



March 11, 2008

Fairbanks Foundation a health-care financier

Research entity, education site are benefiting

By Ashley Petry

Star correspondent

March 11, 2008

When you run a foundation, particularly if you keep a low profile as the Richard M. Fairbanks Foundation has done, results of your generosity aren't always apparent.

But the foundation, which had \$374 million in assets at the end of 2007, has quietly distributed tens of millions of dollars since its founding in 1986, almost exclusively to nonprofit organizations based in Central Indiana.

In the past few years, the Fairbanks Foundation has had a noticeable impact on the local health-care industry; in 2007, it funneled \$7.8 million, or 37 percent of its total largesse, to health-related causes.

Among the foundation's major gifts were a \$10 million grant in March 2006 to form a nonprofit entity for health research and \$6 million to help build a medical education center in Indianapolis.

Formed in partnership with BioCrossroads, Indiana University School of Medicine, the Regenstrief Institute and others, that research entity, called the Fairbanks Institute for Healthy Communities, will begin enrolling 1,500 participants in a few weeks for a long-term study of cardiovascular health.

The \$10 million grant, the second-largest in the foundation's history, will gather medical records and tissue samples from the same participants for several decades. The goal: to build a database researchers can use to identify early indicators of disease and develop new treatments.

"This was an opportunity to take what we know about ourselves and try to make ourselves healthier," said David Johnson, president and chief executive of BioCrossroads, an Indianapolis organization that promotes the life sciences. "I've just been blown away . . . with the many good things they (Fairbanks officials) are doing in this community, and with their deep commitment to better health care."

Indianapolis is an ideal home for such a study because of its ethnic diversity and the high rates of many types of disease, said Cynthia Helpingstine, president and chief operating officer of the Fairbanks Institute. A cancer study is planned for later this year, she said.

Another of the foundation's major grants was \$6 million in 2001 in support of Fairbanks Hall, a \$44 million, 182,000-square-foot building rising Downtown. The building is a joint project between Clarian Health Partners and the IU schools of medicine and nursing.

Fairbanks Hall, which broke ground in the summer of 2006 and is slated to open this September, will include a simulation center, where medical and nursing students will train in artificial ambulances and operating, emergency and delivery rooms. It also will house other classrooms and administrative offices.

"It will be one of the largest, if not the largest, simulation center in the country," said Dr. Eric Williams, a cardiologist with the medical school and an executive vice president with Clarian Health Partners. "This is an evolving area within medicine."

Ranked by assets, the Fairbanks Foundation is the fifth-largest in Indiana, according to

the New York City-based Foundation Center, which tracks grant-making institutions.

A slow start

The foundation's wealth is the legacy of Richard M. Fairbanks. As founder of Fairbanks Communications, he owned radio and television stations, including WIBC, which recently switched from AM to FM.

Leonard Betley, the foundation's president and chief executive, was Fairbanks' attorney at the time, and he helped establish the foundation in 1986.

"The foundation just existed in my drawer for years," Betley said. "I'd call Dick in December and say, 'We've got to spend \$5,000 this year.' "

Fairbanks increased the size of the endowment over the years as he sold business properties, but it wasn't fully funded until his death in 2000. In 2007, the foundation made 139 grants totaling \$20.9 million, but the annual average is closer to \$16 million.

"I think the Richard M. Fairbanks Foundation is supporting a number of quality services out and about in the community," said Harry McFarland, vice president of the Central Indiana Community Foundation's Indianapolis Foundation.

Although health care is one of the Fairbanks Foundation's focus areas, it also supports many work-force development projects. Other grants reflect the legacy of Richard and Virginia Fairbanks' community involvement.

For example, Butler University, of which Richard Fairbanks was a trustee, has received three grants totaling \$11.3 million since 1999.

Fairbanks also was a trustee of the Indianapolis Museum of Art; two grants totaling \$15 million were awarded to support the museum's new Virginia B. Fairbanks Art and Nature Park.

Renewable grants

One feature of the foundation's efforts are its renewable grants, which can be used for general operating expenses. Of the 139 grants the organization made in 2007, 51 were renewable grants of \$10,000 to \$25,000.

Debbie Russell, director of development for Second Helpings, a meal provider, said a \$25,000 grant last year was used in support of the organization's culinary job-training program.

The freedom to use the grant for operating expenses is "not the norm," she said. Second Helpings first received a grant from the Fairbanks Foundation in 2000, and it has been renewed, or increased, every year since.

The foundation is increasing its focus on public health issues and looking carefully at programs to serve the city's working poor.

Betley said he still struggles with how to evaluate the effectiveness of the grants.

"We try to find niches where there seems to be a need no one is addressing," he said.

"The challenge is to figure out whether what we're doing makes any difference. . . . Sixteen million dollars sounds like a lot of money, but it's just a drop in the bucket."