
TIP ➤ Before deciding whether discretionary grants are right for your foundation, discuss the subject with your board. What would you achieve by having them? What problems might they cause? How much of the budget will you allot for discretionary grants? What policies should be set in place before establishing the program?

GOOD ADVICE ➤ If your family board holds opposing political and religious beliefs, discretionary funds can generate as much conflict as disagreements over board-consensus grants. To minimize tensions, you may want to prohibit board members from donating discretionary funds to organizations whose work undermines the mission of the foundation or whose missions conflict with the values of other family members.
