

If a better qualified individual unrelated to the foundation applies in competition with an employee of the foundation, the employee should not be given overriding preference. (In such cases the employee may always be trained as part of a training program of the foundation rather than awarded a specific grant). In other words, the same arm's length status must be maintained in grant or charity programs as it is in other financial transactions.

These prohibitive activities only underscore the requirement that you consider your foundation as an independent person. Your foundation is not the same as yourself. Others may confuse the identity of your foundation and yourself, but you should avoid this confusion.

For example, when the Ford Foundation gives a major grant, most people think of the gift as coming from the Ford family. There is nothing wrong with this attitude, but the Ford Foundation maintains complex separate records that are completely independent of the Ford family.