

The Volgenau Foundation Family Foundation Precepts Based on “Honesty and Service”

BACKGROUND

Philanthropy has a unique and vital role in American history and American society. Over the long haul, philanthropy can resource what governments and markets will not or cannot, including filling funding gaps for needed actions that have been ignored; trying high-risk/high-reward approaches to problems; investing in people and ideas with little popular support; sticking with efforts through periods of limited progress; supporting promising leaders with unproven ideas; or moving funding quickly at pivotal moments to expand impact.

Philanthropy by itself cannot address major systemic problems like climate change or global health problems, but its resources are often crucial to helping change government policies and market dynamics – the only two avenues with resources at a sufficient level to solve crises. At its best, philanthropy is well suited to pushing forward solutions to some of the world’s thorniest problems; The Volgenau Foundation’s (TVF) establishment and funding of the Volgenau Climate Initiative is an excellent example.

In May of 2025, TVF’s founder and president asked for a summary of family foundation characteristics. The request followed a board discussion about the longevity of family foundations. Are they able to function as such, defined as family members always having the right to direct the foundation (but not necessarily exercising that right) and being deeply engaged in governance and programmatic decision-making, through successive generations?

Doing so has sometimes proven difficult in the past. Because of the disparate interests of family members as generations unfold, and a lack of direct connection to the founder’s values and interests, family foundations sometimes have difficulty sustaining themselves. But when functioning highly and well-managed over generations, they play a critical role within the broader set of philanthropic institutions.

This document is the result of work aimed at identifying the most important precepts--ingredients, one might say—that underlie a successful family foundation. All of the precepts are built on two fundamental values: “honesty and service.” These values allowed TVF’s founder to build a remarkably successful private company (SRA) and have also guided TVF throughout its 30-year existence.

It is critical to note that while the title of this document makes reference to TVF as a “Family Foundation,” and each of the precepts refer to “Family Members,” these precepts are equally applicable to and shall always guide the behavior and activities of non-family board members and TVF staff as well as family members.

PRECEPTS

1. Family members possess a strong commitment to the values of the foundation and to its advancement and stability as an institution. They understand and accept fully that these commitments transcend individual desires and goals.
2. Family members are committed to on-going educational efforts about philanthropy, and to understanding the intrafamily relationship, governance, legal, financial, and other aspects of running a family foundation.
3. Family members must continuously work to build and establish full confidence in the judgment of other family members, independent board members, and staff.
4. Family members understand the time commitment and engagement required to function successfully as a board member and in other foundation roles.
5. Family members understand the need to work together successfully on all aspects of the foundation, including strategic thinking. They understand that disagreement, when expressed and resolved constructively, is part of the overall process of leading and governing the foundation.
6. Family members recognize the important role independent board members, staff, partners, and consultants often play in foundation matters.
7. Family members are committed to honoring the founder’s legacy while embracing the opportunity for each generation to build on legacy in meaningful ways—with open, thoughtful communication and discussion always welcome and encouraged within the foundation.

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