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Conclusion

When it comes to preserving your philanthropic intent, perhaps Jerry Hume of the Jaquelin Hume Foundation says it best: “Donor beware.” As we’ve explored in this guidebook, the pitfalls of donor intent are many. Here are the top ten mistakes that undermine donor intent:

1. Writing a vague and easily misinterpreted mission statement.
2. Failing to include an explanation of your underlying values and principles in your mission statement.
3. Ignoring the weaknesses of your chosen philanthropic vehicle.
4. Failing to establish a governance structure that supports

- donor intent, and, for living donors, not clarifying what role you will play in decisionmaking.
5. Bringing on board members and staff who don't respect your values and principles and/or view the resources of your charitable vehicle as their own.
 6. Failing to work closely with your board members to help them understand not only your giving preferences, but also your philosophical outlook and your preferred grantmaking strategies and charitable targets.
 7. Establishing a foundation in perpetuity without policies and procedures to protect donor intent. Opening a donor-advised fund without naming successor advisers who share your values and principles and without adding a sunset provision.
 8. Failing to establish a review process for board members and a removal process for those who are not faithful to your intent.
 9. Creating a family foundation or family donor-advised fund without acknowledging that radical differences and few shared values among family members are a common occurrence.
 10. Making endowment gifts to charities without establishing clear guidelines on their use.

These errors and omissions can undermine your donor intent both in the present and the future. But there are steps you can take that will dramatically increase the likelihood of your intent being honored:

- Define your charitable mission clearly in writing. Consider adding audio and/or video so future trustees and staff have a more personal perspective.
- Bring in legal representation to protect your intentions and stay abreast of nonprofit law and tax policy.
- Add your intentions to your articles of incorporation and bylaws.
- Choose trustees and staff who share your deepest principles and goals for your philanthropy. Consider having them affirm their commitment to donor intent in writing.
- Clarify your board design, and consider a tiered governance structure.
- Implement board policies that strengthen donor intent.
- Avoid mixing your philanthropic goals with corporate interests. Keep your corporate giving separate from your foundation to

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ensure that company practices (e.g., giving in all communities where the business operates, or matching employee charitable gifts) don't dilute your personal intent.

- Clarify the role you want family members to play in your philanthropy, recognizing the many potentially negative impacts of family dynamics on governance and mission.
- If you are planning to utilize outside experts in your field of philanthropy, then clarify what role they will play.
- Consider giving while living or sunseting your foundation. If you choose to operate a foundation in perpetuity, install the guardrails discussed in this guidebook as a protective measure.
- Incorporate your mission, vision, and values into the operations and culture of your philanthropy.
- Create internal and external policies to reinforce your intent.
- Strike the right balance between specificity and rigidity for those who will succeed you in your philanthropy to avoid having your donor intent deemed unfeasible and subject to a *cy pres* determination in court.

Above all, recognize that protecting your donor intent is your responsibility. Philanthropy observer Waldemar Nielsen once noted, "If a donor simply abandons a fortune to a piece of paper and the whole thing subsequently goes sour, the donor just can't complain about the lawyer's faulty advice or about careless preparation." Your success in philanthropy rests on your commitment to do the hard thinking about your donor intent, and then to build the best structure with the best people to fulfill your mission.

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