

Family foundations generally use a variation of four models in planning the management of their organization — the administrator consultant, director, or family staff model or some combination. All of these models are effective, depending on what is important to the family. The two major considerations in selecting a model are: how much time family members want to devote to the foundation; and how much control over foundation activities the family wants to maintain. Geographic location and the expertise and experience of trustees will also have a bearing.

ADMINISTRATOR MODEL

This model requires a staff person who works part or full time and deals primarily with administrative issues. This person might handle correspondence and telephone calls, log in grant requests, track the grant process, arrange for meetings, send letters and grant approvals, make bank deposits, and reconcile financial records. When the administrator model is employed, the foundation is generally housed in a specific office, although the administrator may work for more than one foundation or may handle other work for a trustee, lawyer, or financial advisor who is related to the foundation. Sometimes administrative staff time is provided on a pro bono publico basis by one of the trustees.

Strengths of this model include:

- Foundation trustees are freed from routine administrative tasks.
- Trustees maintain hands on direction of the foundation.

Possible problems are:

- The administrator needs a clear supervisor and may need help in adjusting to differing board chairs.
- The model assumes that trustees have the time to provide grant review and leadership.

CONSULTANT MODEL

In this structure, an individual is hired to do specific tasks that recur regularly but are not necessarily ongoing. For instance, a consultant might receive grant requests and prepare recommendations for the trustees. Or an individual might be asked to manage financial resources. The consultant is usually paid an hourly or daily rate and may spend extensive time on the foundation during a grant review process twice a year, for instance. In some foundations, the consultant acts as an executive director, assisting the board in developing grant focus areas and requests for proposals.

Strengths of this model include:

- The cost of ongoing staff and office space is not necessary.
- It is possible to hire specific expertise on a part-time basis that the foundation could not afford full time.

Possible problems are:

- The consultant needs to maintain close contact with the trustees and reflect their values and interest in his or her recommendations.

- The foundation may be less visible without a specific office and as staff member who is easily accessible.
- Response time to applicants may be delayed because the consultant works for the foundation only sporadically.

DIRECTOR MODEL

According to this scenario, the foundation hires an executive-level staff person to provide recommendations and oversight for most of the foundation's activities. This staff person is usually — but not necessarily — full-time and may be called the executive director. The executive director oversees any other staff, manages the office, makes grant and program recommendations to the board, works with the chair to develop the board agenda, and provides recommendations for financial management.

Strengths of this model include:

- Trustees can provide leadership without spending large amounts of time.
- A professional staff person has time to follow opportunities and developments in the community.
- A nonfamily executive director may act as a calming influence if there are volatile family dynamics.

Possible problems are:

- This staffing model is the most costly.
- The staff person might not accurately reflect the values and interests of the trustees.

FAMILY STAFF

A family member serves in a specific staff role on a part — or full-time basis. The family member may receive a salary and function in the same way a staff person might.

Strengths of this model include:

- A family member knows the family and its values and concerns.
- A family member may have a longer-term commitment to the foundation.

Possible problems are:

- A family member can be more easily caught up in the family issues or dynamics and may be seen as having a point of view or position.
- It may be harder to implement appropriate accountability measures for trustee staff because of family relationships.