Grandchildren of prominent West Michigan donors are shaping the future of local philanthropy

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By Shandra Martinez | The Grand Rapids Press

GRAND RAPIDS — In his lifetime, Fred Meijer invested hundreds of millions in the West Michigan community, funding everything from hospitals to hiking trails to his renowned namesake gardens.

But his most lasting legacy may be what his children and grandchildren give.

The retail magnate, who died last month, set up funds for each of his seven grandchildren at the Grand Rapids Community Foundation, allowing them to dip their toes into donating to different causes and nurturing their philanthropic natures.

They are not alone. The foundation is working with many wealthy Grand Rapids families to help pass the legacy of giving from generation to generation.

“That’s what is so wonderful about these World War II philanthropists. They are providing an opportunity for the next generation to give, but not dictating what they do,” said Marilyn Zack, the foundation’s vice president of development. “They are letting them make their own mark.”

But that freedom may mean West Michigan isn’t the beneficiary of the same level of generosity doled out by their elders. It’s an issue that’s being discussed here, even as the broader theme of legacy planning is creating a buzz on the national philanthropy scene.

West Michigan has made a name for itself when it comes to donated dollars.

The generosity of families like Meijer, Loeks, DeVos and Van Andel is a major reason the Grand Rapids-Muskegon-Holland metro area was ranked second most generous in the nation, behind Salt Lake City, by the Chronicle of Philanthropy.
Generations of giving
Philanthropy can run in families, as demonstrated by the examples below. Generosity instilled in children and grandchildren of business giants could result in the West Michigan community reaping rewards long into the future.

Edward J. Frey
Banking heir; Union Bank and Trust Co. CEO

Frances T. Frey

Rich DeVos
Amway Co-founder; Orlando Magic owner

Helen DeVos

Frey Foundation

Grand Rapids Community College

G.V.S.U.

Urban Institute for Contemporary Art

Mel Trotter Ministries

Charlevoix and Petoskey Community Foundations

Rosa Parks Circle

Ellie Frey
Director, GVSU's Family Business Alliance

DeVos Hall

DeVos Place

Helen DeVos Children's Hospital

DeVos Campus of Grand Valley State University

DeVos Fieldhouse, Hope College

DeVos Communications Center at Calvin College

ArtPrize

5 x 5

U.I.C.A.

Grand Rapids Art Museum

Local First West Michigan
David Van Andel points out that his parents, Amway co-founder Jay and Betty, focused on Grand Rapids because they wanted their fortune to benefit their community.

“They founded the Van Andel Institute in Grand Rapids not because it was the easiest place to establish an unknown biomedical research institute, but because they wanted to share it with the community that had sustained and nurtured them,” Van Andel said.

He said he and his wife, Carol, take a similar approach with their charitable foundation.

“We target a cross section of viable and worthy health, wellness, civic, educational, cultural and faith-based institutions that are successfully working to transform individual lives and to enrich our community,” he said.

**A West Michigan tradition**

West Michigan’s rich history of philanthropy goes hand in hand with its abundance of successful family businesses, said Michael Moody, a philanthropy expert whose position at the Dorothy A. Johnson Center for Philanthropy at Grand Valley State University is funded by an endowment from the Frey Foundation, another Grand Rapids-based family foundation.

Chief among them is Amway, whose other half, the family of co-founder Rich DeVos, also understands the importance of generational philanthropy, Moody said. He noted each of DeVos’ grown children have their own family foundations. So do the grown children of his late partner, Jay Van Andel.

The foundations occasionally give together as a way of working in tandem.

“I know they are looking at ways to bring the third generation into that process,” Moody said. “It’s achieving this balance between giving them the responsibility to fulfill their philanthropic passion and maintain the family’s traditions on the other side.”

Some local donors have made their pet projects clear.

**Ruth Loeks**, matriarch of the Grand Rapids-based movie theater chain who died last month, also set up funds for her 12 grandchildren. While allowing them to spend their philanthropy dollars as they wished, she made a point of introducing her brood to the local organizations that were important to her: Paws with a Cause, Mel Trotter Ministries, Camp Blodgett and Pine Rest.

**The next generation**

One thing is clear in the local philanthropy discussion: How the children and grandchildren of West Michigan’s major donors chose to give in the coming decades will have a major impact on this community and the non-profit sector.

And the challenge for family foundations is keeping these fresh generations connected to the communities where
their family fortunes were made.

“We don’t know how they will give, but we do know they will give at a level that is unprecedented because of the wealth transfer,” Moody said.

It’s an issue that’s being eyed nationally, as well.

There will be an estimated $41 trillion transfer of wealth in the U.S. over the next 50 years, according to a report by the Center of Wealth and Philanthropy at Boston College.

This next generation is expected to give differently than their grandparents or parents. They’ve shown that they care more about innovation than institutional loyalties.

“Something that doesn’t look like traditional philanthropy is what appeals to them,” Moody said.

A local snapshot of this is the DeVos family tree.

Rich DeVos has given millions to traditional venues like education, medical and arts institutions. His grandson, Rick DeVos, has focused his energies on social entrepreneurism such as ArtPrize, which has drawn international attention for offering cash prize to winning artists, selected by the public, and events like 5x5 Nights, which reward the best social and business ideas with start-up funds.

While the elder DeVos’ name graces buildings across West Michigan and beyond, his grandson’s high-profile efforts have been innovative, entrepreneurial and experimental.

“ArtPrize is a great example of building your local community through innovative philanthropy,” said Moody.

**The changing face of giving**

Family foundations have grown over the last century, and become more formalized. A less expensive alternative are donor-advised funds at community foundations.

The Grand Rapids Community Foundation has 125 donor-advised funds with total assets of $53 million. Most of the funds, which begin at $50,000, are endowed, which means that the interest generated on the principal is given away.

Peter Wege, 91, continues to work with his children and grandchildren to grow their connection to the foundation he started. His dad co-founded office furniture giant Steelcase Inc.

Last December, he gathered many of them in Costa Rica for a retreat to talk about the future of the foundation.

Wege’s giving has embraced the environment, said Ellen Satterlee, foundation CEO. Five of his seven children are involved in the foundation. But only two of them live in West Michigan.
“The thing about the next generation is that they are the technology generation,” said Satterlee. “They want to see impact statements. They want to see how our dollars make a difference. They are the ones that ask for measurable change.”

Wege gives priority to efforts that combine the environment or education. He coined the phrase “economicology” and has written two books on the subject.

Like other West Michigan philanthropists, most of his giving stays local.

For the younger generation, they tend to be more attracted to global rather than local issues.

That was the case for Ellie Frey, whose grandparents started the Frey Foundation, which has given away more than $100 million in nearly four decades.

Her personal philanthropy began with global projects that provided funds for girls in Asia to go to school.

“I didn’t have a community at the time, so the world was my community,” said Frey, adding that because she didn’t have access to a lot of money, she was looking for ways her small donations could have a big impact.

Her global focus began to narrow eight years ago when Frey, who grew up on a farm in Charlevoix, moved to Grand Rapids where the Frey Foundation is headquartered.

“As my relationship with the city grew, so did my philanthropic giving and I pulled back from international giving,” Frey said.

Frey, 35, may one day follow her parents on the board of the Frey Foundation, which focuses its giving on nurturing community arts and community strengthening in West Michigan and the northern Michigan counties of Emmett and Charlevoix.

Frey is director of GVSU’s Family Business Alliance, which helps family businesses succeed through the generations. She believes strong family businesses are the key to multi-generational philanthropy.

Frey’s involvement with her family foundation began before she could drive when, as a teen, she joined her siblings and cousins on a “next generation” advisory board. They visit nonprofits and analyze grant requests.

She learned about the Urban Institute for Contemporary Arts by painting ceramic there, and about Gilda’s Club by spending time there with people dealing with cancer.

“I didn’t know my cousins, so I got to know them around philanthropy,” said Frey.

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