

JOHNS HOPKINS UNIVERSITY & MEDICINE



DONOR ADVISED FUND

**POLICIES
AND
GUIDELINES**

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ABOUT THIS GUIDE

The Johns Hopkins University Donor Advised Fund's Policies and Guidelines (the "Guide") provides detailed information on the Johns Hopkins University Donor Advised Fund (the "Fund"), including a description of the Fund and its benefits; how to establish a Fund account and make charitable contributions; tax implications; and policies and procedures.^A

By establishing a Fund account and participating in account activity, you are subject to the Fund's terms and conditions as outlined in this Guide.

ABOUT JOHNS HOPKINS UNIVERSITY

We were founded in 1876 as the nation's first research university. Since our beginning, we've made extraordinary discoveries, advanced innovative solutions, and created a place where all students can see their big ideas brought to life. Supported by peers and faculty who are among the most passionate, dedicated, and talented people in the world, our students are motivated each day by this culture of fearless enthusiasm and pursuit of knowledge.



A. This Guide is intended to provide the terms and conditions of the Fund. Any legal and/or tax advice required to establish, manage or make contributions to a Fund account should be provided by a qualified professional appointed by the Donor. Neither Johns Hopkins University nor the Fund provides legal and/or tax advice to Donors. The information herein related to charitable contributions and associated tax deductions discusses federal taxes, rules and regulations only. This information, while pertaining to the Fund, is not complete, as individual tax considerations may vary. In addition, state tax rules and regulations will vary. We recommend you consult a legal and/or tax advisor for detailed information relating to your specific situation.

THE JOHNS HOPKINS UNIVERSITY DONOR ADVISED FUND

Johns Hopkins University is a 501(c)(3) non-profit organization sponsoring the Johns Hopkins University Donor Advised Fund (the "Fund"). To participate in the Fund, you make irrevocable contributions to Johns Hopkins University that are held in a personal Fund account, and you may recommend IRS-qualified organization(s) to receive grants from your account. Johns Hopkins University administers the rest, including all paperwork, tax records and check writing to recipient charities. While you receive tax deductions at the time of your contributions, the Fund offers you the flexibility to recommend grants today or in the future.

In addition, you may choose to name successors to your account who will continue to make contributions and recommend grants beyond your lifetime, creating your philanthropic legacy.

The Fund offers you a full-service program designed to help make philanthropy simple and effective, now and for years to come.



HOW THE FUND WORKS

- Establish a fund account.
- Make irrevocable contributions to your account.
- Receive federal income tax deduction(s) at the time of your donations.
- Make grant recommendations to any of your favorite IRS-qualified charities either at the time of your contribution or in the future.

ESTABLISHING YOUR FUND ACCOUNT

Eligibility

The Fund is open to individuals and entities interested in making a commitment to long-term giving. Examples of individuals are you, your spouse, a trust or estate. Examples of entities^B are a family business, a company or a corporation.

The individual or entity establishing the Fund account is automatically designated as the Donor of Record, and is the sole donor to receive all correspondence, reports and account statements. Other individuals or entities named on the [Fund Account Application](#) are designated as Donors.

Establishing Your Fund Account

The following are steps for you to follow when opening your account.

FORMS TO USE

- [Fund Account Application](#)

- Forms - To open your account, complete a [Fund Account Application](#). The information below is a guideline to completing the Application.
- Name the account - Choose a name for your Fund account. For example, you may choose to use a family, relative's or friend's name ("The Smith Family Fund") or to honor a specific cause ("The Fund for [an area of interest to you]").
- Identify other Donors (optional) - As the Donor of Record, you may name other Donors to the Fund account when you establish it or at any point during your lifetime. Please see "Amending Your Fund Account" below for more details.
- Make a contribution - An individual or entity may establish an account with an initial irrevocable contribution of \$100,000 or more.
- Identify Successor(s) (optional) - You may choose to identify a Successor at the time you establish your Fund account or at any point during your lifetime. A Successor is an individual who will carry on your philanthropy by assuming the role of Donor of Record.

B. Fund accounts established by an entity are subject to Johns Hopkins University Board approval, and require an individual's name, contact information and social security number or tax identification number (TIN).

- Alternatively, you may name an IRS qualified public charity(ies) that will receive your account balance upon the resignation and/or death of the last Donor(s) associated with your Fund account. You are not required to name a Successor(s) to establish a Fund account. Please see "Determining Your Successors" on [page 7](#) for more details on Successors.
- Choose Personal Giving Strategy - Please contact JHU for information on the Fund's investment strategies.

Amending Your Fund Account

After establishing your Fund account, you may find that changes to your original choices are required. Changes can be made at any time and as often as necessary during your lifetime using an Account Information Change Form. None of these changes may be made through a testamentary instrument, such as a will or living trust. No review or approval by Johns Hopkins University is required for these changes. The following provides information on how to make these changes.

- Donors - Donors may request the addition, modification or removal of other Donors associated with their Fund account. Written approval by the Donor affected by the change must accompany the request.
- Change your personal information - Keep your account current by making any name and contact information updates as necessary.
- Successors - Donors may want to review their named Successors on a periodic basis to ensure information is current and that choices remain aligned with personal circumstances and philanthropic goals. Please see [page 7](#) for more details on naming Successors.
- Change your Fund account name - You may change your Fund account name to reflect new personal circumstances or a new direction in your philanthropy.

Account Access Termination

In certain situations, Johns Hopkins University may determine that privileges and access to a Fund account will be terminated. If termination is deemed necessary, it will occur after no less than 60 days prior written notice to a Donor at his or her last known U.S. Postal or email address on record.

DETERMINING YOUR SUCCESSORS

Designating Successors to your Fund account enables you to create a legacy of giving by naming individuals or entities to carry on your philanthropic goals beyond your lifetime.

You are not required to name Successors to your account. If you choose to do so, you must name them for a period not to exceed 5 years, and make any changes to your designation during your lifetime. You may not name or modify Successors through a testamentary instrument (e.g., a will or living trust).

FORMS TO USE

- [Fund Account Application](#)
- Account Information Change Form

If at the time of the resignation and/or death of the last Donor(s) no Successor(s) is named on a Fund account, the account value will be transferred to Johns Hopkins University.

We recommend that you review your Successors periodically to ensure information is current and that your choices remain aligned with your personal circumstances and philanthropic goals.

Successor Types

There are two types of Successors you may choose for your Fund account. Either one or both may be named:

Individual Successor - Your Successor may be an individual of your choosing, such as a spouse, partner, child or sibling. A personal estate may not be named as a Successor.

- Your Successor(s) will not assume responsibility for your Fund account until the resignation and/or death of the last Donor(s), for a period not to exceed 5 years. For example, if one of two Donors resigns or dies, the remaining Donor will maintain responsibility for the account until his or her resignation or death.
- Successors have two choices upon assuming responsibility for their new account:
 - 1) They may fund their new account to reach the minimum initial contribution requirement of \$100,000. Johns Hopkins University will provide written notification, and the minimum must be met within three (3) months of the notification;
 - 2) They may make grant recommendations distributing the total account value within (3) months from the date they assume responsibility for their account.

- Johns Hopkins University must receive written notification and proof of the resignation and/or death of the last Donor(s), at which time we will provide written verification to the named Successor(s). Johns Hopkins University will then open individual accounts for each named Successor and, unless otherwise directed, equally divide the value of the original Fund account into new accounts. At that time, the Successor assumes responsibility for his/her new account. If a Successor is a minor, Johns Hopkins University will request that a legal guardian manage contributions and grant recommendations, and conduct any other activities associated with acquiring responsibility for a new account as outlined in this Guide.

Charitable Organization Successor - You may name one or more IRS-qualified charity to receive all or part of your Fund account balance upon the resignation and/or death of the last Donor(s). There is a minimum grant requirement to Johns Hopkins University of 50% of your Fund account balance upon resignation and/or death of the last donor(s).

- When determining a charitable organization as your Successor, you must follow the same guidelines as you would for determining eligibility of grant recipients. Please see "Making Grant Recommendations" on [page 12](#) for details.
- Johns Hopkins University must be notified in writing of the resignation and/or death of the last Donor(s), after which the value of the Fund account will be donated to the recommended and approved charities.
- If more than one charity is named as Successor, your account balance will be divided equally among the named charities (unless otherwise directed), with Johns Hopkins University receiving a minimum of 50% of the total account balance.
- In the event that at the time of the resignation and/or death of the last Donor(s) a charity named as a Successor is no longer an eligible grant recipient as determined by Johns Hopkins University (please see "Making Grant Recommendations" on [page 12](#)), the portion of the account assets designated for that charity will be distributed equally among the other qualified recipient charities. If no other charity Successor is named, the full account value will be transferred to Johns Hopkins University.

CONTRIBUTING TO YOUR FUND ACCOUNT

The following are general guidelines for you to use when making contributions to your Fund account. Contributions are irrevocable upon acceptance by Johns Hopkins University.

Contribution Minimums

Donor Individuals (e.g., person, trust, estate) and Entities (e.g., family-owned business, company, corporation):

- Initial contribution - \$100,000
- Additional contributions - \$5,000

Third-Party Contributions

Relatives, friends, colleagues or business partners may be interested in contributing to your Fund account. The following rules apply regarding third-party contributions:

- Minimum contribution - \$5,000
- Third parties may only make contributions to your Fund account. They cannot recommend grants and hold no other rights or privileges. If you would like a third party to have access, rights and privileges to your Fund account, you may elect to appoint a third party as a Donor using the Account Information Change Form.
- You may not actively seek, advertise or market for contributions from third parties on behalf of your Fund account or any IRS-qualified charity you have identified for grant recommendation.
- You may not gift any item or monetary reward to third parties in exchange for their contribution, or guarantee that specific grant recommendations will be honored in exchange for contributions made by third parties.

Contribution Types

The following guidelines will help you determine what types of assets are eligible as contributions to your Fund account.

- Cash or cash equivalents.
- Publicly traded securities - Stocks (certain restricted and closely held stocks may be accepted subject to JHU Gift Acceptance Committee approval), bonds and mutual fund shares.
- Testamentary gifts^C - You may decide to name your Fund account as the beneficiary of cash equivalents, securities or other assets itemized in your will, living trust or other testamentary document.
- Other assets - Real estate (\$250,000 minimum), collections (art, coins, other items with recognized and significant auction value), non-publicly traded securities (shares of a privately-held company), cryptocurrency, etc. will be considered on a case-by-case basis. Prior to contributing assets such as these, contact Johns Hopkins University to discuss your contribution.

Contribution Forms

We provide two forms for making contributions to your Fund account:

1. Fund Account Application - For use by Donors when making an initial contribution to establish an account (accompanied by the Fund Agreement and Personal Giving Strategy).
2. Additional Contribution Form - For use by Donors and third parties when making donations subsequent to an initial contribution.

C. We recommend you consult a tax and/or legal advisor to determine if your Fund account may be identified as a beneficiary of any testamentary document or of any other documents and accounts allowing designation of beneficiaries. As with all contributions, Johns Hopkins University reserves the right to review and approve contributions based on its Gift Acceptance Policy. Any contributions deemed unacceptable by Johns Hopkins University will be returned to the contributor.

Contribution Acknowledgment

Once Johns Hopkins University reviews, approves and accepts contributions from any donating party, we will send a written confirmation indicating contribution acceptance to the Donor of Record and to the contributing party (if applicable). This written documentation may serve as a record for any federal or state tax deductions the contributing party may make.^D

When you recommend a grant from your Fund account to an IRS-qualified charity and it is received by that charity, the recipient organization may choose to send written acknowledgment of the donation. Any written acknowledgements for grants received by non-profit organizations are the sole discretion of those organizations. Johns Hopkins University has no involvement or influence over the acknowledgment process, receipts, etc., of the recipient organization(s).



D. We recommend you consult a tax and/or legal advisor to determine the allowable tax deductions at the federal and state level relating to your particular circumstances.

MAKING GRANT RECOMMENDATIONS

Recommending a Grant

The following are guidelines and policies for recommending grants to charities.

Timing - You may make grant recommendations at the time you contribute to your Fund account or at any time in the future. Please note that grants may not be recommended through a testamentary instrument, such as a will or living trust.

Minimum Grant Activity

- Your minimum grant activity per year must be greater than or equal to 5% of your Fund account total, based on your balance as of January 1 of the current year.
- There is a minimum annual grant requirement to Johns Hopkins University (in addition to any grants recommended to other charities): the greater of 5% of the total amount granted in any year or \$5,000. For example, if your grants total \$60,000 in a given year, \$5,000 must be donated to Johns Hopkins University in that year.
- The minimum amount that can be recommended as a grant to any single charity per year is the lesser of \$1,000 or the balance of your Fund account.
- If you recommend a grant that exceeds the total balance of your Fund account, Johns Hopkins University will contact the Donor of Record and request that the recommending party either change the grant amount or make an additional contribution to the Fund account to cover the stated amount.

Minimum grant activity (grant activity is defined as grant recommendations by Donors and approved by Johns Hopkins University) for your Fund account must follow these guidelines:

- Year 1 - The first year you open your Fund account, there is no minimum grant activity requirement for that calendar year.
- Year 2 and ongoing - During the second calendar year of your Fund account participation and going forward, your minimum grant activity must be greater than or equal to 5% of your Fund account total, based on your balance as of January 1st of the current year. This minimum grant activity amount remains fixed for the full current calendar year, even if you increase your Fund account balance by making additional contributions during the year.

Example: You open your account in June 2023.

- Year 1 (2023): No minimum grant activity requirement for June - December 2023.
- Year 2 (2024): Minimum grant activity requirement takes effect for January - December 2024. Your Fund account balance on January 1, 2024 is \$100,000; therefore, your minimum grant activity for 2024 is \$5,000. If you increase your balance by contributing to your Fund account at any time after January 1, 2024, your minimum grant activity will remain \$5,000 for the calendar year.
- On January 1, 2025, your balance will be used to calculate your minimum grant activity for 2025, and so forth, going forward.

If the 5% minimum grant activity requirement has not been met in any given calendar year beginning with the second calendar year of your account participation, Johns Hopkins University will contact the Donor of Record and request grant recommendations be made. If no recommendations are made within 60 days of the date of the request, Johns Hopkins University may transfer the amount required to reach the 5% minimum.

If your Fund account contains illiquid assets (defined as any asset other than marketable securities and cash), you have a maximum of a 3-year grace period to recommend grants from those assets. Once 50% of the illiquid assets has been sold or the 3-year grace period has passed, whichever occurs first, the 5% minimum grant activity requirement outlined in this section applies.

Eligible Grant Recipients

The charities you recommend for grants are subject to review and approval by Johns Hopkins University's Johns Hopkins University Gift Acceptance Committee, which retains exclusive control and discretion over all grants made through the Fund.

Under IRS regulations, the grant recipient must be a non-profit organization described in Section 509(a)(1) or (a)(2) of the Internal Revenue Code and applicable regulations and IRS authority, or a private operating foundation as described in Section 4942G)(3) of the Code and applicable regulations and IRS authority.

Ineligible Grant Recipients and Uses

Please note that the following organization types are not permitted recipient charities for your grant recommendations:

- Private foundations
- Non-U.S. based charities, i.e., an organization not formed under the laws of the United States or its territories
- Supporting organizations, as described in Section 509(a)(3) of the Internal Revenue Code and applicable regulations and IRS authority

In addition, grants may not be used for the following purposes or situations:

- School tuition
- Certain dues or membership fees
- Admission to charitable or other events
- If you anticipate supporting an organization by a distribution from your DAF, it is important you do not sign a pledge card to this effect or make any other binding commitment to the organization
- Any other non-charitable purpose (for example, personal or political gain);
- If the recommending party or any individual or entity associated with the Fund account owns, controls and/or is employed by the identified charity.

Recommending a Grant

Johns Hopkins University will review your grant recommendations and reserves the right to approve or deny a grant to a recommended charity (please see "Eligible Grant Recipients" on [page 13](#) for details).

If your grant recommendation is approved, Johns Hopkins University will issue a check to the recipient charity and will notify the Donor of Record in writing that the grant has been made. The grantee charity may provide written receipt or other acknowledgment; however, Johns Hopkins University is not responsible for, nor has any influence over, these acknowledgments.

If your grant is denied, you will be notified and can recommend another charity using a new Grant Recommendation Form.

Rescinding a Grant Recommendation

Grant recommendations are not binding, and you may rescind a recommendation at any time before the delivery of the grant is completed. You may recommend another charity in place of your rescinded recommendation by completing and signing a new Grant Recommendation Form.

Grant Recognition

When making a grant to a charity you may choose to be identified by your personal name, by your account name (e.g., "Friends of the JHU"), or to remain anonymous (e.g., "an anonymous gift from the Johns Hopkins University Donor Advised Fund"). We will not release your name or contact information to any charity without your consent.



TAX CONSIDERATIONS

Deduction Values

Once Johns Hopkins University accepts your contribution, you are eligible for a federal tax deduction up to the maximum amount allowed by law. The following provides general guidelines on the allowable federal tax deduction values for various asset types.

Your Contributed Asset Type	Your Allowed Deduction Value
Cash equivalent assets	The exact dollar amount of your contribution
Publicly-traded securities	<ul style="list-style-type: none"> Securities held for more than one year - The average of the high and low prices reported on the date the contribution is received by Johns Hopkins University. Mutual fund shares held for more than one year - The closing price on the date the contribution is received by Johns Hopkins University. Securities or mutual funds held for one year or less - The lesser of the cost basis and the fair market value. <p>Note: For securities contributed to a Fund account via a depository trust company (DTC), the value of the securities is calculated on the day they are deposited into the Fund account.</p>
Non-publicly-traded securities	<ul style="list-style-type: none"> Securities held for more than one year - The fair market value on the date the contribution is received by Johns Hopkins University. (Donor is responsible for obtaining the appraisal.) Securities held for one year or less - The lesser of the cost basis and the fair market value. <p>Note: If the fair market value is in excess of \$5,000, the IRS requires an appraisal by a qualified professional to substantiate the fair market value determination.^E</p>
Real Estate	<ul style="list-style-type: none"> Real estate held for more than one year - The fair market value on the date the contribution is received by Johns Hopkins University. (Donor is responsible for obtaining the appraisal.) <p>Note: If the fair market value is in excess of \$5,000, the IRS requires an appraisal by a qualified professional to substantiate the fair market value determination.^E</p>

E. Johns Hopkins University is not responsible for the valuation of non-publicly traded securities or real estate contributions. The sole responsibility for valuation, or determining if a third-party valuation is required, lies with the Donor and any qualified professional they may name. The Fund will not be held responsible for any discrepancies in valuation that may arise during IRS or state investigations. The Fund only reviews and accepts contributions based on the policies outlined in the Guide and JHU's Gift Acceptance Policy.

This information addresses federal taxes only. Because state tax laws vary with regard to itemizations, and federal and state tax laws impact each donor and his or her individual situation differently, we recommend you consult a tax and/or legal advisor to determine your allowable charitable contribution deductions.

Deduction Limits

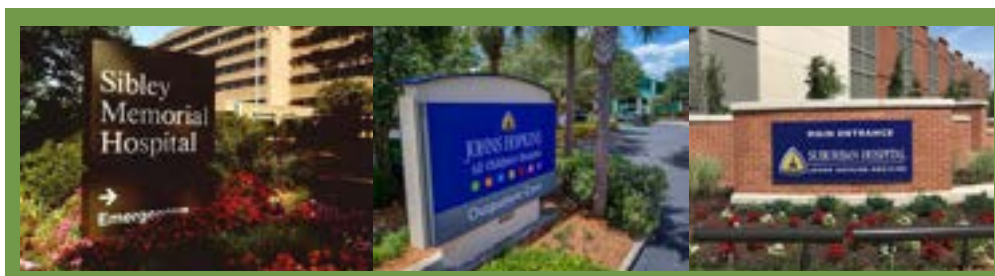
Once Johns Hopkins University accepts a contribution, the Donor of Record (and, if applicable, the contributing party) will receive a written receipt indicating the amount of any cash contributions and a description of any non-cash contributions. The contributing party is responsible for determining the value of any non-cash contributions.

We recommend you consult a legal and/or tax advisor when determining federal and state charitable gift contributions for the most current information given your situation.

Contribution Income and Grants

Contributions made to your Fund Account are the sole property of Johns Hopkins University. Any income that accrues to your contributions is also the sole property of Johns Hopkins University. Therefore, you may not take any additional charitable deductions on accrued income or growth. Any investment income is not subject to taxation, unless it is unrelated business income to Johns Hopkins University in which case Johns Hopkins University would pay the unrelated business income tax from the Fund. Johns Hopkins University does not expect the Fund's investments to generate unrelated business income.

You may receive receipts for approved grants you direct to IRS-qualified charities. Those receipts may not be used as an additional tax deduction claim. Grants from your Fund account are not eligible for additional tax deductions. The Donor of Record may receive a duplicate receipt for contributions to his or her Fund account from other donors, however, the Donor of Record is not eligible to claim a tax deduction for these gifts.



CONFIRMATIONS, STATEMENTS AND REPORTS

Contribution Confirmations

For each contribution made to your Fund account, Johns Hopkins University will send an individual written confirmation to the Donor of Record (and to the additional donor, if applicable).

Annual Reports on Fund Account Activity

Annual written reports are provided and contain the following:

- Beginning and ending asset values
- Total contributions
- Total grants paid to charities



JOHNS HOPKINS

UNIVERSITY & MEDICINE



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