

A Perspective on Philanthropy



As the National Director of Philanthropic Services, Marguerite H. Griffin works with Northern Trust partners and their clients to develop charitable giving strategies. Here, Marguerite speaks with *Wealth* on such topics as long-term planning, focused giving and building a legacy.

Marguerite H. Griffin is a Senior Vice President at Northern Trust. Marguerite received a B.A. degree from Washington University in St. Louis, a J.D. degree from Northwestern University School of Law and is a Certified Trust and Financial Advisor. She is a member of the Chicago Bar Association and the Chicago Estate Planning Council, and is admitted to practice before the Illinois Supreme Court.

What role do you play for Northern clients?

I work with Northern Trust's clients who are considering establishing permanent charitable giving vehicles to help them understand their giving options, define their philanthropic goals, and establish a giving plan that supports their values and long-term estate planning objectives. This may include facilitating a discussion with clients and their advisors about the tax and non tax benefits of charitable planning, grant administration and private foundation management, or about when, how and which assets to use to fund a significant charitable gift.

How important are these client discussions?

Often, very important. For instance, many of our clients would like to establish private foundations and involve their families in their philanthropic activities. However, they may be unclear as to how private foundations are governed and operated, how to create a mission statement for the foundation, or how to evaluate grant requests and proposals.

Some of our clients have established donor advised funds through Northern Trust's Charitable Giving Program and would like more

information about how to leverage their charitable contributions to make an even greater impact in their communities.

Client input helps us develop a philanthropic strategy that aligns with their goals and needs. We can then work together to refine their goals and create a giving plan that covers everything from the types of charitable vehicles the client will use to the size and conditions of their gifts.

What are some of the specific issues people should consider when developing a charitable giving strategy?

From a practical perspective, clients' philanthropic giving plans should be integrated into their overall estate plans and wealth transfer strategies. When we meet with clients and their advisors to discuss their philanthropic goals, it is essential that we consider our clients' giving options within the context of their overall asset management goals and strategies.

Beyond this, most individual donors want to feel connected and passionate about their giving — they want to feel that their efforts are making a meaningful difference in their communities. So I try to help them identify

their values and concerns and encourage them to consider exactly what they hope to accomplish with their philanthropy. In addition, I encourage clients to develop a mission statement for their philanthropy.

How have you found that clients' perspectives on philanthropy have changed over the years?

Many people funded charitable trusts and private foundations in the 1990s when the markets were booming. And because these trusts and foundations were earning such good returns on their investments, the donors may have been less mindful of the effectiveness of their giving. But the fairly recent market correction has changed that — donors have become even more purposeful in their giving. They are asking, "What kind of changes can I affect with my giving? Should I focus my giving with local charitable organizations or would my dollars have more of an impact if my giving took on a more global focus? How do I involve my children and succeeding generations in my philanthropy?"

Does the age of the donor make a difference in his or her philanthropic outlook?

Interestingly, I find that the baby boomers are much more discerning about the organizations they will support than their parents may have been. Many boomers have built their own businesses or are managing major corporations. They understand the importance of having a good management team and running a good program. They want to make sure the organizations they support are financially sound and that the boards of these organizations will be good stewards of the financial contributions they receive.



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What are your recommendations for clients who are interested in developing their philanthropic strategy?

Get involved — become a volunteer with your favorite charity! This experience will not only give you, as a potential donor, a sense of confidence that the charitable organization is fulfilling its goals, but will also make your financial support much more meaningful to you and your family.

I would also encourage parents to involve their children in their philanthropy at an early age. Bring them along with you when you volunteer. Talk to them about why it's important to give back to the community.

Northern Trust has managed charitable trusts and private foundations for more than 100 years. Many of these trusts were started by the great-grandparents of their current trustees and directors. Nonetheless, we find the spirit of philanthropy has been sustained in these families across generations, and that giving back is just as meaningful to the current stewards as it was for the original donors. ■

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