



Stories for Engaged Learning

Finding Agreement on Family Boards Case study: the Belle Trust

Family members frequently have different political viewpoints, lifestyles, and priorities. Left unresolved, some disagreements threaten a foundation's effectiveness and undermine the donor's intent. Consider approaches to overcoming differences on your foundation board and strategies for successfully balancing divergent board member interests with philanthropic priorities.

Through a case study and small group discussion, participants will learn about identifying areas of agreement and structuring board decisions that respect the donor's legacy and kindle the current trustees' philanthropic aspirations. The experience of one family will serve as a springboard for exchanging ideas about:

1. Confronting conflict and the perils of conflict avoidance
2. Devising alternative strategies when agreement is not entirely possible
3. Addressing conflict of loyalty in decision making

Stories for Engaged Learning is a collection of case studies rooted in the practical experiences of family and private foundations navigating the challenges of creative effective philanthropy. Designed specifically for facilitated sessions at conferences, board meetings, and retreats, the case studies captivate the imagination and fuel active participation.

GMA Foundations consultants employ these stories to deliver fast-paced, useful workshops for groups of varying size. Contact Mary Phillips mphillips@gmafoundations.com for additional session descriptions and facilitation options.



Case Study: the Belle Trust

A Question of Loyalty

BACKGROUND: Cincinnati matriarch Belle Kaplan died in 1994 at the age of 90, leaving a handsome estate, and endowing a charitable trust now valued at \$41 million. Belle’s two children managed the Belle Trust’s grantmaking until they both retired in 2014, leaving their three daughters as trustees. Grant focus areas have been arts and culture, social welfare and economic development in Ohio.

While Belle’s granddaughters were close growing up, their adult lifestyles and interests have diverged. Sisters Isabelle Rogers and Sophie Ramos, and their cousin, Annabelle Rothstein, are all involved with philanthropy in ways that mirror their personal interests. Isabelle lives in a Cincinnati suburb and serves on many charitable boards. Sophie has a gift and craft shop specializing in Mexican products and spends as much time as possible at her second home in a Mexican coastal village, where she volunteers helping a women’s craft cooperative. Annabelle is a neuroscience researcher and professor, living in Bloomington, Indiana. Given the trustees’ varying priorities, grantmaking has focused mostly on the personal interests of each, along with many ongoing annual grants continuing Belle’s good works.

Refer to the Kaplan family tree on next page.

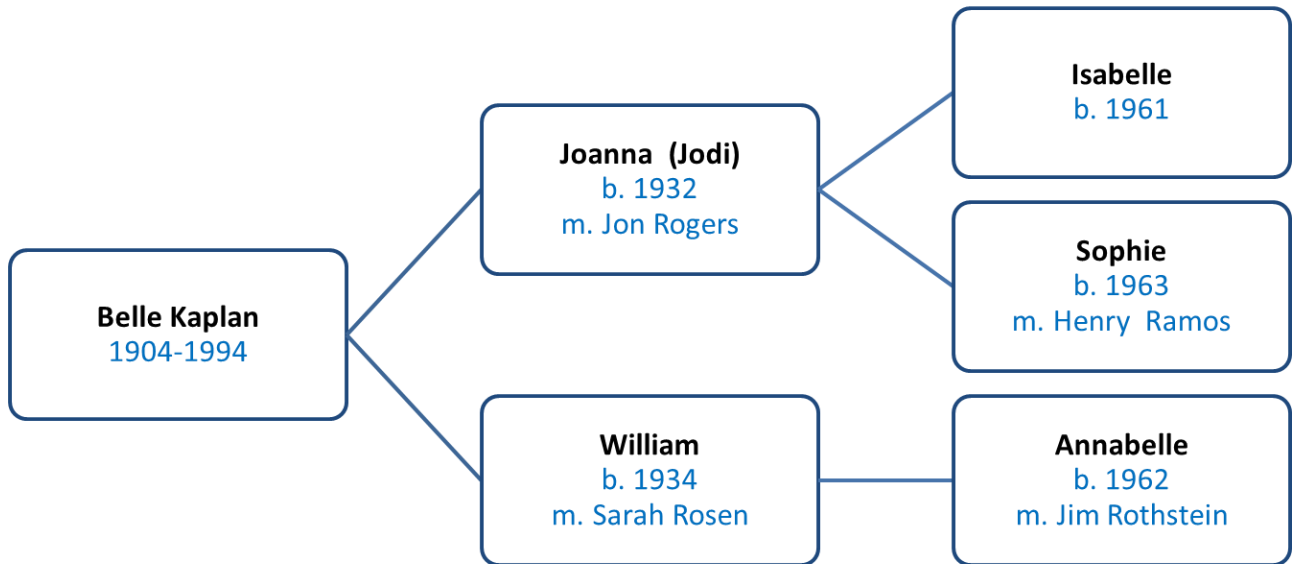
CONFLICT OF LOYALTY: In 2017, at Sophie’s urging, the board approved a four-year, \$500,000 grant for significant expansion of ArtBiz, a youth arts enterprise founded by her friends Jason and Judy Miller. Two years later, fundraising by ArtBiz was not meeting expectations and the organization’s expansion was far from sustainable. When the Belle Trust board met to consider release of the third grant payment, a challenge grant, it was clear that ArtBiz was floundering. Annabelle proposed, with Isabelle’s agreement, that the final two years of grant payments be canceled. Sophie was vehemently against rescinding the grant and was in tears over the possibility that her dear friends would be denied funding for their adventurous organization. She accused her sister and cousin of ganging up on her.

SEEKING AGREEMENT: After a lengthy and emotional discussion, the meeting adjourned without resolution. A continuation meeting was scheduled in two weeks. In the interim, after meditating on the question, Sophie decided to make a personal six-figure anonymous gift to ArtBiz so that they would qualify for release of the Belle Trust’s challenge grant. When the trustees received the news from ArtBiz that a last-minute angel investor had made a generous gift, Annabelle was suspicious. She suspected that the anonymous donor was her cousin, Sophie. Annabelle pulled out her guides to foundation law and ethics, but did not find the absolute clarity she sought.

Discussion

- A. Has Sophie stepped out of bounds in her role as a trustee?
- B. What steps can the board take to resolve this difference of opinion?
- C. How would you advise them to prepare for the upcoming meeting?

The Kaplan Family



Facilitated discussion

This case study is a tool for sparking deeper conversation among trustees, family, or peers in philanthropy when employed by an experienced facilitator as part of a *Stories for Engaged Learning* workshop.

You are free to use this case study for your own discussions as long as you give GMA Foundations appropriate, visible credit. We welcome your feedback after using this as a tool for family or board engagement.

Contact Mary Phillips at GMA Foundations, mphillips@gmafoundations.com to discuss the suitability of *Stories for Engaged Learning* workshops to your needs, additional case study topics, and GMA consultants' facilitation services.