



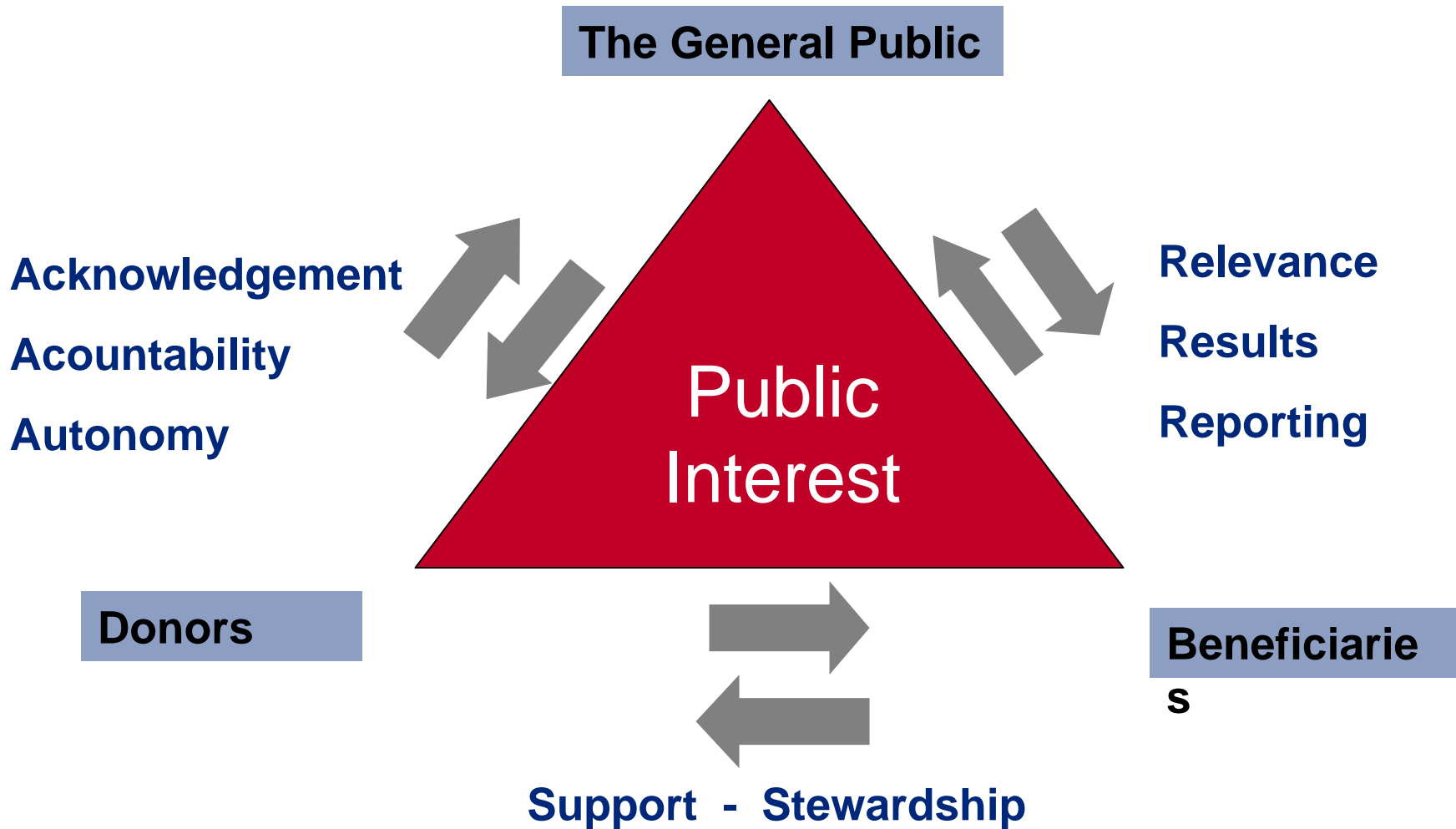
| BertelsmannStiftung

**Setting the scene. Governance issues
affecting foundations funding research
Dr. Volker Then**

Brussels, March 28th 2006



Foundation Governance – Balancing Accountabilities



Accountability of Foundations – to Whom?

The Public

- ◆ Legitimacy question!
- ◆ Foundations are public-benefit organizations
- ◆ Foundations are tax-exempt organizations
- ◆ Public benefit requires transparency

Donors

- ◆ Donor intent
- ◆ Donor trust
- ◆ Donor mobilization
- ◆ Fundraising
- ◆ Public private partnerships

Beneficiaries

- ◆ Science and research organizations
- ◆ Individuals – peer relationships

Principles of Good Practice



Fiduciary Duties of Governing Bodies I

Assets Stewardship

- ◆ Professional asset management
- ◆ Maintained asset value
- ◆ Optimized revenue stream

Programmes Policies

- ◆ Adhering to the mission
- ◆ Defining the strategy
- ◆ Designing programmes
- ◆ Deciding on projects/grants

Partners/Staff Cooperation

- ◆ Developing capacity and competences
- ◆ Guiding towards effectiveness and efficiency

Fiduciary Duties of Governing Bodies II

Communication Disclosure

- ◆ Accounting principles
- ◆ Reporting requirements
- ◆ Effectivity of operations

Programmes Monit./Evaluation

- ◆ Tracking outputs and outcomes
- ◆ Evaluating impact
- ◆ Revisiting Strategy
- ◆ Optimizing public benefit contribution

Sector Professionalism

- ◆ Peer-learning
- ◆ Knowledge sharing and cooperation

Quality and Credibility in Research

Autonomy of Academia

- ◆ Academic standards
- ◆ National academic systems
- ◆ Discipline boundaries
- ◆ International Acceptance

Peer Reviewing

- ◆ Relevance testing
- ◆ Quality management
- ◆ Development of criteria
- ◆ Development of talent

Neutrality of Interest

- ◆ Impartiality of research funding
- ◆ Conflict of interest rules