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How The Richest Black American And His Billionaire Partner Became Top Philanthropists

**Nathan Vardi**, FORBES STAFF Following the money trail [FULL BIO](#)

Every year around Thanksgiving and Christmas, billionaire Robert Smith and his wife, Hope Dworaczyk, invite a group of 30 former foster children to their Colorado ranch to spend the holidays with their family. The gesture is rooted in Smith's days at Cornell University, where he met a former foster kid who was looking for a place to stay on campus during winter break because she had aged out of the foster care system.

"The girl made it to Cornell, and yet here she was without anyone to look out for her and no place to go for the holidays," Smith recalls. "That always stuck in my mind."

Sensitive to the difficulties of those who can be marginalized, Smith, who is an engineer by training, has designed an ambitious philanthropic program that emphasizes diversity and equal opportunity. With a net worth of \$4.4 billion, Smith, 55, is now the nation's richest African American and he is focused on channeling his wealth to build onramps, particularly for African Americans and women.

"I will never forget that my path was paved by my parents, grandparents and generations of African-Americans whose names I will never know," Smith wrote in an unpublished statement when he became the first black American to sign the Giving Pledge, committing to contribute half of his net worth to philanthropic causes during his lifetime. "We will only grasp the staggering potential of our time if we create onramps that empower ALL people to participate, regardless of background, country of origin, religious practice, gender, or color of skin."



Robert Smith on the March 2, 2018 cover of Forbes

Smith's day job as CEO of Vista Equity Partners, a private equity firm with \$31 billion under management that invests exclusively in software, keeps him busy. But he is devoting more time to his non-business works. He is chairman of Carnegie Hall and the Robert F. Kennedy Human Rights organization, where he has gotten involved in specific projects like helping pretrial detainees who cannot afford to pay bail.

These public roles are not always easy. "Successful African Americans become targets of racism," says Ibram Kendi, a leading scholar of racism in America who is close to Smith. "It takes courage for Robert, who is as successful a businessman as anyone in America, to stand in the public light."

Smith's philanthropic efforts have come in two forms. He has made direct personal contributions, like the \$20 million he committed to the National Museum of African American History and Culture in Washington D.C., supporting a digitization program to preserve the family histories of all black Americans as well as community outreach. He recently gave \$2.5 million to the Prostate Cancer Foundation to focus research on African-American men and aid veterans who are battling prostate cancer.

Smith is also president of Fund II Foundation, which was established in 2014 to grant to public charities the assets of a reserve established when Vista's first private equity fund was founded in 2000. The purpose of the reserve was to secure a contingent liability for Vista's first investor, but once any liability was satisfied any remaining assets in the reserve was slated for charitable purposes. In the end, Vista's first private equity fund was a home run. Fund II Foundation started out with \$247 million in 2014 and received another \$101 million in contributions and dividends in 2015, tax filing shows.



Brian Sheth and Robert Smith.

Fund II Foundation has made big gifts, like a \$27 million donation to Susan G. Komen for breast cancer research and awareness and \$50 million to UNCF, the minority education organization. Its most high-profile contribution was a \$50 million commitment it made together with Smith personally to improve the representation of women and minorities in scientific research at Cornell University's College of Engineering.

Fund II Foundation has also made a \$9.3 million donation to Global Wildlife Conservation, set up a decade ago with the help of billionaire Brian Sheth, Smith's close partner and president of Vista Equity Partners. Learning from Smith's example, Sheth, 42, is trying to bring the same financial rigor he uses as a top tech dealmaker to the causes he cares about. Sheth is chairman of Global Wildlife and the chief financial backer of the nonprofit that is working in 45 countries to save species and habitats.

Global Wildlife led an effort to purchase and protect 6,000 acres of Guatemalan rainforest from a group that sought to clear cut the land. Sheth is now backing a new aviary in New Zealand and other efforts to save the endangered black stilt kaki, the world's rarest wading bird. In Indonesia, Global Wildlife is working to recover the critically endangered Sumatran rhino, the most threatened of the world's five rhino species, with less than 100 individuals. In addition to conservation efforts, Sheth's Sangreal Foundation also supports educational initiatives, like a music academy in Anguilla.

For Smith, it's his Lincoln Hills Colorado ranch that seems to bring the most joy. When Smith was young, his family vacationed at Lincoln Hills, one of the first resorts where African Americans could rent cabins. Over the years its condition deteriorated. Smith bought the ranch and refurbished it. He developed a summer program there for some 5,000 inner city kids.

An avid fly fisherman who relishes hooking into trout on Colorado's Fryingpan river and Boulder Creek, Smith enjoys sharing his favorite sport. There is a program for wounded veterans at the ranch, which includes ramps and tractors to help them into the water so they can fly fish. Smith also hosts quadriplegics who can fish at the ranch with blow tubes.

For Lonnie Bunch, the director of the National African American Museum of History and Culture, Smith represents a new generation of black corporate leadership, following the likes of Ken Chenault and Richard Parsons.

"It is a new generation that understands technology. They are not American Express or Time Warner and what I love is they have a freedom to be themselves," says Bunch. "Robert is part of a generation that can be proud to be a successful businessperson."