



Operations and Management

Organizing and
Administering
Your Philanthropy

*How can your
operations augment
your philanthropic
purpose?*



NATIONAL CENTER FOR
FAMILY PHILANTHROPY



About this Series



This primer is the sixth in a series of seven about the Family Giving Lifecycle. The Lifecycle framework is comprised of seven inflection points and orients donors toward effective outcomes at each stage.

The Lifecycle framework encompasses the breadth and inflection points of family philanthropy and orients donors to effectiveness for the purpose of promoting better outcomes. The Lifecycle framework applies to families at all stages of their philanthropy¹, whether they are a wealth creator just starting out or a multi-generational family foundation improving their work. It is important for donors and their families to revisit the seven inflection points over time as they evolve and learn.

In each primer you'll find: basic information to get started or refresh yourself on the topic, ways to improve when you have the time and will, tips for involving your family, worksheets to guide your thinking, and a few select resources to advance your practice.

The full series of primers and related resources are available at [here](#). The National Center for Family Philanthropy (NCFP) also provides workshops related to the primers. To learn more, please [contact us](#).

¹ **Philanthropy** is "voluntary action for the public good." It can be informal and/or formal and include giving, granting, volunteering, investing for social/environmental impact, building social enterprises, advocacy, and/or other actions. **Family philanthropy** is when multiple branches and/or generations of a family (self-defined) take those actions together.

Table of Contents

- Overview** 4
- I. The Fundamentals** 5
 - Function 5
 - Form 6
- II. Extending the Fundamentals** 9
 - Culture 9
 - Purpose-driven Operations 11
 - Staff and Consultants 14
 - Hiring Your First Staff 17
 - Setting Up an Office 19
 - Communications 21
- III. Involving Your Family** 23
- IV. Looking Ahead** 26
- Resources** 27
- Worksheets** 28
 - 1. Functions of Your Philanthropy 28
 - 2. Considering Paid Staff or Contractors 30
 - 3. Whether and How to Pay Family Members 33
 - 4. Considering Office Space 34
- Credits** 35



Philanthropic Purpose
Impact Vehicles & Structures
Governance
Impact Strategies & Tools
Assessment & Learning
Operations & Management
Succession & Legacy

Overview

Philanthropy takes many forms, and most require a certain level of administration. The work can include bookkeeping, tracking budgets and expenses, sending payments, filing government forms, and working with advisors. It may also require managing a board of directors or trustees, hiring and overseeing staff, exploring grantmaking and investment opportunities, meeting with nonprofits and community leaders, and communicating internally and externally. There's no shortage of tasks to do!

Some donors hire help for these tasks personally or through their family business or office. Many do so through their **social impact vehicle**—their incorporated entity such as a nonprofit organization, foundation, LLC, or investment fund.

One of the critical considerations you and your family must define is how best to manage the operations of philanthropy. This primer will help you understand aspects of administration and explore your options for getting the job done. In the primer, you will find:

I. The Fundamentals

Your initial choices around operations should be guided by a fundamental principle—“form follows function.” Keep in mind that previous decisions about purpose, governance, vehicles, and strategies might affect operations.

See [pages 5–6](#) to learn how your decisions about purpose and strategy influence operational choices. Use [Worksheet 1](#) to inventory the tasks you wish to accomplish.

II. Extending the Fundamentals

What are the options for staff, office, technology, and communications support as your philanthropic workload grows? And how much do those options reflect the culture you desire and your philanthropic purpose?

See [pages 9–21](#) and [Worksheets 2 and 4](#) to plan operations that aren't all-volunteer.

III. Involving Your Family

There are both challenges and benefits to involving family members in the operations of your philanthropy and unique challenges if you're using a private foundation.

See [pages 23–25](#) and [Worksheet 3](#) for effective practices in hiring or contracting with family members or family businesses

IV. Looking Ahead

Your operational needs will evolve with the changes in the lives of your decision-makers, your strategies, and the communities and causes important to you. In addition, effective families and funders make time to revisit their operational decisions every few years.

For hints on looking ahead and helpful resources, see [pages 26–27](#).

I. The Fundamentals

Philanthropy requires care and attention. Depending on the size and scale of your social impact effort, you may find that it requires the same time and tending as you would give to other business endeavors. It may be more than you can or want to manage yourself or within the family.

The decision for how to manage your philanthropy rests in its complexities, as well as what you value and how much time, interest, and effort you and others want to invest.

Luckily, there are many options, and the choices you make will look different depending on what kind of social impact vehicle you've established. For example, you might rely on your business, family office staff, or a personal accountant, attorney, or bank if you are making direct gifts. If you have a donor-advised fund, you can call on the expertise and back-office support of the staff of the fund sponsor. If you have a private foundation or LLC, you may at some point hire staff to meet your operational and grantmaking needs. Or, you might engage the support of philanthropy consultants or a foundation outsourcing firm to do the job for you.

To make decisions about the how and the who of your operations, first think *form follows function*. This principle of design started in architecture and is currently applied to topics as diverse as company organizational charts and software engineering.

- **Function** is about what we want to accomplish—our human needs and desires, our purpose, and the related goals and tasks.
- **Form** is the structure or container for those functions. A successful form helps us fulfill our goals based on criteria that are important to us, such as ease of use or affordability.

Function

The “why” of your philanthropy provides the roots of your operations. Your philanthropic purpose outlines your “why”—the motivations, values, giving style, and priorities most important to you. For example, you might express your purpose through a mission statement, an organizational charter, or a legacy document. Your philanthropic purpose should guide your operational decisions ranging from how you treat and pay staff to the location of an office. goals based on criteria that are important to us, such as ease of use or affordability.



Action Item: See NCFP's [Philanthropic Purpose Primer](#) to clarify or update your motivations, values, principles, giving style, and philanthropic priorities. See the next section, *Extending the Fundamentals*, for ideas on applying purpose to operational decisions.

The tasks you want to accomplish often seem clear and straightforward, but the use of one or more incorporated vehicles brings a new layer of responsibility and accountability. Here's an overview of the different categories of duties in managing effective philanthropy, whether on your own or through an incorporated vehicle:

- **Administrative:** maintaining daily communications, systems, and bookkeeping
- **Compliance:** ensuring tax, legal, and fiduciary compliance at the local, state, national, and (if applicable) international levels
- **Board and committee management:** coordinating communications and meetings; recruiting, educating, and evaluating directors, committee members, and other participants.

- **Grantmaking and other social impact tools:** managing the entire process for awarding grants, impact investments, scholarships, or other means of funding your philanthropic purpose
- **Other strategies:** activities to influence others, leverage resources, and create shared learning toward your philanthropic purpose
- **Family stewardship:** fostering family engagement, legacy, and brand; developing future generations of leaders.



Action Item: Use [Worksheet 1](#) to check the tasks you want to manage your philanthropy informally or through a social impact vehicle.

Form

Choices you've made in governance, resources, philanthropic vehicles, and strategies will influence your choices for operations and management.

Governance Stage: The “4 Ps” of an effective governance and decision-making framework are people, principles, policies, and practices. As more people become involved, the rest of the framework formalizes. The authors of [Generations of Giving](#), a study commissioned by the National Center for Family Philanthropy, found three stages of governance in family foundations. The stages are agnostic to social impact vehicle, but there are operational implications that require careful reflection and consideration. They are:

The 3 Stages of Governance in Family Foundations

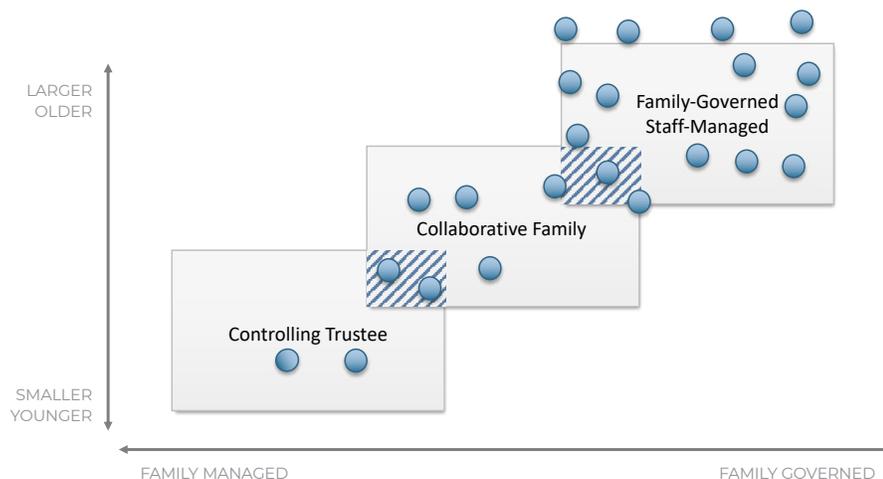


Figure 1

Lansberg, Gersick & Associates

1. **Controlling founder(s):** The founding donor, couple, or close set of partners manages the vehicle and leads its governance and decision making. They often (but not always!) feel little need or demand for formal structure so seek free or low-cost administrative options.

They manage the work themselves, ask family members or friends to volunteer, or use a family business or wealth, legal, or tax advisor. However, the lean operations may lead to less clarity around policies and practices such as governance, record-keeping, and grantmaking. Policies and procedures often develop later to ensure more productive involvement of new decision-makers and measurable impact.

2. **Collaborative:** The vehicle has moved from serving the agenda of the founder(s) to serving the collective agenda of a group (for instance, multiple branches of the family), and from hierarchical decision-making to group decision-making.

The collaborative often reaches a point where additional help is needed. It might start with basic administrative or grantmaking support and then move on to an executive director. The staff split their time between managing the decision-making group(s), grant or other processes, and operations.

3. **Board or family-governed, staff-managed:** This stage will feel familiar to people in companies or on nonprofit boards. The group of decision-makers, the size of the family, or the social impact work have become too large or complex to manage with simple administrative support. Families typically enter this stage when they start to engage subsequent generations or want to step back from the day-to-day philanthropic work.

Founders and families can initially hesitate because this stage means giving up control or they worry about unnecessary bureaucracy. However, they can structure the operations as they desire along a continuum small and nimble to large and institutional. Ultimately, most realize that multiple staff members are necessary to prepare successfully and involve decision-makers of diverse ages, experiences, geographies, and more.



Action Item: See NCFP's [Governance Primer](#) to clarify decisions about whom you hope to involve and how they'll work together. Its worksheets help you structure potential decision-making roles to fill and policies to implement and track.

Resources and Vehicles: Each person and organization has “5 Ts” of resources—time, talent, ties, testimony, and treasure—to dedicate to their philanthropic purpose. Most impact strategies start with planning the uses of treasure (money and other financial assets) and the time and talent of people involved in the decision-making about those financial resources.

Most philanthropists use these resources in *charitable* vehicles such as foundations, charitable trusts, and donor-advised funds. An increasing number are also using *market-based* vehicles such as impact investments or corporate social responsibility programs, *public policy* vehicles such as 501(c)(4) organizations, and *peer-based* vehicles such as crowdfunding campaigns and social movements.



Action Item: Use NCFP's [Impact Strategies and Tools Primer](#) to inventory resources you want to dedicate to social impact and choose the vehicle(s) to achieve your philanthropic purpose. You'll see implications for your operations in the choices.

The “5 Ts” of Resources



TIME

Hours available and frequency of your availability for volunteering and, if applicable, for administering a social impact vehicle



TIES

Relationships with other people, businesses, and organizations



TREASURE

Money, goods, stock and bonds, and other valuable assets



TALENT

Skills, knowledge, professional services, and creative energies



TESTIMONY

Voice and reputation to educate and inspire others and advocate for a cause

Four Social Impact Pathways

The diagram below outlines the incorporated entities commonly used in four social impact pathways. It notes which vehicles could take more time, energy, and resources to manage. The choices toward the left place you closer to the changes in people, communities, environments, and/or animals you wish to see. You might not always directly touch and feel the changes in the choices to the right, but you may be leveraging larger sets of resources and systems changes.

OVERVIEW OF THE 4 SOCIAL PATHWAYS

	Charitable	Market-based	Public Policy	Peer-based
Your proximity to impact ↑ More direct ↓ More indirect	Create a mission or charity*	Create a mission-driven business*	Run for, hold office	Serve and help others directly
	Support existing charities	Direct impact investing	Political campaigns	Local mutual aid and civic groups: giving circles; crowdfunding
	Create a grantmaking vehicle*	Corporate social responsibility	PACs, Super PACs*	
	Join a pooled fund or intermediary	Impact investing through markets	501(c)(4)s*	Movements

* Potentially more complex and more resources needed to operate.

Strategy choices: A philanthropic strategy can seek one or more of four results: impact, influence, leverage, and learning. Donors often start with using financial resources to achieve *impact*—the changes to the lives of people, communities, and ecosystems. They then layer on strategic activities such as: *influencing* the thinking, practices, and policies of others; *leveraging* and aligning the resources of others toward a common purpose; and promoting collaborative *learning* and use of data. They may also manage other tools to achieve impact, such as awards to individuals, convening, strategic communications, capacity building, or corporate social responsibility programs within their business.

Those choices increase the likelihood of enduring results and can make for the exciting and rewarding involvement of family members and other decision-makers. However, they often require time that volunteers can't commit and expertise they don't have.



Action Item: NCFP's [Impact Strategies and Tools Primer](#) starts with helping you outline a grantmaking or other award process. It then enables you to develop additional strategies and a toolbox for implementing the strategies. The [Assessment and Learning Primer](#) helps you create goals for evaluating your results externally and internally. You'll see implications for your operations in both primers.

II. Extending the Fundamentals

“In any philanthropic situation...the right cost structure is one that is customized to our particular goals and strategy. There is no avoiding the fact that both your strategy and your ability to execute it are inexorably tied to your cost structure. The key is to focus more on the value that the costs generate than on the costs themselves.”

– Thomas J. Tierney and Joel L. Fleishman,
[*Give Smart: Philanthropy That Gets Results*](#)

As you can see in the Fundamentals section, it takes work to manage an effective philanthropic or social impact program. Who is going to do it, where, and with what resources? To date, it might have been you, or a volunteer family member or members, working from home. Or a trusted advisor or family business employee has helped and supplied office space. There's no single way to manage your philanthropy. In fact, many donors and foundations experiment with different management models as they evolve.

Maintaining low administrative costs may seem like a wise stewardship decision.

However, modern definitions and expectations of stewardship demand more from philanthropy than cost-consciousness. Sound stewardship of a philanthropic vehicle means taking responsibility for the well-being of volunteers and staff, the well-being of communities served, responsible relationships with stakeholders and suppliers, and of course, effective use of financial resource.

In addition, the public is increasingly demanding efficiency, effectiveness, measurable impact, and accountability from philanthropy. All of those require more thoughtful time on task than you may anticipate. Your stewardship roles and operational needs will change as your social impact strategy evolves, your resources grow, or the number of people and partners involved increases. As you look ahead to those potential changes, we encourage you to consider four ideas: the culture you'll want, how your operations can reflect your values and purpose, the staffing and office models that might work best, and how internal and external communications will support your goals.

Culture

Philanthropy is often a very personal exercise. A set of spouses, family, or small group will be inclined to reinforce feelings of harmony, belonging, and continuity as they make decisions. The structure can foster culture; however, introducing an incorporated vehicle brings the formality of legal and tax compliance, structured processes, and questions about competence and commitment. The mesh of family and philanthropic vehicle can either be a purposeful blend or an unintentional collision of operating cultures.



“Culture is a way of working together toward common goals that have been followed so frequently... that people don't even think about trying to do things another way.”

– Edgar H. Schein, Professor Emeritus,
MIT Sloan School of Management

[Edgar H. Schein](#) defines culture as “a way of working together toward common goals that have been followed so frequently...that people don’t even think about trying to do things another way.” Culture is both a *product* (the accepted accumulated wisdom) and an ongoing *process* (renewing and reinventing as people enter and exit).

Persistently cultivating the culture you desire will help ensure that your philanthropy will bring more value to your own life. It also will bring value to the lives of others you involve—family members, advisors, staff, consultants, grantees, and more. Techniques to purposefully build the culture of your social impact vehicle include:

- Discussing and documenting the building blocks of both family culture (or small group culture) and organizational culture (see Figure 2). Are the existing building blocks known to all? Are they intentional or accidental?
- Sharing stories and life lessons that show your values and principles in action. When did you have to do something challenging because it didn’t align with your principles?
- For internal use, encode cultural expectations in a meeting conduct document, board and committee job descriptions, or a family constitution.
- For external use, encode culture in a brand promise statement, customer service policy, or “bill of rights” for grant applications and grantees. What should they expect when other people and organizations interact with your people, processes, and systems? How should they feel?
- Name and discuss power imbalances—between those who have resources and those seeking them; between generations, income and wealth levels, and cultures; and between those who have the name, reputation, and influence to effect change, and those who do not. Ensure practices and reward behaviors that help people with less power speak up and tell hard truths.
- Keep building personal connections through small rituals, traditions, celebrations, and more.

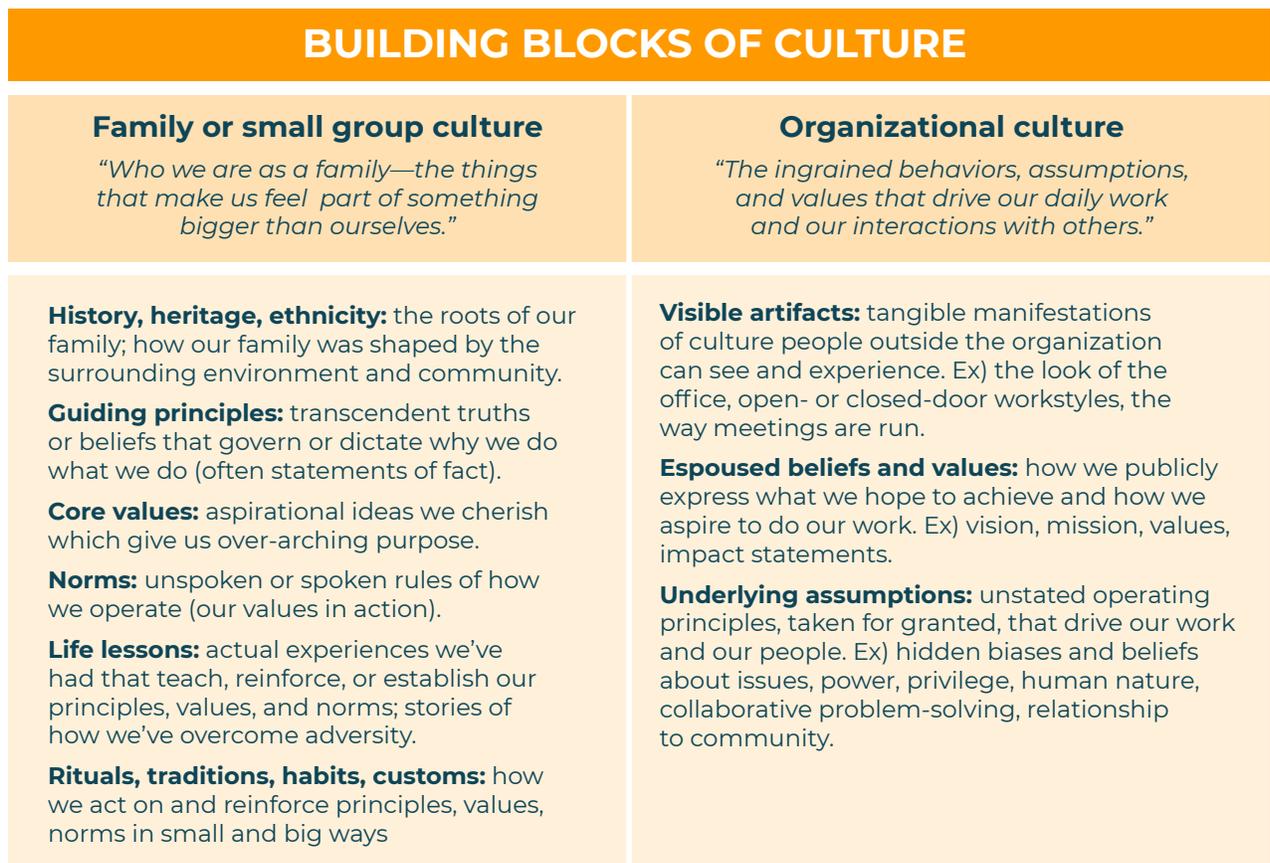


Figure 2

“Equity extends beyond grantmaking and social impact practices. Equity must be woven throughout the entirety of a family philanthropy—from purpose to operations.”

– Nick Tedesco,
President and CEO, National Center for Family Philanthropy

Purpose-Driven Operations

Your motivations, values, principles, priorities, and strategies intentionally drive a grantmaking program and other ways you use resources to achieve social impact. Likewise, your philanthropic purpose and strategies should intentionally drive your operating decisions and practices. Here are a few examples of how donors and funders have embedded purpose into operations and management:

- **Responsible purchasing:** The [Gaylor and Dorothy Donnelly Foundation](#) seeks to sustain and build resilient, vital, engaged, and equitable communities in the Chicago Region and Lowcountry of South Carolina. To support that mission, the foundation has diversified its vendor list in all areas of its operations. This includes hiring a Black-led communications firm to tell the stories of the Gullah people in the Lowcountry and sourcing photos from its website from grantees led by and serving people of color. The Weingart Foundation is another example of a foundation with a [procurement policy](#) that recognizes the importance of identifying and working with vendors that share its values of diversity, equity, and inclusion.
- **Green office and practices:** The [Heising-Simons Foundation](#) uses [sustainable work practices](#) to reduce its carbon footprint and complement its grantmaking for sustainable climate and clean energy solutions. In addition to the Heising-Simons Foundation, the [David & Lucile Packard Foundation](#), [Arthur M. Blank Family Office](#), [The Meadows Foundation](#), and many more with environmental grantmaking priorities have renovated or built offices to meet green building certifications.
- **Socially conscious banking:** The [Russell Family Foundation](#) has deposited money in a local credit union to help it meet the credit of underserved families, maintains operations accounts with Beneficial State Bank and maintains cash at StoneCastle, an alternative to traditional cash management leveraging the community banking system to drive small business lending and community reinvestment. The [AJL Foundation](#) established cash management accounts with Native American Bank to support economic sovereignty in Indian Country and Cnote to support business ownership in women, low-income, and communities of color. Similarly, the [Laughing Gull Foundation](#) purchased a certificate of deposit at Self-Help Credit Union. The CD provides a financial return and empowers women to create new opportunities and provide for their families.
- **Office location:** One family foundation considered setting up its office in the suburbs of Detroit, where the family and board members lived. However, in thinking it through, they realized it might send the wrong message to the foundation's grantee partners, all located in the city of Detroit. Out of respect for the nonprofits, the family decided to forego the convenience of the suburbs and establish an office downtown—where partners could easily attend meetings and convenings at the foundation office. In doing so, they made sure that their decision around office space reflected their mission and values.
- **Creative space:** [The Libra Foundation's](#) team values “time to eat, drink, and be merry with one another in a beautiful space.” It designed its “office-home” to be a fun place to create and think. A curator and coffee shop owner created a rotating gallery in the office and website that showcases local artists in the building and on its website.
- **Equitable hiring practices:** As part of its [public commitment to racial equity](#), the Mary Reynolds Babcock Foundation developed new methods to diversify the pool of applicants for new positions and diversify its staff. The practices include: adding its racial equity statement in job announcements, sharing the announcements with Historically Black Colleges and Universities and philanthropic affinity groups serving people of color, keeping a position open until there's a diverse, qualified candidate pool and allowing for more remote workers.

COMPARING STAFFING STRUCTURES

VOLUNTEERS

Family or board members administer the philanthropy.

Strengths

- Family and/or board take ownership of the philanthropy and functions as a team
- Maintains direct relationships with partners
- Most cost-effective

Limitations

- Limited capacity
- Can cause tension if someone isn't doing the job in a timely or professional way
- Volunteers may burn out
- Can miss out on expertise and diversity in issues and impact strategies

Most Appropriate Uses

- **Stage:** Controlling founder
- **Impact strategies:** Personal giving or grants to a limited number of organizations; investments in personal relationships or experiences; giving through intermediaries or impact investing with current wealth advisor

FAMILY OFFICE OR BUSINESS*

Use staff, space, and expertise of an existing company.

Strengths

- Eliminates need to set up a separate office
- Can offer advice on marketing, finance, and other issues
- Often allows for flexible contraction and expansion of operating costs

Limitations

- Lines of accountability and authority can blur between owners, employees, philanthropic decision-makers, and other family members
- Can miss out on expertise and diversity in issues and impact strategies

Most Appropriate Uses

- **Stage:** All stages
- **Impact strategies:** Grant or other programs aligned with family or business interests; impact investing aligned with internal expertise
- **Other strategies:** Influence, leverage and learning that could benefit from internal expertise or company volunteering

CONTRACTORS AND ADVISORS

Pay for part-time admin support and/or a consultant or consulting firm that provides specialized expertise.

Strengths

- Eliminates cost of staff and reduces office space costs
- Provides access to specific expertise (operations, grantmaking, legal, etc.)
- Allows for flexible contraction and expansion of operating costs

Limitations

- Philanthropy may be less visible without a dedicated office or staff member
- Someone will still need to spend time hiring, contracting, and overseeing the contractor's work
- Fees vary widely

Most Appropriate Uses

- **Stage:** Controlling founder or collaborative
- **Impact strategies:** Early in development; use of multiple strategies (e.g., grants and influence); creating more focus in a strategy; occasional help in assessing opportunities, assessing results
- **Family:** Occasional help in managing family or group dynamics

OUTSOURCED SERVICES

Use a professional advisor's firm; a sponsor of donor-advised funds or supporting organizations; a fiscal sponsor; or firm specializing in managing philanthropic programs.

Strengths

- Can eliminate need to set up a separate office
- Some firms provide full range of expertise and operations support
- Can help with meeting other donors, funders, and experts
- Allows for flexible contraction and expansion of operating costs

Limitations

- Some firms don't support all types of social impact vehicles or strategies
- Some use templates, policies, and systems that won't fit family culture
- Not all firms have specialists in managing family dynamics
- Fees and terms vary widely

Most Appropriate Uses

- **Stage:** Controlling founder, collaborative, or staff-managed; when a lean staff and infrastructure is preferred
- **Strategies:** Early in development; need a community liaison with experience; using multiple strategies and types of tools (though many providers only serve charitable vehicles)

PAID FAMILY STAFF*

Hire one or more family members as paid staff—typically starting with executive, grants, bookkeeping/ admin.

Strengths

- Volunteers freed from daily tasks
- Capacity to follow opportunities and network
- Family staff already has the trust of the family, and may represent the family's culture or brand well

Limitations

- Staff will need a clear supervisor; it may be awkward to be supervised by another family member
- Blurry lines of authority and challenging family dynamics can interfere
- In some cases, self-dealing is possible
- Paid staffing can be more costly

Most Appropriate Uses

- **Stage:** Collaborative or staff-managed
- **Strategies:** Using multiple strategies, tools, and / or vehicles; consistent community presence and accumulated knowledge contribute to impact, influence, leverage, and learning
- **Family:** When family oversight is desired and experience warrants participation

PAID NON-FAMILY STAFF

Hire one or more paid staff—typically starting with executive, grants, bookkeeping/ admin.

Strengths

- Volunteers freed from daily tasks
- Capacity to follow opportunities and network
- Can bring the community perspective and neutrality in the face of family dynamics

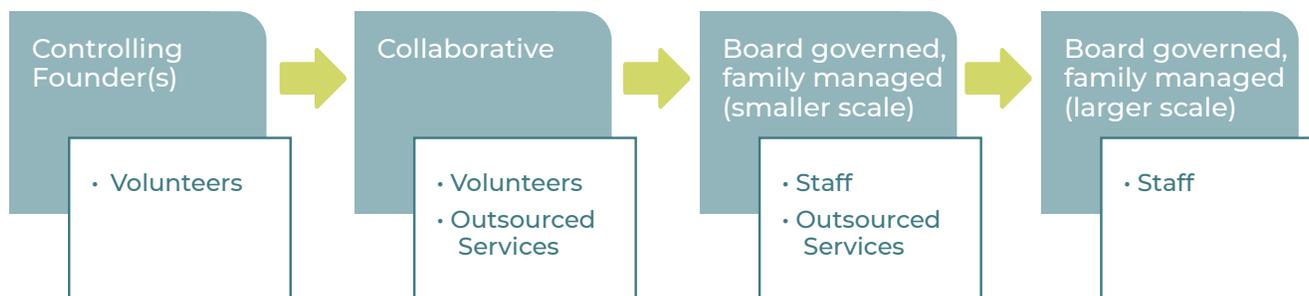
Limitations

- Staff will need a clear supervisor
- It may be challenging for a family to build trust with nonfamily staff
- Paid staffing can be more costly

Most Appropriate Uses

- **Stage:** Collaborative or staff-managed; when have substantial assets
- **Strategies:** Using multiple strategies, tools, and / or vehicles; consistent community presence and accumulated knowledge contribute to impact, influence, leverage, and learning
- **Family:** When a neutral voice or philanthropic or issue expertise can help bring the family together

* The IRS has specific regulations for how private foundations can hire family members and other disqualified people and the financial relationships between the foundations and family-owned businesses and offices. See this [resource on self-dealing](#) and consult with a qualified legal professional for advice on how to structure agreements and relationships.



Able to help through all stages: family office/business, contractors, advisors

Figure 3

Staff and Consultants

As shown in the chart on [pages 12–13](#) and Figure 3, there are many ways to staff your philanthropic work, each with advantages and disadvantages. Gone are the days when the only choice was to maintain a separate office with full-time staff. Instead, the availability of contracted and outsourced support has grown over the past decade. More donors are using donor-advised funds with built-in administrative help and in some cases access to meeting rooms and other services. And, as the world has become more accustomed to virtual work and managing remote staff, it has become easier to attract qualified talent working from anywhere.

You may find you can get by with an all-volunteer operation if you have a straightforward strategy and tool for social impact—for instance, using a donor-advised fund for a grantmaking program in your hometown. However, you will likely see inflection points that trigger the need for paid expertise beyond basic administration. You are strongly advised to look to outsourced providers, consultants, advisors, or paid staff when you want to:

- Effectively involve three or more generations of family members or navigating significant philosophical or political differences among family members
- Effectively prepare decision-makers for more complex philanthropic strategies
- Achieve complex philanthropic priorities, e.g., working in multiple states or countries, or attempting to simultaneously impact visual arts, economic self-sufficiency, and environmental sustainability
- Make large grants, grants with naming rights, or impact investments that require negotiation of terms or involve the use of complex assets
- Manage a private operating foundation or multiple social impact vehicles
- Measure progress and success, especially in influence, leverage, and learning strategies

Working with Outsourced Services

Organizations and businesses of all sizes use outsourced service providers for accounting, tax, legal, and human resources functions. They do so to lower administrative costs, ensure compliance as regulations evolve, and tap into technology solutions. In most regions of the country, you'll find companies that specialize in offering those services to nonprofit and philanthropic organizations.

Some providers solely focus on serving foundations and corporate philanthropy programs, offering back-office administration, grants management, grant reporting, and philanthropic strategy services. A few manage activities such as family involvement and training, impact investments, convening, donor collaboration, advocacy, and research.

Working with Philanthropic Consultants and Advisors²

The field of philanthropic advisors and philanthropy consultants includes individuals and firms paid to help donors and their philanthropic vehicles navigate the how, what, and why of giving and improving charitable outcomes.

These experts have backgrounds as diverse as experienced givers, former foundation staffers, former nonprofit executives, wealth advising, family counseling, and more. Some are generalists, some are tacticians in a specific style of philanthropy, some are experts in a particular issue or geography, and some are a blend. A few also serve as outsourcing firms.

Unlike the legal or finance professions, this field of expertise is not regulated. There are no universally recognized certifications, measures of best practice, or codes of ethics. The best way of identifying qualified advisors and outsourcing firms is to work through trusted partners, including these free resources:

- [National Center for Family Philanthropy](#) maintains an internal list of consultants referred by its Friends of the Family supporters, which it can discuss upon being contacted.
- [National Network of Consultants to Grantmakers](#) is a trade association that maintains a free, searchable directory of consultants and consulting firms. Full members, who pay an annual fee to join, have validated references from at least five clients and have pledged to uphold a Code of Ethical Conduct.
- [Other philanthropy associations](#) maintain lists of consultants that they are willing to share. The associations typically base the lists on referrals by their members with limited vetting by the association's staff. A few require the consultants to pay a fee to be listed.
- [21/64 Certified Advisors](#) have attended a two-day program on working with wealthy, multi-generational families. A few have additional training in facilitating family meetings and discussing money values. In the 21/64 Advisor list, filter for people who've taken the "Managing Family Dynamics" and "Talking About Money" courses.
- [Donor-advised funds](#) including community foundations, often maintain lists of philanthropic consultants they have evaluated or have such experts on staff. Some will ask donors to pay the consultant directly. A few allow the donor to suggest a grant from the DAF to the sponsor which then uses the grant to pay the consultant.

² Content and sidebar adapted from the Resource Guide for Family Philanthropy for The American College of Financial Services' Chartered Advisor in Philanthropy Program, 2020





Tips on Researching Philanthropic Advisors and Outsourcing Firms

As you research and interview potential advisors and firms, have available documents related to your philanthropic purpose and strategies. Then consider the following questions:

- ✔ **Ethos:** What code of professional ethics, if any, does the advisor follow? Does the advisor prefer to avoid clients with certain value sets (often related to politics or faith)?
- ✔ **Strategy:** What strategy does the advisor employ? Does the advisor have specific definitions for terms such as strategic philanthropy, effective grantmaking, nonprofit quality, and/or impact? Do their definitions resonate with you or your family?
- ✔ **Expertise:** Will extensive knowledge of a specific geography or issue be useful? Has that knowledge led them to develop biases or lists of solutions, and do those solutions align with your values and goals?
- ✔ **Client Profile:** Does the advisor have experience with simple, cost-effective approaches, or are they more used to working with large foundations? How would the advisor define their own limitations? If needed, would they be willing to refer you to other experts? If applicable, to what degree is the advisor comfortable and experienced in working with complicated family dynamics or conflict?
- ✔ **Tools and Approach:** Does the advisor have multiple planning tools and techniques to match your decision-makers' different personalities and learning styles? Have they helped clients with vehicles other than foundations or donor-advised funds (e.g., giving circles, advocacy groups, or impact investments)? Do they have certain biases about these tools?

Hiring Your First Staff

Donors most frequently hire their first staff member in one of four roles: office administrator, a grant or scholarship manager (who runs the program's mechanics), a program officer (who helps think through strategy and decision making), or an executive director. No matter the title, these staff members end up wearing many hats—administrator, mediator, confidant, and sometimes even unofficial therapist. In [articles written for NCFP](#), Gary Tobin listed six essential qualities for these staff, and especially for those serving in executive or senior staff roles:

1. **Honest and consistent.** They cannot tell one thing to one family member and something else to another. The professional must present all information with complete disclosure.
2. **Candid and frank.** They must not be afraid to state their beliefs. The professional should be a strong moral compass, not a distorted mirror image of trustees' views and feelings.
3. **Grounded in a set of values and beliefs.** They must know what is and is not important to them, and be aware of when compromise is not an option. The professional has to be willing to say no to a trustee sometimes.
4. **Aligned with the family's beliefs and goals.** The professional can educate and lead, but cannot have an agenda dissonant with the family's agenda.
5. **Willing to utilize outside help.** Sometimes consultants are needed to assess, review, and facilitate. However, such help should not be threatening to the professional, even when initiated by a trustee.
6. **Simultaneously engaged and objective.** The boundaries between professional roles and personal relationships are often blurred and often shift. Therefore, professionals have to be able to navigate ambiguous interactions.

As you plan to hire your first staff person include, consider these tips from other philanthropists:

- Create a [job description](#) to outline your needs, set expectations, and describe the desired qualities, skills, and experience you are seeking.
- Plan to assess compensation and benefits packages. The Council on Foundations, Exponent Philanthropy, many statewide nonprofit associations, and some philanthropic service organizations offer peer benchmarks.
- Determine if you want to manage compensation and benefits on your own or outsource the work to a family office, Professional Employer Organization, fiscal sponsor organization, or foundation management service.
- Publicize the job posting and description on social media, philanthropic service organizations, grant partners, community organizations, and among peer colleagues who support your priorities. For an executive hire, consider engaging a search firm that specializes in the philanthropic sector to help you find the right fit.
- As with philanthropic consultants, the new staff may be deeply versed in an issue area or community and have their own point of view. You will want to understand their perspectives before hiring them, confirm that their vision aligns with yours, accept that you'll be challenged, or choose a different candidate. An ideal staff member will help you navigate a complex issue area and the philanthropic sector and chart a clear path forward. They'll also offer the skills, systems, and information to help you and/or a board make its best decisions.

NCFP offers a [set of guides](#) for crafting a CEO's job description, the hiring process, ensuring the first year of a new CEO is successful, and managing performance reviews.

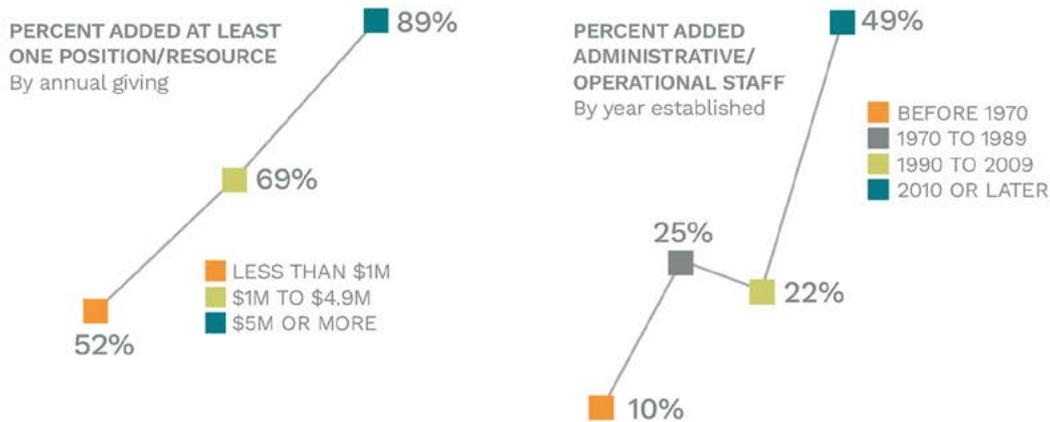
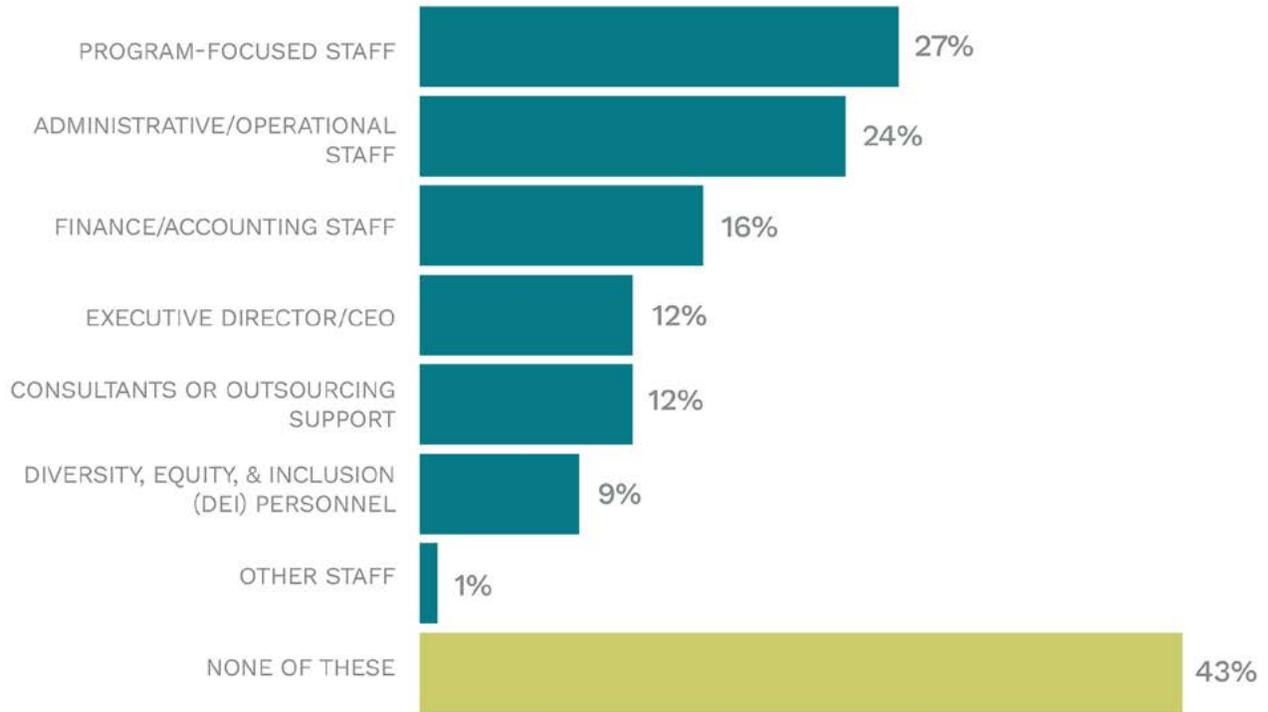


Action Item: Use [Worksheet 2](#) to think through the staffing structure(s) most applicable to your philanthropic purpose, vehicle, and strategy.

FAMILY FOUNDATION STAFFING TRENDS

NCFP's [Trends Study](#) showed that 69% of family foundations have at least one staff who is not a family member and 59% have at least one staff who is a family member. The foundations had fewer unpaid family members and consultants managing day-to-day operations in 2019 than in 2015. As seen in the figure below, foundations of all sizes added staff over five years.

STAFF POSITIONS ADDED IN THE LAST FIVE YEARS



Another philanthropic service organization, Exponent Philanthropy, conducts an annual survey of its foundation members, all with no or few staff. The survey shows that foundations annually awarding fewer than 50 grants have an average of two staff, and those that grant more have three or more staff.



Setting up an Office

Once you know what work needs to get done and who will do it, you must figure out where it will happen. If you are just starting out in philanthropy or working from home, you might do it from your kitchen table or home office. Or perhaps your family already has a family office or corporate office in place, from which your social impact vehicle could rent space. Some donors and foundations share space with other nonprofits or philanthropies. And some grow into their own dedicated space. Consider remote offices. Organizations are increasingly more comfortable with managing virtual offices and teams.

In addition to physical space, you'll need to consider a *technology strategy*. The Technology Association of Grantmakers offers several [free resources](#) for planning and evaluating technology options, including online grant application and reporting systems. It suggests your strategy consider questions such as:

- Can technology help us live our values?
- How can technology help us better achieve our mission?
- How will our philanthropy and social impact vehicle evolve over the next few years?
- Does technology help us better collaborate and work together?
- How do my colleagues and partners feel about our technology?
- Do staff, leaders, and partners have the data needed to do their best work?
- What do we need to ensure business continuity?
- Does our technology ensure we are fully accessible to people with disabilities?

For more information on software and technology, visit [Tech Soup](#), which has developed computer and technology standards for small to mid-sized nonprofits. Also, read "[Managing Your Family Foundation](#)," a chapter from the National Center for Family Philanthropy's Splendid Legacy 2.



Action Item: Use [Worksheet 4](#) to think through your future office space needs and how that office can match your values and philanthropic purpose.

SHARING SPACE WITH THE COMMUNITY

Some donors create or renovate facilities to share with other organizations and the community. For example, the Ford Family Foundation, with a mission dedicated to rural communities in Oregon and northern California, has its headquarters in Roseburg, Oregon. The building offers its [conference room](#), the largest in town, for free to charitable organizations and public agencies.

In the 1990s, Claude and Dolly Ahrens made major gifts to create a new park, a recreational and athletic complex, multi-use childcare facility, and other athletic fields on 80 acres in Grinnell, Iowa. Their private foundation, the [Claude W. and Dolly Ahrens Foundation](#), later built and expanded a 5,400 square foot office building to share with the local community foundation and other nonprofits. It also has meeting rooms and event space used regularly by nonprofits. The donors then formed a private operating foundation, the Ahrens Park Foundation, which owns and operates the office building, park, athletic facilities and complex, and family center. A third generation of the family is active on the boards of both foundations.

Nonprofit sustainability is one of Sobrato Philanthropies' four focus areas for impact. It has partly achieved that impact through its Social Purpose Real Estate program, renovating and managing [three multi-tenant nonprofit centers](#) in Silicon Valley. These centers collectively provide a rent-free home to 73 nonprofits and free meeting space to hundreds more, annually saving the organizations around \$7.1 million. It opened a fourth center in 2021.



Communications

Why and how will you stay connected with other people and organizations? Answering this question involves revisiting at least four previous decisions:

- 1. Philanthropic purpose:** What values and motivations shape your desire to share or withhold information?
- 2. Governance:** What tools and information do the people involved in making decisions need to stay connected between meetings, feel prepared for the meetings, and effectively participate in the discussions? What do they need to remain meaningfully connected to values, priorities, and the results you're attempting to achieve?
- 3. Culture and transparency:** How open and accessible should your philanthropy be to others? (See Worksheet 5 in NCFP's [Governance Primer](#) to revisit the range of choices from complete anonymity to public advocate). What tools and practices will help eliminate unnecessary barriers between us and the populations and communities we serve? What will help us be more fair and inclusive in your work?
- 4. Strategy:** How could effective communications practices augment your ability to find good partners, influence the thinking and practices of others, leverage resources, or encourage learning about an issue?

Internal Communications: Your communications needs will start with the people in decision-making roles and your advisors (legal, tax, financial). Standard tools needed include:

- Phone line and email, sometimes new emails or lines for the decision-makers if they can't or don't want to use their personal or work lines and emails.
- Phone and video conferencing software
- Customer Relationship Management (CRM) or other contact management system
- Online document sharing, a board portal, or an intranet site
- Online meeting scheduling and surveying tools

Your communications may then include an extended group of trusted partners, e.g., other family members, philanthropic consultants, or owners or employees of a related business. Should they have access to some online documents and meetings? Should they receive regular communications such as an e-newsletter or be able to stay in touch through a private social media group?

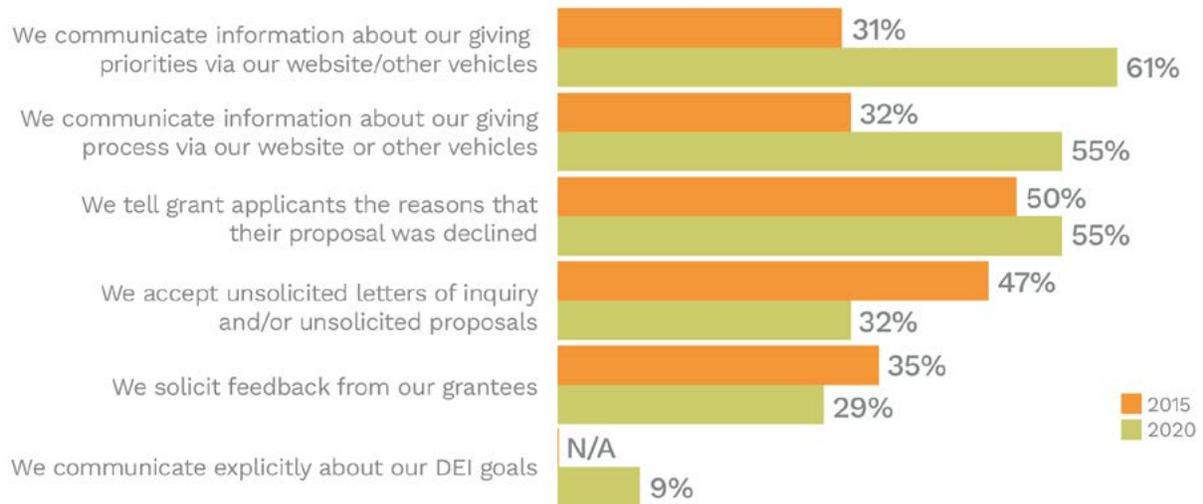
External Communications: You'll then want to consider how you wish to communicate with external audiences. They could include nonprofit organizations, advocacy groups, membership organizations, other funders, business or government partners, and the general public. Philanthropists typically use a mix of websites, e-newsletters, blogs, press releases, printed reports, social media, video stories, and more to:

- Publicize their philanthropic purpose, guidelines, awards or investments made, and other basic information with organizations or individuals who wish to apply for funding.
- Ensure elected officials regulators know about the impact of the philanthropy (playing defense against new regulations).
- Share success stories of grantees, lift up important research, advocate, or otherwise engage audiences in thinking about an issue or community.
- Share the history of a family, business, or group of people who created a social impact vehicle.
- Solicit information about trends, challenges, and opportunities in issues, populations, and geographies that are philanthropic priorities.
- Solicit feedback about philanthropic strategy, culture, processes, and relationships.

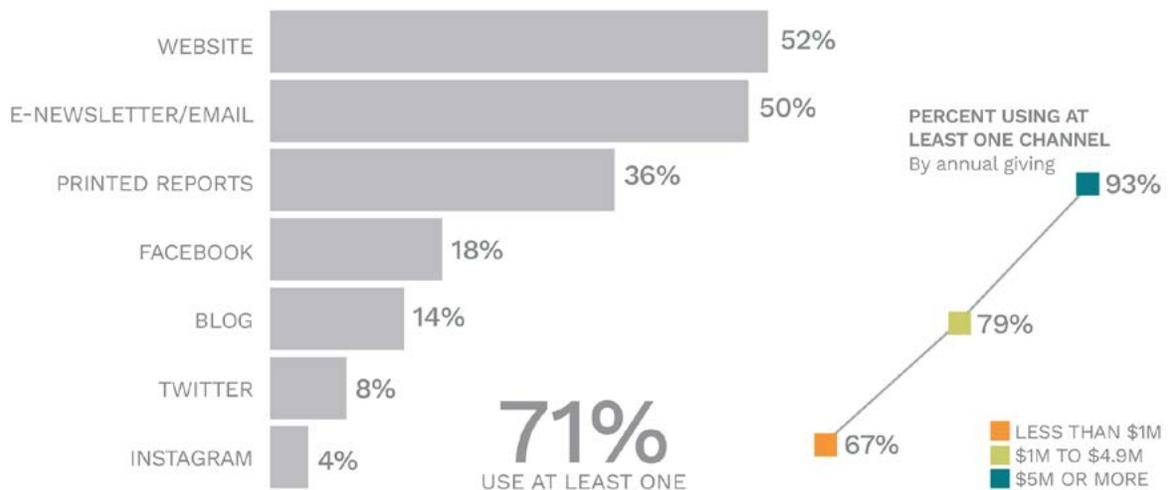
FAMILY FOUNDATION COMMUNICATIONS TRENDS

NCFP's [Trends Study](#) showed that most family foundations communicate externally using websites, e-newsletters, and email. An increasing number are publicizing their giving priorities and processes.

METHODS OF EXTERNAL COMMUNICATION



TOOLS AND CHANNELS USED TO COMMUNICATE EXTERNALLY



III. Involving Your Family

“It can be hard to maintain that balance between your personal and professional life. Some of the most personal and intimate elements of our life are part of our family, and when that’s coupled with your professional job, that can just be challenging. There are times when I’d like a little bit less connection between those parts of my life.”

– Elizabeth Tauck Walters, former Managing Director, Tauck Family Foundation,
[Family Members on Call: Being Both Family and Staff](#)

Many donors who establish philanthropic vehicles do so to help family members develop and practice a mindset of service to others. Some family members find meaningful service in volunteering for operational tasks. Others find meaning in volunteering to implement philanthropic strategies—meeting with nonprofits, advocating for a cause, researching trends, and more. Younger family members can gain real-world work experiences through this volunteering.

Most family-led philanthropic vehicles still have living founders and/or have less than \$10 million³ in assets dedicated to philanthropy. Because of this, the most common operating models are:

- All-volunteer, perhaps with some basic support from an attorney, CPA, or wealth advisor.
- Family members as volunteers for some operations and paid help and office space from the family office or business for others.
- Family members as volunteers for some operations and a paid outsourced services provider for more technical or routine tasks (e.g., filing paperwork, running the mechanics of grantmaking and reporting).

Those families often effectively manage their work, and achieve the impact they desire, using those models throughout the lifespan of their philanthropy.

Eventually the topic of family members being paid for philanthropic tasks comes up, and this classic question comes front and center: *Does the family serve the philanthropy or does the philanthropy serve the family?*

³ The less than \$10 million range does not have legal implications. This simply indicates that the smaller the asset size, the less likely the organization is likely to require dedicated outside staff.



Families with successful, enduring businesses become practiced at answering their version of that question with “the family serves the business.” The answer provides the most explicit ethical guidelines for family members and non-family employees and volunteers. The practices and policies they use to balance family and business interests can apply to employing or contracting with family members in a philanthropic enterprise.

Family members who become employees or provide contracted services can find both benefits and challenges in their dual roles. The [“Family as Staff: Words to the Wise”](#) section captures the perspectives from a roundtable of CEOs of family foundations who are family members. Jay Ruderman serves as President of the Ruderman Family Foundation, which his father founded. He said of the dual role:

“When family members work for a family foundation, the compensation issue has to be handled carefully. But I’m a strong believer that the fiduciary responsibility and the moral responsibility that I feel as a family member for spending funds and achieving impact is greater than anyone we could have hired.”

The National Center for Family Philanthropy’s community has several members whom serve as both family and employees. Many are willing to share their personal experiences with individuals exploring this role. [Contact NCFP](#) to discuss peers that would fit your situation.



Caution: Self-Dealing in Private Foundations

The IRS holds private foundations to strict standards in financial relationships between the foundation and people it labels as “disqualified persons.” These “self-dealing” regulations carry financial penalties if violated. The regulations and definitions aren’t intuitive so should be periodically reviewed and part of the training of new volunteers and staff. NCFP’s [Avoiding Conflicts of Interest and Self-dealing for Family Foundation Boards](#) issue brief is a good starting point. Look to that brief or legal counsel when considering:

- A financial transaction that will involve disqualified persons—a family member or spouse (going backward and forward for generations), substantial contributor to the foundation, family-owned business, or government official.
- Compensation and contracted work
- Sales or exchanges of property; leases, loans, or mortgages of property
- Purchasing tickets to events
- Grants related to personal pledges
- Paying for travel, goods, or services for the disqualified persons
- Use of foundation assets for personal benefit.

FAMILY AS STAFF: WORDS TO THE WISE

BENEFITS

Connection to donors: “As a third generation family member, I am among the last to have personally known and to have a personal connection with our original donors.”

Taking risks: “As a family member, I am better positioned to take risks in our approach to grantmaking and investments that a non-family member may not feel able to take because they are concerned that the board may hold them accountable for “mistakes.” There is great value in being able to “push the envelope” without fear of losing my job.”

Connection to community: “Our board and extended family has expressed a great deal of satisfaction with the fact that there is a family member representing the foundation in its relationships with our long-time grantees. And, at the same time, our grantees love having a direct connection to the family.”

Understanding of family dynamics: “Our board likes knowing that the lead staff person has a deep understanding and broad context and knowledge of the family’s history and dynamics; this means there is less time wasted on navigating these dynamics and more time spent doing the work.”

Expression of our family: “A large part of our donor’s motivation to create the foundation was to provide an expression of our family’s values and interests. Having a family member at the head of this work allows us to leverage my personal relationships with my nieces and nephews and other family members to engage them in the foundation—it just wouldn’t be the same with a non-family administrator.”

Intuitive understanding of connection between family and strategy: “Our philanthropy is informed by both our family values and history and our overall strategy, and this overlap between family and strategy in our work comes up often. As a family member, I am able to quickly and intuitively assess what my fellow board and family members are trying to accomplish and how they wish to accomplish it.”

CHALLENGES

Burnout: “The flip side of having an intuitive understanding of the connection between family and strategy is that constantly considering both of these aspects of our work ends up in “frying my brain” and at times I fear I may burnout as a result...”

Accountability: “It can be hard to ensure performance when a family member is in the lead staff role; board members who are also family members may not feel able to provide feedback or assessment if they feel it may damage their personal (family) relationship with the staff person.”

Deference (and/or disengagement) from other family members: “In some cases when a family member serves as the lead staff person and is deeply engaged in the work it can result in other family members being disengaged from the work and deferring to that family member in important decisions regarding all aspects of the foundation’s work. This to some extent defeats the purpose of a family foundation.”

Compensation: “It can at times be hard to handle situations where family staff members are compensated, but family board members are not.”

Multiple hats: “It is challenging to balance the multiple hats of being a staff and family member; even more challenging if you are also on the board.”

IV. Looking Ahead

There are many different options for how you structure, staff, locate, and administer your philanthropy. Each of these options will take you down a new path of learning and will evolve with your philanthropy.

Although it may at first seem overwhelming to manage your philanthropy as it grows, it doesn't have to be. The management choices you make today are not forever. You may find they work for a year or two, or ten, and then you will change course, along with your management style and systems. At each decision point, you will reflect on your mission and values, and bring them to life through the decisions you and your family members make.

A family foundation colleague once said, "Let's go as far as we can see, and then see how far we can go." That is true for all aspects of philanthropy, including this one.

You may not know how your philanthropy will evolve, but one thing is certain: it will evolve. So be thoughtful about your choices and enjoy the adventure.



Resources

Need help?

See the resources below and feel free to contact NCFP to talk through your ideas, meet other donor families, or get in touch with a philanthropy advisor who can guide you and your family members through this important process.

Essential Resources

- [Grantee Relationships and Power Dynamics webinar recording](#)
- [Scaling for Success webinar recording](#)
- [Adopting Equity Practices webinar recording](#)
- [Managing Your Family Foundation by Elaine Gast Fawcett in *Splendid Legacy 2*](#)
- [Investment and Spending Policies by Jason Born, Pam Howell-Beach, and Sarah Stranahan in *Splendid Legacy 2*](#)
- [Communications: Enhancing Process, Participation, and the Public Face of Your Foundation by Nina Sachdev Hoffman and Vincent Stehle in *Splendid Legacy 2*](#)

Further Exploration: National Center for Family Philanthropy Content Collections

- [Power Dynamics in Family Philanthropy](#)
- [Audits, Accounting, and Completing the 990-PF Form](#)
- [Investment and Spending Policies](#)
- [Racial Equity, Diversity, and Inclusion](#)
- [Working with Consultants](#)
- [Family Foundation CEO Leadership Guides](#)
- [Management and Staffing Policies](#)
- [Investing, Impact Investing, and Spending Policies](#)

Worksheet 1: Functions of Your Philanthropy

What tasks will you need to accomplish to ensure your philanthropy is meaningful and effective? With which people and organizations will you need to stay in communications? How will you ensure you're meeting legal, tax, and other regulatory and fiduciary duties?

You can use the blank cells in this worksheet to document: what people are performing which tasks, for which tasks you still need to find help, and which you don't see as applicable.

Administrative	Answer calls, emails, mail	
	Maintain an office, including technology	
	Maintain physical and electronic files	
	Operational bookkeeping	
	Budget setting, oversight, reporting	
	Maintain website, publications, press releases	
	Maintain board portal or other internal communications	
	Other	

Compliance	Legal support and filings	
	Paying taxes, filing tax forms	
	Investment management	
	Liaison with investment, legal, tax, finance advisors	
	Other	

Board & Committees	Board and committee communications	
	Meeting coordination and management, minutes	
	Recruitment, orientation, performance review	
	Coordinate ongoing education	
	Other	

Grant or other Social Impact Tools	Build pipeline of eligible applicants/partners	
	Evaluate applicants (paperwork, calls, meetings, site visits)	
	Coordinate decision making with committee and/or board	
	Send award/decline letters, agreements	
	Manage monitoring of awards, ongoing communications	
	Evaluate impact	
	Assess and suggest updates to strategies, policies, practices	
	Other	

Other Strategies to Achieve Purpose	Convening, collaborating	
	Strategic communications to achieve philanthropic purpose	
	Influencing local, state, or national public policy	
	Influence practices of businesses	
	Engaging with residents and others on the frontlines	
	Capacity building, lending pro bono expertise	
	Other	

Stewarding the Family	Maintain, add to family archives and history, legacy documents	
	Liaison with family members or family business members who aren't decision-makers	
	Education of younger family members	
	Ensure donor intent or other family purpose alignment	
	Protect, enhance family brand	
	Other	

Worksheet 2: Considering Paid Staff or Contractors

You've revisited the work that needs to get done in Worksheet 1. How much is beyond the time and expertise of volunteers or the team in your family business or office? As you look ahead, is it time to find additional part-time or full-time staff, a philanthropic advisor or consultant, and/or outsourced services?

The following questions can help you choose the staffing model that is right for you. Ask yourselves:

1. At which stage of governance are we now? At which stage do we plan to be in two years?

e.g., controlling founders, collaborative, board-governed and staff managed ([see page 6](#)).

2. Do we have sufficient support to successfully achieve our social impact objectives now and in the future?

3. Do we plan to add new social impact strategies or vehicles in the next two years, or expand those we have? How might that affect our operational needs?

4. Based on answers to questions 1 and 2 above and Worksheet 1, what work will we most need help with next?

5. Do our volunteers have additional time and interest to do this work? And/or are there staff at our business or family office that we're willing to pay if they have time and interest?

6. If yes to #5:

- a. Do they have the skills and connections they need to succeed? If no, are we willing to pay for new training and memberships to philanthropic associations?**

- b. Do they have the administrative resources they need to succeed (e.g., online grant application software, board portals, office space, and equipment)? If not, are we willing to pay for those resources?

- c. Are they in the geographic area our philanthropy supports? If not, are we willing to have them work remotely or pay for regular travel to that area?

7. If no to #5:

- a. Which staffing model(s) do we want to pursue? Why?

e.g., paid family staff, paid non-family staff, outsourcing firm, contracted office manager, or philanthropic advisor.

- b. How comfortable are we in letting others run the philanthropy?

- c. What concerns do we have and what information, practices, or policies do we need to address to help alleviate those concerns?

- d. How much are we willing to invest in staffing (hiring/search, salary, benefits, professional development, travel)?

- e. How much are we willing to invest in office and other administrative expenses?

8. Connecting the decisions above to our philanthropic purpose:

- a. How visible or anonymous do we want the philanthropy to be? How might our staffing best support that goal?**

(Note: See the Worksheet 5 on transparency in the [Governance Primer](#) for additional help in answering this question).

- b. How might our staffing decisions affect our relationships with nonprofits, other partners, and the communities we serve?**

- c. How can we ensure our staffing decisions reflect our mission, values, and principles?**

Worksheet 3: Whether and How to Pay Family Members

Employing family members as contractors, part-time, or full-time members of your philanthropic operations can bring new challenges. Use this checklist to review gaps in your policies and practices and determine if any need to be updated. Most importantly, flag any that deserve a thorough discussion so that everyone in the family understands what to expect from the roles of family governance, employer, and employee. As you consider the issues, you may wish to consult with an attorney, human resources consulting company, or family business specialist.

Policy or Practice In Place?	Discuss & Clarify Soon?	When to ask these questions:
		Long before you start the hiring process
		Code of conduct or family constitution: Do your ground rules for behavior, communication, and decision making cover the separation of family relationship from employer-employee relationship? Does the code commit them to serving the needs of the philanthropic entity over the emotional attachments to family?
		Confidentiality policy: Does it ensure confidentiality of an employee's salary, benefits, compensation negotiations, and health status?
		Conflict resolution: Does your family have adequate policies and practices to resolve disputes or issues like sibling rivalries? This is often a good time to establish a family council or another committee to resolve emotional family matters in a forum separate from the philanthropic vehicle.
		Student preparation: Have you talked with younger family members about their career goals before they go to college and during college? Do those (should those?) include your philanthropic vehicle? Have they had opportunities to learn about its operating needs?
		Young adult preparation: Does the family favor young adults gaining employment experience in other businesses, nonprofits, government agencies, or foundations before seeking employment in yours? (Note that many family businesses owners favor this).
		Transition plans: Have current leaders (e.g., the founders or a board chair) been transparent about their long-term plans for volunteer leadership roles? Will family members expect opportunities to fill those roles if they don't choose, or aren't chosen for, staff roles?
		As you plan the hiring process
		Benchmarking: Have you researched the fees or salaries and benefits of comparable positions in your region or similarly-sized funders? Are family members in agreement about what compensation is reasonable and fair and what employment perks are off the table? Are those decisions fair regardless of if the employee is family or not?
		Clear job description: Are the qualifications, competencies, responsibilities, and performance measures written so that everyone is clear about the duties and decision-making authority? Equally importantly, is everyone clear what the staff member should not be doing? Could the job description be easily filled if you conducted an open search?
		Resetting relationships: Are family members clear about the reporting structure for the family employee (e.g. to a board chair or a committee)? Who will provide cover for the employed family member if other family members overstep boundaries? Are advisors and consultants clear about changes to reporting and decision-making structures?
		Peers and mentors: Will the family employee have access to mentors who work with family businesses or foundations, or peer groups of family staff through memberships in philanthropic associations, family enterprise centers, or NCFP?

Worksheet 4: Considering Office Space

There are many things to consider in deciding where to locate your philanthropy office. Ask yourselves:

- 1. What message do we want our office space to send to the communities we support? How will that office space reflect our desired culture and values?**

- 2. What are the benefits of maintaining a virtual office or using co-working spaces? If we have multiple staff, should we consider a hybrid approach?**

- 3. Where should we be located so that we are proximate to staff, family/board members, our grant partners, and (if applicable) the communities we serve?**

- 4. How could our space support our mission and priorities ?**

e.g., environmental sustainability, showcasing local artists, equitable contracting practices, or neighborhood revitalization.

- 5. How many staff or interns might we need to accommodate—now and in the next three to five years?**

- 6. How much space, if any, do we need to hold our meetings or convenings?**

- 7. What other features do we need?**

e.g., meeting space, storage areas, closets, a kitchen, security system, parking, etc.

- 8. Are there other funders, nonprofits, family entities, or entrepreneurs with whom we may want to explore sharing space?**

Credits

About the National Center for Family Philanthropy

NCFP is a network of philanthropic families committed to a world that is vibrant, equitable, and resilient. We share proven practices, work through common challenges, and learn together to strengthen our ability to effect meaningful change. Our range of programs and services support family philanthropy at its many points of inflection and help families embrace proven practices and advance momentum. Explore our resources, all rooted in a [Family Giving Lifecycle](#) by visiting www.ncfp.org.

About the Authors

Elaine Gast Fawcett is a philanthropy advisor and communications strategist serving family foundations, nonprofits, and grantmaker associations. For 20 years, she has shared the stories and best practices of family philanthropy as the published author of 12 field-respected books for grantmakers, and hundreds of articles, tools, case studies, and guides. Elaine is a contributing writer for NCFP, a 21/64 multigenerational facilitator, and principal of PhilanthroComm.

Tony Macklin, a Chartered Advisor in Philanthropy®, consults with donor families, grantmakers, and their advisors about purpose, use of resources, action planning, and learning. As executive director of the Roy A. Hunt Foundation, he facilitated changes in visioning, impact investing, grantmaking, trustee education, and back-office management. In twelve years at the Central Indiana Community Foundation, he led grantmaking initiatives, advised wealthy donors, attracted \$39 million, and launched a social enterprise. Tony also serves as senior program consultant for NCFP, senior consultant with Ekstrom Alley Clontz & Associates, senior advisor to the Impact Finance Center, and peer reviewer for *The Foundation Review*.

Nick Tedesco is the President and CEO of the National Center for Family. Nick is a passionate advocate for philanthropy and brings over a decade of experience partnering with donors and their families to establish and meet their giving goals. Previously, Nick served as a senior advisor at the J.P. Morgan Philanthropy Centre and helped to launch the Giving Pledge at the Bill and Melinda Gates Foundation.

The information in this paper should not be taken as qualified legal advice. Please consult your legal advisor for questions about specific legal issues discussed in this document.

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