

# Empowering a New Generation of Giving

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**One thing I have learned over the years is that giving is not something that happens on a whim. Generosity is a learned behavior.**

Giving consistently is a habit that must be instilled — no one has found a gene for generosity and philanthropy. So, in an age where the culture screams “if it feels good, do it,” and we are bombarded with messages of self-indulgence and instant gratification, how does one cultivate a spirit of giving back or helping others? More and more I hear from clients who are concerned about the impact of wealth on their children and grandchildren. Parents want to create a culture of giving and promote a sense of altruism so that the next generation is not jaded by materialism.

Moreover, clients are concerned there will be a disconnect between the senior generation, which created the wealth and desires to give back to the institutions and communities that helped them succeed, and the next generation, which may become adamantly opposed to seeing that wealth given to anyone or any place other than themselves. Why are some families able to pass the legacy of philanthropy from generation to generation while others are not? Is there a secret formula?

The answers are not clear, but some patterns do emerge. Example and practice seem to be good indicators of success in families who manage to transfer the value of philanthropy inter-generationally. It may be something as simple as watching Mom and Dad drop a check or envelope in the tray as the offering is collected in church. In fact, many of us remember the routine of receiving a quarter so that we could also participate in the ritual of giving. It may be seeing Mom and Dad working as volunteers at charity events or at the local soup kitchen or on a phone bank for a telethon. It may be gathering the family together to wrap presents for needy children at the holidays or fill bags of food for the less fortunate at Thanksgiving. When parents perform acts of charity, their children observe and take in these actions and learn charitable behaviors in the process.

Parents who want to teach their children the joy of giving can become more intentional in instilling the value of philanthropy. It takes time and some effort, but the benefits are remarkable and powerful — creating a sense of empathy, selflessness, passion to contribute to society, and desire to help others. The process can create intimacy within the family, and most importantly, it is never too late to begin the process.

## **VOLUNTEER TOGETHER**

Modeling the value of giving through joint volunteer efforts is a powerful way to teach your children that giving is important to you and the family as a whole. As described above, there are a variety of ways to engage the family as a unit and to make a difference in your community while instilling the value of generosity, responsibility, caring, and selflessness in the next generation. Look for joint volunteer opportunities that are fun for the entire family and not just the favorite causes of Mom and Dad. Even better, provide every member of the family with the option to choose the activity on a rotating basis so each has a chance to feel his or her choices are valued. The experiences will likely become a family tradition that produces great memories, as well as burgeoning philanthropists!

## **Vision Trips**

Vacations are fun! Wealthy families are blessed to make trips that provide great fun and cultural experiences for their children — exposing them to other cultures and people who many times are mired in poverty or suffering from disease and/or political unrest. Vacations can be designed for fun, as well as education, and can provide great teaching moments about the needs of others and the responsibilities of wealth in terms of giving back to communities, domestic and foreign.

Search “Voluntourism” (the name given to these types of vacations) on the Internet to get ideas for many places to visit and projects seeking volunteers. Nonprofit organizations, such as World Vision, have determined the best way to educate families of wealth about the needs of others is to create these kinds of travel experiences, visiting service projects around the globe with the hope and expectation that seeing the work of the organization will inspire the family to volunteer. Working side by side with nonprofit organization personnel and indigenous people on projects in foreign lands is a transformative experience for the entire family. Have your children keep a daily journal of their experience and spend time “debriefing” one another at home about what they learned and how they would like to engage with the organization in the future. These trips are usually remembered as the best family vacations by all who participate.

**“Parents want to create a culture of giving and promote a sense of altruism....”**

## The Giving Tree<sup>1</sup>

Since young children (ages four to seven years old) may not appreciate the monetary system of rewards, The Giving Tree exercise is designed to teach children that their behaviors can impact others in a positive way. Even younger children will see the fruits of giving when they craft a giving tree and bring it to life. By decorating a poster tree with leaves, children will learn about the needs of others and the rewards of earning, saving, and giving “money.”

Select a charity that encourages a value you want your children to see and support. Establish an amount you want to donate. As a family, visit the charity, find out how you can support the organization, and collect printed materials with photos while at the site. Using a leaf pattern, have your children cut out pieces of the printed materials. They can use their imaginations and color, write on, or embellish the leaves. When done, have them glue about 20 leaves to fill in the left half of the poster tree. Next, have them cut out the reward leaves. Each child can pick a leaf color and write his or her name on the line of each leaf. Store the reward leaves. Now think of an important, appropriate task that you want each child to manage. For example, you might want to ask your child to make his or her bed each day. For each completed task, give the child a reward leaf to glue on the right half of the tree. Once the tree is full, mail or deliver your family donation to the charity.

**“Each family member should think of tasks that benefit the family, a neighbor, a friend or a nonprofit organization.”**

As children fulfill their responsibilities, others will benefit. They will tangibly and visibly experience the needs of others, the positive results of their behavior, and the ability to accomplish more when working as a family team.

## Family Caring Container

The Family Caring Container exercise is also designed for younger children. Connecting the performance of acts of kindness to giving to a favorite children’s nonprofit or going on a fun family outing will reinforce caring as a desired value.

Find a box or other container with a lid. Have the children decorate the box. Create a poster board entitled “Our Family Cares and Shares!” that the children can decorate, and place it in a common area. Each family member should think of tasks that benefit the family, a neighbor, a friend or a nonprofit organization, and write each task down on a slip of paper. Hold a short family meeting once a month to talk about what it means to be caring and giving. The family then places the slips of paper with their individual tasks into the Caring Container and performs those tasks over the next month.

At the next family meeting, discuss what each member did and how they felt about the task. Write their name on the original slip of paper with the task, put a gold star on it, then place it on the “Our Family Cares and Shares!” poster. Once a month, plan a family time to visit a nonprofit in the area followed by an ice cream or other outing of the children’s choosing. The values of caring and sharing are ones that every family wants to cultivate — make it intentional and fun!

<sup>1</sup>Thanks to Jay Steenhuisen for his vision in creating several of these exercises for family philanthropy.

## Adopt, Act, and Give!

Every parent knows that teens like to assert their independence and be given the ability to make decisions on their own. Philanthropy offers a platform for just such developmental activities. The “Adopt, Act, and Give!” exercise is designed to allow teens the freedom and responsibility to adopt an organization of their own choosing for at least a 12-month period. Teens are tasked to identify and research organizations that interest them and select one for their individual volunteerism and giving.

Parents can help in the identification and due diligence process. Most of the due diligence process can be accomplished online by visiting the organization’s website for information and checking Guidestar ([www.guidestar.org](http://www.guidestar.org)) and Publication 78 on the IRS website to determine whether or not the organization is a qualified public charity. Visiting the Charity Navigator website ([www.charitynavigator.org](http://www.charitynavigator.org)) to see how the organization ranks in terms of its efficiency and effectiveness against similar organizations also provides helpful information about the organization’s overhead, the amount used for programs, and similar financial information. This kind of due diligence process starts to hone analytical and financial skills — skills that will be helpful in many areas of the teen’s life. Finally, there is no substitute for “kicking the tires” by going to the organization for a site visit to see how the organization operates and to get a sense of the programs that are offered.

To build empathy and an appreciation for the teen’s lifestyle of plenty, the teen commits to volunteer once a month with the selected organization. By observing a societal problem that plagues our world firsthand and working with an organization dedicated to mitigating or eradicating it, the teen may see and gain a different perspective on the many challenges that are addressed by the nonprofit sector and appreciate the lifestyle he or she enjoys.

Additionally, to assure the teen appreciates why nonprofit organizations need more than volunteers to keep their doors open, the teen sets aside a portion of his or her allowance each week for donation to the selected organization. Parents may want to give the teen incentives, such as matching the donation to the organization.

Giving away money that the teen earned tends to make the giver more diligent in ensuring that the funds are used well by the organization.

Parents may also ask the teen to write a report on the volunteer activities, the people met and served, and how his or her service has benefited the organization’s constituency, thereby enhancing writing skills and imprinting and memorializing the experience. At the end of the time period, the child presents the donation to the organization personally.

## Cutting the Pie<sup>2</sup>

By allotting family donations themselves, children experience empowerment and acceptance from their parents, which allows them to share more openly about their priorities. “Cutting the pie” of the family’s total gift amount into portions for nonprofit organizations also helps children practice the valuable skills of budgeting, decision making, and negotiation.

Select five charities covering a range of causes that you consider valuable for your children to understand. Determine a total amount you want to give these charities, without splitting the sum among them. Hold a family meeting and invite your children to disburse the family gift themselves among the five organizations. Communicate that they will make the final decision for distribution. Give them a pencil and ask them to write down their allotments on a piece of paper. Together, the children must negotiate to complete one pie form.

If your children allot substantially more money to one charity, ask them if you can have the opportunity to better explain the worthy cause of each organization. Reaffirm that you do not intend to persuade them, but rather hope to communicate more clearly. Once you have had a discussion, ask the children if they would like to build another pie. Once the children have settled on the size of each charity’s “slice from the pie,” write out your family giving promises for each organization. Post them in a visible place as reminders of your commitments and your successful family meeting. Write your checks to the charities, or inform your accountant of your family giving decisions.

<sup>2</sup>Id.

No two people in the family will initially distribute the total sum the same way. Different values, different ages, and different personalities could create as many pies as family members. Encourage your children to listen and compromise in making one pie, and remember not to impose your values on them or their “pie slicing.” No matter how the pie is cut, important organizations will receive support thanks to your family.

### Junior Board

To develop your children’s involvement with philanthropy, it is important to develop practices that allow them to take ownership of the giving experience. Once children have had supervised gift experiences that are successful, they need to develop their own experiences with the freedom to decide gift recipients. This is accomplished by empowering your children through the creation of what is commonly referred to as a junior giving board. You don’t need to have a private foundation, a supporting organization, or a donor advised fund in place to do this. You simply need to create a structure that will let the kids know they have the authority to decide where your charitable dollars will be spent.

**“As caring and responsible citizens, we have a vested interest in developing the next generation of philanthropists.”**

### *First Meeting*

Hold a family meeting with your children to let them know it is time they decide where some of your charitable dollars should go this year. They propose the organization(s) to receive these funds. Tell them it is important those funds be used for specific programs, and that the programs are:

- measurable in outcomes;
- of a sufficient time duration (not too long, not too short), so that results have time to occur, but not so long as to lose the educational opportunity of the exercise, and
- able to quantify outcomes prior to the gift being made to the organization.

Allow them a period of time to select a recipient or specific program.

### *Second Meeting*

Hold another meeting to hear the proposed gift distributions to these organizations. Prior to the meeting, the children should have conducted due diligence on the proposed organizations, such as verifying each organization’s exempt status, reviewing their marketing materials, annual report and financials, conducting a site visit, etc. The children should select the organizations to receive the funds. At that time, develop a letter to each recipient organization that says:

- This gift is being made in support of “X” project.
- This is part of an overall family program to create a positive learning experience about giving.
- In “X” period of time (six to eight months), the organization will be asked to report on the outcomes of the gift, what changes were made, what the organization learned from these changes, and what the organization would do differently (quantifying the outcomes).

### Final Meeting

Once all organizations have reported back to the children, hold a family meeting so that the children can present outcomes from the gifts. Ask the children:

- What did they learn?
- What would they have done differently in terms of the process?
- How did they hold (or would they have held) the organizations accountable?
- What level of involvement would have been more appropriate?
- How satisfied are they with the experience?
- Based on their experience with the nonprofit, would they make another gift to the same organization next year?

These three meetings help develop a sense of responsibility and engage each child in multiple aspects of charitable giving. The success of this experience provides each child with the knowledge that he or she has the personal ability to bring about change, which results in greater self-awareness, enhanced self-esteem, and the satisfaction that comes with being good stewards of the family's resources.

### CONCLUSION

As caring and responsible citizens, we have a vested interest in developing the next generation of philanthropists. Our institutions for learning, the arts, culture, the less fortunate, our environment, our religious institutions, and a host of other nonprofits rely on our generosity for their very existence. **Philanthropists are not born — they are created.** It is important to be intentional in educating the next generation on the time-honored practice of giving, both in terms of dollars, time, and skills. Finally, it is an important part of financial parenting that pays dividends far into the next generation's future.



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