



## Succession Planning and Governance RFP

### Mission Statement

Established in 1986, the Betty and Davis Fitzgerald Foundation is an impactful family foundation whose influence reaches well beyond the financial distributions of its \$35M corpus. It is regarded as a collaborative, responsive organization that leads with humility and purpose. The Foundation's mission is to support organizations committed to enhancing quality education and mental health access for families experiencing low income – particularly those strengthening talent pipelines, championing systemic solutions, and promoting collaboration.

### Background

The Betty and Davis Fitzgerald Foundation is currently seeking a skilled facilitator with a proven track record in aiding family foundation Boards. The chosen facilitator will guide us in the development of robust succession planning and effective tools and processes to enhance board activities and operational efficiency.

In 2023, the Foundation embarked on a transformative journey marked by adopting a new four-year strategic plan. This process included refining focus areas, target populations, geographical scope, grantmaking processes, and a re-evaluated theory of change. An output of the strategic plan called for increased focus on updating governance practices and policies, a priority set by the Trustees to ensure successful implementation.

The Board now faces a pivotal transition as it prepares for the upcoming retirement of the Founding Board Chair. The focus has intensified on defining clear qualifications and processes for onboarding new Trustees, including both family and independent members, committed to upholding the Foundation's renewed mission and governance responsibilities.

Acknowledging the significance of succession planning, the Foundation aims to ensure its sustained success and longevity throughout this period of leadership transition. Establishing a comprehensive plan is essential for facilitating a smooth transition, thereby safeguarding the vision, mission, and legacy. This strategic approach is imperative not only for preserving the Foundation's assets but also for establishing a clear direction for future generations of staff and Trustees.

### Foundation Structure and Composition

The Betty and Davis Fitzgerald Foundation is governed by a Board of twelve, including eight family members and four non-family members. Per the Foundation's bylaws, family board members can remain a board member if they've attained the age of twenty-five (25) years and are no older than the age of seventy-five (75) years. They are re-elected every five years. Non-family board members are elected to serve a three-year term and can be re-elected once. The daily operations are run by an Executive Director.

### Board

- 1<sup>st</sup> Generation Directors: 3 direct descendants and a godson; ages (40+)
- 2<sup>nd</sup> Generation Directors: 3 direct descendants and a grand godson, ages (25+)
- 2 non-family board members, both within their first term
- Active recruitment for 2 additional non-family board members

# BETTY AND DAVIS FITZGERALD FOUNDATION

## Staff

- F/T Executive Director (ED), hired in 2022 following the retirement of the Founding ED
- P/T Grants Manager, hired in 2023 following the retirement of the Founding Associate
- Accounting and bookkeeping, and investment management functions are outsourced with oversight by the Executive Director and Finance Committee

## Current Challenges and Opportunities

- **Founding Chair Leadership Transition:** The founding and long-serving Board Chair is set to retire after a remarkable 19-year tenure. This transition highlights the necessity for the next generation to gain a comprehensive understanding of the officer nomination process, readiness criteria, and the pathway to assuming officer roles as the first-generation transitions.
- **Navigating Organizational Changes:** Since 2022, the Foundation has faced numerous significant changes: a transition in the Executive Director role, a revamped strategic plan, the retirement of two non-family board members, the addition of two new non-family board members , ongoing recruitment for additional non-family board members, and the impending retirement of the Foundation Board Chair.
- **Managing Family Dynamics:** As a family foundation, the board includes a range from first cousins to close family friends recognized as family. The Foundation contends with unique dynamics. Many next-generation family board members, though out-of-state, remain actively engaged. There is a need for a clear and transparent process for nominating and onboarding new family board members, as well as a defined policy regarding the participation of spouses on the board or committees.
- **Board Terms and Evaluation:** Family board members currently serve consecutive terms until they exceed 75 years of age, while non-family board members serve three-year terms, renewable once. There are no current mechanisms for both family and non-family board members to self-evaluate their performance and contributions to the foundation, nor to rotate or otherwise adjust their terms based on performance or time commitment.

## What We are Seeking

The Governance Committee is looking to engage a consultant who can introduce best practices in nonprofit governance, specifically customized to the foundation's distinctive context. The scope of work we envision, which includes but is not limited to, encompasses the following areas:

### Board and Governance Review

- Conduct a thorough review of the current Board and governance structures, focusing on the profiles, duties, and the nomination process for appointed officers.
- Suggest improvements in Board Committee Structures, including enhancing decision-making processes and governance protocols. This includes devising processes for integrating non-Trustees into grantmaking committees effectively.

### Succession Planning

- Create a detailed succession plan for key leadership positions, catering to immediate and long-range requirements, and emergency succession scenarios.
- Develop frameworks for the identification, cultivation, and transition of potential successors, incorporating strategies to ensure seamless transfer of critical knowledge, including the documentation of pivotal information, processes, and relationships.

Board Preparedness and Engagement

- Assess the board's engagement and readiness for leadership transitions and suggest improvements to foster greater engagement.
- Review and potentially revise term limits, onboarding/offboarding processes, and selection criteria for both family and nonfamily Trustees.
- Formulate a plan for ongoing board education and active involvement in the foundation's initiatives.

Organizational Change Management

- Offer guidance on managing shifts within the organization, presenting best practices for effective change management, especially pertinent during the board member transition across generations.
- Prepare a comprehensive plan for evolving governance, staffing, and general operations as necessary.

Assessment of Board Roles

- Analyze the composition of the board with an emphasis on diversity, expertise, and how these align with the foundation's strategic direction.
- Evaluate current roles and responsibilities considering the foundation's evolving requirements and suggest suitable adjustments.

**Responsibilities and Key Deliverables**

The selected strategic planning consultant will conduct comprehensive research and analysis to fulfill the project requirements. This will involve utilizing staff input, recent board interview findings, insights from peer organizations, and direct feedback from staff and board members. At the conclusion of the engagement, the consultant will develop a final report. This report will include practical recommendations, actionable steps, and a proposed timeline, covering aspects such as:

- **Succession Planning Report:** Documentation of the entire succession planning process, which includes timelines, responsibilities, and procedures for both anticipated and unexpected leadership transitions. This report will also feature development and training plans tailored for identified successors, focusing on skill development, leadership training, and experiential learning opportunities. It will include a well-defined knowledge transfer process, guidelines for emergency succession planning, and scenario planning outputs to prepare for various future situations.
- **Governance Structure Recommendations:** An analysis and report on the current board and governance structures, providing targeted recommendations for improvements. This will include a talent mapping and gap analysis to identify potential development needs, officer leadership profile and competency framework tailored to the foundation's future needs, and guidelines for the effective onboarding of new board and staff members, including performance evaluation and feedback mechanisms for new leaders.

Budget

The current budget for this effort is not to exceed \$30,000.



### **Process and Key Milestones Due**

The Foundation intends to work with the selected consultant to finalize the scope of work and establish a detailed timeline. We anticipate commencing this engagement in July 2024 and aim to complete the process by the end of Q1 2025.

### **Proposal Requirements**

To ensure a competitive and comprehensive response, the most successful RFP submissions will include detailed information about the proposed process, specifically addressing the execution method, who will be involved, expected work product, and associated deliverables. The proposal must be submitted by June 7<sup>th</sup> and should include:

- An overview of the firm's background and demonstrated experience, specialization in succession planning, especially for multigenerational family philanthropies in transition
- A detailed approach and methodology
- A timeline outlining key project milestones.
- A detailed breakdown of fees.
- References from previous clients, particularly those like the Foundation, including a brief on the work completed and timeline
- Profiles of the project team members.
- A demonstrated understanding of and commitment to social justice issues relevant to the Foundation

### **Selection Criteria**

Proposals will be evaluated based on the following criteria:

- Depth of experience governance, operations, and succession planning for family foundations.
- Understanding of family foundation dynamics and managing leadership and staff transitions
- Innovativeness and clarity of proposed approach
- Cost-effectiveness and value for money
- Proven track record of successful implementation
- Strength of client references

### **Contact**

The deadline for submission is June 7, 2024. Please address any questions about the RFP, and final proposals to the Executive Director, Brittany Collins: [brittanycollins@bettyanddavisfitzgerald.org](mailto:brittanycollins@bettyanddavisfitzgerald.org).