



Hewlett Foundation Board of Directors Guiding Principles

The Hewlett Foundation was created to improve the world and help people live better lives. As the foundation's [Guiding Principles](#) explain, the Board of Directors plays a crucial role in the foundation's undertakings:

The foundation's success ultimately depends on a high functioning board to provide balance and ballast. The board is small and places a high value on collegiality and consensus. New members are chosen for thoughtfulness, intelligence, experience, and general judgment more than for specialized expertise. Diversity is as important for the board as it is for the staff and grantees. While we are an independent, professional foundation, the board is responsible for preserving our commitment to the founders' values.

As the focal point for the foundation's governance, the board is responsible for the selection and evaluation of the president, and oversight of the foundation's overall direction and activities, including its endowment assets. The board has a crucial role as a sounding board for the president and staff as they execute the foundation's day-to-day activities. The board is guided in these functions by certain core values and practices that promote effective governance and help the board further the foundation's mission: collegiality and mutual respect, integrity, robust discussion, diversity of membership and skills, upholding the board's role within the foundation while respecting the roles of the president and staff, awareness of the foundation's history and the enduring role of the Hewlett family in its work. Additional norms include dedicating sufficient time to the work of the board so it can fulfill its important function safeguarding the foundation's long-term capacity to advance its charitable purposes.

The passages that follow describe in more detail the principles the board expects will guide its members and its work. They elaborate certain critical themes in—and are meant to be

thoroughly consistent with—the foundation’s own guiding principles.

The Role and Responsibilities of the Board

The board is the Hewlett Foundation’s fiduciary. It performs its functions while upholding the highest standards of integrity.

The board serves as the fiduciary for the Hewlett Foundation. The board is responsible for selecting and evaluating the president and approving the overall spending budget. Board members are bound to uphold a duty of loyalty: acting in the best interest of the foundation, not their own interests or those of any other party. They are likewise bound to act with a duty of care: to fulfill their role with the degree of care that a reasonable person would use in similar situations. The board fulfills these duties when members read board materials, participate actively in board deliberations, act in good faith, and ask questions. The board upholds the highest standards of integrity by scrupulously following the spirit and letter of the foundation’s conflict of interest policy, and supporting a culture in which board members and foundation leadership and staff are attentive to concerns about ethics.

The responsibility to serve as fiduciary, and all associated decision-making power not specifically delegated to committees or the chair, rests with the entire board rather than any individual member or subset of the board.

In playing this critical governance role and providing input, the board functions as one leg of a three-legged stool—along with the president and the staff—that sustains the foundation’s work. Deference matters in two directions: from the president and staff to the board in light of its fiduciary role and diversity of perspectives and experience, and from the board to the president and staff given their expertise and institutional responsibilities. The board is mindful of the importance of its own role, but also respectful of the president’s role in setting the agenda for the foundation’s work and implementing its goals, and the staff’s responsibility to serve as the primary sources of expertise and as stewards of the organization’s work in particular areas. Because the president is also mindful of the board and its concerns, proposals that come to the board for approval will normally anticipate considerations and trade-offs that could be important in securing the board’s assent. The [foundation’s guiding principles](#) elaborate on this point:

Final decisions rest with the board as a formal and fiduciary matter, but the board makes these decisions with a healthy and prudent measure of deference to the staff’s expertise and judgment. The board safeguards our long-term values and effectiveness by probing and challenging staff recommendations with an eye

on the big picture—helping to ensure that grantmaking strategies have been thoroughly researched and properly vetted and are consistent with the foundation’s core values and guiding principles. The board’s approach is responsive rather than proactive, and it encourages and makes space for the president and staff to take the lead in recommending strategic directions.

Working with the board and staff, the president is responsible for setting the foundation’s overall vision, tone, and strategic direction, as well as for ensuring that its operations are efficient and its grantmaking effective. The president is expected to lead by persuasion: initiating new ideas, but only after listening; setting a direction, but one that incorporates and reflects the views of the board and staff. Relations among the three legs of the Hewlett stool—the president, the board, and the staff—rest upon mutual respect, candid and open communications, and a healthy degree of deference and understanding among all three components. Working closely with the board chair, the president is responsible for maintaining a healthy balance in this regard.

As this passage underscores, the board’s operations and principles reflect the need to distinguish between governance and management. The president is the leader of the foundation, the primary architect of its agenda, and the one responsible for management of its day-to-day affairs. The board’s role is to ensure the foundation’s proper governance while furthering the foundation’s long-term capacity to fulfill its mission in a manner consistent with its values, to select and evaluate the president, and to help set and police guardrails consistent with its fiduciary responsibilities.

The board engages in an annual self-evaluation to ensure that its operations are consistent with the foundation’s and the board’s own guiding principles. This is but one aspect of the board’s commitment to continuous learning about the foundation and the impact of its work, as well as a way to improve the board’s deliberations in general and ensure its commitment to these principles in particular.

A bedrock value underlying these principles, and the board’s work generally, is a robust degree of mutual respect and well-earned trust: among board members, between board members and the chair, and between the board and the president and staff.

In fulfilling its role, the board takes account of the foundation’s history and core values and acts so as to ensure their continuing relevance and vitality. These values include an ethic of humility, support for transparency about the foundation’s work, a commitment to reasoned deliberation, and support for continuous learning about the work we do and how we do it.

The Role and Responsibilities of Individual Board Members

Individual board members bring attention to issues the president or staff may not have fully considered, bearing in mind the need for the board to deliberate together and respect the roles of the president and staff.

The privilege of serving on the board affords its members an opportunity to learn from the broad sweep of the foundation's substantive work, the operations of one of the country's largest philanthropic organizations, and expert staff and guests at board meetings. Consistent with their fiduciary obligation, board members have a responsibility to guide and oversee the broad direction of the foundation's work. They are, in addition, often called upon to play more specific parts in supporting the foundation's charitable activities through committees or specific requests from the president. In return, board members pledge to devote sufficient time to attend all meetings, to read materials circulated in advance of board meetings and committee meetings, and to otherwise honor their fiduciary duty to the foundation.

Board members are chosen in part because their backgrounds will give them a unique perspective, and they are encouraged to voice insights that reflect their distinctive vantage point. But members are also expected to prioritize the interest of the foundation over the pursuit of any personal or factional goal.

The board values generous, respectful deliberation—an ideal that requires the active collaboration of all board members. Board members are expected to take special care to listen to their board colleagues' contributions and to support norms that encourage participation of the entire board, not just a few voices. We also look for board members to contribute their distinctive ideas, while also taking account of board colleagues' previous comments, with the goal of making decisions based on articulable reasons.

Striving for consensus, even with robust discussion, risks being incompatible with a commitment to encourage and thoroughly consider divergent views among board members. Because of this, the chair and individual board members strive to remain especially mindful of the importance of striking an appropriate balance. Where board members hold divergent viewpoints, we want them to be expressed, thoroughly considered, and accommodated where possible. By the same token, however, once the board makes a decision, board members recognize the importance of accepting and supporting it.

Board members may have occasion to discuss the work of the foundation with one another in smaller groups and other settings, whether during breaks in board meetings or between meetings. This is an important and valuable way for board members to test their ideas and check their thinking about issues that may arise during board or committee deliberations.

While such exchanges are natural and may benefit the foundation in a variety of ways, they deplete the board's mutual trust and capacity for robust deliberation if they become a means by which small groups or factions of the board settle on conclusions in advance.

Board members play an invaluable role by keeping a wider eye out and bringing prudent attention to issues the president or staff may not have fully or persuasively considered. Board members have broad latitude during meetings and deliberations to offer respectful skepticism, disagreement, or critique—perspectives that can be invaluable in furthering the foundation's culture of learning. They must nonetheless recognize that it will not always be possible to address effectively every individual concern raised during discussions. Once board members have said their piece and decisions are taken by the full board or the president, as appropriate, it is important for the board to come together in support of the decision.

Board members are encouraged—consistent with both their fiduciary duty and their collective service as a sounding board for the president—to ask questions of staff or grantees who present at board meetings, as well as to request additional information about the foundation's work through the president. Because the president is responsible for day-to-day oversight of the staff and is the primary point of contact between the foundation staff and the board, board members should consult with the president before contacting staff. Board members should take special care not to communicate with grantees or staff on matters involving present or potential future grants without the approval of the president.

The Board Process

The board's processes are designed to enable the board to perform its governance responsibilities effectively and to serve as a source of sound advice and guidance to the president.

In addition to fulfilling its fiduciary responsibilities, the board serves as a source of sound advice and prudent guidance for the president. The board is also responsible for filling its vacancies, adjusting the foundation's bylaws when needed, approving resolutions (such as those recommending the foundation's annual budget, allocating additional funds, and proposing grants), appointing committee members, and deciding on the delegation of any powers to committees.

To make its operations more efficient, the board has delegated certain specific responsibilities to committees. The Audit Committee is responsible for selecting the auditor and making a recommendation to the board about whether to accept audited financial statements. The

Compensation Committee approves compensation for the foundation’s officers and investment directors and recommends to the full board the president’s compensation. The Investment Committee formulates an investment policy goal for the foundation’s investment program, subject to the board’s approval. The Nominations and Governance Committee recommends candidates for board vacancies and reviews matters involving the foundation’s governance. The effective operation of these committees depends on robust communication between them and the full board—a key function of committee chairs.

Selection of board members is among the board’s most important responsibilities. In selecting board members, we seek to ensure the foundation benefits from a broad range of perspectives, cultural and socioeconomic experiences, and professional backgrounds—thereby helping ensure a healthy mix of views and skills. This mix contributes to the foundation’s work in multiple ways. The foundation is a global funder, for example, that must understand and work with people from a wide range of different cultures.

We recognize that there are many more kinds of diversity than a board our size can reflect at any single point in time. At the same time, we give due weight to the importance of certain kinds of diversity—particularly racial, ethnic, and gender diversity—given their importance in society. As the [foundation’s guiding principles](#) convey:

The foundation embraces the importance of diversity, equity, and inclusion in all its operations— both internally, in our hiring process and organizational culture and practices, and externally, in our grantmaking and related efforts. We care about and hold these values essential both because this is the right thing to do and because it is the smart thing to do.

Because the board depends on committees to execute certain specialized functions, finding board members with suitable expertise in areas like finance is an important consideration in the selection of board candidates. The most important quality in the selection of board members, however, is a candidate’s ability to contribute to the board’s deliberations in a manner consistent with these principles.

The Role of the Board Chair

The chair bears primary responsibility for the conduct of board meetings and for supporting the board’s culture of respectful deliberation.

The chair of the board serves as the board's representative in supporting, maintaining contact with, and providing a sounding board for the president between meetings. The chair bears primary responsibility for the conduct of board meetings, including making sure every board member has opportunities to participate and contribute to the discussion. The chair should, where possible, anticipate concerns of board members and help the president and staff address them. The chair should endeavor to be available to the president on an ongoing basis to help the president achieve the foundation's objectives, address unexpected situations, and anticipate how best to engage the board in key decisions about the foundation's direction.

Wherever possible, the chair should endeavor to facilitate the engagement of all board members in deliberations. It is also the chair's role to encourage board members to bring their ideas and concerns to board discussions (or to committee or task force meetings), and to help avoid situations where board members engage in factional discussions or decision-making that deprives the entire board of an opportunity to decide matters together.

The chair has primary responsibility for providing candid, helpful feedback to the president, taking account of board members' comments during executive session and the general tenor of discussion during board meetings. The chair further supports the board's culture of mutual respect and collegiality by providing feedback to board members when needed. Along with the president and family members who serve on the board, the chair shares responsibility for maintaining communication with the broader Hewlett family.

The Hewlett Family and the Board

The Hewlett family provides an invaluable long-term perspective. The family engages with the foundation through its representation on the board, participation in advisory committees focused on specific programmatic areas of grantmaking activity, and informal contacts with the president and the chair.

The foundation was created by William and Flora Hewlett for the betterment of humankind. Although most board seats are reserved for non-family members, the Hewlett family remains an important participant in the affairs of the foundation that bears its name. Continued involvement in the foundation's affairs by the Hewlett family provides an invaluable long-term perspective and a variety of insights from different generations as the foundation continues to balance its necessary evolution with its history and enduring commitments. The Hewlett family engages with the foundation through its representation on the board, through participation in advisory committees focused on specific programmatic areas of grantmaking activity, and through informal contacts with the president and chair.

The process of selecting members of the Hewlett family for board seats reserved for the family benefits from substantial consultation of family members (a process led by the chair of the Nominations and Governance Committee). Such consultation allows the Nominations and Governance Committee, and ultimately the board, to garner insights about family members' willingness to serve, obtain feedback about potential family candidates, and consider how best to achieve representation of different branches of the family on the board.

Through their awareness of and support of the family's longstanding role in the foundation, the board, the president, and the chair can help ensure that Hewlett family members have a broad opportunity to engage with the work of the foundation.