

## First Draft

### Early History: Tektronix Foundation by Bill Webber

#### Beginnings

In early 1952, Jack and Howard looked for a better way to handle charitable donations than doing it all in haste in December after year end results could be estimated. At that time, Tektronix fiscal year ended on December 31. Jack and Howard decided to start a foundation to channel charitable giving by Tektronix. A foundation would avoid the time pressures of year end decisions and would probably improve the quality of decisions. In addition, other benefits were realized like being able to decide on a single charitable contribution to the foundation after year end results were known and building assets by carrying over some to following years which could be used to smooth out peaks and valleys of corporate operations and to save up for a major project such as the Oregon Graduate Center for Study and Research start-up. The foundation also separated charitable giving from the day to day business of Tektronix like sales, advertising, contract research and political interests. The foundation later was discovered to be a useful tool in solving estate problems of major owners of a privately held corporation (especially with a bachelor). This was illustrated by a conversation I overheard between Howard and Bill Hewlett just after we heard HP would go public. Howard mentioned all the problems of going public and asked Bill would it be worth it. Bill responded something like -- you know Howard, Dave and I have difficult estate problems and were forced into going public. Howard asked Bill if they had considered using a foundation to at least delay it. Bill's eyebrows went up and said -- no Howard, we didn't think of it. Using a foundation may not have delayed HP going public for very long.

Howard, Don Ellis and I started the Foundation with Jim Castles' help on the Articles, By-laws, adoption and filing. Warren K. (Dal) Dallas was added as a trustee in addition to Howard, Jack, Don Ellis and me. At the start, the Foundation handled product giving as well as cash so Dal was a big help because he was Sales Manager. It was decided to have an outside trustee and Edgar W. Smith was chosen because of his background and leadership on the Oregon Board of Higher Education. After a few years, the Foundation realized that it was not appropriate to handle product donations.

## Interests and Goals

From the very beginning, our trustees expressed a deep interest in education, especially the physical sciences and with emphasis on the college level and a leaning toward private education. As a starter, we hosted a dinner with Edgar Smith's help and invited the president of each accredited four year institution of higher education in Oregon. Edgar Smith introduced them to our Foundation, explained our interests and asked what we could do to help them. It was the first time that the college presidents, both public and private, had been in the same room at the same time. It is hard to imagine that event happening today. As a result, requests came in and we funded equipment, helped science buildings and even funded scholarships for male teachers in elementary grades. That one backfired into athletic scholarships at Western Oregon State College.

It was decided to concentrate in Oregon because of being an Oregon corporation with all of our facilities in Oregon and where most of our employees lived. Our goal was to support projects that would have leverage for future benefits to society and that may not have broad based public support or even understanding. There was no interest in activities that were clearly the responsibility of government and where government had defaulted.

Jack Murdock with Howard's encouragement set up a plan before the Foundation where employees could contribute to selected social welfare charitable organizations through payroll deduction. This was before United Way got started in Portland. It was natural then that Tektronix and the Foundation have consistently supported United Way generously. Separate from United Way, our Foundation has supported social welfare and health organizations in Oregon with the thought it would help make Oregon a better place to live. United Way has also been supported everywhere Tektronix employees are located.

## Attitudes

The deep interest in education, especially physical sciences, was to broaden and improve the pool of students and to put something back into an area where we were taking much. Charitable donations were made in the purist sense in line with the personal characteristics of Jack and Howard and which we as individual trustees readily accepted. No publicity was sought, no news releases were issued, no self-aggrandizing annual reports were issued and some offers of publicity and recognition were declined. It was agreed, however, that we would cooperate when requested by recipients if it would be in the best interests of the projects we supported. Our trustees were careful that Tektronix, Inc. did not receive direct benefit from any project we supported. If a project would be of direct benefit to Tektronix, it was referred to sales, advertising, or engineering for consideration of their funding it out of regular operating budget.

Our Foundation received a 501(c)(3), not a public category, from the IRS so we limited our activities to the United States and never wrote checks to individuals. It was felt that other countries had their own customs and tax laws and charitable giving could best be handled in other countries through our subsidiaries making their own decisions appropriate to each country.

### Programs

In 1953, a gift matching program was started where the gift of any US Tektronix employee to any accredited US school at any level for educational purposes would be matched. Limits on gifts were \$10 to \$1,000 to a single school and \$5,000 total in one year. This followed very closely behind the matching gift program by the General Electric Company started in 1952. The GE program was credited as being the first in the US and ours was the first in Oregon. Later the program was broadened to include ex-US Tektronix employees receiving retirement pay from Tektronix retirement programs.

For several years, we did not support the arts because we felt the arts enjoyed extensive public appeal and their support was a personal matter. After going public considerable pressure was felt to support the arts. Several trustees personally supported and participated in arts organizations but resisted pressures for our Foundation to support the arts. Our attitude changed to the extent that our gift-matching program was enlarged to include that matching of the gift of any US employee to any 501 (c)(3) organization in the visual and performing arts. Limits are \$10-200.

The "arts" were expanded to include public radio and television as a part of our matching gifts. Pressures continued for direct corporate type grants. A sum of \$45,000 was set aside for the Oregon Symphony, Portland Opera and Oregon Art Institute to be divided between them based on size of operating budget, earned income and funds raised locally. That initial split has been retained except that an additional sum was given to the Oregon Symphony on a one-time basis and also the annual amount was increased to the Symphony.

Later, interest was expressed in supporting a particular medium sized arts organization but rather than consider them one at a time, we decided on a program. \$10,000 was set aside and working with Jean Vollum, I surveyed the field and recommended five organizations each to receive \$2,000 each year. Recently the Portland Center for Visual Arts had problems, merged with the Oregon Art Institute and was dropped from our list of five.

## Scholarships

Our scholarship program was started with our awarding one at Beaverton High School with the awardee being selected by the school. The program was enlarged to include Sunset High School when it opened and then enlarged further to invite applications from interested students graduating from any high school in Washington County. At this point, a selection committee was formed including trustees, educators and well qualified citizens. We recognized that our purpose was "to encourage excellence by recognizing excellence". Applicants were screened based upon written applications, grade point averages, SAT scores, and demonstrated interest and proficiency in math and science. Finalists were invited for an interview with our selection committee and in addition to the screening criteria were selected for awards based upon probable contributions to our society.

Later a scholarship was established at Benson Polytechnic High School in Portland with the school nominating three and a sub-committee of trustees selecting the winner.

\$1,000 was the amount of the award to each student to be used at anytime during the student's higher education. If an award was not used for five years, it was cancelled if appropriate after contacting the student about his/her education plans.

A scholarship program was established for children of US Tektronix employees. However, the specialty area of each student could be anything and not limited to math and science. Students from outside the Portland area who were selected as semi-finalists and were unable to come in for an interview with the selection committee were interviewed by a telephone conference call with a sub-committee. Students who were children of Tektronix employees and ranked high in math and science could make a choice of entering what they thought was the more prestigious to them--the math and science scholarship program instead of children of Tek program, but they could not enter both.

The math and science program became too difficult to handle as Tektronix spread to Wilsonville in Clackamas County and Vancouver in Clark County. After a period of no program in math and science, Tom Williams devised a new format where each high school in the four-county area (greater Portland) could nominate up to three candidates based upon the size of the enrollment in that school and the total number of students to be considered would be a manageable number.

In the Children of Tektronix Employees program no student was eligible who was a child of a corporate officer. This restriction was necessary for IRS approval of our programs. The IRS was concerned with a scholarship program becoming a benefit to only higher paid employees.

Because of our interest in private education, a matching donation was made whenever a scholarship winner used any of our scholarship grant money at a private institution. This was in recognition of the increased cost of educating a student without tax fund support.

It was a real pleasure to serve on a scholarship selection committee and to interact with the students in the interview and selection process. The students were interesting, challenging and extremely impressive. It renewed our faith in younger generations.

## OMSI

The Oregon Museum of Science and Industry was located in the mid 1950's in a house with a small planetarium nearby in Holladay Park near where the Lloyd Center is now. A man by the name of Stevens was the main force keeping it going.

Additional manpower gave it added life getting property from the City of Portland near the zoo and every brick layer in Oregon to lay the bricks for the outside walls in one weekend. OMSI took on new life spark plugged by Sam Diack, MD. Tektronix people and Tek Foundation expanded their support and OMSI developed into an excellent year round science education, experimentation and research program. As early as 1955 they had an excellent science camp in central Oregon at Camp Hancock for discovery and study of fossils as well as living things. OMSI had its ups and downs but became an outstanding science education catalyst.

More recently OMSI has administered a program funded by the Foundation to select and recognize with publicity and a cash grant of \$5,000 to each of five outstanding middle school, junior high school or high school teachers. This program originated by a question we used to ask our semi-finalist math-science scholarship students in their interview with our selection committee. The question - - out of all the teachers you saw during your 12 years of formal education, does one stand out as influencing you the most? Their eyes would light up with the answer-- Yes. What is that teacher's name, subject taught and how did that teacher influence you? There were interesting answers and frequently the same would come up with different students. I went out to meet some of those teachers mentioned. We decided those outstanding teachers should be recognized in a very tangible way. It has been very heartwarming to serve on that selection committee and also to meet those teachers each year at our banquet announcing the awards.

Through a variety of experiences the Foundation decided to never advance funds until the project was actually about to start or had already started and the bills were coming in. Sometimes loans were offered at no or low interest rates for project start-up if it could become self-supporting. Very seldom did we wish to be the sole support of a project. Generally we wanted to limit our support to a three year period. The major exception was a list that we called renewable upon request where we intended continuing support but wanted to reaffirm the support each year, if requested. No request indicated that they didn't really need our support.