

Effective Philanthropy

An Interview with Sanford I. Weill

EDITORS' NOTE In 1955, Sandy Weill graduated from Cornell University and began his career as a runner for Bear Stearns before becoming a broker. After a storied 50-year career on Wall Street, he retired as CEO of Citigroup in 2003 and retired as non-executive Chairman in 2006. Weill was the recipient of Financial World magazine's CEO of the Year Award in 1998 and received the same honor from Chief Executive magazine in 2002. He is Founder and Chairman



Sanford I. Weill

of the National Academy Foundation (NAF) (since 1980); Chairman of the Executive Council of UCSF (since 2015); Chairman of the Lang Lang International Music Foundation (since 2015); President of Carnegie Hall (Chairman for 24 years, on the board for 36 years); Chairman Emeritus of Weill Cornell Medicine (Chairman for 20 years, on the board for 35 years); Member of the Board of Visitors of UC-Berkeley; and Member of the Chancellor's Board of Advisors of UC-Davis. Weill is a member of the prestigious American Academy of Arts & Sciences, and he and his wife of 63 years, Joan, are recipients of the 2009 Carnegie Medal of Philanthropy.

Will you discuss the keys to effective philanthropy?

There are a million not-for-profits that donors can support, so I always look at it from the point of getting a return on the investment.

I also believe that a donor's first contribution will not usually be the last if the institution does well.

When my wife and I contribute, you just don't get our money, you get our time, energy, experience and intellect. We get involved personally so we can offer what we might know that is different than what the others involved know, such as doctors and musicians.

For example, during the Great Recession and for the next five or so years, all of our not-for-profits did well – Alvin Ailey, Weill Cornell, Carnegie Hall, National Academy Foundation; none of them lost money in any of those years because of the expertise we were able to help provide.

My problem was that my for-profit company became a not-for-profit during this time.

With so many areas of need, are there specific issues where you feel that you can make the most impact?

The oldest of our philanthropies is NAF, which was started with one school in Brooklyn in 1980 in partnership with the Board of Education in New York and the Teacher's Union. Thirty-nine years later, I'm still the chairman.

We are now doing something that I think is going to revolutionize our ability to grow and add new academies in different cities. We have just signed a partnership with University of California, Berkeley, which is an unbelievable school for both science and the arts. They are going to partner with

NAF and create an internship for NAF students for three weeks in the summer after the 9th, 10th and 11th grade, so these kids will have three summers living on the campus and learning what college life is like, as well as getting to spend time in some of the National Labs which reside on Berkeley's campus.

They will learn how to code and will learn where the jobs of tomorrow are, not the jobs of two centuries ago.

We are talking to four other universities of the same caliber in different states where we hope to replicate the Berkeley model. We plan to build it out around the country in partnership with great institutions that are looking to diversify their offerings and have a more diverse student body.

We have 110,000 students in NAF right now, of which the great majority – around 85 percent – are on meal plans so they are from very poor neighborhoods that normally don't present many opportunities.

One of the biggest problems in the U.S. today is the gap between the haves and have nots. People who have the chance to get a great education that prepares them for the opportunities out there are making fortunes. On the other hand, the great majority of people are left behind.

Less than 4 percent of all American engineers are African American or Hispanic, and only about 13 percent are women. Together, these 3 constituencies make up about 80 percent of our population.

If we don't figure out a way to open these kids' eyes to show them opportunities, because most kids don't know how to find them, then we will have a big problem in this country.

Is that an issue that needs to be addressed as a public/private partnership?

It's going to have to be solved in a partnership. We have to work at it in a way that it can be replicable.

The best way to do this is with the public schools, which are all mainly controlled by the unions, so there has to be a partnership with the unions also.

When we establish this, we have a model that can grow, whereas the charter schools happen one at a time and, while many of them do good work, some don't. It's hard to make charter schools scalable.

Business leaders across all segments talk about the K-12 education system being broken. What has made NAF work so well and what differentiates it when it comes to achieving results?

NAF really is a public/private partnership. We want the kids to be college and career ready, so we have mentors that work with them and we help the kids get summer internships with companies in the area they're interested in. We operate in 35 different states, including the District of Columbia, and we have 4,420 advisory board members who have a vested interest that these kids succeed.

We now have five career academies in engineering, health sciences, information technology, finance, and hospitality and tourism. We are also flexible enough to help develop programs that cut across our five different themes, such as in the airline industry. Last year, 99 percent of our NAF seniors graduated with 87 percent going on to college, usually the first in their family to do so. Given these results, I believe we have a model that works.

The health and medical arena has also been a focus that you have been involved in for a long time. What made Weill Cornell the right partner for you?

I graduated from Cornell and I was on the board of the university, but it is located in Ithaca, New York, which is not easy to get to from Manhattan.

I wanted to give something back to the school. They had a medical school in New York so I decided to try that, even though I can't stand the sight of blood.

What I discovered early on from my involvement with Weill Cornell is that I was able to help a lot of people get appointments with the right doctor and help lead them through the difficult maze of understanding and interpreting medical lingo. We ended up spending 30 percent of

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my secretary's time assisting people that worked in our company or friends to get them appointments in a timely way.

It was very rewarding because we were helping many people who were facing very severe issues and seeing good results made us feel good.

As this progressed, I became interested in international expansion – one of the things that makes Weill Cornell unique is that in 2000, the school started talking with Qatar. In 2001, we signed an agreement to build a medical school there, which is taught by our doctors. That program is now 18 years old and we're in the process of negotiating the fifth five-year term. It has been incredibly successful. There are half as many students in Qatar as we have in New York, but the kids have done incredibly well. Most come to the U.S. to do their residencies and about 95 percent get their first choice of where they want to go.

We're dealing mainly with the Muslim population, but they agreed to have all the same governance rules we have in the U.S. and to this day, we are still the only U.S. medical school that gives a U.S. MD degree outside the U.S. in an Arab country, which I'm very proud of.

We also got involved in Tanzania where a Maryknoll missionary, Father Peter Le Jacq, who is also a graduate of Weill Cornell, was involved in a hospital there with only two doctors serving 17 million people. Fifteen years ago, we started a medical school there, which is a partnership between Weill Cornell, the Catholic Church, and the government of Tanzania. We have now graduated 1,000 doctors. It has changed the whole society, and maybe that can be replicated. I'm also very proud of this.

I'm now concentrating on neuroscience because the brain is the most complicated part of what makes us who we are, and we don't know that much about it yet. We have made unbelievable progress in cardiovascular diseases and cancer, so people are being cured in many of those areas so they can live longer. We have to do a lot more to find ways where we can prevent many of these problems from happening through science.

In pursuing this, I have gotten very involved in California with UCSF and also with UC-Berkeley, which has two of our national labs on their campus. Berkeley has world class basic science, but they don't have the ability to do clinical trials and they don't have a medical

school. Fortunately, UCSF has both. I'm trying to create a program where neuroscience from both universities can come together so we can have some of the best people in the world working together in that area.

It is fun putting together things like I did in business. The people really want to do it – they like each other. Last year, we hosted a square dance at our home in Sonoma where we had 60 people from Berkeley and 60 people from UCSF. It turned out that people make a lot of mistakes in square dancing, so they're forced to meet other people and work together.

We're making a lot of progress with this and it has kept me very busy. I have become involved in three of the public institutions that are in the Bay Area – UC-Berkeley, UCSF and UC-Davis, which has very good agriculture and vet schools and a growing medical school.

Will you discuss your passion for supporting the arts?

I played a bass drum in the military band and, to me, the greatest composer in the world was John Philip Sousa. I didn't know much about Beethoven, whose 250th birthday we're celebrating this year at Carnegie Hall.

After I sold our company to American Express, a fellow board member of mine at American Express who was also on the board of Carnegie Hall approached me about getting involved with the legendary concert venue and felt I would like it.

When I joined the board in 1983, they were just beginning to raise enough money to remodel the hall, which looked like it would be a \$60 million job at that point. I didn't know anything about raising money, but I have never been laid back and quiet, so I would open my mouth at meetings and that led to them asking me to be the chairman of this fundraising effort. I said I would try if Jim Wolfensohn would be the co-chair with me and we could do this thing together.

We ended up raising a lot of money. I became a pretty good fundraiser in a city where, after 20 years of doing it, very few people go out to lunch with me anymore because they know it will be very expensive.

I just loved it. I learned so much from Isaac Stern, and when Jim Wolfensohn left in 1991 to go to the Kennedy Center, Isaac asked me to be the chairman. Isaac was a great mentor to me, not just in music and running a music hall, but also in life, business, politics, the arts and even vodka.

Will you discuss your investment to complete the concert hall at Sonoma State University and have you been happy with the impact it has made?

We got excited about the opportunity to try and help Sonoma State build a reputation and put the university on the map. I think we got lucky and ended up building a great hall where the acoustics are really fantastic – maybe the best in the country for a hall where part of it can be opened to include people both outside and inside.

We looked at it as an opportunity to give back to our community and attract the best artists from all over the world to perform there because they liked the hall. It is a welcoming kind of hall and the orchestra can hear their own music performed on this great stage – it is really outstanding. Plus, it is a destination located in the heart of wine country which boasts world class food, wine and weather.

We built a terrific board and were able to raise a lot of money from some very generous donors, including a \$15 million gift from Mastercard, which was the biggest gift a CSU school had ever received.

Like others who are very successful in business, you are a builder. Do your business skills naturally translate to your philanthropic efforts?

I think so. No one thought I would ever retire, but I was able to start another career because I had been involved with philanthropy for decades while I was still in business. When I was 65 and chair of Weill Cornell, my wife was chair of Alvin Ailey. I was also chair of NAF and Carnegie Hall while I was executing the largest merger of two companies that had ever been done when we put Travelers and Citicorp together to form Citigroup.

I was able to do all these other things but could not spend as much time as I would have liked on philanthropy. When I retired from business, it gave me more time. I always tell CEOs that their companies will be more successful if their employees see that they're personally involved and passionate, and that they want to make the communities where their employees live and work better places.

Most of these CEOs tell me they don't have the time because they are too busy. I don't buy it. I am a big believer that the busiest people can always do more. If someone has a lot of time available, there is probably a reason that is the case. ●