



Family Philanthropy: Best Practices

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Family Philanthropy: Definitions, Goals, Vehicles and Providers



- Transferring Values Through Collaborative Giving and Volunteering (usually involving multi-generations)
- Goal-Specific with an Intentional Process (e.g., annual meeting, individual/family giving “pots,” specific areas of interest)
- Vehicles can be Check-Book, Community Foundation Fund (DAF typically) or Private Foundation
- Providers can be Charities, Consultants and Professional Advisors

Family Wealth Goals

- Are We Okay?
- Are the Kids Okay and How Much is Enough? Entrepreneurs vs. Inheritors
- The 10% Inheritance Rule Per Child
- Will Kids Really Be Screwed Up with a Large Inheritance?
- How does Legacy Fit ... for the children, for the donor and for the charity?
- How is the plan Communicated?

Provider Key Capacity/Readiness Questions



- To What Extent, If Any, Should We Be In The Family Philanthropy Business?
- If So, How Broad and Deep Should We Go?
- How Can We Best Customize a Strategy That Best Fits Us?

Provider Lessons Learned



1. Family Philanthropy Must Fit Mission/Strategy
2. Must Have Resource Capacity and Skills to Deliver: Don't Over-promise!
3. Intentionally Create a Service Package: Don't Let Program Evolve

Family Philanthropy...Real life examples

- Involving adult children
- Founding donor retaining control
- Training curricula for families on "how to be a philanthropist"
- Involving multiple generations
- Conducting a grants analysis / audit
- Values identification / clarification
- Creating a Youth Board with 3rd generation
- Training / involving successor advisors

“Pearls of Wisdom” on Family Philanthropy

- Many charities are already conducting some excellent family philanthropy work
- Working as a family requires compromise
- Conduct all FP meetings with two staff members
- Your job is to stay neutral in all discussions
- Know when to stop or call in help when tensions rise or a sticky subject is surfaced
- No family is 100 percent functional
- Family Philanthropy is just good donor services with a group of people who happen to be related

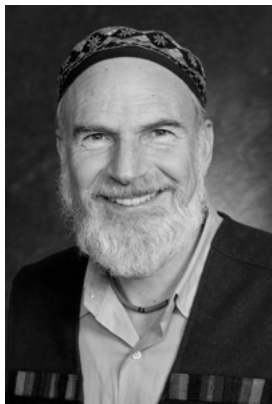
Key Family Philanthropy Questions

1. Are there organizations that you have donated your time or money to during your life?
2. If I could show you how to create a legacy gift for 10 or 20 cents on the dollar, is that something you might be interested in?
3. Which gifts have given you the most satisfaction? Why? Least?
4. What do you think is the most important use of philanthropy in our society?
5. What family values would you like to see reflected in your family's future giving?
6. What would be your vision for a collaborative giving effort within the family?
7. Do you want to bring future generations into the giving activities of your family?
8. If you won a \$500,000 lottery, and you had to give the money away to charity, what would you do?

“What’s in it for Advisors?”

- Deeper, richer and more profitable client relationships
- Client loyalty as a consequence of better service
- Positioning your firm and practice as civically-engaged citizens
- “If you don’t do it, someone else will.”

Rabbi Mordechai Liebling



- **Your last will and testament is your final teaching.**
- **What do you want it to say?**