

HILL-SNOWDON FOUNDATION HISTORY

Introduction

The Hill-Snowdon Foundation (HSF) is a Washington DC-based family foundation founded in 1959 by Arthur B. Hill. For nearly fifty years the descendants of Arthur Hill have honored his legacy by coming together to make grants supporting important social issues. The HSF Board is currently comprised of seven family members from the third and fourth generations.

Over the past decade the assets of HSF have grown significantly, and with this growth have come some substantial changes to the Foundation's structure and funding. Over this period, HSF refined the focus of its grantmaking, hired full-time staff, and established an office in Washington D.C. In anticipation of increased public visibility, as well as the likely addition of new trustees over time, the Board felt it important that the history of the Foundation be recorded. The primary purpose of this "unabridged" report is to provide a brief history of the Hill-Snowdon family and HSF for an internal audience of trustees and staff. A condensed version of this document will be developed for external audiences.

This document was written by Ashley Snowdon and compiled primarily through interviews with Dick, Ted, and Margot Snowdon. Genealogical research was used to check facts. Unfortunately, with the passage of older generations some family history has been lost, and there are some holes in this report. But as future generations become involved with the Foundation, it is the hope that this document is updated and appended to reflect their contributions.

Family and Philanthropic History

Arthur and Marguerite Hill

Arthur Bullock Hill was born to homesteaders in Oklahoma City on October 20, 1892. Little is known of his parents. In a 1930 census, he put "unknown" for both of their birthplaces, and it is believed that his father left when he was quite young. As one of many children, money was very tight in the Hill household. He left school at the age of twelve to go to work at a drugstore, which he purchased within a few years. In his early twenties he sold the drugstore and took a job in pharmaceutical sales. It was on a sales trip to Dallas that he met Marguerite Stewart.

Marguerite Stewart was born one day before Arthur, on October 19, 1892. Her parents were originally from Maryland and Kentucky but moved to Dallas, where they raised her and her brother Sam. Marguerite was working as a schoolteacher when she met Arthur. The two married in 1914 and settled in Dallas. Lillian Lee, their only daughter, was born in 1919.

Arthur and Marguerite led a relatively comfortable life in Dallas. The 1930 census shows that they owned their own home, valued at \$6000, and a radio set. Arthur listed his profession as a division manager for a surgical dressings firm.

It was on another sales trip that Arthur met a senior manager of Johnson & Johnson (J&J), which was fast becoming the nation's largest medical product company. During the 1920's, J&J developed Band-Aids and Baby Cream and expanded internationally. When Arthur was offered a job with the firm he saw an opportunity for growth and moved the family to Chicago in the early thirties to head the Midwest sales division. In the late thirties, the Hills moved to New Jersey to be near J&J's New Brunswick headquarters, settling first in Bound Brook and later in Plainfield.

Despite his lack of formal education, Arthur worked his way up in the company. When he retired in 1948, he was the Vice President of Sales and on the Board of Directors. Arthur retired relatively early for health reasons, but remained on the Board for several years after his retirement. The company went public in 1943, and like many senior executives, Arthur took stock options in lieu of pay during the war. This would prove to be a fortuitous move, as stock prices steadily climbed over the following decades while the company expanded and diversified.

After his retirement, Arthur became more involved in social and civic life in Plainfield. He was active in a number of social organizations and local charities. He founded the local Community Chest, which later became the United Way of New Jersey. He also supported a home for wayward boys in Nebraska and funded a settlement house in the Black neighborhood of Plainfield. As a result of his humble beginnings, Arthur felt it was his responsibility to help those less fortunate. But he also believed that individuals are responsible for helping themselves, as he had done. He had a deep understanding of the medical system and worried that the unequal access to decent healthcare would lead to serious social unrest.

Lee and Ed Snowdon

In the summer of 1937, after completing boarding school outside of Washington D.C., Lillian Lee Hill went with her parents on a European tour. On the ship crossing the Atlantic she met Edward Woodruff Snowdon. Born in Washington in 1910, Ed was then working for a concert impresario. Though based in New York City, he spent much of his time traveling through Europe discovering new talent and promoting opera stars. Ed was immediately taken with Lee and changed his return passage so that he could be on her ship.

That fall, Lee began her freshman year at Duke University, where she studied music. Ed courted Lee throughout her four years at Duke and the two were married in Plainfield in June of 1941. In early 1942, after the attacks on Pearl Harbor, Ed was recruited into Army Intelligence to work in decoding. He was stationed at several bases in the U.S. before being shipped off to Europe for two years. While Ed was stationed overseas Lee moved into her parent's home with her new son, Dick, born in 1943.

When Ed returned in 1945 he and Lee bought a home in Plainfield. He returned to concert promotions for a few years, but in 1950 went to work for an advertising firm in New York City. Their son Edward Jr. (Ted) was born in 1946 and daughter Margot was born in 1948.

The Arthur B. Hill Foundation

Arthur founded the Arthur B. Hill Foundation in 1959 in New Jersey with several thousand dollars in assets, primarily J&J stock. Many of his colleagues at J&J had started foundations, and he learned from them of the tax advantages. He was also a great admirer of Andrew Carnegie and his ability to rise from poverty to become a great philanthropist. Arthur never envisioned his modest foundation becoming anything significant, however, and used it primarily as a vehicle for the charitable gifts he was already making. New Jersey law required at least three trustees, and so he appointed Marguerite and Lee to the Board. But he continued to be the primary decision-maker and did not have any sort of articulated succession plan.

In May of 1969, Marguerite passed away and Dick was brought on as the third trustee. The following year, Arthur moved to LaJolla, CA. He continued to be active in the Foundation, but gradually shifted primary grantmaking responsibility to Lee. In 1972, Lee and Ed also left Plainfield for warmer weather and settled full-time in Manalapan, Florida. Lee continued to support many of the local Plainfield organizations, but also began funding Florida groups like South County Mental Health and the Red Cross of Palm Beach. During this time, Dick was developing his tax law practice in Washington and would counsel Lee and Arthur on issues of tax and estate planning.

The Emergence of a True Family Foundation

In 1983 Arthur passed away and Ed, Ted, and Margot were added to the Board. It was at this point that the Foundation “truly became a family foundation,” according to Dick. While Lee was still the primary decision maker, Dick administered HSF from his Washington D.C. law office and all Board members were allowed input into grants decisions. The decision-making structure was very informal. Typically, Lee made several larger grants during the year and the remaining decisions were made around the kitchen table at the holidays when the family was all together. During one particularly cold Christmas in Washington, the pipes burst during the Board meeting, delaying decision-making until Dick could repair the break.

Though casual, these meetings allowed the family an opportunity to discuss important issues. Says Ted: “It forced you to say what you cared about and believed in.... It was nice to have an hour or two to just get serious and state what you cared about, because otherwise we really didn’t do that.... Sometimes it’s just not that easy to talk about those things in regular conversation.” In the mid-eighties, for example, Ted recommended several grants for AIDS housing organizations, bringing to the attention of the Board an issue which was very important to him.

During the mid-to-late eighties, as Lee and Ed began making more of their contributions personally, the third generation took on more of a voice in the Foundation. They primarily gave to organizations they were involved with personally, as board members, parents, or community members. Dick assumed primary responsibility and supported a number of Washington-based organizations, including his children’s schools, local theaters and social service organizations. Margot supported women’s and environmental causes and local organizations in Jackson Hole, WY, where she lives. Ted, a theater producer in New York, supported arts and theater groups, as well as gay organizations and local social services. Over time, decision-making became more democratic, with each Board member having equal weight in the process. Still, there were no

formal decision-making procedures or policies about board service. Grants typically went out with a personal note, not a formal grant agreement. “We operated based on the assumption that board members would be responsible, would do their homework, and would recommend legitimate groups that really needed the funding,” says Dick. In the 1970’s, the name of the Foundation was officially changed from the Arthur B. Hill Foundation to the Hill-Snowdon Foundation to better reflect the contributions of the entire family.

Growth in Assets Leads to Programmatic and Operational Changes

Due to Lee’s death, 1993 proved to be a pivotal year for HSF. Soon after Lee’s death, the value of J&J stock rose sharply. This rise, coupled with a significant gift to the Foundation from her estate, meant HSF assets increased from \$1.1 million in 1993 to \$8.9 million in 1995. The Board decided to involve the fourth generation—Dick’s children Andrew (24); Elizabeth (21); and Ashley (16)—in 1993. With the growth of the corpus, the Board needed new trustees to provide, as Ted puts it, “backup and relief.” Ed further contributed to the rapid growth in assets when he added \$5 million to the corpus of HSF in 1997 and another \$20 million in 1999.

It was at the annual Board meeting in 1993 that the Board began discussing the need to get more serious with the Foundation’s operations. Looking at the numbers for the coming years, “We realized we would have more money to give away than we were prepared to handle,” says Ted. “We were flush but we weren’t organized.” The fourth generation was also integral to the decision to focus HSF activities. “When I became involved and participated in some meetings it was pretty clear that we were functioning like a mom-and-pop shop but giving away more serious dollars,” says Ashley. “It seemed like we could do a lot more if we focused our energies.”

The following year the annual meeting was held at Dick’s office--and not around the kitchen table--for the first time. According to Dick, “That was sort of the turning point, when we got out of the house and took it more seriously. We had an agenda, and the fourth generation took an active role, questioning some of our decisions.” For Margot, the turning point came in 1995, when HSF payout reached nearly a half a million dollars. “I remember saying on a conference call that this isn’t so small anymore. We can’t continue to do it this way, it’s just not responsible.” Gradually, agreement grew among the Board that outside assistance would be necessary to help focus and manage the grantmaking.

Margot joined the Threshold Foundation in 1995, which exposed her to a number of other progressive philanthropists who were interested in innovative grantmaking. The experience motivated her to pursue management assistance options. “We’d been talking about it for years, and everyone agreed that we needed to do something about it, that it was just too big for us on our own,” says Margot. Margot knew of the Tides Foundation through her experience with Threshold, and the Board hired Tides to provide programmatic and management assistance. The family members had their first Board retreat, which was facilitated by Tides’ staff, at the Claremont Hotel in Oakland, California, in August 1997. For the first time, they systematically discussed their values, the issues they felt strongly about, and their hopes for the Foundation.

A Focus on Youth and Families

Out of that initial planning session came the programmatic focus and organizational structure which continue to guide HSF's work. There was a consensus that the Foundation would support under-resourced youth and their families. This decision reflected the values not only of the current Board members, but also those of Arthur Hill. There was also agreement that HSF would support organizations in areas of great need and smaller organizations with limited access to funding. Officers were elected, and three committees were formed: Finance, Executive and Grants. Some basic board service policies and decision-making procedures were developed. While discretionary funds allowed Board members to continue to support organizations that did not meet the HSF's new focus, the bulk of the grants supported organizations in the Youth program area.

From 1998-2003, HSF operated largely as a donor-advised fund of the Tides Foundation. During that time, the Foundation refined its programs to reflect the increasing knowledge of the Board and the changing environment in which it was operating. The relationship with professional staff at Tides provided an invaluable source of learning for Board members on both operational and programmatic issues. The Board's commitment to being strategic with its limited resources led it to further focus its grantmaking. Recognizing that young people were critical catalysts for change in their communities, the Board refined the focus of its youth grantmaking from youth development to youth organizing. In response to the Board's growing recognition of the link between poverty and the achievement of young people, and its concern over the growing economic gap, a second program area focusing on economic justice was added in 2001.

Geographically, grantmaking narrowed to the rural South, New York, Washington D.C. and California. These regions were selected for the innovative organizing strategies that were being developed there, the significant poverty facing young people of color in these regions, and the family's connection to them. As the Board gained experience with the new funding programs, grantmaking became more responsive to grantee needs. Grants were given primarily for general support and were typically renewed for three-to-five years. An Opportunity Fund was established to provide smaller grants for immediate needs, and HSF supported several capital campaigns.

By far the most significant shift in grantmaking over this period was the Foundation's growing commitment to social change grantmaking. Recognizing that its resources could be used more effectively to address the causes of social problems than their symptoms, the Board made a concerted effort to shift funding from direct service and development organizations to those that focused on systemic change. (See Appendix A for list of 1998-2003 grants)

In 2002, the Hill-Snowdon Foundation had assets of \$34 million and made \$1.8 million in grants. Those who knew Arthur Hill have no doubt that he would be thrilled both by the significant impact HSF has managed to have on the lives of young people across the country and the commitment of his descendants to the Foundation he endowed. "I think he'd be very proud, and a little flabbergasted," says Margot. "I don't think that it was his intent, but I think he'd be very happy that it gives us this chance to have a substantive conversation about our values... It's

made us even tighter and even more compassionate to one another. It sort of puts our little stuff with one another in perspective.” The Board, currently composed of Dick, Ted, Margot, Andrew, Elizabeth and Ashley, continues to meet annually.

HSF is currently at a very exciting juncture. It hired its first full-time Executive Director in 2004 and established offices in Washington DC. The Board has been blessed with multiplying assets, unconstrained donor intent, a shared commitment to using its resources responsibly, and a genuine appreciation for one another’s contributions. If HSF is able to grow as successfully in its second forty-five years as it has in its first, it will be an instrument that will bring together generations to come to create positive social change.

Written by Ashley Snowdon (2004)