in a comprehensive mode, combining several functions, in some cases multiple foundations are established by artists or their heirs or beneficiaries. Multiple foundations accommodate distinct functions or different localities. These might be created with forethought or might be formed as a donor's purposes evolve.

Pairs of artist-endowed foundations with distinct functions include the Alden and Vada Dow Fund and Alden B. and Vada B. Dow Creativity Foundation, the former a grantmaking foundation and the latter a house museum foundation; the Barnett and Annalee Newman Foundation Trust and the Barnett Newman Foundation, the former a grantmaking foundation and the latter a study center foundation; the Leslie Powell Foundation and Leslie Powell Trust, the former a program foundation operating a community gallery and the latter an endowment funding the Foundation's activities; the Gloria F. Ross Foundation and Gloria F. Ross Center for Tapestry Studies, the former a grantmaking foundation and the latter a program foundation conducting research and education; and Jerome Hill's Jerome Foundation and Camargo Foundation, the former a grantmaking foundation assisting emerging artists in Minnesota and New York City and the latter a program foundation operating a work-study residency program for scholars and artists at a site in France.

Also in contrast to the comprehensive mode, in some instances artist-endowed foundations as well as public charities are established to accommodate multiple functions utilizing artists' assets for public benefit. Examples of this include Judd Foundation and Chinati Foundation, the former a house museum foundation and the latter a public charity museum; the Pollock-Krasner Foundation and Pollock-Krasner House and Study Center, the former a grantmaking foundation and the latter a house museum operated as a program of Stony Brook Foundation, a public charity; and Edward Gorey Charitable Trust and Strawberry Lane Foundation, the former a grantmaking foundation and the latter a public charity house museum.

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<sup>1</sup> See Marion R. Fremont-Smith, "Federal and State Laws Regulating Conflict of Interest and Their Application to Artist-Endowed Foundations," in *The Artist as Philanthropist: Strengthening the Next Generation of Artist-Endowed Foundations* (Washington, DC: Aspen Institute, 2010).

<sup>2</sup> For details on all foundations cited in this selection of the monograph, see the full Study Report, *The Artist as Philanthropist: Strengthening the Next Generation of Artist-Endowed Foundations* (Washington, DC: Aspen Institute, 2010).

## 2. OTHER PHILANTHROPIC FORMS USED BY ARTISTS

Artists and their heirs and beneficiaries have used the private foundation as the predominant philanthropic form for ownership and deployment of artists' assets serving charitable purposes. Apart from the private foundation form, a few other philanthropic forms have been employed by artists and their heirs and beneficiaries. Lacking private foundation status, these forms do not fall within the Study's definition of artist-endowed foundation, but they merit comment in the broader discussion about charitable disposition of artists' assets. These forms include public charity status, supporting organizations, community foundation funds, and defined programs of public charities. This chapter provides an overview of these forms. Use of the word *foundation* in an organization's title has no bearing on its tax status or the rules under which it operates.<sup>1</sup>

### Public Charities

Some artist-endowed foundations established initially as private foundations convert to public charity status in order to develop a broader base of public support. This is made possible by the more appealing income tax treatment afforded the contributions of individual donors to public charities than those afforded the contributions of individual donors to most private foundations. To maintain this favorable treatment for donors, however, a public charity must attract and sustain a substantial portion of its annual support from the general public; failure to do so can result in reversion to private foundation status.<sup>2</sup> Foundations that convert to public charity status most often are those that operate museums serving public audiences. More recently, artists bequeathing their estates to establish museums are choosing to form the organizations as public charities, recognizing from the outset the need to garner broad public support beyond what the artists' estate plans can provide.

Examples of organizations formed from the outset as public charities include the Sam and Alfreda Maloof Foundation for Arts and Crafts,<sup>3</sup> a public charity that owns the former residence of the designer (1916–2009), operated as a museum and craft education center; Charles W. Moore Foundation,<sup>4</sup> a public charity that owns the final residence and studio designed by the architect (1925–1993), operated as a museum and residency site; and the Dr. James W. Washington Jr. and Mrs. Janie Rogella Washington Foundation,<sup>5</sup> a public charity that owns the former home and studio of the sculptor (1909–2000), operated as a museum and education center. As above, use of the word *foundation* in an organization's title has no bearing on its tax status or the rules under which it operates.<sup>6</sup>

## Supporting Organizations

A few artists, as well as artists' heirs and beneficiaries, have established supporting organizations of existing public charities. In this arrangement, a supporting organization, which is a public charity and a distinct entity, is integrated with or controlled by the supported public charity with which it affiliates.<sup>7</sup> As a public charity, a supporting organization's individual donors enjoy income tax treatment of their contributions that is more generous than those permitted donors to most private foundations, yet a supporting organization is not subject to the rule requiring public charities to attract and maintain substantial annual public support.<sup>8</sup> Legislation approved by Congress in 2006 specifies that supporting organizations cannot be controlled by substantial contributors or their relations, nor can they compensate such persons.<sup>9</sup>

John Cage Trust, which owns the compositions, rights, and a collection of artwork by the composer and printmaker (1912–1992), was formed by the artists' beneficiary, Merce Cunningham, as a supporting organization of Cunningham Dance Foundation, a public charity. Since 2007, the Trust has been affiliated with Bard College as the John Cage Trust at Bard College.<sup>10</sup> The Flow Chart Foundation is a supporting organization of Bard College and Harvard University and is developing the Ashbery Resource Center, the archive of poet, critic, and collage artist John Ashbery (born 1927).<sup>11</sup> The Eugénie Prendergast Trust, created under the estate plan of the surviving spouse of painter Charles Prendergast (1863–1948), is a supporting organization of Williams College Museum of Art, which owns the archives and a collection of works by painters Charles and Maurice Prendergast, contributed by the same donor.<sup>12</sup> Benny Andrews Foundation (1930–2006), established by the artist and his family prior to his death, is a supporting organization of Robert W. Woodruff Library, Atlanta University Center, which houses the artist's collected papers in its African-American Collection, and the Ogden Museum of Southern Art, University of New Orleans, which exhibits a collection of the artist's works in a named gallery.<sup>13</sup>

## Community Foundation Funds

Community foundations, which are public charities, have experience accepting a wide range of nonfinancial assets from donors. In recent years, artists have begun to make use of community foundations for their philanthropic purposes, committing financial assets and, in some cases, art assets to establish donor advised funds, field of interest funds, and dedicated funds supporting specific charitable organizations. New rules adopted by Congress in 2006 specifically prohibit donor advised funds from making grants to individuals. However, other types of funds operated by community foundations and not controlled by donors can make grants to individuals. Donor advised funds cannot be controlled by their donors, who are limited to advisory privileges, nor can they make any distribution or pay compensation to any individual.<sup>14</sup>

Examples of community foundation funds created by artists include Artist's Resource Trust Fund, which provides grants to artists, established by an anonymous artist-donor at Berkshire Taconic Community Foundation;<sup>15</sup> Boschen Fund for Artists, created at the same community foundation for a similar purpose by a terminating distribution of the Martha Boschen Porter Foundation (Ruling Year 1986), which was established by the photographer (born 1915);<sup>16</sup> Thelma Mathias Fund, established by the sculptor (born 1947) at New Mexico Community Foundation to make grants in the arts;<sup>17</sup> and Victor Thomas Jacoby Fund, established by the designer (1944–1997) at Humboldt Area Foundation to provide grants for artists.<sup>18</sup>

Other examples include Robert and Margaret MacColl Johnson Fellowship Fund for artists, created by designer Robert M. Johnson (1916–1999) at the Rhode Island Foundation;<sup>19</sup> John Gutmann Photography Fellowship Trust, established by photographer John Gutmann (1905–1998) and operated by the San Francisco Foundation;<sup>20</sup> and the Brother Thomas Fund of the Boston Foundation, providing support to artists and funded by a terminating distribution of the Brother Thomas Charitable Foundation (Ruling Year 2007), which was created under the estate plan of the ceramic artist and Benedictine monk Thomas Bezanson (1929–2007).<sup>21</sup>

## **Dedicated Programs of Public Charities**

In some cases, artists have made lifetime gifts or bequests to establish dedicated programs operated by public charities. One of the earliest examples is the bequest by painter Henry Ward Ranger (1858–1916) of his residual estate to the National Academy of Design to establish the Ranger Purchase Fund, an endowment to acquire works by older artists.<sup>22</sup> More recently, as noted in the briefing paper by Lowery Stokes Sims addressing alternatives to private foundations,<sup>23</sup> the School of the Art Institute of Chicago was the beneficiary of the estate plan of painter Roger Brown (1941–1997), a graduate. The Roger Brown Resources include the artist's works and rights, his studio, residential properties, an archive and study collection, and artworks eligible for sale to support charitable use.<sup>24</sup>

The Hunter Museum of American Art, University of Tennessee, received the George Cress Collection, a bequest by the artist and long-time faculty member (1921–2008), which included his collected works and archive.<sup>25</sup> Meserve-Kunhardt Foundation, a public charity that develops exhibitions, educational programs, and publications based on its diverse collection of photographs and archives, received the collected works of photographer and filmmaker Gordon Parks (1912–2006), which it manages as a dedicated program under the title of the Gordon Parks Foundation.<sup>26</sup> The National Trust for Historic Preservation was the beneficiary of architect Philip Johnson (1906–2005), receiving his former residence, the Philip Johnson Glass House, which it operates as a house museum.<sup>27</sup> The University of Mary Washington operates the Gari Melchers Home and Studio at Belmont, including the artist's archive, bequeathed to the State of Virginia by the artist's surviving spouse.<sup>28</sup>

## Comparative Summary of Philanthropic Forms

The private foundation form provides the greatest control to artists and artists' heirs and beneficiaries. As drawbacks for the purposes of some donors, however, transactions with insiders are prohibited, investment income is subject to excise tax, and required charitable disbursements or other financial benchmarks must be met.<sup>29</sup> In addition, resources are likely to be limited to those provided by an artist or artist's heir or beneficiary. Fundraising is made difficult by the fact that individual donors making contributions to most private foundations receive less advantageous income tax treatment for their gifts than those contributing to public charities. Although individual donors contributing to operating foundations do enjoy income tax treatment comparable to that of donors to public charities, in actual practice it often proves difficult to attract such support. Likewise, many corporate foundations and local donors that are themselves private foundations are disinclined to use the extra procedures that are required if a private foundation's grant to another private foundation is to count toward the annual payout requirement.<sup>30</sup>

With more appealing income tax treatment for their individual donors' contributions and no extra procedures required of private foundations for their grants, public charities are geared to garner broad support to supplement the bequest of an artist or artist's heirs or beneficiaries. They also enjoy more latitude in transactions with insiders, making possible an acquisition of real property from an artist or from an artist's heir or beneficiary, as one example.<sup>31</sup> Likewise, they are not subject to an excise tax on investment income nor to required charitable disbursements. However, they are required to raise a substantial portion of their annual support from the general public, meaning that the associated artist must be sufficiently compelling to generate interest and sustained contributions from members of the public. Failure to meet the public support rule can result in reversion to private foundation status.<sup>32</sup>

Other specifically regulated forms associated with public charities (supporting organizations and donor advised funds) benefit from public charity status—including the more appealing treatment for individual donors' lifetime contributions and private foundations' grants—while not being subject to the public support rule.<sup>33</sup> However, control by substantial contributors, donors, and their relations is prohibited; substantial contributors, donors, and their relations cannot be compensated; and donor advised funds are not permitted to make grants or any distributions to individuals.<sup>34</sup> Although they may benefit from the relationship, supporting organizations and donor advised funds are not funded by the supported public charity with which they are affiliated.

Dedicated programs of public charities are not regulated specifically. Artists' gifts and bequests, and those of artists' heirs and beneficiaries, benefit from the capacity of an established public charity. Absent specific provisions in a deed of gift or other legal agreement, however, there is no long-term assurance of a donor's intent. Even with specific provisions, how these actually are implemented in the long-term can become a question. In



addition, public charities are unlikely to accept substantial nonfinancial assets whose care and use for public benefit purposes entail significant expense unless the gift or bequest includes resources to support that expense.

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- <sup>1</sup> Marion R. Fremont-Smith, "Federal and State Laws Regulating Conflict of Interest and Their Application to Artist-Endowed Foundations," in *The Artist as Philanthropist: Strengthening the Next Generation of Artist-Endowed Foundations* (Washington, DC: Aspen Institute, 2010).
  - <sup>2</sup> *Ibid.*
  - <sup>3</sup> Sam and Alfreda Maloof Foundation for Arts and Crafts, <http://www.malooffoundation.org/>.
  - <sup>4</sup> The Charles W. Moore Foundation, <http://www.charlesmoore.org/>.
  - <sup>5</sup> Dr. James W. Washington Jr. and Mrs. Janie Rogella Washington Foundation, <http://www.jameswashington.org/>.
  - <sup>6</sup> Fremont-Smith, "Federal and State Laws."
  - <sup>7</sup> *Ibid.*
  - <sup>8</sup> *Ibid.*
  - <sup>9</sup> Council on Foundations, "Changes in Intermediate Sanctions for Supporting Organizations (Types I, II and III)," <https://www.cof.org/templates/41.cfm?ItemNumber=16976&navItemNumber=14859>.
  - <sup>10</sup> "John Cage Trust Becomes a Permanent Resident Organization at Bard College," Bard College, [www.bard.edu/news/releases/pr/fstory.php?id=1181](http://www.bard.edu/news/releases/pr/fstory.php?id=1181).
  - <sup>11</sup> Flow Chart Foundation, [http://www.flowchartfoundation.org/arc/flow\\_chart\\_home.htm](http://www.flowchartfoundation.org/arc/flow_chart_home.htm).
  - <sup>12</sup> Prendergast Archive and Study Center, Williams College Museum of Art, <http://www.wcma.org/>.
  - <sup>13</sup> Benny Andrews Foundation, <http://bennyandrews.com/>.
  - <sup>14</sup> Council on Foundations, "Changes in Intermediate Sanctions for Donor-Advised Funds and Sponsoring Organizations," <http://classic.cof.org/files/Documents/Government/Charitable%20Reform%20Resource%20Center/06%20DAF%20Excess%20Benefits.pdf>.
  - <sup>15</sup> Berkshire Taconic Community Foundation, <http://www.berkshiretaconic.org/>.
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  - <sup>25</sup> Hunter Museum of American Art, <http://www.huntermuseum.org/>.
  - <sup>26</sup> Gordon Parks Foundation, <http://www.gordonparksfoundation.org/>.
  - <sup>27</sup> Philip Johnson Glass House, <http://www.philipjohnsonglasshouse.org/>.
  - <sup>28</sup> Gari Melchers Home and Studio at Belmont, [http://www.umw.edu/gari\\_melchers/](http://www.umw.edu/gari_melchers/).
  - <sup>29</sup> Fremont-Smith, "Federal and State Laws."
  - <sup>30</sup> *Ibid.*
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### 3. SELECT CHRONOLOGY: PHILANTHROPIC FIRSTS AND EVOLUTION OF THE FORM

Since formation of the first artist-endowed foundation more than a century ago, artists and artists' heirs and beneficiaries have created private foundations to own and deploy artists' assets for a wide range of charitable purposes. About 300 artist-endowed foundations have been identified by the Study, including those that existed previously and those extant and active today. Over the years, a number of themes have emerged in foundations' charitable purposes and functions. At the same time, much has been learned about the private foundation form as it accommodates the particular assets and interests common to artist-endowed foundations. The following highlights offer a selection of philanthropic firsts from the field's history, along with examples demonstrating the form's evolution over time.<sup>1</sup> It should be assumed that this selection is a starting point and will develop as additional histories become known and new foundations take the form in new directions.

- 1883 **Rotch Travelling Scholarship** was created by Boston architect Arthur Rotch and his siblings in honor of their father, landscape painter Benjamin Smith Rotch.<sup>2</sup> With a mission to advance architectural education through grants to young architects for foreign study and travel, it was the first US entity of its kind to conduct such a program.<sup>3</sup> Its formation preceded the 1913 Revenue Act that established the income tax and provided tax exemption for organizations devoted exclusively to charitable purposes.<sup>4</sup>
- 1918 Designer and painter Louis Comfort Tiffany created the **Louis Comfort Tiffany Foundation** to operate his Long Island, New York, mansion as a retreat for young artists and designers, using his extensive decorative art holdings installed in the property as a study collection.<sup>5</sup> The first artist-endowed foundation formed to operate a residency program, it converted to making grants to individual artists after its collections and property were sold in 1946 and 1949.<sup>6</sup>
- 1926 Gertrude Mead Abbey, surviving spouse of the muralist, founded the Incorporated Edwin Austin Abbey Memorial Scholarships in Britain and established the **Abbey Memorial Scholarships Trust** in the US for its support. Trust proceeds fund awards for residential study by American and British painters at the British School at Rome, of which the artist was a founder.<sup>7</sup> This is the earliest identified instance of a foundation established by an artist's surviving spouse.<sup>8</sup>
- 1942 The estate plan of Martin B. Leisser, Pittsburgh painter, art educator, and the friend who convinced Andrew Carnegie to add an art school to his technical college,

- established the **Leisser Trust** and **Leisser Art Fund**. These were the first artist-endowed philanthropies to provide dedicated support to a cultural and educational institution, in this case Carnegie Museum of Art, for art acquisitions, and what would become Carnegie Mellon University School of Art, for student awards.<sup>9</sup> In 1946, the Leisser Prize for an outstanding body of work as a freshman was won by Andy Warhol.<sup>10</sup>
- 1955 Painter Madge Tennent created the **Tennent Art Foundation** in Honolulu as an exhibition gallery with a mission to make a permanent collection of her artworks depicting native Hawaiians available to the public. The artist noted that in a world that would produce many visions of Hawaii's culture, she had "earned the right to hold a small area inviolate for her version."<sup>11</sup> It was the first private foundation formed by a female artist.
- 1959 The **Sansom Foundation** was established under the direction of Ira Glackens, son of illustrator and painter William Glackens. Named after the Philadelphia street where the artist was born, it was endowed with a collection of the artist's works with the intention that art sales would fund grants to support the arts and bring relief to unwanted pets.<sup>12</sup> This was the first private foundation created to fund its grants through sales of an artist's works.
- 1962 The estate plan of Blanche Colman, interior designer, painter, and founding department head of what would become Boston University's School of Visual Arts, established the **Blanche E. Colman Trust**.<sup>13</sup> It was the first artist-endowed foundation created by an artist's will specifically to make cash grants to individual artists.
- 1964 The **Lachaise Foundation** became the first artist-endowed foundation formed under the estate plan of an artist's surviving spouse. In this case, it was Isabel Dutaud Lachaise, who died in 1955, surviving Gaston Lachaise by two decades.<sup>14</sup> With many of the artist's mature works uncast at his early death, the Boston-based philanthropy became the first to undertake posthumous casting of incomplete editions in order to further its charitable purpose to make the artist's sculptures available to the public by exhibiting and placing works in museum collections.<sup>15</sup>
- 1966 The **Albin Polasek Foundation** was created by the will of the sculptor and longtime faculty member of the School of the Art Institute of Chicago.<sup>16</sup> The Foundation operates the artist's former residence in Winterpark, Florida, as a house museum and sculpture garden featuring his collected works. It was the first foundation established for such a purpose.<sup>17</sup>

- 1967 The **Charles E. Burchfield Foundation** became the first private foundation created by an artist in order to manage the posthumous disposition of his artistic output as a charitable endeavor.<sup>18</sup> The artist died shortly after establishing the Foundation, endowing it with his collected works and archive. With a philanthropic program benefiting western New York State where the artist lived for many years near Buffalo, it was the first grantmaking foundation funded by sales of works bequeathed by an artist for that purpose.
- 1968 Philanthropist and filmmaker Jerome Hill created the **Camargo Foundation** to own his residence in southern France for operation as an interdisciplinary work-study center.<sup>19</sup> It provides residency fellowships to scholars of French cultures and to artists of all disciplines.<sup>20</sup> A separate grantmaking foundation committed to assisting emerging artists, the **Jerome Foundation** (Ruling Year 1964), makes this among the earliest cases of two foundations with distinct purposes created by one artist.<sup>21</sup>
- 1973 The will of Jacques Lipchitz stipulated that no posthumous casts be made of his plaster models, directing instead that these should be placed in museum collections internationally. With the sculptor's bequest of the models, the **Jacques and Yulla Lipchitz Foundation** (Ruling Year 1963) became the first artist-endowed foundation with a charitable purpose expressly to conduct a program making grants of an artist's works.<sup>22</sup>
- 1973 The **Norman Rockwell Art Collection Trust** was formed by the artist to hold his collected works and archive in trust, with the subsequent addition of his studio, to be exhibited by a nascent entity that would become the Norman Rockwell Museum in Stockbridge, Massachusetts.<sup>23</sup> This was the first US iteration of the philanthropic model piloted by the Vincent Van Gogh Foundation, formed in 1960 by that artist's heirs to hold his works in trust for Amsterdam's Van Gogh Museum, created to exhibit the collection.<sup>24</sup>
- 1976 The **Adolph and Esther Gottlieb Foundation** was organized in New York under the artist's estate plan, funded with a collection of his works.<sup>25</sup> It subsequently initiated the first program making grants to assist individual artists using proceeds from the sale of an artist's artworks. Its charitable focus reflects the longstanding generosity of the artist and his spouse. The Foundation also was the first structured to use its art collection in direct charitable activities for educational purposes, as well as to sell artworks to fund its grants.<sup>26</sup>
- 1977 The **Paul Strand Foundation**, formed in New York as specified by the artist's will, became the first philanthropy endowed with the collected works of a photographer, marking an expansion in the types of artists creating private foundations. It operated

- for five years and then merged with another organization to create Aperture Foundation, a public charity, which uses the artist's editions and rights as a critical resource in a program promoting and publishing contemporary photography.<sup>27</sup>
- 1978 Shortly after the death of artist, designer, and longtime art educator Josef Albers, the **Josef and Anni Albers Foundation** (Ruling Year 1972) initiated the first extensive program by an artist-endowed foundation to distribute artworks charitably, ultimately granting works by Josef and Anni Albers to more than 30 museums in the US and abroad.<sup>28</sup> The first foundation funded by bequests of two artists, and among the first with private operating foundation status, it operates a study center located in rural Connecticut, with an archive, exhibition collection, publication program, visiting artist facility, and discretionary grant program.
- 1978 The death of Lorser Feitelson, painter and longtime faculty member at what is now Art Center College of Design, led to the creation of the **Feitelson Arts Foundation** (Ruling Year 1980).<sup>29</sup> This was the first private foundation endowed with an artist's works to be established in California, signaling the start of a geographic expansion in private foundation creation by artists beyond an initial East Coast focus. Two decades later, with the bequest of painter Helen Lundeberg, it became known as the **Lorser Feitelson and Helen Lundeberg Feitelson Arts Foundation**.
- 1978 The **Girard Foundation** (Ruling Year 1962), established in New Mexico and led by designer Alexander Girard and his spouse, Susan Needham Girard, contributed its 106,000-piece international folk art collection to the Museum of International Folk Art, expanding the museum's collection five-fold with one gift.<sup>30</sup> This was the first instance in which an artist-endowed foundation assembled and then granted a collection of works by other artists to a museum. The Foundation terminated in 1998, five years after the artist's death.
- 1980 The **Richard Florsheim Art Fund** was created by the estate plan of the artist, a former president of Artists Equity Association, with an aim to assist older artists. It did so by fostering professional opportunity through grants to fund museums' acquisition of works by artists who had attained their sixtieth birthday.<sup>31</sup> The only artist's philanthropy to use this approach to date, the foundation terminated in 2007, almost three decades after its donor's death.
- 1980 Sculptor and designer Isamu Noguchi converted his grantmaking Akari Foundation (Ruling Year 1968) to operating status. Re-titled as the **Isamu Noguchi Foundation**, its new mission was to create and operate a museum that would present his multidisciplinary oeuvre in full.<sup>32</sup> The Noguchi Museum opened in Long Island City, New York, in 1985, three years prior to his death. The first private

foundation created by an Asian American artist, it converted to public charity status in 2004 as the Isamu Noguchi Foundation and Garden Museum.

- 1983 The bequest of the artist's copyrights to his Brooklyn-based **Ezra Jack Keats Foundation** (Ruling Year 1970) made this the first artist-endowed foundation endowed primarily with an artist's intellectual property, comprising the rights to his children's literature publications and illustrations.<sup>33</sup> Royalties and licensing fees support a program of grants assisting children's literacy through creative projects by public schools and libraries nationally.<sup>34</sup>
- 1983 The **Barnett Newman Foundation** (Ruling Year 1980) published the artist's prints catalogue raisonné, the first to be issued by an artist-endowed foundation.<sup>35</sup> The Foundation, which owns the artist's archive and conducts a scholarly program, was the first to operate exclusively as a study center.<sup>36</sup> A separate foundation, the **Barnett and Annalee Newman Foundation Trust** (Ruling Year 1997), was formed as a grantmaking entity. Both were established by the artist's surviving spouse prior to her death in 2000, the first instance of an artist's heir or beneficiary creating multiple foundations.
- 1985 The provisions of Lee Krasner's estate plan established the **Pollock-Krasner Foundation**, now the largest artist-endowed foundation funded with artists' works committed specifically to making grants to individual artists internationally.<sup>37</sup> Benefiting from sales of Krasner's works and those of her spouse, Jackson Pollock, the Foundation awards on average \$3 million in cash grants annually in the US and abroad, with thousands of grantees in more than 60 countries worldwide.<sup>38</sup>
- 1986 The **Mark Rothko Foundation** (Ruling Year 1971), initiated by the artist just prior to his death in 1970 and subsequently reorganized following storied litigation over his estate, completed distribution of its art collection, fulfilling its trustees' decision that it terminate rather than sell artworks to fund its program as a study center and exhibition collection.<sup>39</sup> In the first artist-endowed foundation termination of this scope, more than 1,000 works were contributed to 35 museums, with the bulk placed at the National Gallery of Art, Washington, DC.
- 1987 Andy Warhol's simple bequest committing his estate to advance the visual arts established the **Andy Warhol Foundation for the Visual Arts**.<sup>40</sup> The Foundation conducts the largest grantmaking program funded by sales and licensing of an artist's works and rights, awarding on average \$8 million in grants annually. It contributed a collection of 3,000 works to create the Andy Warhol Museum, which opened in 1994, and in 1999 it led a donor consortium to establish the Creative Capital Foundation, a public charity grantmaker assisting individual artists.<sup>41</sup>

- 1989 The **Romare Bearden Foundation**, established in New York following the artist's death, became the first private foundation funded by the bequest of an African American artist.<sup>42</sup> Operated as a family-governed entity conducting an education and exhibition program, it converted to public charity status in 2003.
- 1989 The **Robert Mapplethorpe Foundation** was formed prior to the artist's death from AIDS.<sup>43</sup> It was the first artist-endowed philanthropy to address AIDS and HIV infection, which—together with advancing recognition of photography as an art form—comprises its dual charitable purpose. In 1990, it awarded funds to Beth Israel Medical Center to create one of New York City's earliest AIDS residential treatment and research facilities. In 1993, it granted artworks and funds to create a photography department and gallery at the Solomon R. Guggenheim Museum, New York.<sup>44</sup>
- 1989 The **Georgia O'Keeffe Foundation** became the first private foundation formed specifically to accomplish the charitable distribution of an artist's estate.<sup>45</sup> Planned to terminate 20 years after the artist's death in 1986, it completed a catalogue raisonné, secured her Abiquiu, New Mexico, residence as a house museum, and distributed artworks to museums by grants and as partial grants/partial sales. In 2006, its remaining assets were granted to the Georgia O'Keeffe Museum, an independent public charity formed in 1996.
- 1992 The **Gordon Samstag Fine Arts Trust** was formed under the estate plan of the artist and longtime art educator, an early fellow of the Tiffany Foundation residency program.<sup>46</sup> It supports the largest academic scholarship program for college art students to be endowed by an artist's bequest, making on average \$400,000 available annually to fund a program of scholarships for Australian students studying at art colleges internationally.<sup>47</sup>
- 1994 A few years after the artist's death, Robert Motherwell's **Dedalus Foundation** (Ruling Year 1983) initiated the first program by an artist-endowed foundation to distribute artworks charitably using the partial grant/partial sale method, placing works in 60 museums in the US and abroad while simultaneously generating funds to endow a study center dedicated to modern art.<sup>48</sup> Along with operating an archive and exhibition collection, the Foundation makes grants to individuals and organizations, funding artistic, educational, and scholarly initiatives.
- 1995 The will of graphic designer Donald M. Anderson created the **Donald M. Anderson Foundation**, dedicated to supporting graphic design research at the University of Wisconsin-Madison, where the artist taught for more than 30 years.<sup>49</sup> This was the first instance of a foundation established by a long-time educator to benefit the higher education program he had helped to develop.

- 1998 The **Allan Houser Foundation**, established by his family in Santa Fe, New Mexico, following the sculptor's death, became the first private foundation to hold the archival materials of a Native American artist.<sup>50</sup> It uses its resources to conduct a program educating about the artist and his works.
- 2000 Creation of the **Tee and Charles Addams Foundation** by the artist's surviving spouse made this the first foundation endowed with the works and rights of a cartoon artist, marking a further expansion in the types of artists whose creative assets fund philanthropies.<sup>51</sup> It operates the artist's former Long Island residence and nature preserve as a study center and develops creative programs using his works.<sup>52</sup>
- 2001 Established following the death of painter John Heliker and preceding that of painter Robert LaHotan, the **Heliker-LaHotan Foundation** became the first foundation endowed by the combined estate plans of artists who were non-marital life partners.<sup>53</sup> The Foundation operates the Maine island summer home of the two long-time educators as a residency program for established painters and sculptors.<sup>54</sup>
- 2002 The **Herb Block Foundation** was organized in Washington, DC, according to the will of the editorial cartoonist.<sup>55</sup> It was the first foundation to focus on editorial cartooning, extending the range of art forms addressed by the field. In addition, the Foundation makes grants nationally to sustain the artist's commitment to social justice and locally provides scholarships to community college students. Its grants total \$2 million per year on average.
- 2002 The **Niki Charitable Art Foundation**, established in California by the estate plan of sculptor Niki de Saint Phalle, was the first artist-endowed foundation designed to interact with a set of autonomous international sites, comprising the artist's numerous public art installations and several museum collections formed by the artist's gifts prior to her death. The Foundation operates a study center, lends to and organizes touring exhibitions, educates about the artist and her creative practices, and approves conservation of her works.<sup>56</sup>
- 2004 The bequest of Viola Frey, ceramic sculptor and longtime faculty member at what is now the California College of the Arts, inaugurated the program of the **Artists' Legacy Foundation** (Ruling Year 2001). This philanthropy was the first designed specifically to receive multiple artists' estates, intended to own and exhibit artists' works, make awards to established painters and sculptors, and educate about artists' estate planning needs.<sup>57</sup>
- 2005 The **Judith Rothschild Foundation** (Ruling Year 1993) contributed drawings by more than 600 contemporary artists to the Museum of Modern Art, New York. Established under the artist's estate plan, it is recognized for its unique program



providing grants to projects that increase public recognition and access to the works of visual artists deceased between 1976 and 2008. The Foundation will terminate in 2018, 25 years after the death of its donor.<sup>58</sup>

- 2005 The **Emilio Sanchez Foundation**, established in New York under the will of the painter to accomplish the charitable distribution of his estate, became the first artist-endowed foundation created by a Latino artist and funded by his bequest.<sup>59</sup> The Foundation, which operates a study center and has funded an award for Cuban American artists, will conclude its activities at the close of 2010, 10 years after the artist's death.
- 2008 The **Roy Lichtenstein Foundation** (Ruling Year 1998), formed after the artist's death as a study center housing his studio archive, announced the expansion of its holdings by acquisition of the works and rights of art scene photographer Harry Shunk.<sup>60</sup> This was the first instance in which an established artist-endowed foundation extended its capacity in order to conserve the oeuvre of another artist, in this case one who had died without an estate plan.

As of 2010, the list of prominent artists who fund the grantmaking activities of their lifetime foundations included Eric Carle, Mark Di Suvero, Helen Frankenthaler, Lee Friedlander, Jasper Johns, Wolf Kahn, Alex Katz, Ellsworth Kelly, Peter Laird, Richard Meier, Claes Oldenburg, Yoko Ono, Faith Ringgold, Joel Shapiro, Toshiko Takaezu, and Cy Twombly, among others.

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<sup>1</sup> Unless otherwise noted, foundations' Ruling Years—the date at which tax-exempt status was approved by the Internal Revenue Service—are used as the dates of foundation formation and establishment. All foundations are extant, with exceptions noted.

<sup>2</sup> *Rotch Travelling Scholarship Records, 1882–1996*, Manuscript Collection MC 520. MIT Libraries Archives, Institute Archives and Special Collections, Massachusetts Institute of Technology.

<sup>3</sup> Rotch Travelling Scholarship, <http://www.rotch.org/>.

<sup>4</sup> Charles T. Clotfelter, *Federal Tax Policy and Charitable Giving*, National Bureau of Economic Research Monograph, (Chicago: University of Chicago Press, 1985), 11–12.

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<sup>6</sup> Louis Comfort Tiffany Foundation, <http://www.louiscomforttiffanyfoundation.org/>.

<sup>7</sup> The Incorporated Edwin Austin Abbey Memorial Scholarships, [http://www.abbey.org.uk/about\\_the\\_awards.php](http://www.abbey.org.uk/about_the_awards.php)

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<sup>9</sup> "Tenth Year of the Leisser Art Fund," *Carnegie Magazine* 25 no. 5 (May 1951): 173–174.

<sup>10</sup> Bernard B. Perlman, "The Education of Andy Warhol," in *The Andy Warhol Museum*, ed. Tom Armstrong (Pittsburgh, PA: Andy Warhol Museum, Carnegie Institute, 1994).

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# APPENDICES

## **A. Research Partners**

### **Bibliographic Research**

Ruth Ann Stewart, Clinical Professor of Public Policy, Robert F. Wagner Graduate School of Public Service, New York University

Lowery Stokes Sims, Curator, Museum of Arts and Design

Kavie Barnes, Curatorial Coordinator and Assistant to the Chief Curator, Rubin Museum of Art, and Study Research Associate, The Aspen Institute's National Study on Artist-Endowed Foundations

Carmen Rogers, Doctoral Candidate, Robert E. Wagner Graduate School of Public Service, New York University. Preliminary research.

### **Qualitative Research: Key Informant Interviews and Focus Group Convenings**

Christine J. Vincent, Study Director, and Kavie Barnes, Study Research Associate, The Aspen Institute's National Study of Artist-Endowed Foundations

William Keens, Principal, and Caroline Marshall, Senior Consultant, WolfBrown. Convening documentation.

### **Quantitative Research**

#### ***Initial Research 2007***

Holly Sidford, Elizabeth Casale, and Adrian Ellis, Principals, Lauren Arana, Associate, and Andre Kimo Stone Guess, Data Analyst, AEA Consulting

Kavie Barnes, Study Research Associate, The Aspen Institute's National Study of Artist-Endowed Foundations. Supplemental research.

#### ***Updated and Expanded Analysis 2008***

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### **Study Support and Administration of Research Commissions and Honoraria**

Erin Taber, Program Coordinator, Nonprofit Sector and Philanthropy Program, The Aspen Institute (to July, 2008)

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## **B. Study Committee Members**

Alan J. Abramson, Senior Fellow, Program on Philanthropy and Social Innovation, The Aspen Institute (to January, 2008)

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Charles C. Bergman, Chairman and CEO, The Pollock-Krasner Foundation

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