

SECTION 17TANDEM OPERATIONS

(Coordinated Function of Trusts and Foundations)

By now most of you are familiar with what we call the tandem organization of estate plans. This term simply means that two spheres of activity are created to segregate the operations of your estate so that you might be more effective in your foundation activity. The first sphere is called the "public sphere." The public sphere includes a corporate foundation and any other business entity with which you might work. The second sphere is called the "private sphere" and this would normally include only a trust and trust foundation.

You, as an individual, are not assigned to either sphere but operate in both.

By definition a tandem organization of your estate simply involves the coordinated operations of two separate spheres of activity. The overall objectives are efficiency and economy for philanthropic and private interests and the means to these objectives are found in the management principles we have discussed.

In order to better understand some of the management principles related to coordinated operations of trusts and