

# THE NEXT GENERATION of Catholic Philanthropists

INSPIRATION AND IDEAS FOR ENGAGEMENT



FADICA

FOUNDATIONS AND DONORS INTERESTED IN CATHOLIC ACTIVITIES



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# Introduction: A Call to Action

There has never been a more exciting time to engage the next generation in the vital work of philanthropy. In 2014, the world saw the youngest person ever, at just 29 years old, top *The Chronicle of Philanthropy's* list of the fifty most generous donors.<sup>1</sup> Young people will inherit and create trillions in wealth in their lifetime, and nextgendonors.org predicts that much of that wealth will be designated to charitable giving.<sup>2</sup> These factors, as well as initiatives such as the Bill and Melinda Gates and Warren Buffet Giving Pledge, have led to what has been called the new golden age of philanthropy.

Moreover, it is an exceptional time for engaging young Catholics in philanthropy. Today, Catholic philanthropy finds itself at the intersection of three present-day phenomena: the golden age of philanthropy, the Pope Francis effect, and the emergence of the largest generational cohort since the baby boomers, the millennial generation.

Almost daily, Pope Francis inspires the faith and actions of his twenty-one million followers through social media, making his message accessible—especially among younger Catholics—and earning him the title “The Tweetable Pope.”<sup>3</sup> Pope Francis has motivated giving among Catholics. FADICA’s 2014 nationwide survey found that more than three quarters of Catholic adults who increased giving in 2013 noted the influence of Pope Francis.

This publication was created in response to requests from FADICA members interested in examples of

how other families and foundations were engaging younger generations in philanthropy. Our hope is that it provides these examples, along with practical tips and tools. We have tried to be as specific as possible in our profiles, including details of how and when these foundations have engaged younger generations. Most of all, we hope that these stories offer inspiration to take action.

Every foundation and leader involved in this work will agree that cross-generational work, family dynamics, and generational succession can be among the most challenging aspects of philanthropy. Those who have taken a proactive approach, however, emphasize that benefits have included enhanced family or group dynamics, improved grantmaking, provided peace of mind for the founder or current leadership, and cultivated confidence around long-term mission success. We hope that this publication will be a useful resource for current leaders as they consider and develop their own engagement strategies.

We want to remind readers that there is no such thing as perfection. As with any significant matter of faith and family, nobody else can tell another the right answer for a particular family or foundation. Faith and wisdom that comes from others offer useful resources, but only you can discern what the best course of action is for your family’s unique circumstances. Despite the challenges, the effort is worthwhile and offers exponential return on any investment of time, attention, and effort.

<sup>1</sup> Donovan, D., Gose, B., & Di Mento, M. (2014, February). Gifts Surge from Rich U.S. Donors. *The Chronicle of Philanthropy*.

<sup>2</sup> Northwestern Mutual Voice. (2014, December). A New Golden Age of Philanthropy: What’s Driving Next-Gen Giving? *Forbes Magazine*.

<sup>3</sup> O’Loughlin, M. J. (2015). *The Tweetable Pope*. Harper Collins: New York.

# The Unique Gift of Catholic Philanthropy

**W**hat makes Catholic philanthropy different? How might one distinguish Catholic and Catholic-inspired philanthropy from other faith-based or secular philanthropic practices?

While an entire book could (and should) be written on these questions, two particular things uniquely inspire Catholic giving: the gospel tradition and values, including Catholic social teaching; and the Church, the community of believers who evidence faith, hope, and love in their daily lives.

Brought to life through a commitment and response to the gospel message are the ministries, congregations, religious communities, and institutions that comprise the global Catholic Church. Likewise, it is through the Church—its sacramental life, mission, and diverse apostolates—that the gospel message and its values are shared, taught, and put into action.

As we witness increasing violence and diverse threats to human life and the planet, the capacity of the Catholic Church to put its values into action to support human flourishing has never been more important. And Catholic philanthropy in particular, inspired by these values and committed to the Church's capacity, is as vital as ever.

The inspiration of faith also leads to an amazing reality: every day the Catholic Church feeds, houses, clothes, cares for, and educates more people than most any other institution on the planet.<sup>4</sup>

As Executive Vice President for Catholic Relief Services Joan Rosenhauer puts it, “The Catholic community is everywhere and everyone. We are in every country,

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*“The Catholic community is everywhere and everyone. We are in every country, every corner of the world, including some of the most isolated, remote areas helping people in need where no one else is present. And we are everyone—rich and poor, urban and rural, of every race and background, the powerful and the powerless. We have more potential than almost any other group to build a more just and peaceful world.”*

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Connecting to the inspiration and values that fuel Catholic philanthropy, and highlighting the Church's capacity and impact is essential to engaging the next generation of Catholic philanthropists.

<sup>4</sup> Kelly, M. (2011). *Rediscover Advent*. St. Anthony Messenger Press: Cincinnati, Ohio.

<sup>5</sup> Conference at Catholic University of America, 2016.

## Connecting the Next Generation to Catholic Philanthropy

To understand how Catholic philanthropy can be meaningful to younger generations, it is also critical to consider how young people currently engage in charitable giving.

In *Next Gen Donors: Respecting Legacy, Revolutionizing Philanthropy*, the organization 21/64 found that the next generation of major donors describe their philanthropy in four key ways, as:

1. committed to values over valuables;
2. focused on impact over recognition;
3. eager for relationships and hands-on engagement;
4. and interested in actively crafting their philanthropic identities through personal, authentic experiences.

Given this emphasis on values by next generation philanthropists, it is all the more important to bring to light the values that uniquely inspire Catholic philanthropy. Far from a “lifeless set of rules and regulations” as Matthew Kelly observes in *Rediscover Advent*, values are at the heart of what it means to be Catholic. And our Catholic values articulate a vision of human flourishing that depends on authentic encounter and relationships of solidarity—which likewise are top priorities for young donors.

Consider how Pope Francis’ message and example speaks to all generations, and especially to younger people. The Holy Father puts Jesus’ words into action through direct human encounter: comforting the afflicted, visiting prisoners, and welcoming the stranger. These expressions of love in action connect directly to what young donors identify as essential.

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## Scripture and Catholic Values—Compassion and a Preferential Option for the Poor

Both the Hebrew and Christian Scriptures consistently echo and affirm God’s special concern for the vulnerable: the widow and the orphan, the migrant, the sick, and the poor. Not only that, they speak to today’s challenges and orient practical responses that serve the vulnerable.

In a 40th anniversary message to FADICA from the Secretariat of State of the Holy See delivered by the Apostolic Nuncio, the Secretariat transmitted a greeting from Pope Francis that referred to the preferential option for the poor and spoke to the unique focus of Catholic philanthropy. Encouraging members to discern the ever-changing needs of the Catholic community and broader society, Pope Francis asked FADICA to be particularly attentive to the needs of the poor and those on the peripheries of society, as he evoked words from *The Joy of the Gospel*: “for each individual Christian and every community is called to be an instrument of God for the liberation and promotion of the poor...”

Maureen O’Connell observes in *Compassion: Loving our Neighbor in an Age of Globalization* that “the Gospels are filled with accounts of Jesus’ emotional encounters with the poor and afflicted, and the physical example of Jesus’ healing ministry is central.”<sup>7</sup> Jesus’ healing actions often restored people to the community from which

<sup>6</sup> 21/64 and Johnson Center for Philanthropy (2013). *Next Gen Donors: Respecting Legacy, Revolutionizing Philanthropy*. Retrieved from: nextgendonors.org.

<sup>7</sup> O’Connell, M. (2009). *Compassion: Loving our Neighbor in an Age of Globalization*. Orbis Books: Ossining, NY.



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they were previously excluded due to social or cultural attitudes toward a physical ailment. Jesus reconnected these individuals to community through physical healing, but also through personal encounter, despite rules that suggested contact with such people was forbidden. Think of the leper in Matthew chapter 8 or the bleeding woman in Mark chapter 5.

Loving our neighbor lies at the heart of the Bible, and two other powerful gospel touchstones articulate this radical value of love for neighbor, particularly the vulnerable and marginalized neighbor.

In the timeless Good Samaritan parable, Jesus describes the call to love God and our neighbor as ourselves as the greatest commandment. When a lawyer asked for more detail, “Who is my neighbor?” Jesus tells the story of a Samaritan who finds and aids a man beaten by the roadside (Luke 10: 25-37). A priest and a Levite had already passed and ignored the man, but the Samaritan, a foreigner, bandaged the man’s wounds, and took him to an inn for care.

“Which of these three do you think was a neighbor to the man who fell into the hands of robbers?” Jesus asks. The lawyer replied, “The one who had mercy on him,” to which Jesus responds, “Go and do likewise.”

As Catholic Christians, we are called to “go and do likewise”: to love radically and identify everyone as our neighbor, especially people on the margins of society. Jesus challenges us not only to help those like us, but to help the other as well.

Finally and perhaps most importantly, in the well-known gospel passage Matthew 25, Jesus does not just help or heal the sick and hungry. He completely identifies with them. “For I was hungry and you gave me food, I was thirsty and you gave me drink, I was a stranger and you welcomed me... Truly, I say to you, as you did it to one of the least of these my brethren, you did it to me.” (Matthew 25: 35-37, 40). Thus Jesus’ call to serve the suffering is equated with serving and loving God, and is at the heart of Catholic ministries around the globe.

### **Catholic Social Teaching—Human Dignity and the Common Good**

Often referred to as one of the “best-kept secrets of the Church,”<sup>8</sup> Catholic social teaching articulates the Church’s commitment and response to critical social issues of the day.

With roots in the Old Testament and in Jesus’ ministry, the modern Catholic social tradition is based on official Church letters or encyclicals that began with Pope Leo XIII’s 1891 encyclical *Rerum Novarum, On the Conditions of Labor*. This first encyclical addressed the challenges of the industrial revolution and the condition and rights of workers. The Catholic social tradition is a living, breathing tradition, with the most recent encyclical issued by Pope Francis in 2015, *Laudato Si, On Care for Our Common Home*. The document, addressed to all persons, encompasses environmental degradation, climate change, and a call for action.

Because of its broad scope, the Catholic social tradition is often distilled into a more manageable listing of key values or principles. The list can vary from seven to ten principles, depending on who is compiling it. The following list begins with the fundamental value of the inviolable dignity of human life and of every human person, and ends with the commitment to peace:

<sup>8</sup> Deberri, E. P., Hug, J. E., Henriot, P. J. & Schultheis, M. J. (2003). *Catholic Social Teaching: Our Best Kept Secret*. Orbis Books: Ossining, NY.

- The dignity of the human person
- The common good
- Solidarity
- Subsidiarity
- The preferential option for the poor
- The dignity of work and the rights of workers
- Rights, responsibilities, and participation
- Universal destination of goods
- Stewardship of God’s creation
- Peace

Catholics believe that every person is created in the image of God and that each individual is holy and sacred. As a result, the life and dignity of each person at every stage of life is the foundation of a moral society. Therefore, the principle of the common good includes everyone. As St. Thomas Aquinas noted, the dignity and well-being of the individual is integrally connected to the dignity and well-being of our neighbors and the broader community: “He that seeks the good of many, seeks in consequence his own good.”<sup>9</sup> Or in the words of St. John XXIII, the common good is “the sum total of conditions of social living, whereby persons are enabled more fully and readily to achieve their own perfection.”<sup>10</sup>

The themes of the major documents of the modern Catholic social tradition convey the range of global social realities and public challenges it encompasses: the arms race and its defiance of peace, the sacred gift of human life and threats to life, the challenge of consumerism, workers’ rights and responsibilities including a living wage, the widening gap between rich and poor nations, underdevelopment, the effects of urbanization, and the political responsibility of lay Catholics, to name a few.<sup>11</sup>

The Catholic social tradition encourages Catholics to engage the problems of the world in new and creative ways. As it calls on us to help improve society as part of our spiritual journey, the Church’s social tradition

and our faith are far from disconnected to the pressing issues of our day— or from the top concerns of the next generation.

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### **Intergenerational Solidarity: Lasting Impact and Solutions**

One of the leading trends among younger philanthropists found in 21/64’s study is a focus on results, solutions, and strategy. Another survey discovered the same finding internationally: sixty-nine percent of high net worth individuals placed a premium on seeing results, women and younger philanthropists especially.<sup>12</sup>

As a global institution, the Catholic Church has a rich history and record of impact and innovation. Catholic religious and lay people have been changing the world as active witnesses to the gospel, in innovative and entrepreneurial ways, before the term “social innovation” was coined. For centuries, Catholic religious and lay people have launched networks of Catholic schools, hospitals, and social enterprises to help communities flourish and serve people on the margins.

More recently, Catholic sisters have launched solar energy “tech cafes” in Africa for example, while Jesuits

<sup>9</sup> Aquinas, St. Thomas (1917). *Summa Theologica*.

<sup>10</sup> Pope John XXIII (1961). *Mater Et Magistra*.

<sup>11</sup> Massaro, T., SJ (2005). From industrialization to globalization: Church and social ministry In K. M. Weigert & A.K. Kelley (Eds), *Catholic Social Tradition: Cases and Commentary*. Rowman & Littlefield: Lanham, MD.

<sup>12</sup> 21/64 and Johnson Center at Grand Valley State University (2013). *Next Gen Donors: Respecting Legacy, Revolutionizing Philanthropy*.

are taking their education network digital to reach refugees around the world in one of the worst humanitarian crises since World War II. Religious and lay Catholics have identified unaddressed needs or injustices, developed sustainable responses, and creatively disrupted the conditions that led to the problem in the first place.

A snapshot of the Catholic organizational footprint in the United States alone shows both the impact and potential to donors interested in human flourishing and development. Speaking to FADICA members in 2016, Dr. Susan Raymond of Changing Our World summed up that footprint. She noted that 630 Catholic hospitals manage twenty million emergency room visits per year, especially in rural and marginalized communities, and that Catholic Charities agencies serve almost ten million people per year. Internationally, Catholic Relief Services and the Caritas Internationalis network are among the largest and most effective relief and development networks in the world.<sup>13</sup>

Younger generations of donors also cite a greater interest in causes and issue-based giving,<sup>14</sup> and recent research indicates their trust in and opinion of institutions has grown more negative in the past five years.<sup>15</sup>



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In this context, Pope Francis' visible uniting of causes and institution is compelling. He has engaged the Church's brick-and-mortar institutions in his focus on human trafficking and homelessness, showing the value of institutions in responding to the refugee crisis or in protecting the environment. And he does so in a way that taps into the personal spirituality that sustains the individuals serving and those being served in these institutions—by highlighting the sacred nature of their work.

When Pope Francis visited the Greek island of Lesbos and brought home with him several Syrian refugee families, he modeled the power of institutions to facilitate real change.

The Catholic Church's rich social tradition, strong fabric of institutions, and ample opportunities to change the world are not the only attractions of a uniquely Catholic philanthropic approach for young people today. One of the most compelling is the personal transformation that can happen through human encounter, by accompanying people on the margins.

This pastoral approach of accompaniment has a rich theological and pedagogical foundation in the Church, and again can connect to young donors' prioritization of authentic relationships and encounter. In school, students who undergo such experiences are called experiential learners. For the donors of the future, we might refer to them as the "experiential donors."

The good news is that the Church's teachings and institutions offer strong frameworks and a wealth of theological underpinnings to make this a meaningful and transformative experience.

FADICA has experienced this transformative power in its own program for young philanthropists. FADICA's Philanthropy Leadership Intern Program (described on

<sup>13</sup> Changing Our World & Campden Research in London and PNB Paribas. In *Helping Goodness Spread: FADICA's National Symposium Proceedings*.

<sup>14</sup> 21/64 and Johnson Center for Philanthropy (2013). *Next Gen Donors: Respecting Legacy, Revolutionizing Philanthropy*. Retrieved from: [nextgendonors.org](http://nextgendonors.org).

<sup>15</sup> Fingerhut, H. (2016). Millennials' views of news media, religious organizations grow more negative. *Pew Research Center*. Retrieved from: [pewresearch.org](http://pewresearch.org).

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page 26) has shed light on the sometimes hidden but transformational power of Catholic tradition and practice.

As one intern put it, "My internship offered many occasions to speak with and learn from experts in philanthropy, including FADICA members. I felt constantly inspired when these chances arose, particularly during the research phase of the [Ebola Crisis and Response] white paper project, when I spoke with numerous courageous Catholics working to protect some of the world's most vulnerable people."

Catholic philanthropy is a crucial link in advancing the Church's mission and programs. It also provides an exciting pathway for the next generation of Catholic philanthropic leaders to connect to their faith tradition, its spiritual resources, and to their own identified philanthropic values. It creates opportunities to explore and build on those values over a lifetime, and to connect to a community of people putting those shared values into action throughout the world as part of a global community: the Catholic Church. By sharing Catholic values in ways that are explicit and tangible, we can create a relevant and meaningful connection for the next generation of Catholic philanthropic leaders to a life-giving and world-opening Catholic spirituality of giving.

“Once we start to think about the kind of world we are leaving to future generations, we look at things differently; we realize that the world is a gift which we have freely received and must share with others.... Intergenerational solidarity is not optional, but rather a basic question of justice, since the world we have received also belongs to those who will follow us.”

- Pope Francis, *Laudato Si*

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# Effective Next Generation Engagement in Catholic Philanthropy

Ten key themes emerged from a survey of the general body of research on next generation engagement, the experiences of subject matter experts, and interviews with FADICA members. Drawing also on lessons from family business succession, family philanthropy, and psychology, we present these insights and highlight how various FADICA members have been approaching cultivation of the next generation in their philanthropy. These themes incorporate the unique aspects of engaging the next generation in Catholic philanthropy in particular, as reflected in the attention to Catholic values and tradition as well as in Catholic philanthropic vignettes and shared experiences. This summary is followed by more extended reflections on each lesson learned. It is important to note that this list, like much of generational engagement, is a work in progress. It is also not organized in any particular priority order.

**1 Formation over time, not a one-time workshop**  
You cannot learn philanthropic leadership in one workshop. Those who are finding success in training and education think of it as “formation,” with eighteen-month to two-year programs with curricula, hands-on experiences, and opportunities for peer-to-peer learning.

**2 Mentoring from trusted adults can be transformative**  
Often admired adults can help young adults develop skills, uncover their passion, and engage more fully. In family philanthropy, guidance and personal mentoring from aunts and uncles, older cousins, or other trusted adults can be very powerful—their voices, even when saying the same thing, may be heard differently than a parent’s.

**3 The earlier the better**  
Philanthropic families have found that cultivating generosity is most effective when it is a lifelong lesson. The opportunity to develop philanthropic leadership begins as soon as children are learning to share, and continues through the psychological development of teens and young adults. Inspiring youth and young adults leads to longer term engagement with philanthropy and the Church.

**4 Hands-on experiences are critical learning methods for millennials and young people**  
Site visits, guest speakers, or mission trips to engage with grantees can make philanthropy and Catholic values come alive for younger generations. Hands-on experiences are invaluable opportunities to expose young people to the breadth and work of the Catholic Church, values in action, and principles of effective philanthropy.



**5** **Next gen engagement can inspire current leadership**

Cross-generational interaction strengthens current leaders and helps to put focus on the foundation’s mission. It may prevent internal conflict to focus on the next generation. Focusing on the rising generations—and less on individual positions—broadens the vision of the future.

**6** **Nonfamily board members can help strengthen family philanthropy**

Engaging outside experts and trusted leaders in board service can enhance the discourse and commitment among family members.

**7** **Affinity and working groups offer great opportunities for learning and growing**

Many young people can be inspired and engaged through affinity groups and networking opportunities, whether or not they are actively or formally involved in the family foundation.

**8** **Peers are powerful**

Younger staff and peers at foundations, within Church organizations, and in nonprofits can provide opportunities for joint learning and friendship that will last for years to come.

**9** **Realistic expectations are key**

Schedules and time commitments must be accessible for young people who might be starting careers, families, or are still in school. Evenings and weekends are often more accessible to young people. A long-term view is important for understanding the subtle impact of change in families over decades.

**10** **Real authority is irreplaceable**

Hands-on experiences through which young people have real authority and decision making over clearly defined matters is critical and among the most important lessons in next generation engagement. Authentic authority is a key way, and possibly the essential way, that people develop the skills of leadership. A specific project, a separate next generation grantmaking fund, board positions, and matching or discretionary grants (even if small) have provided meaningful experiences of giving and strengthen younger generations’ interest and commitment.

## 1

# Formation over Time

Many of the most effective foundations recognize that **becoming a philanthropic leader takes time**. Smart philanthropy is not something that can be learned in a one-time workshop or by reading a book. Like spiritual formation, it requires a thoughtful process over time that includes different kinds of intellectual learning, practical applications, and reflection on development with supportive role models and more experienced leaders.

Foundations that are intentionally engaged and successful at involving younger generations approach training and education as a “formation” process, with eighteen-month to two-year programs that can include curricula, hands-on experiences, and opportunities for peer-to-peer learning.

The process of understanding and synthesizing family values and culture, legal, financial, and public accountability requirements, Catholic values and social teaching, and best practices in philanthropy can easily overwhelm anyone. Competence, not to mention excellence, involves intellectual understanding,

emotional and spiritual maturity, and sound judgement that require learning, patience, and most importantly practice.

Expecting people to learn how to be effective in too short a time period can create any number of unforeseen consequences. For example, the likelihood that grantmaking will not be at its highest level or that potentially serious mistakes will be made, is almost guaranteed if a leadership transition happens suddenly. In cases where board members are unprepared for board roles or leadership, there can be significant costs to the individuals and overall family harmony. Preparing the board, future board members, and future leaders over time is a critical way to advance your mission and to invest in future excellence and impact.

## Passing on Values

One type of preparation includes explicitly passing on values. Just as values are learned and developed over a lifetime, so to the transmission of values takes time. Any effective approach to passing on values requires a

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### TAKING THE LONG VIEW

A leading Catholic foundation and FADICA member shared its struggle to prepare next generation leaders for potential board service within the constraints of a highly focused grantmaking program. With a desire that every dollar possible be directed to impact impoverished communities, the foundation has been hesitant to allocate money for trustee education and related expenditures for non-trustees. Driven by a culture of simplicity, humility, and a cost-efficient ethos, the foundation has instead taken a long view of cultivating the leadership capacity of younger family members by encouraging them to volunteer, participate in internships, and become involved with nonprofits and organizations

with which the foundation has deep relationships. This approach has helped the next generation learn more about the issues and realities of the nonprofit sector, and develop an appreciation for the complexity of extreme poverty and geopolitical issues.

While next generation members are volunteering and engaging with nonprofits, they are also encouraged to prioritize development of their own professional careers. With over thirty people in the family’s third generation and with varying wealth levels among the family branches, this foundation’s approach highlights the importance of helping young people develop an appreciation for the value of a dollar. In turn, this helps future board members to understand how far each dollar can go in impacting impoverished communities, especially internationally.

multipronged approach, starting with a parent's own example, and with consistency over many years.

Young people must also understand why their elders have made the choices they have made, process the choices they could make, and develop an understanding of how these values impact their lives. It is unlikely that their school (even Catholic schools) or religious education programs will fully convey the values most important to a family's philanthropy. To ensure that the next generation will carry on a philanthropic legacy, it is essential to engage with the younger generation about the family's core values and how they drive a family's philanthropy.

Supporting shared experiences for teenagers and young adults over time can shape dynamic leaders who are prepared for significant responsibility in their twenties and thirties. Whether through a formal program or informal approach, these efforts are inspired by the understanding that formation over time is critical to developing next generation leadership.

## VALUES ACROSS DIFFERENT GENERATIONS

Older generations can struggle with passing on Catholic values and principles to younger generations who sometimes feel alienated or out of step with the Church. Such differences are not unique to your family or foundation. In these cases, three things may be helpful to consider:

- If you are feeling particularly sensitive about a difference of opinion, it may be that you are closer in values than you imagined. It may actually be easier to understand someone with very different values. Greater conflict may arise between people who share highly similar values but prioritize them differently.
- It may be helpful to better understand differences by framing them generationally. For example, family members from the WWII generation, also known as the Greatest Generation, value loyalty and obedience. Millennials and younger generations may resist dogma and want to challenge, question, and adapt the rules.
- Learning together with younger family members about the Church's diverse and global ministries, and the rich Catholic social tradition—a unique resource among faith traditions—can engage young people where they are. Research indicates that young people are more compelled by causes than institutions. The Church's campaigns to end global poverty, hunger, and human trafficking are vital causes being addressed through Church institutions.



# Sisters of Charity Foundation of Cleveland

SUSTAINING MISSION AND VALUES IN THE FACE OF CHANGE

Some of the most thoughtful next generation engagement occurs in foundations established by religious communities. **Sisters of Charity Foundation of Cleveland** carries forward the mission of the Saint Ann Foundation, which was created more than forty years ago as the nation's first health care conversion foundation, and first grantmaking foundation established by Catholic sisters.

Today, the Foundation offers many lessons for effective intergenerational engagement that are relevant beyond religious communities. Due to demographic shifts and other macro-economic factors, the sisters have had to think deeply about how to sustain their mission and values in the face of change. With aging and fewer sisters to carry forward the work, they have been leaders in fostering vibrant lay collaboration.

While collaboration, like any deep value, can sound easy in the abstract, it is incredibly difficult. One of the great gifts the sisters' experience offers is the importance of identifying the essence of their spirituality and mission, and communicating it to others. In order to engage lay people as full partners in fulfilling their mission, they have had to communicate and pass on their values and charism—in addition to living them. Risk-taking, selflessness, faith, and perseverance are among the values and qualities that have enabled the sisters to offer decades of life-giving ministry. The process of teaching lay leaders, especially through storytelling, has been critical to the Foundation's success in upholding and sustaining its mission and Catholic identity. The sisters have worked thoughtfully and diligently to instill in lay partners what makes the Foundation and their approach to grantmaking unique with a discipline from which all philanthropists can learn.



# 2 Mentoring

**W**hile parents and grandparents are critical to the formation of young people, **mentoring by other trusted adults can be invaluable**, especially during teen and young adult years. Trusted adults can serve as transformative mentors especially during “differentiation,” the period of time in which teens or young adults test the limits of their own individuality and embrace some degree of distinctiveness from their nuclear family. Parents can provide safe and controlled ways for children to reflect on their values during this period of growth. This important parental milestone involves some “letting go” so that children can more fully appreciate parents as they become adults themselves.

Aunts, uncles, and older cousins can be natural mentors who also share history and deep love for the young person. These mentors can often say the same thing that a parent or grandparent might say, but the young person may hear it differently. Supporting strong relationships with siblings and cousins can make it more likely a young person will connect with a mentor among the extended family.

The thoughtful choice of nonfamily board members can also offer important opportunities for connecting to mentors with issue-area expertise, national, or international stature, and perspectives that few young people are exposed to at young ages. (For more on this, see Nonfamily Board Members on page 21).

Cultivating relationships with teachers, pastors, religious sisters, nonprofit leaders, artists, or other trusted adults, and being intentional about including them in family gatherings over the years, can again offer greater opportunities for a young person to choose among the trusted leaders you have exposed them to over time.

Providing or encouraging opportunities for children or grandchildren to come to know leaders and advocates, both within and outside the Church, on such critical issues of our time as education, poverty, and human trafficking can also enhance their worldview and their capacity to excel in school, work, and life.

Helene O’Neil Shere, who leads the W. O’Neil Foundation, values mentoring and takes connecting young people to leaders seriously. Taking a very active interest in young individuals’ pathways within philanthropy, Helene helps up-and-coming leaders find internships, connect with experts, and engage with experienced professionals. The Raskob Foundation has formalized a mentoring program through which young people choose a mentor during their first three years of apprentice membership.

There are practical ways to ensure that mentors for children are safe and respect healthy physical, psychological, and emotional boundaries. Many dioceses have developed resources for this, given the sex abuse crisis in the Church. In addition, the best practice website [mentoring.org](http://mentoring.org) is an excellent resource (see the Resources on page 32 for more resources on child protection).

Connecting young leaders within your sphere of influence with mentors—or being one yourself—and encouraging young people to cultivate these relationships, can create a meaningful and lasting impact on their lives and careers.

# Mary J. Donnelly Foundation

## MENTORS ACROSS EXTENDED FAMILY

Elizabeth Anne Donnelly, Trustee of **Mary J. Donnelly Foundation**, provides an example of how profound an influence extended family can have on young people. She expresses a deep gratitude for the love and understated mentorship of her beloved aunt and godmother, the late Ruth Donnelly Egler. Growing up in a very close family with her aunt's family only ten blocks away, Donnelly was influenced by Aunt Ruth's example of balancing care of her eleven children with energetic community engagement, clearly animated and nourished by her Catholic faith.

"Growing up observing my parents and Aunt Ruth, it was just natural that of course you would be contributing your time and gifts to your schools, church, and other organizations." At the same time, one family member faced a prolonged serious illness. As Betty Anne says about her extended family, "We don't sweat the small stuff. We definitely have a culture of low-key getting things done with humor and support for each other."

Her aunt's mentorship has had a lasting impact on Betty Anne, who along with other Foundation Trustees is helping to chart new initiatives at the Foundation while continuing to honor the first and second generation Trustees' particular passions and way of proceeding together. The Trustees recently revised the Foundation's mission statement to include working to advance the role of women in the Catholic Church. They also wrote and distributed a history of the Foundation so that younger family members might have a better sense of the quiet generosity of those who have gone before, and encourage the former to think about ways the Foundation might address twenty-first century challenges. The Trustees actively encourage younger family members to submit grant requests.

With a family diverse in degrees of Church engagement and political perspectives, the Trustees seek to honor their family values and culture in a way that undoubtedly would make Aunt Ruth very proud.



## 3

## The Earlier the Better

**E**ngaging and inspiring the next generation at an early age can make it easier to pass on values, and to cultivate leadership and generosity. As noted earlier, formation takes time. It can begin as soon as children are learning to share, and the opportunity to engage continues through the psychological development of teens and young adults.

Many of our interviewees and experts believe that inspiring youth and young adults early also leads to longer-term engagement with philanthropy and the Church. Kerry Robinson of the Raskob Foundation for Catholic Activities recalls the blessings of growing up surrounded by extraordinary leaders in faith and nonprofit leadership. Participating in site visits and attending Board meetings and conferences as a young person infused and shaped her worldview with a love of these kind, generous, and faith-filled leaders. She says, “If you’re able to inspire the young adult psyche, they are so much more likely to stick with philanthropy and the Church.”

Structured engagement before college is a promising time to connect to youthful idealism. During college years and the first few years of professional work, finding the time given scheduling demands can be a challenge. However, if you are able to spark or connect with the passions of young adults in that time period, their schedules are likely to be no more difficult than the current board’s schedules (see more in Realistic Expectations on page 27).

Determining the best way to involve your family is a personal choice and depends upon many factors. At whatever age you begin, there are many resources to explore regarding age appropriate engagement. The Resources section offers relevant publications for exploring these strategies in greater detail.

#### Individual-Driven and Matching Grant Programs

The foundations profiled in this publication also offer examples of unique and successful strategies that stimulate the philanthropic spirit among younger generations. The Doty Family Foundation and the Conrad N. Hilton

## Doty Family Foundation

### ENCOURAGING INVOLVEMENT AT A YOUNG AGE

The **Doty Family Foundation** was created by Marie J. and George E. Doty to support charitable organizations and to encourage the generosity of the family’s five children. Now well into the third generation, the Foundation has clearly achieved its founders’ goals, with more than twenty active family members giving to over 100 charities in 2015.

A key factor in this success has been the Foundation’s triple match model. The Foundation provides a triple match to family members’ contributions of \$50 and above (for example, a \$250 contribution becomes \$1,000), as long as the donation is made to a 501(c)(3) nonprofit organization and does not conflict with Catholic Church teachings. As a result, as family

members graduate from high school and college, many have begun participating in the family’s philanthropy, with those in their twenties and thirties becoming increasingly active.

George Doty encouraged his children to become involved in the charities and organizations they support. Today, the family continues to encourage involvement, through board service or volunteerism, and younger generations usually start with their alma maters, their churches, and the schools their children attend. Several members of the family have become leaders in their communities and in groups like FADICA.

The Foundation operates on minimal organizational structure while the family carries on an unspoken culture of humility, simplicity and core family values that would make the founders proud.

## Helpful Tips for Matching Grant Programs

**Legal and fiduciary issues:** The board is the legally responsible entity and any grants recommended or proposed by non-board members must be approved and vetted by the board. Non-board family members should not be seen as receiving a “benefit” from their relationship to the foundation.

**Strategic impact:** Individually driven grants may limit the potential of the foundation’s larger mission and overall strategic impact. If the majority of grantmaking is driven by individual priorities rather than a shared mission, participants’ experience may also be less rewarding. Several strategies can be utilized to limit these risks:

- Develop a shared mission that the board fully supports.
- Limit individually directed grants to a smaller percentage of the overall grantmaking portfolio.
- Allow for individual recommendations consistent with the foundation’s mission, and/or create small group grantmaking opportunities, such as allocating funds for a junior board to direct as a collective group.
- Encourage individual family members to research, learn, and perform due diligence on prospective grantees as part of the foundation’s general grantmaking.

In addition to these strategies, developing the capacity of prospective board members to make collective philanthropic decisions also contributes to healthy succession and board development over time.

Foundation have created matching grant or member-driven grant programs for younger members. The Welk Foundation involves children from age four to fourteen in fun and age appropriate activities. As early as age four, family members’ charitable gifts can be matched by the foundation. Typically, these contributions of five or ten dollars will be matched by as much as \$100. The Donnelly Foundation (profiled on page 14) has encouraged grandchildren to propose grants typically ranging from \$1,000 to \$5,000 for the board to consider. The Gathering organizes special

### EARLY IMMERSION IN CATHOLIC PHILANTHROPY

KERRY ROBINSON

**Kerry Robinson**, founding executive director and global ambassador of Leadership Roundtable, says that her leadership and service today were shaped by the earliest memories of being immersed in the world of philanthropy and the global Church. She recalls being “dazzled by the faith and example of moral heroes and heroines” as she came to know Catholic leaders while traveling with her father to Board meetings, site visits, FADICA meetings, and other conferences. “These inspiring leaders—ordained, religious, and lay—were often witness to the worst that humankind can do to one other, but they evinced a palpable sense of joy ... their ministry was full of purpose.”

An author and frequent speaker on faith, development, and philanthropy, Kerry has held numerous board and leadership roles in Catholic nonprofits. She also credits friendships that were developed twenty years ago with other young women in their twenties at FADICA meetings. These relationships planted seeds that continue to come to fruition, particularly in her work regarding the engagement and leadership of women in the Church. As many in the Church turn to seek the trusted counsel of leaders like Kerry, her experiences as a teen can be seen creating ripples that are serving the global Church today.

children’s programs that are both fun and educational, allowing parents to attend board meetings and educational programming.

Finding the right size and structure for programs like these depends on each family’s and each foundation’s unique circumstances. One similarity among all those interviewed was an emphasis to begin early. No one expressed any regret about starting too soon. The overwhelming consensus regarding next generation engagement was: the earlier the better.

## 4

## Hands-on Experiences

FADICA members interviewed for this resource affirmed what other research indicates as well, that **hands-on experiences are a critical way of learning for their younger family members**. This kind of experience is a clear value and expectation among millennials and young people today. In the rapid-fire, interactive, and dynamic world in which they have grown up, the idea of sitting in a lecture or workshop being “talked to” for a half day or even an hour is not ideal.

The next generation’s orientation toward information and their capacity to check, verify, or Google anything for validity is more fluid and fast-paced than the environment experienced by previous generations. The orientation to like, share, and process information with peers across geography further differentiates millennials from generations that have higher boundaries around privacy, confidentiality, and information-sharing circles.

## The Loyola Foundation

### A DIVERSITY OF DIRECT ENCOUNTERS

Members of **The Loyola Foundation** recall hosting a board meeting and a site visit in Puerto Rico, where the Foundation has a long-standing history of serving the educational, physical, and spiritual needs of communities on the island. The trip was an eye-opening experience for the great grandchildren of the Foundation’s founder, A. G. McCarthy, Jr. These next generation family members grew in appreciation of the many things they took for granted at home, and furthered their understanding for the concrete legacy of which they were a part. In Puerto Rico they saw a small sample of the many overseas schools, churches, and organizations that the Foundation’s small seed grants had helped support.

In addition to a hands-on experience in the field, the Loyola Foundation organized a symposium on the Church in Latin America and invited nontrustee family members to audit the Board meeting. The experiment led to next generation family members indicating a definite interest in future involvement with the work of the Loyola Foundation.

Mission trips are a valued asset to next generation engagement. In 2002, two of the founder’s great-

grandchildren, Alex Pratt and Kady Carr, joined next generation members of other foundations on a mission trip to Africa organized by FADICA.

The Foundation’s Executive Director, A. Gregory McCarthy IV, can also attest to the impact mission trips have had on his family. Recently, McCarthy took his daughter along with another family on a day trip to Tijuana, Mexico, where the Loyola Foundation had previously made a grant to the Oblate San Eugenio Mission for assistance with the acquisition of a school bus to transport area children with special needs back and forth from their homes to the mission. While in Tijuana, McCarthy and his daughter witnessed and served at the Oblate’s Mission.

Carrying out hands-on volunteerism, observing, and experiencing the local culture, and accompanying the Oblate priests in their mission work, McCarthy and his daughter were deeply impacted, and the mission trip helped to educate his daughter about responsible Catholic philanthropy. McCarthy says, “As we travelled back to the United States, we reflected on the wide-ranging and informative day we had just experienced. We had seen life and death; we had witnessed a baptism as well as the administration of last rites. ... My family and I left with a greater understanding of the many services offered there, as well as their intrinsic value to the local Catholic community.”

Many of the trustees we interviewed credit their passion for philanthropy to their service experiences. In the early 1990s, MGR Foundation Board Member Michael Rauenhorst worked for almost five years with Jesuit Refugee Service in Thailand. “It changed my life, and made me realize that I could do something to help other people.” Michael administered food, health, and education programs to seventy-two thousands refugees in twenty-nine camps in remote jungle locations, but says he received far more than he gave. “I received far more in terms of being accepted as a fellow human being by people who had nothing to give except the spiritual gifts of acceptance and sharing their humanity. The less people had, the more gracious of spirit they were.”

Jesuit Refugee Service shaped Michael Rauenhorst’s perspective and approach to philanthropy. “It seems to me that philanthropy requires compassion. In my experience, if you give with compassion, you receive in return a recognition of your humanity. The act of giving with compassion humanizes all of us.”

Some foundations have developed extensive site visit programs and other learning tours to enable young members to witness the needs and opportunity for philanthropic impact. One example is Mustard Seed Foundation, which utilizes an urban plunge program to expose its younger generation to critical urban needs and solutions. Young family members that take advantage of the urban plunge live in suburbs and attend relatively privileged schools compared to the realities in urban communities.

By witnessing the ways pastors and organizations are meeting people with unconditional love in the face of issues like poverty, substance abuse, or homelessness, the participants of urban plunges are challenged and inspired to engage their sense of justice and their worldview.

## GENERATIONAL MOTIVATIONS FOR GIVING

It may be easy to look at young people today seemingly attached to their phones—texting, tweeting and snapchatting—and be struck by how different they are from one’s own generational experience. Research on these differences has illuminated some of the unique outlooks and characteristics of various generations, particularly within Western culture. Understanding common trends among people of different generations can help to discern shared values across generations, and can help identify opportunities to connect among family members. For a closer look at how generational personalities affect philanthropy, the article *Motivations for Giving* by Sharna Goldseker provides valuable insight.

The Hilton Foundation’s Generations in Giving Retreat provides hands-on service connected to a grantmaking area in which all family members are invited to participate. Other foundations such as the Raskob Foundation on and the Loyola Foundation (profiled on page 17) encourage next generation family members to join board members and/or staff on site visits to see organizations’ work firsthand.

Amid the fast pace of change and ubiquitous technology that define young people’s reality, hands-on experiences offer a powerful way for them to connect and learn. These experiences can also bring Catholic values to life in a meaningful way for the next generation. The growth of volunteerism, immersion trips, and service opportunities demonstrate that young people are responding to the opportunity to experience values in action, the Church’s ministries, and principles of effective philanthropy. These diverse types of hand-on experiences provide opportunities to capture the attention and enthusiasm of young people.

## 5

# Next Gen Engagement Can Inspire Leadership

A number of experts agree and several FADICA members shared that when foundations engage the family's third generation or beyond, a sense of freedom, creativity, and joy often emerges. **Foundations that focus on future generations can awaken new possibilities and potential.**

One foundation board member suggested that their founder's original outlook to always engage the next generation enabled them to avoid or reduce conflicts. The foundation's focus on encouraging and cultivating new leadership helped reduce our human tendency for competition or rivalries among nuclear family (e.g., siblings) and fostered more openness to extended family (e.g., nieces and nephews).

Families actively focused on cultivating leadership among third and fourth generations and beyond also build an openness to change and often create a wider perspective. While beneficial, this approach is not without its challenges. For example, an adult child can assume for years that a rule or decision (e.g., a funding limitation) will never change, only to find that a grandchild's experience opens the foundation leadership to new

possibilities, almost effortlessly. However, if family members are able to focus on mission and let go of ego ("I have been saying that for years!"), it is possible to rally around new strategies brought about by the third and fourth generations. It may even be possible to see the ways one's advocacy over the years has indeed shaped consciousness of parents or even the young person who helped bring about the current change.

The Raskob Foundation exemplifies the benefits each generation receives when younger generations are engaged. Former leaders of the foundation who served as officers, members of the executive committees, and chairs of grants committees exude enthusiasm and passion for the work of the Foundation and are still active and supportive of the current generation of leaders.

These cross-generational interactions can strengthen current leaders and help put focus on the foundation's mission. If a foundation is focused on the future and excited about the next generation, the passing on process can be enlivening. Meaningful engagement with third and fourth generations can open new worlds for all involved.

## Key Take-Aways

The transformative power of cross-generational and extended family relationships is rewarding but complex. Here are some take-aways to consider:

- Cross-generational change is almost always slow, rarely linear, and often happens when least expected.
- Grandchildren and extended family can often help open greater possibilities in ourselves and in the family system.
- Tapping into patience and a long-term view can help families connect to the joy that comes with the potential of the cross-generational dynamic.
- A sense of humor is helpful. Being able to laugh at the irony and twists of fate that come amid the joys and struggles of a family is part and parcel of the blessing of being a member of a family.

## THE UNIQUE CONNECTION OF GRANDPARENTS AND GRANDCHILDREN

If you have ever seen a grandparent light up interacting with a grandchild, you know the power of cross-generational engagement. There is something transformative that happens among grandparents and grandchildren that awakens new possibilities for both. A stern parent can become a playful and relaxed grandparent, and a child who has meaningful engagement with grandparents can have their world opened exponentially. The same can be said of aunts and uncles who have a unique connection with their nieces and nephews. Being able to talk to the younger generation about their dreams sparks energy and provides opportunities to open doors to new growth and revitalization.

## 6

# Nonfamily Board Members

**I**n a somewhat counterintuitive way, nonfamily board members can help strengthen family philanthropy by enhancing the unique family identity of a family's philanthropy. Sometimes those born into a particular family may not fully appreciate what makes their family unique. As it applies to grantmaking and philanthropy, such clarity about values and the choice to serve those values can make nonfamily board members effective participants in family philanthropy.

While most family foundations do not have nonfamily board members, having outside experts and trusted leaders can help elevate the level of dialogue, respect, and commitment among family members. If a foundation decides not to include nonfamily board members, the foundation can benefit from the gifts of nonfamily members by involving them on staff or as issue-area experts, legal and fiduciary advisors, philanthropic consultants, or spiritual advisors.

## The Loyola Foundation

### BENEFITS OF NONFAMILY BOARD MEMBERSHIP

**The Loyola Foundation** is one of the oldest Catholic foundations in the United States that has included nonfamily member trustees from the beginning. Established in 1957 by Albert G. McCarthy, Jr. and his family, the Loyola Foundation's original board consisted of the founder, his two children, two clergy members, and two independent trustees. To this day, Loyola has continued Albert McCarthy's vision to have a mixed board of half family and half independent members. There has always been a clergy member and almost always a Jesuit trustee.

"The outside expertise and perspective is a long-standing tradition since the Foundation was incorporated, and it has been an invaluable addition to the Loyola Foundation," says Executive Director A. Gregory McCarthy IV. "The Jesuit presence, for example, helps to maintain a spirit of Ignatian spirituality that we otherwise would not have."

The Loyola Foundation's esteemed list of well-known Catholic clergy who have served on the board is notable, including Rev. William J. Byron, S.J., Theodore E. Cardinal McCarrick, and Rev. James Keller, M.M. Another notable

foundation leader was Rev. William J. Mulcahy, S.J., who was in many respects the Foundation's "conscience." The Foundation established the William J. Mulcahy, S.J. Scholarship Fund at St. Peter's University.

Third generation family member Trustee Andrea Hattler Bramson shared how having such preeminent Catholic leaders impacted her as a young trustee.

"Having non-family members allows the dynamic of the gathering to be more diverse," says Andrea. "We have subject matter experts who add their insight and suggestions with confidence."

Most impactful for Andrea was Rev. Victor Yanitelli, S.J. who was President of St. Peter's University in Jersey City. "He was always an inspiration—joyous, brilliant, and inclusive at all levels." Andrea also remembers the energy and knowledge brought to The Loyola Foundation by Patricia A. Dean, the first woman to serve as Deputy Clerk for the Supreme Court. "I am grateful for their contributions and the contributions of all our non-family trustees."

Andrea Hattler Bramson and Gregory McCarthy's impressive level of service and thoughtfulness in approaching Catholic leadership is a testament to the influence of these dynamic nonfamily members.

Positively involving nonfamily leaders and experts can influence the next generations as well. When a young trustee is sitting across the table from a nationally renowned expert or an internationally admired theologian, their experience and likely participation will be different from that of a family-only setting.

The experience of the Loyola Foundation described in this section speaks to this phenomenon.

Nonfamily involvement and outside leaders at the boardroom table can inspire a new family dynamic. Siblings and sometimes cousins often continue to see each other the same way they did when they were playmates and sometimes antagonists. They can treat each other in ways that would not be acceptable if directed toward nonfamily colleagues (e.g., a sister might snap at a brother, an older sibling might sigh or roll her eyes), and such patterns can continue throughout life. Nonfamily trustees, free from these patterns, can help shift the perception of family members. When family members see their siblings, cousins, or children professionally interacting with other leaders, it often changes the way they interact with that family member.

Despite, or maybe at times because of, the deep love within families, family members sometimes expect more from their fellow family members or do not give them the benefit of the doubt. These patterns can allow them to miss the full potential of the expertise in the family and undermine next generation cultivation. Nonfamily member board members can sometimes help families recognize and utilize the full potential of each member in service of a foundation's philanthropic mission.

## THE ROLE OF SPOUSES

The decision to involve successive generations' spouses or limit involvement to only lineal family members is a source of much concern to many families, and there are many reasons spouses are not included in formal ways in family foundations. Often there are, however, several compelling considerations for including spouses in a family's philanthropy and in cross-generational engagement:

Similar to the ways that third generation family members and nonfamily board members can unlock potential, spouses can offer human, intellectual, and spiritual capital. On a practical level, spouses often have influence over what the third generation will or will not be involved in.

In some cases, spouses can be champions and advocates for elements of family identity that may be overlooked by biological family members, just as a spouse might be more likely to ask for and write down a cherished family recipe taken for granted by family members.

# Affinity and Working Groups

**A**ffinity and working groups provide valuable opportunities and communities for learning and growing. For new foundations or for funders considering new issue areas or making an operational change, **affinity and working groups can offer a network of peers and access to research and experts.** For both learning about how to better engage younger generations, and for support after you have involved younger generations, affinity and working groups are invaluable resources for enhancing strategic impact.

Peer and networking groups provide effective ways to invite and involve next generation leaders who may not yet be board members, or who may be new board members or staff. Learning from people who have different or more extensive experience with relevant issues can be both informative and reassuring when branching into a new role or funding priority.

FADICA itself is an affinity group for Catholic philanthropists with specific interests in the vitality of the Church and its role in society. FADICA facilitates shared interest affinity and working groups within its network, as all generations increasingly embrace impact through joint learning and collaboration. Through these working groups, FADICA's national network of diverse Catholic foundations and donors come together around issues of common interest, share best practices, network, and work on joint projects. FADICA currently hosts four working groups: anti-human trafficking, Catholic schools, Church vitality, and international philanthropy. Certain issues, like human trafficking and modern slavery, have been flash points for young people looking to organize and make a difference.

FADICA's working groups enable focused collaboration on critical issues and create opportunities for cross-generational learning. For example, FADICA's anti-trafficking affinity group supported two Vatican Anti-Trafficking Symposia<sup>16</sup> for young leaders against modern slavery from around the world, including a next generation FADICA member. Leaders in Catholic philanthropy like Maureen O'Leary have worked to connect FADICA members with both longtime advocates and new leaders who bring different perspectives.

Affinity and working groups offer compelling opportunities for growth and learning in a variety of contexts. For longtime trustees and philanthropic leaders, these groups can reignite new passions and interests. Foundations with little or no staff find they can increase capacity. For those new to a foundation role, affinity and working groups can provide orientation, a network, and even training in the field.

With so much to learn, and with issues constantly changing, these groups can be effective sounding boards and sources of support for the patience and action needed to sustain long-term impactful work. In light of the importance of peers emphasized in the next section, affinity and working groups are a powerful and significant way to inspire and capture the attention of younger people.

<sup>16</sup> *Youth against Human Trafficking* (2014) and *Human Trafficking: Real Love Chases Away Fear, Greed and Slavery: Young Leaders Must Pave the Way* (2015).

### CHRISTINE HEALEY

**Christine Healey**, one of the second generation leaders of the Healey Philanthropic Group, had a steep learning curve when her father asked her to help him with his philanthropy. Affinity and working groups have been a core element of Christine's success in building a high-impact organization at the Healey Education Foundation.

After initially tracking and cataloging her father's current and historical giving, she sought out others through groups like the Council of New Jersey Grantmakers, an affinity group that was focused on Camden, New Jersey, and networked with the Campbell Soup Foundation and other longtime and significant philanthropic investors in the same schools and neighborhoods as the Healey Education Foundation.

The most significant affinity group for Christine, however, was the one she started in the early stages of the Foundation's development. She gathered investors in urban Catholic education from around the country

at a hotel in Cherry Hill, New Jersey, concluding with a special dinner at her father's farm. They shared their knowledge, experience, and approaches to investing in different models and built a network for moral support that still exists to this day. "The gathering was the most helpful thing we could have done," explains Christine. "It formed our thinking and became our network over the years."

This was important both programmatically and emotionally, as at times this kind of work can be isolating for next generation family members in such a unique position and, for Christine, a shift from her previous professional career.

In addition to having developed a high-impact funding strategy for her foundation, she cochaired the FADICA Catholic Schools Working Group and has organized an informal and growing group of women who are serving as stewards of their father's legacies.

## 8

# Peers are Powerful

Peers are one of the most powerful influences, after parents and nuclear family, in shaping the lives and philanthropic futures of young people. Although this lesson is closely related to the importance of affinity and working groups, the power of peers goes beyond structured or formal learning and grantmaking groups. Peers are found everyday within an extended family (e.g., cousins), staff and leaders from grantee organizations or next generation members of other foundations.

While we can all be influenced by peers, young people and young adults are especially influenced by peers, as a natural and important part of healthy human development.

Throughout our research and profile interviews, we found abundant evidence for the inspiration and engagement in philanthropy that comes from peer relationships, whether or not young people were actively or formally involved in their family foundation. Young people take note when they are the only ones at a meeting or conference, for example, and report feeling isolated.

The eventual impact of peer relationships that young people develop can sometimes only be fully appreciated twenty or thirty years later. One example referred to often in our interviews was nearly twenty years ago, when FADICA began to convene next generation members and emerging leaders from Catholic organizations for the Future Foundation Leadership Venture.

Peer relationships catalyze some of the most active and engaged leaders in philanthropy. The Future Foundation Leadership Venture engaged committed FADICA members who today are making extraordinary contributions to the leadership of Catholic philanthropy and the Church. One dynamic group of women who participated in that program and in FADICA regularly over the years have been working together to enhance women's participation and roles for leadership in the Church. Key to their effective cooperation was the trust and relationships they built over the years—much of it through FADICA.

In thinking about opportunities to nurture and facilitate younger generations' peer relationships and networks, it is important to consider the longer view. Though the impacts may not be visible right away, or even over several years, the power of peers offers a significant chance to support the capacity of future philanthropic leaders and of philanthropy.

Examples of the power of peers can be seen in almost all of the foundations profiled in this publication. Members of the Raskob Foundation describe how inspiring their cousins are. The Hilton Foundation's the Generations in Giving program is designed in part to develop relationships among family members who are spread across the country and who grew up uninvolved in the Foundation. The I.A. O'Shaughnessy Foundation's eighteen-month training program is another powerful example of an opportunity for younger family members to build skills, relationships, and capacity for leadership in their family's foundations. Often these relationships become one of the most powerful elements of mutually reinforcing family values and strengthening capacity to advance these values.

## FADICA's Philanthropy Leadership Intern Program

FADICA's Philanthropy Leadership Program (PHLIP) launched in 2014 to cultivate philanthropic engagement and leadership among promising next generation Catholic leaders. The program is centered on internships and fellowships at FADICA's Washington DC office for high school, undergraduate, and graduate students. Since 2014, FADICA has hosted fifteen PHLIP interns and fellows who have contributed greatly to FADICA's mission, learned about Catholic philanthropy and the Church, and enriched their own vocational and spiritual journey.

One undergraduate senior, Lilly Hawes, tapped into her passion for social justice to gather and create resources to support anti-human trafficking efforts, including a Vatican-hosted conference in Rome. Lilly further developed these resources into a web page for FADICA members to learn more about the issue. Upon completing her internship with FADICA, she deepened her commitment to citywide efforts against human trafficking in her university's hometown.

"I thoroughly enjoyed researching and writing about human trafficking as well as becoming integrated into FADICA's tight-knit community," Lilly reflected. "Learning from mentors and peers in the FADICA office has taught me valuable skills that I will carry with me as I enter into the workforce."

Chris Kotson, a political science major at Gonzaga University at the time of his internship, researched and co-wrote *A Call to Impact and Solidarity in the Wake of Ebola*. Chris interviewed global health experts, scholars, and local Catholic leaders on the ground in the most affected countries in West Africa. In the weeks following his internship, Chris conveyed the value of the experience on his personal development and commitment to social justice. "Because of FADICA's Philanthropy Leadership Intern Program, I have developed into a more confident professional and become increasingly passionate about philanthropy and social justice work."

There is incredible leadership and potential in the next generation of Catholic leaders, as FADICA's PHLIP has affirmed. Interns' reflections provide a glimpse of the impact and meaning that engagement in the Church and Catholic philanthropy can offer these emerging leaders.

### A PHILANTHROPIC LEADER INFLUENCED BY PEERS

#### JUSTIN McAULIFFE

Justin McAuliffe did not intend to work for the foundation that his great-grandfather founded. However, in getting to know other young people who were philanthropists and social entrepreneurs, he came to realize his unique opportunity to make a difference.

As a successful entrepreneur in New York City, Justin had not considered a career in philanthropy until in his mid-twenties when he became involved in a group of young philanthropists and social entrepreneurs. Their passion and enthusiasm for social impact reminded him of the values that mattered to him most. Having grown up in a Catholic philanthropic family, he had always been involved in service and charitable activity.

Increasingly, Justin and his peers saw their lives and values more aligned when earning money and having impact were woven throughout one's life, not separate activities. As Justin considered his own career and desire to have an impact, he was drawn toward the opportunity to serve his family's foundation, the Conrad N. Hilton Foundation, as a staff member.

Justin is early in his career at the Hilton Foundation, and has committed himself to developing expertise in his chosen new field.

# Realistic Expectations

**R**ealistic expectations of what is possible, and when, are key to success in generational engagement. Change in families takes time and it is important to establish expectations for young leaders that are realistic. Time commitment and availability, generational values, communication styles, and tensions that arise from these differences and diverse passions all support the importance of foundations moving forward with realistic expectations.

Time and scheduling are commonly reported challenges regarding expectations. Meeting times and scheduling must be accessible for young people who might be starting careers or in school. This may entail meetings on evenings and weekends, greater use of the Internet, and other measures to ensure participation is possible. Though these challenges may seem daunting, one interviewee indicated scheduling with the younger generation presents no more challenges than scheduling with current board members. The challenges are just different.

Some foundations have designed board meetings and educational events to involve families, thereby including all ages and life stages. The Gathering, a Christian philanthropic network has thought differently about meeting locations and incorporating services like childcare. As a result, The Gathering's meeting attendance has flourished. The I.A. O'Shaughnessy Foundation, in developing its eighteen-month training program, has been mindful of designing a program to allow for optimal participation of young adult family members in the early stages of careers and family life.

Additionally, foundation leaders may find it necessary when working with the next generation to clearly define values which in the past were implicitly understood within the foundation. Just as the previous

lessons about formation, mentors, hands-on experiences, and peer networking are intentional processes, so too are the efforts to be explicit about a foundation's values and mission.

Foundations may find that in working with next generation leaders, conflicts or tensions flare up on occasion. Often this is because they are passionate, thoughtful, and engaged participants who care deeply for the issues and people involved. The alternative—disengaged descendants—would be considerably worse. Appreciating generational communication styles will undoubtedly enhance engagement with young leaders.

Foundations such as the Mustard Seed Foundation, the Conrad N. Hilton Foundation, and the I.A. O'Shaughnessy Foundation have thoughtfully approached their faith-based identity as they have sought to engage younger generations. The most effective of these engagement strategies involve encouragement of exploration, learning, and mutual discovery. The foundations profiled in this resource exhibited a desire to honor their family's historic values and founder's identity, even if some of the younger family members are less involved or not involved in the Catholic Church personally.

Finally, establishing realistic expectations may involve giving up some control in order to effectively engage younger generations. It is important to take time to identify next generation leaders with specific skills and interests, and to consider issues and approaches important to them. If foundations do this strategically, early, and thoughtfully—aware of the subtle process of change in families—all generations can experience a sense of pride and an even deeper sense of purpose.

# Donahue Family Foundation

## THE VALUE OF EXPLICIT COMMUNICATION

When the Donahue family began their philanthropy in 1990, they often engaged anonymously and wanted no attention for their generosity. In recent years they have become more comfortable with the power of sharing their philanthropic story, especially wanting their children and grandchildren to know about the values driving their family's philanthropy. They know that in order for those future generations to carry on their philanthropic legacy, they must be more explicit about how and why they have made their philanthropic choices.

A second generation family member of The Donahue Family Foundation serves as the President. The founders' influence is reflected in the Foundation's special focus on education, related educational interests, and a core Catholic Christian commitment to serving the most vulnerable and advancing human dignity.

In the 1990s, the Donahue family decided they wanted a better way to respond to the many charitable requests they were receiving. Today, twenty-six years later, they involve their thirteen children, eighty-three grandchildren and spouses in the family's philanthropy through the invitation to join the Board and learn firsthand how they approach their philanthropy. The involvement of their direct lineal descendants and spouses is their way of preparing the family to continue their philanthropic legacy when they are no longer able.

Communication is a top factor in the Donahue Foundation's significant and widespread engagement spanning generations. According to President William Donahue, effectively sharing and conveying the original intentions and mission of the founders leads to better participation. "The next generation shows respect for the founders when they understand the founders' dedication, mission, and intent. Plenty of communication is helpful—and needed—in engaging the next generation and for our Foundation's leadership."

In addition to Mrs. Rhodora Donahue who created the Foundation with her late husband John Donahue, the Board consists of seven alternating slots for family members to serve three-year terms. Other than for those who serve on the Executive or Nominating committees, the Board role is intended to be a limited commitment. Though family members can serve more than one three-year term, typically there have been a few years between appointments.

The invitation to join the Board has been met with a variety of interest. Some family members have become more involved through site visits and committee roles. Other family members have been able to participate by conference call, and some have yet to become involved. As it evolves, the Foundation continues to consider ways to involve more family members, including those who have not yet participated, and to offer substantive activity for those who are already involved or showing increased interest. Recognizing that the exposure and preparation they experience now is invaluable, Donahue family members are taking part in a long-term effort to carry on their legacy.

# 10 Real Authority

**R**eal authority is critical, and one of the most important of the key themes in next generation engagement. While this lesson is well known, the desire to protect children, grandchildren, and other young people on their path to success can limit authentic experiences of authority and autonomy. Offering opportunities for exercising real authority is easy to say, but incredibly hard to do.

In addition to hands-on experiences, young people must have real authority over clearly defined matters in order to develop leadership skills—e.g., a specific project, a separate next generation grantmaking fund, or matching grants (even if small). While apprenticeship programs, workshops, and other education platforms are important, there is no better way to learn than by doing.

As soon as children develop the concepts of “mine,” there are opportunities to help them develop empathy for others, learn to share with others, and contribute—long before they understand concepts of money. The key is to allow them some autonomy and choice with a developmentally appropriate amount of money or in-kind goods. An important aspect is giving them the authority to make their own choice over something that has “real” value. Determining what that appropriate value is depends upon a lot of factors. It takes work and some thought to determine what might be meaningful for one’s unique context.

If authority is not “real” or if decisions are overridden or undermined, an opposite lesson than the one intended may be learned. The result can be a young person feeling embarrassed, incompetent, or distrustful—and potentially losing interest in philanthropy. Defining boundaries clearly in advance can help assure everyone understands expectations.

Accountability, due diligence, high standards, written rationales, and presentations to the board are all appropriate expectations when giving genuine authority to next generation leaders. These expectations are especially legitimate when they are consistent with the high standards of a foundation’s regular grantmaking processes.

The diverse profiles in this publication offer varied ways to create authentic opportunities for real authority. The Raskob Foundation’s unique membership model invites young people to become members at an early age, and their structure and culture offer increasing opportunities for leadership. The Hilton Foundation, the I.A. O’Shaughnessy Foundation, and others offer preparation, internships, and pathways to becoming effective board members.

Additionally, affinity and working groups can offer opportunities of genuine authority outside of family philanthropy to cultivate the leadership of younger family members. One such example from Jewish philanthropy is the Slingshot Fund, which the Andrea and Charles Bronfman Foundation helped to create. The Fund is a next generation giving circle through which young Jewish donors learn many professional skills of effective philanthropy.

As these profiles and examples demonstrate, there are many different pathways through which to provide opportunities for genuine authority. Finding such pathways is vital, as authentic authority is among one of the most effective ways that people develop the skills of leadership.

## SEIZING OPPORTUNITIES FOR REAL AUTHORITY

A foundation board member reported her frustration that despite being middle aged and a successful executive—and the fact that she and her siblings were board members—her father still made all the decisions. The trustees were frustrated and despite their frustrations, they themselves had taken no action to prepare the third generation in their late teens to late twenties. Instead, the second generation was spending countless hours of what felt like wasted time. Two opportunities were missed: first, they were missing out on decades of opportunity to gradually prepare and pass on a family culture of giving; second, in spending years associating the foundation with frustration, they missed opportunities to cultivate the sense of joy and purpose that can come from family philanthropy.

# Conclusion

**N**ext generation engagement in Catholic philanthropy offers remarkable opportunities to strengthen families, improve philanthropic impact, and support the Church. The pathway of engagement, like our faith and most things worth doing, can be challenging at times and calls on our full capacity for leadership. Like the rewards of our faith, the fruits of these efforts offer extraordinary return for individuals personally, for families, and for communities, as near as your local parish and as far as villages across the globe. The returns on effective next generation engagement are spiritual, familial, economic, and philanthropic.

This publication has included several profiles and examples of families and individuals leading the way on next generation engagement. These examples, and the families and individuals profiled, offer abundant reasons to be optimistic about the future of Catholic philanthropy. The founders and visionaries of these foundations would be proud of the thoughtfulness and leadership of current trustees, and hopeful in light of the extraordinary capacity of the next generation's gifts as prospective trustees. As the profiles and reflections hopefully show, leadership in generational engagement does not need to be perfect, and there are infinite ways to be effective in each unique context. We hope they provide encouragement and inspiration to action and creativity in next generation engagement.

As the top ten themes and profiles illustrate, a long view is required for foundations that expect to be successful, especially in Catholic family philanthropy. Next generation engagement and involving young people on this journey is best understood as a process or formation as we describe in key themes. As Christine Healey of the Healey Education Foundation put it, "This is something that must be learned over time. It takes time to appreciate the spirituality of philanthropy and the complexity of carrying on a family legacy of generosity."

Finding age appropriate opportunities for meaningful leadership and autonomous responsibility offer unique challenges for both parents and children. Despite the challenges and complexity, the opportunity to build deeper relationships within families and foundations, to have an impact on the world, and to cultivate a family of leaders who appreciate their history and spirituality is also an opportunity to create your foundation's future. While at times the journey may be slow and not without challenges, it is a road worth traveling.

# Resources

## ORGANIZATIONAL RESOURCES

### FADICA

FADICA.org

*FADICA is a network of Catholic foundation and philanthropic leaders committed to effective philanthropy for a vital church and human flourishing.*

**Indiana University Lilly School of Philanthropy**  
philanthropy.iupui.edu

**Lake Institute on Faith & Giving**  
philanthropy.iupui.edu/institutes/  
lake-institute

**Next Generation Catholic Philanthropic Leadership**  
ngcpl.org

*A new project providing leadership development and other resources for young people in Catholic Philanthropy.*

### YouthGiving.org

youthgiving.org

*The Foundation Center's newly created hub to inspire, connect and inform youth grantmaking. It includes a searchable database of hundreds of programs and resources for young people in philanthropy.*

## BOOKS

***Imagining Abundance: Fundraising, Philanthropy and a Spiritual Call to Service***

by Kerry Alys Robinson

***The Giving Family: Raising Our Children to Help Others***

by Susan Crites Price

***Classified: How to Stop Hiding Your Privilege and Use It for Social Change!***

by Karen Pittelman, Resource Generation, and Molly Hein

***Creating Change Through Family Philanthropy: The Next Generation***

by Alison Goldberg, Karen Pittelman, and Resource Generation

***Philanthropy Heirs and Values: How Successful Families are Using Philanthropy to Prepare their Heirs for Post-Transition Responsibilities***

by Vic Preisser & Roy Williams

***Silver Spoon Kids: How Successful Parents Raise Responsible Children***

by Eileen and Jon Gallo

## WEBSITES OF FOUNDATIONS PROFILED IN PUBLICATION

### 21/64

2164.net

**Conrad N. Hilton Foundation**  
hiltonfoundation.org

**Donahue Family Foundation**  
donahuefoundation.org

**The Gathering**  
thegathering.com

**GHR Foundation**  
ghrfoundation.org

**Healey Philanthropic Group**  
healeydfoundation.org

**I.A. O'Shaughnessy Foundation**  
iaoshaughnessyfdn.org

**Jewish Funders Network**  
jfunders.org

**The Loyola Foundation**  
loyolafoundation.org

**Mustard Seed Foundation**  
msfdn.org

**The Raskob Foundation for Catholic Activities**  
rfca.org

**Sisters of Charity Foundation of Cleveland**  
socfcleveland.org

## CHILD PROTECTION

### Mentor:

**The National Mentor Partnership**  
mentoring.org

**Office of Child Protection through the Diocese of Grand Island**

child.gidiocese.org/ParentResources

*The USCCB's recommended resource list and guide for parents.*

### VIRTUS Online

virtusonline.org

*A program of The National Catholic Risk Retention Group, VIRTUS is a best practice program for prevention of wrongdoing and promotion of "rightdoing" within religious organizations.*

## SELECTED RESOURCES IN NEXT GENERATION PHILANTHROPY

### 21/64

2164.net

**Emerging Practitioners in Philanthropy (EPIP)**

epip.org

**Families Funding Change: How Social Justice Giving Honors Our Roots and Strengthens Communities**

ncrp.org/wp-content/uploads/  
2015/10/Families\_Funding\_Change.pdf

### Grand Street

**A Giving Community Founded by 21/64**  
givingcommunities.org

### Jewish Teen Funders Network

jtfn.org

**National Center for Family Philanthropy**  
ncfp.org

### Next Gen Fellows

exponentphilanthropy.org

### Nexus Global Youth Summit

nexusglobal.org

### One Percent Foundation

givingcirclesfund.org

### Resource Generation

resourcegeneration.org

### YouthGiving

youthgiving.org

## GIVING CIRCLES

**Regional Association of Grantmakers – Giving Circle Knowledge Center**

givingforum.org/topic/giving-circles

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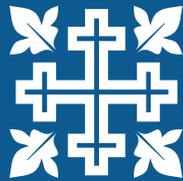


## FADICA'S MISSION

Foundations and Donors Interested in Catholic Activities, Inc. (FADICA) is a network of private foundations and donors supporting Catholic-sponsored programs and institutions. FADICA's mission is to enable its members to be informed, involved, and effective in addressing Church needs through their philanthropy.

FADICA accomplishes this mission through ongoing education, fostering the exchange of information and experience, commissioning research, building a spirit of fellowship and shared faith, facilitating occasional joint funding ventures, and promoting interaction with Catholic leadership.

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