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**PHILANTHROPISTS
OF THE YEAR**

THE GOLDEN HOUR

How Courtney Clark Pastrick is carrying out her father's mission to elevate the region before the Clark Foundation sunsets

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PHILANTHROPISTS OF THE YEAR



Guiding light

The Clark Foundation is working toward serious regional change as it approaches its waning hours

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As Courtney Clark Pastrick sits in her father's old office on the 15th floor of 7500 Old Georgetown Road, she need not describe Jim Clark's impact on the region, let alone downtown Bethesda. The evidence towers just outside her window.

She's flanked by such Clark Construction projects as Washington Property Co.'s Solaire, across the street at 7607 Old Georgetown Road, a 22-story apartment tower on the site of a shuttered La Madeleine cafe that's expected to deliver in 2024. Then there's Saul Centers'



Jim Clark

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Hampden House, an apartment-over-retail tower at 7316 Wisconsin Ave. adjacent to a future Purple Line station and a new southern entrance to the Bethesda Metro station on the Red Line.

But it's the 16-story office building at 7500 Old Georgetown that once belonged to her father's company and housed its nearly 400 employees – known on Google Maps as the Clark Building – that's the focus of her attention on this early May day. It sold in 2019 to Stonebridge Associates and Rockwood Capital for \$133.75 million, three years after Clark's general contracting company, the region's largest, was sold to his executive management team.

"He built this building," Pastrick says. "He was so proud of this."

Those sales were part of Jim Clark's final wish. It was his directive to sell his entire portfolio of assets upon his passing in late 2015 and to funnel the money into a foundation. Unlike traditional family foundation models, however, Clark had a catch: The money – nearly every last cent of his billion-dollar fortune – would be spent within 10 years of his death, a period set to end in 2025.

That unorthodox strategy stemmed from Clark's simple philosophy, Pastrick explains today. "You should really use today's dollars to solve today's problems."

The foundation's careful, targeted investments in its final decade – supporting children's and maternal health care, veterans and future scholars – are expected to impact generations to come. It's why the Washington Business Journal is honoring the A. James & Alice B. Clark Foundation as the 2023 Philanthropist of the Year, recognizing its \$1.2 billion worth of ripple effects on the eve of its sunset.

"He always said his greatest gift was the ability to find good people and give them the opportunity to succeed," Pastrick says. "And I would like to think that's what we're doing."

A new dawn

The old executive floor is mostly empty at the Clark Building. With the Clark Construction arm's move



"She wanted to make the investment because she knew her father. She knew that he loved the University of Maryland ... and she wanted to honor her father by doing this."

DARRYLL PINES, president of the University of Maryland, College Park, about Courtney Clark Pastrick's decision to award it \$219.4 million, the university's largest single donation in its history, toward a slew of engineering programs and scholarships



"They're not spreading their funding across 150 organizations in their portfolio, or even 30, at least in the veteran portfolio. It's pretty condensed, which again allows them to go deep with these organizations and get to know them really, really well."

MARY BETH BRUGGEMAN, a Marine Corps veteran who now presides over The Mission Continues

TIMELINE

1950: A. James Clark graduates from the University of Maryland with a degree in civil engineering.

1987: Clark founds the Clark Charitable Foundation and names his daughter, Courtney Clark Pastrick, as president.

1994: Clark donates \$15 million toward the Umd.'s School of Engineering, which then gets renamed the A. James Clark School of Engineering.

2015: Clark passes away, with a mandate to philanthropically invest his estate within 10 years.



2016: Clark Charitable Foundation becomes the A. James & Alice B. Clark Foundation, with Pastrick as board chair, Robert Flanagan and Lawrence Nussdorf as trustees and Joe Del Guercio (above) named as president and CEO. The foundation helps establish the first Clark Scholars Program at Johns Hopkins University.

2017: The foundation finalizes its three key pillars of focus. It announces its \$219.4 million investment in University of Maryland's Building Together campaign.

2018: Veterans investments reach nearly \$50 million.

2020: Parent-Child Health Initiative launches with local hospitals and health centers, with combined commitments topping \$100 million. The foundation also invests \$10 million in the D.C. Public Education Fund to launch DCPS Persists and makes Penn State the final Clark Scholars Program partner with a \$15 million investment. In November, Nussdorf dies.



Nussdorf

2022: Clark Scholars across George Washington, Duke, Penn State and Vanderbilt universities, Virginia Tech and the universities of Maryland and Virginia convene for the first time at the University of Maryland.

December 2025: That's when the A. James & Alice B. Clark Foundation is slated to close its doors after spending down its funds.

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to Tysons, the 10-person foundation, along with a handful of Clark Enterprises employees and a small construction team, are all that remain of the building's former anchor tenant.

This fall, the foundation will relocate to new offices in Friendship Heights, where it will quietly wind down its activities by December 2025.

For nearly 30 years, what began in 1987 as the Clark Charitable Foundation had been run and operated by Pastrick, who describes it as a mostly "grassroots effort" that invested in a wide range of organizations. But she always knew the job came with an expiration date.

"He didn't really love the model of foundations in perpetuity because you're sitting on a lot of assets, and he wanted those assets put to good use," she says of her father.

But where? As the patriarch began to age, Pastrick and Clark met with a consultant to home in on the three key investment areas that meant the most to him: engineering education, veteran support and D.C.'s educational and economic advancement.

Around the same time, Pastrick – as well as two top Clark Enterprises execs, Larry Nussdorf and Bob Flanagan – met with Joe Del Guercio, who had been working with Clark's investment arm since 2004. Del Guercio was a veteran venture capitalist and private equity investor who was familiar with the company and its values, but had not previously been involved with the foundation.

It was exactly the type of background Clark needed to execute his vision. "They wanted someone who thought of this as an investment – not a gift – and that's the way he'd very much thought about his philanthropy," says Del Guercio, who's since led the liquidation of more than \$1 billion of Clark's assets as president and CEO of the A. James & Alice B. Clark Foundation and Clark Enterprises.

With every investment came due diligence into market conditions, leadership, infrastructure – the analysis you'd expect from a traditional investor.

"There are not many \$1 billion-plus foundations that spend down over 10 years," Del Guercio says. "The freedom we had to be very proactive and make large investments was pretty cool."

Where the sun hits

A wooden replica of the University of Maryland's A. James Clark Hall sits on the window ledge in Clark's office. The 100,000-square-foot hall that houses the school's bioengineering program – constructed, naturally, by none other than Clark Construction Group – was completed in 2017.

The building's namesake may not have been able to cut its ribbon, but it was made possible through a \$15 million donation by Clark, a Maryland engineering grad who first began contributing to the university in the early '90s.

"He always felt that this amazing investment was made in him by Maryland, and other people should have that opportunity," Del Guercio says.

For Clark, who decades earlier had hitchhiked to the University of Maryland as a scholarship student, knew his alma mater changed the trajectory of his life. It was fitting that it received the first major infusion from that life's fortune. And in 2017, the same year Clark Hall delivered, the foundation gifted \$219.4 million to the university, UMd.'s largest-ever single investment, toward need-based scholarships, graduate fellowships, distinguished faculty chairs, and operational and capital projects for the school. It went toward a \$35 million collaborative space known as the E.A. Fernandez IDEA Factory, which delivered in 2021, and the \$40 million Stanley R. Zupnik Hall, a new interdisciplinary engineering building expected to deliver in 2026.

"If you were to drive onto campus and make the first right turn, you see the evolution of quality of the facilities," says Darryll Pines, president of the University of Maryland, College Park. "That actually has a long-lasting impact on recruiting people, faculty, staff and students."

Case in point, Pines says: A team of UMd. engineering students recently won back-to-back international competitions, reflecting the caliber of students the school attracts today.



JOANNE S. LAWTON / WBJ

"He was a man with a huge heart, a man who cared deeply about other people and a man who was ... as gifted in advising people like me as he was building buildings. He was a real, real leader in this community."

THE REV. MSGR. JOHN J. ENZLER, outgoing president and CEO of Catholic Charities Archdiocese of Washington, D.C., on Jim Clark. Catholic Charities received an investment from the foundation for its Newcomer Network, a program that connects newcomers to this country to resources in the region.

Pines first met Clark in the construction titan's conference room when Pines was the incoming dean of UMd.'s engineering school in 2009. Immediately, Clark's expectations for high quality were made crystal clear. "In his conference room, he literally has every U.S. News ranking of the university and the college of engineering on the wall – a plaque for every year," Pines says. The school jumped four spots to No. 55 on the most recent annual rankings – an accolade that would have surely made the wall.

Pines got accustomed to seeing Clark regularly as engineering dean. Once the construction magnate arrived, he loved to talk to students. "He would show up, impromptu, because he wanted to get an opinion of how things were going," Pines says. "He wanted to make sure they were getting good experiences and a good education."

For that reason, Pastrick and Del Guercio think the late patriarch would have considered the A. James Clark Scholars Program the foundation's proudest achievement. The marquee scholarship program, now implemented at 11 engineering schools nationwide, including in College Park, has funded more than 230 engineering graduates with financial need. It also was the most difficult to structure, per Del Guercio.

The foundation provided universities with an endowment for the program that was, in many cases, matched by the institutions. The cash flow

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from the pool of capital, as well as ongoing support from the universities, funds each 40-student program in perpetuity. Each university also offers a dedicated adviser and its own wraparound support, be it paid research, summer internships or study abroad.

For most gifts and grants, “you make a gift and they name something for you,” Del Guercio says. “We didn’t think about it that way. ... If we’re making an investment, then you’re making an equal investment.”

Eclipsed for a bit

Ten years is a long time – unless you’re Del Guercio. From the start, he knew he’d have to move quickly to have the biggest impact.

Yet the pandemic’s sudden, crushing impact midway through the foundation’s spend-down plan was something Clark could never have predicted.

“It certainly set us back in a lot of ways. I mean, when we think about what we wanted to accomplish with infant and maternal health, college persistence ... third-grade reading levels and eighth-grade math, ... it’s really hard to make progress on all those things during the pandemic when no one was in school,” Del Guercio says. “But we’ve done our best to kind of catch up as we can.”

The foundation, at the time, issued “no questions asked” checks as needed to support its grantees through unprecedented times – flexibility afforded by a large capital pool that needed to be spent quickly. But really, there is no playbook for such a rare strategy. And it’s certainly open to plenty of rose-colored glass reflections.

For instance, Del Guercio says while looking back, he wishes he took a more venture capitalist approach, reserving 15% to 20% of the money to seed new ideas and entrepreneurs in the nonprofit space. “We didn’t do a good job of trying to find enough of those people,” he says. “I do think that entrepreneurial spirit – people coming in and looking at things differently and changing the way things have been done for a while – I think it’s needed. I think it’s healthy. I think it’s refreshing.”

Such entrepreneurs are also tough to find, he says, proving to be the biggest stumbling block.

Though, the foundation did have agility in other places. Its Parent-Child Health Initiative was born from an article that Pastrick and Del Guercio read about how much more difficult it was to have a baby just across the Anacostia River. “That all started from just becoming aware of a need in the city that was so great and knowing that would be something my dad would care about,” Pastrick says. “And then we funded it through the partners that we already had a relationship with.”

That included Children’s National Hospital, whose D.C. campus was built by Clark, a longtime supporter of the pediatric hospital’s research, says Dr. Kurt Newman, its CEO, who is set to retire July 1. Children’s had initially proposed

the foundation fund still more research. But that was turned down. Instead, the foundation sought the pediatric nonprofit’s help to stand up the Parent-Child Health Initiative for infant and maternal health in the District.

In its first year, the Clark Parent & Child Network served 3,485 children and families. Its D.C. Mother-Baby Wellness program also hit a milestone in April after receiving 1,000 referrals in the first 18 months for its mental health care and other support.

“It wasn’t just about the science and research, which we’re really, really good at,” Newman says. It’s about “improving the real issues on the ground and not keeping it within the hospital or within the research operations, but in the community where these families and these children were struggling.”

And, now, twilight

In his final days, Clark would ask to be driven down to watch his company construct the Smithsonian National Museum of African American History and Culture. It made sense, Pastrick says – her dad’s favorite projects were down on the National Mall.

In less than two years, his legacy foundation will be gone. But much like his beloved monuments, its impact will be seen and felt for generations to come.

As the foundation enters its final phase, Del Guercio cautions folks not to expect it to “drop \$200 million in the last year.” Rather, capital has been strategically preserved to allow for adjustments to ongoing commitments.

When it comes to needed adjustments, the foundation embraces honest feedback from its grantees, says Mary Beth Bruggeman, president of veterans-focused nonprofit The Mission Continues. “They are the best or most open-minded partner we have as an organization that really, truly wants to hear the challenges we’re facing,” she says. “There’s a real spirit of authenticity in wanting to hear what we’re facing with no retribution.”

For now, the foundation is working to protect grantees from falling off any fiscal cliffs. In its applications, it asks grantees to spell out future funding paths and partnerships to buoy its initial investments for years.

Still, Del Guercio can’t help but grapple with the inevitable hole the nonprofit community may face when the billion-dollar infusion is complete. “I worried about that from Day One, and I still worry about it,” he says. “I mean, there’s not another funder locally that will replace it – but I hope that happens.”

Pastrick hopes the local community will take a cue from her father’s visionary philanthropic philosophy – and build atop the groundwork he laid.

“We have plenty of people in this community who can step up to the plate. ... There’s plenty of resources in this community,” she says. “Hopefully we’ve led by example.” 

BY THE NUMBERS

Take a look at the Clark Foundation’s spend-down progress, as of April 30.

\$886M: Total amount invested nationwide since 2016

\$663.4M: Total amount invested in Maryland, D.C. and Virginia across all portfolios since 2016

\$150M: Total amount slated to be invested in 2023

\$144.8M: Total amount invested in 2022

\$42.8M: Largest investment made in 2022, to the University of Maryland

\$2.7M: Foundation operating expenses in 2021

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BEHIND THE SCENES

From her strong foundation on up

As the daughter of Clark Construction titan Jim Clark, Courtney Clark Pastrick watched her father literally build the foundation for much of Greater Washington.

Now it's her turn to leave a mark on the region as she helps steward the \$1.2 billion her father left behind for investment in the nonprofit community as the board chair and former president of the A. James & Alice B. Clark Foundation. We talked with her about his lasting legacy, her lifetime goals and how the Bethesda foundation plays a role in both. This is what she said, edited for space and clarity.

Your dad had such an impact on the region. What was he like when you were growing up? My dad [was] self-made. A lot of the large buildings you see in D.C. didn't come until later in my childhood. My dad was a very humble man, and till the day he died, he never wanted a lot of accolades. And he

raised me and my brothers to be that way. It was all about humility, integrity and doing the right thing, and he really instilled those values in us. As a result, I'm not even sure I was aware he built the whole city. It came to me much later in life to realize just how much he had accomplished with his company.

Were there any projects that were extra-special to your father? The first big job that he got was L'Enfant Plaza, and I just remember the excitement in our house when he got that bid. He loved a good construction bid. We always knew when a bid was going in because he was working around the clock. And that [project] meant a lot to him.

What are some others? I think the last job that he was really aware of before his passing was the [Smithsonian National Museum of African American History and Culture]. That was really,

CLOSE UP

Courtney Clark Pastrick

Board chair and former president, A. James & Alice B. Clark Foundation

Age: 67

Residence: Maryland

Education: Bachelor's in political science, Duke University; J.D., The Catholic University of America

Family: Husband R. Scott Pastrick, three children

First job: A summer camp counselor at a day camp for preschool children at Sidwell Friends School at age 16

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really special to him. I remember him being driven down there, even when he wasn't feeling particularly well, to see the job. He understood the problems — there were some issues with water and how they were going to construct it — and I remember him just being so proud of doing that building. Any of the national museums and monuments and congressional buildings. He was a real patriot. He also loved doing sports stadiums. He loved Camden Yards, he loved Nationals Park and he did FedEx Field. That really became a special thing for the company.

What's the best advice your dad ever gave you? I remember my son asking my dad, "You always talk about integrity, what does that mean?" And he always said, "Doing the right thing when no one is looking." Which put it in the exact words of the child. But I think that was the focal point of everything my dad did.

What's something most people don't know about your dad? He worked out every day at 5:30 a.m. for an hour and a half. When I say every day — I mean every day. He had his own skull boat, and he rode early in the morning anytime he was near water. He loved that quiet time alone. It was really important to him. He was an avid reader — he had two or three books going at a time, and I always thought that must be so confusing. And he was very faithful. He was a man of very personal, deep faith, and I think it drove a lot of his commitments to give back to others. My mother was the absolute focal point of his life for 65 years. They had an incredible marriage.

Your turn! What's something people would be surprised to learn about you? I wanted to be a musical theater star. Unfortunately, I didn't really have the talent. I used to be in all my high school musicals. There's nothing I love more than a wonderful musical, whether on Broadway or off-Broadway.

What's the musical you're most likely to belt out in the car? I'm going to "Les Misérables" next week, and I'm so excited and I've been going through all the music. But not particularly anything. Someone asked me my favorite musical ever — it was "Billy Elliot" — so, no, I love it all.

Where do you think the most work remains for the local nonprofit community? I would say the D.C. Public Schools system. I have been involved in helping with DCPS, the charter school movement, the reform movement many years ago. It's two steps forward, one step back with Covid, with what happened with kids and education and reading scores. I think that's always going to be our biggest focus in D.C.

How do you think the philanthropic landscape has changed? I think it's become way more sophisticated. When I first started running the foundation 30 years ago, we didn't have a button on a computer where you could apply for grants to 30 different organizations in five minutes. It was much more grassroots, much more hands on. And now, I think, a lot of people have sophisticated development departments, and I see it in a very different light. It's almost more like businesses now, how it's being run. I definitely think there's a professionalism to it now that there wasn't [before].

How has that shift affected nonprofits? Nothing saddens me more than seeing nonprofits have to shut their doors because they can't raise the money, or they didn't have the staff. I've always said that I've never found a bad nonprofit. Basically, everybody's out there trying to do good works. It's just some of them succeed better than others.

What's your biggest pet peeve? Superficial fundraising. Someone coming to us, creating something they need because they know that's what we give to. An organization has a mission, it's not necessarily what our strategic priorities are — and they create a new program because they want resources from our foundation. My staff is really good at matching the mission of a nonprofit to our strategic priorities.

Your favorite vacation spot: Italy. I find the Italian culture and the Italian people very appealing. I've never had a bad trip to Italy.

We talked a lot about your dad's legacy. What do you hope your legacy will be? I don't give a lot of thought to my legacy because I'm so interested in helping form my dad's. But similarly, I would hope that when all of this is said and done, that the work that we've done has really changed people's lives. There's a lot of discussion in the philanthropy world about: Do you go wide or do you go deep? Do you give a lot of money to a lot of organizations and hope that you make a small change? Maybe increase reading scores by the third grade — all the markers that we all know are so important. Or do you give to a small organization and invest a lot of money and change people's lives in a meaningful way?

What's your opinion? I think both are important, and we do both. I don't mean it would be an either-or situation, but for me, it's the changing of people's lives. It's sitting next to a Clark Scholar and hearing the differences made in their life. One young man told me he would have been an auto mechanic his whole life, and now he's hoping to own his own company and has this engineering degree and incredible opportunity. That will change his family, and his children, and that's the real legacy — that you changed someone's life and pay it forward.

– Interview by Caitlin Lyons