

THE FIVE ESSENTIAL RULES TO Getting Your Children Involved in Philanthropy

Successful families with charitable interests often struggle to get their children involved in the process of giving. There are five essential rules that families should follow to get children involved in philanthropy.

1. START EARLY

It's important to start planning early, rather than reacting when a problem arises. The earlier children and grandchildren are involved, the more likely they are to embrace the foundation's goals and feel connected to its mission. Waiting too long can result in other members of the family perceiving the foundation to be a "mom and pop" operation.

By getting involved early, younger generations can not only have a voice and better integrate, but just as (if not more) importantly share in the joy and learning that comes from involvement in the foundation.

Early planning can also preempt problems later. For example, if a son has one child and his sister has five, how should succession issues involving the grandchildren be resolved? Planning can address these and other issues.

2. COMMIT TO A COMPREHENSIVE PLAN

Getting children involved in philanthropy is not a simple matter – it requires real, comprehensive planning. Effective plans are ones that are continually evaluated and adapt to changing circumstances. They also realistically reflect available resources of both time and money.

Getting children involved in philanthropy can be facilitated by encouraging:

- ▶ Attendance at conferences
- ▶ Service on NPO boards
- ▶ Attendance at board meetings
- ▶ Participation in grantmaking
- ▶ Site visits



3. BALANCE INCLUSION WITH PERFORMANCE

When starting a foundation, some families adopt a “the more the merrier” mindset and welcome participation by all children and grandchildren. But this can lead to a cumbersome and unmanageable structure in which not everyone is interested or qualified.

A better approach is to be inclusive, but identify those who have an interest and leadership capabilities to serve on the board. There are ways to include everyone in the foundation without appointing everyone to the board of trustees.

4. DEVELOP GUIDELINES FOR PARTICIPATION

Establish a clear set of expectations for board members and officers from the outset. This will make clear that the foundation’s business is serious business requiring an equally serious commitment.

Not only will this improve the foundation’s performance, but it will reduce confusion and misunderstandings that may otherwise arise involving issues such as board meeting attendance, grants to personal interests, travel cost reimbursement, compensation for board service, length of board service, committee membership, and discretionary grants or matching programs. Setting ground rules and having conversations upfront can eliminate the need to have uncomfortable ones down the road.

5. ADOPT A MISSION STATEMENT

Having a clear mission statement in place is critically important in order to encourage family involvement. A clear and thoughtful mission statement is a valuable guidepost for the family to understand how to run the foundation, and to determine whether to get involved in the first place.

