

Preface

The Critical Need to Develop a Philanthropic Master Plan

One of the most exciting aspects of developing and implementing a Master Stewardship Plan is answering the question, “What do we do with all this wealth that we have to give away?” Our Christian families have been regular givers over their lifetimes, but the awareness of their massively greater capacity to give, leaves them facing a whole series of difficult philanthropic dilemmas. As a wealthy man once said to me, “It is one thing to give away \$50,000, but it is an entirely different thing to give \$1,000,000 away each year. That is going to be a real challenge!”

The idea that a family now has millions of dollars to invest in Kingdom work starting now and continuing even beyond their “eternal relocation” is something they never imagined possible. They have spent little time or effort seriously addressing these issues.

As they become aware of this new reality of giving, a myriad of issues begins pouring into their minds:

1. Do we want to set up a family foundation? And if so, which of the seven different kinds of family foundations is best for our family?
2. What ministries can we partner with to help us impact the world in our areas of interest?
3. What should be our foundation’s mission statement?
4. Do we want to give it all away as we can, or do we want to build an endowment and give all the income away until Jesus comes back?
5. Do we want to make a few really large gifts or do we want to make a large number of smaller gifts?
6. Whom in our family do we want included to work with us on the foundation?
7. Would it be good to set up a junior board for our minor grandchildren to start learning and growing?
8. How do we make strategic decisions regarding the amount and frequency of our giving?
9. Should we set up an advisory team to help us in operating our foundation?
10. How personally involved can our family become in giving of our time and talents as well as our treasures to support Kingdom work?
11. Can we actually participate in ministry ourselves and be supported by our own foundation?
12. Should our foundation exist into perpetuity, or should there be a point in time in which it terminates? (We have heard so many horror stories of family foundations that have been hijacked by liberals and the foundation now supports causes that we would be totally against.)

It is at this time that the founders (or current patriarchs) of the family fortune begin to realize the heavy burden of responsibility that falls on them as they are reminded of Jesus’ words, “To whom much is given, much shall be required.” How do you even begin to think about giving tens of

millions of dollars away wisely and effectively? In this particular area of mega-stewardship they are almost complete novices.

I remember the story an attorney shared with me many years ago. One of his clients was a widower who had amassed a substantial fortune over his lifetime. He and his wife had no children and had only a niece and a nephew, that were both very troubled kids. He decided that he did not want them to get any of his wealth and that he did not want to pay any Estate Taxes. He concluded that he would give his entire estate away to charity when he died. The attorney asked him whom he wanted to receive his wealth. The elderly man said, "That's a very hard question and I don't think I am ready to answer that yet, but I will be giving it serious thought and get back with you."

After a few months the attorney called to see if he had made his charitable beneficiary choices. The man again hesitated, "No, I have been giving it a lot of thought, but I just cannot decide where to give it."

It was about three months later when the attorney sat down at the breakfast table and opened the newspaper and read the headlines that one of the community's most prominent citizens, this very client, had passed away the night before. Now the multimillions of wealth, that he had every intention of giving away to help ministries and non-profits, would go to the two places he most did not want – to the IRS and to his niece and nephew - all because he could not finally decide where, how or to whom to give it.

Aristotle may have said it best. He observed, "To give away money is an easy matter and in any man's power. But to decide to whom to give it and how large and when, and for what purpose and how, is neither in every man's power – nor an easy matter. Hence, it is that such excellence is rare, praiseworthy and noble."

It is this same ancient dilemma that still troubles affluent families today. That is why we developed a Philanthropic Master Plan Workbook to help our affluent clients not just acknowledge that they now have huge sums of wealth to give away, but to actually do it, and do it well.

The words that we think all of us most want to hear as we stand before our gracious Heavenly Father as He evaluates how well we managed what He had entrusted to us, is "Well done." The goal of our ministry is to help Christian families someday hear from God, "Well done! You have been faithful with what I entrusted to you."

That will be a sweet day!