



10 Essential Roles of Foundation Board Members

If you're reading this, it's likely that at some point in the past, some visionary philanthropist chose to place his or her assets in trust for the good of the community by creating a charitable foundation. And perhaps more recently, you were tapped to be a steward of those resources by serving as a foundation trustee.

Congratulations! You're now engaged in what likely will be some of the most challenging, most humbling, and most fulfilling work you will ever have done. As a board member, how can you make sure you bring your best to the table and bring out the best in your foundation?

It's true that foundation boards operate as a unit (see "10 Essential Roles for Foundation Boards" at putnam-consulting.com). But those boards are made up of individuals, each with critical skills and knowledge to contribute. Here are 10 essential roles that every foundation board member should play. If you understand and embrace these roles, you will help ensure that you are fulfilling your duties with wisdom and clarity — and doing your part to advance your foundation's mission.

1. Steward philanthropic resources

As a board member, you play a precious role: You are entrusted to care for the foundation's philanthropic resources to the best of your ability during the time of your board term.

In doing so, it's easy to get caught up in the here and now of day-to-day operations, investment performance or community crises. But remember, while you are here for a limited period of time, the foundation must operate with a view to both past and future. You need to look back to recall why the foundation was started and what its mission and goals were when it began. Then you must look at the present to ensure that you are mindful of the mission and that your decisions are advancing the mission and the good of the community. And finally, you must look toward the future and think about how your decisions about investments and budgets today may have an impact on future generations.

2. Show up and participate

It should go without saying that being an effective board member means showing up for every board meeting. Make sure you're clear about how many board meetings are held each year and when. If you find you have multiple conflicts, it may be time to step down from your post.

You should also expect to sit on at least one board committee and attend those committee meetings as religiously as you do meetings of the full board. Committee service is a chance to lend your expertise in a certain area, but also an opportunity to learn about a new area.

Whether through committee service, a task force or individual action, if you agree to take on a project, make sure you accomplish it. You don't want to keep the rest of the board, staff or community waiting for you to get around to the task at hand.

3. Serve as an ambassador

An ambassador is a person who helps promote the foundation to the community in the course of her or his daily activities. Being an ambassador means sharing information, spotting opportunities and spreading the word about the foundation.



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Using your personal connections and credibility is a big step in building the foundation's depth and reach in the community. Attend events on behalf of the foundation when appropriate, attend site visits, make check presentations, talk about the foundation informally in the course of your life and consider making more formal presentations about your work to other community groups. At the very least, you should be able to describe the foundation's mission and share some stories about the grants it's made and what it has accomplished.

Remember too that consistency is important. Each individual board member should have his or her own "spin" on the description of the foundation's work, but the key points should always be the same.

4. Look around

Just because you live in a community doesn't mean you understand what all of its needs, challenges and opportunities are. Make it your business to get to know other community leaders — from the nonprofit, business and government sectors. If there are other foundations in your area, make a point to meet with them to learn about how their approach and philosophy compare to or align with your own.

Remember, you can't really fix what you don't fully understand. Listen constantly to the voices in your community, and especially to those whom you most desire to help. Let their experience and ideas inform and guide your decision making and shape your investment.

5. Look ahead

As mentioned above in point one, board members have to take a long-term view. This is as true for grantmaking and community engagement strategy as it is for investments and financial stewardship. Take opportunities to anticipate what might be different one, five, 10 or even 20+ years from now. Do you foresee that a large local industry may move or shutter operations? Will a boom in births mean a future strain on community schools? What can you do now to prepare for that?

Planning ahead also applies to changes that may be needed in your board governance practices. How will board turnover in the next decade affect the foundation's institutional memory? How will you transition new, younger members into board service as more seasoned members retire? How will technological advances change the way you interact with other board members or with staff?

6. Continuously learn

No foundation board member knows everything. Luckily for you, philanthropy is a field that likes to share and help. Whereas in many corporate (and some nonprofit) institutions the secrets to success may be closely guarded, the knowledge and wisdom of other foundation trustees and staff are there for the asking, so build and call upon your personal networks within the field often.

As an added bonus, there has been much effort over past several decades to support "organized philanthropy" and educate those new to grantmaking about how to be good grantmakers and good board members. Membership associations such as Exponent, your regional association of grantmakers or philanthropic affinity groups are a great source



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of professional resources and connections. There are also vast libraries of knowledge about good governance available from organizations such as BoardSource or the Foundation Center.

7. Build partnerships

No matter how large your foundation's endowment, you will never be able to solve any community challenge on your own. True social change takes a wide variety of partners working together. While your executive or program staff may take the lead in identifying partners, you'll also have connections and relationships you can bring to the table.

Although most foundation partnerships are forged at the staff level, where logistics and roles are hashed out, you can cement the deal by also reaching out to board members of partner organizations and forming relationships with them. You may not know every detail of how your organizations work together, but you can mutually reaffirm your shared vision and commitment — and that can go a long way when partnerships are discussed during your respective board meetings.

8. Think critically and ask hard questions

You and your fellow board members are trying to do good, but that doesn't mean that you can't inadvertently operate unethically, or misuse funds, or construct poorly run organizations, or come up with lousy ideas.

Part of your job is to ask questions, albeit respectfully, when you get the sense that something is amiss or if you simply don't understand what other board members are proposing.

It's also your job to challenge assumptions. For example, just because everyone else is funding a long-revered institution in your community, does that mean you must do the same? Just because the community expects you to fund a particular issue, is it not possible that you could deliver greater value by shifting your focus elsewhere?

Asking hard questions is a board member's job, but it can lead to discomfort or hurt feelings, so be sure to do so with an attitude of respect and appreciation for those with whom you disagree.

9. Stay ethical and legal

According to *The Trustee Handbook* (a publication I highly recommend, from Exponent Philanthropy), board members have three overarching duties when it comes to serving their foundations:

- **Duty of Care** – This means caring for the interests of the foundation in terms of its management, investments and pursuit of charitable interests. It means making decisions that a prudent person would make, no matter what the circumstances. A good board member fulfills the duty of care by staying aware of the foundation's business and operations (including investment performance), attending all board meetings fully prepared and ready to engage in discussion and maintaining an understanding of the legal and regulatory requirements that govern foundations.
- **Duty of Loyalty** – This means serving the best interests of the foundation above any personal interest of your own. A good board member avoids conflicts of interest (such as when he or she has a personal or professional interest in a proposed transaction) and abstains from voting or attempting to influence the outcome if a conflict is present. A good board member also understands the IRS rules about "self-dealing" on foundation boards and understands



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how to avoid transactions that may be called into question. (Self-dealing rules are complicated and easy to violate unwittingly, but they can carry steep penalties. It is always best to consult outside legal counsel on self-dealing issues, and to attend trainings about self-dealing that are offered by many foundation member associations.)

- **Duty of Obedience** – This means following the rules: both the internal rules of the foundation, such as bylaws or policies, and the external laws and regulations that govern foundations, so as not to jeopardize the foundation’s tax-exempt status. And, of course, it also means refraining from criminal behavior (such as theft or embezzlement) and from questionable activities, such as taking or providing excess compensation or using foundation assets or facilities for personal benefit.

10. Don’t let it go to your head

Never, ever forget that, as a board member, you are in a position of service and servant leadership, period. Yes, you will sense an increase in power. (As one colleague of mine likes to point out, you automatically become better looking, smarter and wittier the second you join a foundation board.) Never fall into the trap of thinking that the foundation represents “your” money, that you can allow your personal preferences to guide your decision making or that others who seek your assistance have to prove themselves to you.

Arrogance, condescension and superiority are the strict enemies of every foundation board member. Remember, it’s your attitude, your humility, your grace and your respect for others that will ultimately determine whether your foundation is an effective community asset and partner or a resented and disconnected institution that just happens to have money.

Serving as a foundation trustee is serious business, and it’s hard work. It can be a very public position that is fraught with temptation. But it’s also an incredibly rewarding experience that can bring you closer to your community, make you a wiser and more thoughtful person and allow you to leave a personal legacy that can have a positive impact for years to come.

Want to learn more about effective foundation boards? Read “10 Essential Roles for Foundation Boards,” or browse other topics at putnam-consulting.com.

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