

FAMILY PHILANTHROPY ONLINE

KNOWLEDGE AND EXPERIENCE AT YOUR FINGERTIPS



NATIONAL CENTER FOR
FAMILY PHILANTHROPY

BOARD GOVERNANCE RESPONSIBILITIES

Getting ready to involve a new generation in governing your family foundation? Consider these challenges and desired characteristics provided by both senior generation and next generation family members.

DUTIES OF

- **CARE:** exercise your best judgment when making decisions. Perfection isn't required, but reasonable caution is. In short, the duty of care demands active participation and thoughtful attention to the foundation by individual board members.
- **LOYALTY:** put aside personal and professional interests for the good of the foundation. When you enter the boardroom, focus exclusively on what's best for the foundation.
- **OBEDIENCE:** be accountable to the foundation mission and purpose.

DETERMINES THE ORGANIZATION'S MISSION AND PURPOSES

Creates mission statement and reviews it periodically for accuracy and validity. Each individual board member should fully understand and support it.

SELECTS THE CHIEF EXECUTIVE

Reaches consensus on the chief executive's job description and undertakes a careful process to fill the position with someone highly qualified, whether family or non-family.

SUPPORTS THE CHIEF EXECUTIVE AND ASSESSES HIS OR HER PERFORMANCE

Gives the executive moral, professional and infrastructure support to do the job. Conducts a periodic and regular evaluation of the chief executive's performance and compensation.

ENSURES EFFECTIVE ORGANIZATIONAL PLANNING

Participates in planning and assists appropriately in implementing the plan's goals.

ENSURES ADEQUATE RESOURCES

Ensures the foundation has the resources to fulfill its mission (or limits the mission to match available resources.) Makes certain funds are adequate for administrative purposes.

MANAGES RESOURCES EFFECTIVELY

Develops annual budget and ensuring proper financial controls are in place.

DETERMINES, MONITORS, AND STRENGTHENS THE ORGANIZATION'S PROGRAMS AND SERVICES

Determines which programs are most consistent with org's mission. Oversees monitoring of their effectiveness.



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Inspiring Generations of Giving

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ENHANCES THE ORGANIZATION'S PUBLIC STANDING

Serves as ambassadors for the foundation. Conveys mission to constituents, public, and media.

ENSURE LEGAL AND ETHICAL INTEGRITY AND MAINTAIN ACCOUNTABILITY

Adheres to legal standards and ethical norms.

RECRUITS AND ORIENTS NEW BOARD MEMBERS AND ASSESSES BOARD PERFORMANCE

Balances board composition. Orients new board members to responsibilities and to org's history, needs, and challenges. Evaluates board performance in fulfilling its responsibilities.