Rising generation

Your seat at the family philanthropy table.

How do you get involved with your family's tradition or new practice of philanthropy? The elder or preceding generations established your family's giving practices and you would like to contribute, learn, or join. What is the path to finding your seat at the family philanthropy table?

Practicing philanthropy with your family can be deeply gratifying for you and your family in a multitude of ways including an expression of values and working together to solve issues and create a better world.

Getting involved in your family's philanthropy can be met with both enthusiasm and challenges. This article addresses the various ways to develop and express your philanthropic identity, learn with and from your family members, and join forces to contribute to your family's philanthropic intent.

Getting started: Values first

It is tempting to initiate your involvement with family philanthropy by presenting an issue area or organization that means something to you or your family. Starting with an issue or organization is akin to starting with "what." Before addressing what you want to focus on or what you want to give your time, talents, and financial gifts to, we suggest you identify the "why" of your giving. Why is giving a reflection of my personal values? Why is giving important to me? Why am I motivated to be involved and make a difference toward solving social issues?

After reflecting on your personal why around giving and how it reflects your values, bring the same curiosity to your family members whose giving tradition or philanthropic journey you are joining by initiating a values discussion with your family members. Exploring the core values of those closest to us can help us understand the world view of our family members. Our personal values and the values of our family help identify why giving is important to each family member and the shared values that form your vision for family philanthropy. Take the time to personally reflect on what you have learned.

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Questions for consideration, reflection, and discussion:

- What are my personal values?
- What is my personal definition of my top three values?
- How do my values correlate to my philanthropic motivation?
- Have I discussed personal values with my family members?
- Based upon our individual and shared values, how is our family philanthropy an expression of our values?
- How are your values aligned with those held by your family?
- What are the values that are uniquely you?
- How have the values of your family shaped the things that drive you?
- How might there be room for individuality within our family philanthropy strategy?

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If you want to go far, go together—African proverb

Families with an established tradition of giving as well as families who are beginning their philanthropic journey often do so because they are seeking a common purpose with their loved ones. Giving together can be an expression of that common purpose. It can also be a way to work on projects together and to stay connected by contributing to the communities and issue areas that are important to your family.

Knowing that a common motivation in family philanthropy is keeping the family together, a good next step after exploring individual and family values is to approach your elder generation with your generational peers. That may mean your siblings or cousins.

Together with your siblings or cousins, initiate a conversation with your parents, grandparents, aunts, uncles, etc to learn more about their history of giving and philanthropy. Be sure to explore more than just financial gifts. Philanthropy is more than giving money—it is giving your time, energy, and networks. When families create space for a group to give together like this, they might call it a cousin consortium, or sibling giving circle.

Remember to express your personal admiration and gratitude for the way your family has contributed to community and issue areas, and take the opportunity to learn from the past.

Take advantage of learning opportunities

Does your family hold a regular family meeting or foundation board meeting where grants are discussed and debated? Listening in on meetings like this or having the opportunity to participate will give you insight into what your family values and appreciates in the things they support, but also how they make decisions and reach consensus. Some foundations have formal succession guidelines including stating the number of foundation board members, who is eligible for board membership and the minimum age requirements. If your family does not have a formal plan, ask how you can get involved. It is common for elder generations to continue doing what has been done in the past and this could be an opportunity for you to voice your interest on being involved.

Family philanthropy can make room for individuality through the use of giving allocations, a philanthropic allocation or "bucketing strategy" to determine what and what not to fund. Be sure to seek clarity on the mission and guidelines of the foundation as it relates to discretionary gifts.

Additional learning opportunities might include things like attending a site visit to a nonprofit or accompanying a family member at conferences and events. Seeing firsthand what the organizations are doing, and hearing the questions asked by your family members can give you things to think about with your own philanthropy. If a site visit isn't possible, consider opportunities to sit in on a presentation to discuss outcomes by a charity, or read reports the family has collected on past grantees.

Another option is to organize a learning day where several nonprofit leaders present to the family. Consider sending a pre-determined and agreed upon set of questions to the organizations to guide the presentations and offer the nonprofit an Honoria grant for their time. The rising generation could schedule and organize this meeting in place of a site visit if there are older family members that may want to hear directly from the organizations but are unable to attend in-person.

Questions for consideration, reflection, and discussion:

- Does your family have a defined mission or area of interest for philanthropy?
- What activities have they supported, and has it evolved over time?
- How do your family members support their philanthropy with time? What organizations do they volunteer with, or boards do they sit on?
- How have new family members joined the family philanthropic efforts in the past? Was it different for people who married in vs the rising generations?
- Have individual interests been incorporated into family philanthropy? What does the decision-making look like that drives that?
- Are their roles or projects that current involved family members have wanted to focus on that the rising generation can begin or join?
- Has your family documented your family history–oral or written–including the establishment of the foundation?
- How can your personal interests and passions be additive to your family philanthropic endeavors?
- How long will the philanthropic entity exist? Our lifetime, the next gen, and who decides?
- Are there succession plans for the rising generation to join the family foundation board?

What next?

We've emphasized the importance of values and working together with your generational peers and learning from the generations that have come before you. Now what? How can family philanthropy incorporate individual family member interests while still staying focused on the defined mission of your family's philanthropy? Depending on the founding mission and bylaws, it may be that the foundation funding is required to align with the wishes of the establishing grantor. This is something to explore in your earlier learning conversations.

Family philanthropy can make room for individuality through the use of giving allocations, a philanthropic allocation or "bucketing strategy" to determine what and what not to fund. For example, your family maybe allocated 15% of your annual giving budget to historical interests, 20% to discretionary efforts, 60% to mission funding, and 5% to operating expenses. Be sure to seek clarity on the mission and guidelines of the foundation as it relates to discretionary gifts. For example, if the bylaws state that your foundation grants must be given in the state of Texas, you will likely not be able to make a grant to a Chicago based organization that does not serve the needs of any constituents in Texas.

The most important thing is to remember why you are getting involved in your family's philanthropy—when you start with why you want to be involved, the how and what of being involved follows.

Some families decide to allocate the discretionary funds by family member. For example, each grandchild is given a percentage or hard dollar amount to give to causes they care about with the understanding that they will present the organization and issue area before the gift is made as a learning opportunity including research, presentation, and follow up. Other families ask their rising generations to present their ideas for consideration by elder family members prior to a financial gift being approved. Another practice families use to include individuality within family philanthropy is for elders to match hours volunteered with an organization with a financial gift whereby each hour of time that is given equates to a set dollar amount. These same concepts can be applied to sibling and cousins allocations, in other words, each person has a certain dollar allocation and there is a separate financial allocation for a group of siblings to research and compromise together.

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Contributing Roles in family philanthropy

There are a multitude of ways, roles, and responsibilities for family members to be involved and contribute to family philanthropy. Some potential roles for family members include:

- Communications and social media—use virtual platforms to amplify the messages of your programmatic work. Design or update your website. Take photos or make videos for your family involvement in philanthropy
- Connectors—working with networks and peers to raise awareness for issues and solutions and seek involvement
- Grant makers—using critical thinking skills to inform effective decisions
- Investment portfolio management—work with professional advisor to monitor and review philanthropic investment portfolio, learning how the family invests to ensure charitable asset returns align with the charitable impact intended
- Leadership—setting the vision, mission and milestones
- Measurement and evaluation—working with organizations to measure and evaluate impact and report back to family
- Organizers—initiating meetings, agendas, and meeting notes
- Researchers—conducting research on issues and non-profits
- Volunteers—spending time working with organizations and community members

The formality of defining roles and responsibilities varies from structured to loosely defined. It may be that roles have never been defined and that is okay. You may want to share this range of involvement capacities to your family and take indications of interest from family members on how everyone can contribute.

It is important to note that the aforementioned opportunities for involvement differ from the formal board membership roles established at the formation of your family foundation. Those roles are typically President, Vice President, Treasurer, and Secretary.

If you want to learn more about foundation governance, you can ask your financial advisor for a copy of our piece, ***Building a strong family foundation.***

What happens if your visions aren't aligned?
For some families with long established giving traditions, or a strong mission, you might not feel like there is a place for your passions within the family philanthropy. This is where we'd encourage you to go back to the reflections you did after learning about the values your family shares. Are there ways to align your values in a way that reflects your passions while honoring the family mission? If you can make the case of how the gifts you want to make align with the giving traditions established by the generations that came before you, it might be easier to get the rest of your family on board.

For example, are you interested in climate change and environmental issues and your family is focused on education? Look for ways to incorporate an education theme within an environmental organization. Are you interested in social justice and your family is focused on art? Perhaps you can find a way you promote the stories of the communities you want to help by working with local artists to tell their stories to a larger audience. Consider alternatives as well. If you are hearing from your parents, grandparents, or extended family that there isn't space in the family grant making, see if they are open to considering an investment approach on the philanthropic endowment. Leverage your UBS Financial Advisor as a resource to help you bring some ideas to the table that incorporates the issues you care about.

Finding your seat at the family philanthropy table takes time and effort. Beginning with a discussion about values and learning about your elder's original intent provides the foundation to create your seat at the table There is room in family philanthropy to include multiple perspectives and contribution of time, talent, and treasures.

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