

Family Philanthropy Workbook

Introduction:

Many Foundations are started by families as a way to involve their children and grandchildren in philanthropy, because they can, and because they believe that giving is both a privilege and a responsibility. Many of these families are establishing their Foundation as a fund inside the Calgary Foundation because administratively that is easier. The family can focus on the fun part of giving, while The Calgary Foundation takes care of the administrative matters.

Things you will need to consider when you are part of a family Foundation:

Know your Purpose:

Your purpose in establishing a multi-generational family giving strategy may include:

- To teach your values to the next generation
- To involve your children and grandchildren in your philanthropy
- To enable your children and grandchildren to develop their giving values and discover philanthropy
- To leave a legacy
- To ensure continuity for your strategic giving past your life time, i.e. to benefit the community in a specific way and you want the next generation to continue with this focus
- To create a common bond that keeps the family together

My purpose is:

Focus:

Do you wish to have a particular focus for your giving? You may wish to have a broad focus. Examples are:

- social welfare
- health and wellbeing
- arts and culture
- environment

You may wish to have a more specific focus. Examples are:

- children's health
- family violence
- youth social welfare
- animal welfare
- seniors support
- wilderness preservation

You may wish to have an even more specific focus. Examples are:

- Palliative care
- Cancer and children
- Music as education
- Wild horse protection
- Adolescent addictions
- Animal shelters

Whether or not you have a focus depends on your philosophy towards giving and what you wish to achieve. Some families wish to spread their giving as widely as possible to touch as many needs as possible. Some families like to give to all causes that ask and want never to say 'no'. Some families want to make a bigger impact in a smaller arena of needs. They consider the 'tipping point' in their giving. And some families feel they can have the most impact by putting all their support behind one cause, a cause they feel most deeply about.

Sometimes a family selects an area of focus in advance of any granting, and sometimes after years of granting a family notices a pattern in its giving, and discovers it has a focus in retrospect, and then formalizes that focus. The focus can change. It can narrow and broaden as the interests of the family change. A focus can help the family take action because the choices out there can be overwhelming.

My Focus would be:

Discovering Causes to Support:

By what means would you like to bring project ideas to the table for consideration of the family? Options you may consider:

- Each member can bring projects they would like the family to consider. This often requires research by the family member and the making of a presentation to the family to 'sell' their cause. This can really engage the members in getting to know their community.
- The Calgary Foundation can bring proposals from the community in your area of interest. As a grantor with more than 50 years experience, The Calgary Foundation has a wealth of knowledge about community needs in all sectors.
- The Calgary Foundation can research community needs in areas you specify, and can arrange site visits to get more acquainted with charities you care about.

The causes I would like my family to consider are:

Decision Making:

How will the family make its decisions? Options to consider:

- By majority vote
- By consensus (all must agree)
- By division of the pot and each is responsible to choose a project for their portion.
- Or by a combination of the above

It is important to establish the decision ground rules. Are all votes equal? Are the votes of younger family members given less weight? Does anyone have veto power? Clarifying the decision making process in advance is most helpful to avoid conflict and align expectations with reality. Remember, participation in decision making fosters engagement!

You can change your decision making model over time as all members of the family gain more experience in giving.

The decision making model that I would like for our family is:

Recognition:

Some families prefer to remain anonymous.

- To avoid being singled out
- To avoid being hit up for more giving
- To avoid standing out as different from their peers

Others prefer to let their names be attached to their giving.

- To demonstrate leadership
- To show you care
- To inspire others, set an example, lead the way

Each preference has legitimate and noble reasons. Neither is more right. And you may change how you think about this over time.

Children often have different recognition needs and considerations than the adults.

As you make your granting decisions, you might consider the kind of profile you want to have with the charities that you gift to.

As a family you may wish to consider your preferences and you may change things at any time in the future.

Pro's of recognition for me:

Pro's of Anonymous for me:

Communication:

Frequency:

- How often does the family wish to make granting decisions? *At minimum you must make these decisions once per year.* But you may make decisions throughout the year. Disbursement quota requirements will inform your timing.

Timing:

- What time of the year works best for family meetings and decisions to disburse?

Communications:

- How do you wish to communicate in between meetings about the Foundation? If members of the family live in different cities, electronic communications may work the best. If several generations are involved, not everyone may be comfortable with electronic communications.
- Who will keep the records of the family meetings and decisions?

My thoughts on frequency:

My thoughts on timing:

My thoughts on communicating:
