



## Donor Advised Fund

### Combined Jewish Philanthropies

Kraft Family Building | 126 High Street, Boston, MA 02110-2700 | T 617.457.8500 | F 617.507.7899 | [cjp.org](http://cjp.org)

## ABOUT YOUR CJP DONOR ADVISED FUND

### **Establishing your Donor Advised Fund (DAF)**

Establishing a DAF is easy. Simply fill out all the forms provided in this packet or online at the CJP website ([www.cjp.org/daf](http://www.cjp.org/daf)) and mail them, along with your initial contribution or information on a transfer of securities, to:

Attention: Office of Planned Giving  
Combined Jewish Philanthropies  
Kraft Family Building  
126 High Street  
Boston, MA 02110-2700

The forms consist of the Donor Letter Agreement, and the Donor Application Part A and Part B. There is also a form for you to fill out if you would like to recommend grants and conduct other business by email. Asset Transfer Instructions are also provided if you are considering funding your DAF with a gift of securities or other assets.

The minimum contribution to establish a DAF is \$2,500. You may make this contribution using cash or publicly traded securities. Gifts of real estate or other assets can be made, subject to review by CJP. All contributions to your DAF are irrevocable donations to CJP and are therefore typically deductible from your federal income taxes in the year they are made.

### **DAF Minimums and Activity Guidelines**

The minimum grant amount is \$50 and the minimum balance is \$1,000. You will be notified if the balance of your DAF falls below \$1,000. Your DAF will be closed if the account balance is not brought up to the \$1,000 minimum within one year of that notice. At that time, the remaining balance will be transferred to CJP's Unrestricted Endowment Fund.

You do not have to recommend a minimum amount of grants each year. However, CJP requires that every DAF make a grant of some amount in each rolling five-year period, or have a notice on file with CJP explaining plans to begin making grants in the future. The signatory of a DAF that does not make a grant in a given five-year period will be notified of the deficiency in writing and given 90 days to recommend a grant, file a notice of future activity plans or close the DAF. If no action is taken by the signatory after 90 days, a grant will be distributed to CJP equal to 5% of the DAF's most recent quarter end value, to be applied to the CJP Unrestricted Endowment unless otherwise directed by CJP management.

CJP seeks to distribute annually a minimum of 5% of the combined net asset value of all CJP Donor Advised Funds. To the extent that combined grants from all DAFs do not meet this requirement, CJP will request grant recommendations from DAFs that have not made distributions of at least 5% during that particular year. If the donors or signatories of these DAFs do not then make grant recommendations, CJP will transfer the required amount to the CJP Unrestricted Endowment Fund unless otherwise directed by CJP management.

**Termination of DAF**

CJP will close a DAF upon the written request of the signatory, or upon the death or resignation of the last surviving signatory. CJP is also happy to work with donors to prepare documents in advance that recommend a final set of grants to a CJP endowment fund and/or to other charities upon the death or resignation of the last signatory. DAFs may also continue with successor signatories. See below for more information.

**Donors, Signatories and Successors*****Donors***

You are the Founding Donor if you are the person establishing the DAF.

The Founding Donor may designate one other Founding Donor to the fund. These two people, such as spouses, will be deemed to be establishing the DAF together, as Joint Donors.

All Donors have the following privileges:

- Name the DAF
- Recommend the investment style for the DAF
- Recommend grants from the DAF
- Recommend other Signatories and Successors to the DAF

Unless otherwise instructed, CJP assumes that the Founding Donor of a DAF has all the powers of a Signatory (see below.)

Creating a DAF with grants from a foundation may require some additional paperwork, especially if the grants are made in the context of dissolving a foundation. Please contact Charlie Glassenberg at 617-457-8540 for more information on creating a DAF with foundation-granted funds.

***Signatories***

The Founding or Joint Donor may designate up to four Signatories for the DAF. If you are a Signatory, you have the privilege of recommending grants from the DAF. Your privileges as Signatory may be revoked by the Founding or Joint Donor at any time.

***Successors***

The Founding or Joint Donor wishes the DAF to continue after his or her death, the Founding or Joint Donor may designate up to two Successors. These Successors may already be Signatories on the DAF, but that need not be the case. A Successor takes on all the privileges of the Founding or Joint Donor upon the death of the Founding or Joint Donor.

**Fee Schedule**

CJP currently charges the following fees on DAF assets:

- 0.50 % on the first \$1,000,000
- 0.25 % on the next \$2,000,000
- 0.20 % on amounts above \$3,000,000

For DAFs with assets of \$25 million or more, administrative fees are based on discussion with CJP.

Each of the investment options available for the DAF program has its own underlying expenses including manager and mutual fund fees, and asset custody.

If you choose to make a contribution of real estate or assets other than cash or publicly traded securities, CJP will charge an administration fee and will recover the expenses of accepting and liquidating these assets. Acceptance of these less liquid assets and applicable fees are determined on a case-by-case basis. Only the net proceeds of the transaction will be available to the DAF.

### **Investment of DAF Contributions**

You may recommend the allocation of the funds in your DAF to one or more of CJP's investment options, described in the enclosed document titled, CJP Donor Advised Fund Investment Options. If you chose to use more than one investment option, please be sure to maintain a balance of at least \$1,000 in each option.

The minimum balance for a DAF investment in CJP's Jewish Community Endowment Pool, LLP (JCEP) is \$100,000 within a total DAF balance of at least \$500,000. JCEP participation is subject to other guidelines and conditions. DAFs with a total balance of \$10 million or more that participate in JCEP are eligible to allocate assets to an S&P 500 index option for additional equity exposure. Please call Charlie Glassenberg at 617-457-8540 for more information.

Investment income and losses are allocated to each DAF on a daily basis except for JCEP, which is allocated monthly. The CJP DAF Program operates on a calendar year for reporting purposes.

### **Quarterly and Annual Reports**

Activity information on your DAF is available via the DAF website, updated on a daily basis.

You will receive a quarterly report of all activity in your DAF. This quarterly report will include information on income, gains or losses, contributions, grants and fees.

### **Recommending Grants from Your DAF**

You may recommend grants from your DAF by mail, fax, DAF website or e-mail.

If you wish to recommend grants by mail or fax, grant recommendation forms will be provided to you.

The DAF website is accessed using a username and password issued to you after your DAF is created.

For your protection, CJP is unable to accept grant recommendations over the phone.

### **Email and Online Recommendation Policy**

By affixing your signature to the DAF Letter of Agreement, you certify that you are authorized to make grant recommendations for the fund and that by sending a grant recommendation via your corresponding individual email address, the grant recommendation is being made by the corresponding named person. You further certify that the grant recommendation(s) will not represent payment of any legally binding pledge, other financial obligation or payment in return for goods or services provided to any party, and that no member of your family, including yourself, will receive a personal benefit from this suggested distribution. If the email address has been accessed by an unauthorized user, you will immediately inform CJP to stop accepting grant recommendations via email for the above-named fund and update the form as appropriate.

**Organizations Eligible to Receive Grants**

Grants may be recommended to organizations in the following categories:

- A public charity described in section 509(a)(1) or (2) of the Internal Revenue Code
- A public charity described in section 509(a)(3) of the Internal Revenue Code that is not a disqualified supporting Organization as defined in section 4966(d)(4) of the Internal Revenue Code
- A governmental unit described in section 170(c)(1) of the Internal Revenue Code, exclusively for public purposes that are consistent with CJP's charitable purposes.

There is no requirement for you to recommend grants to CJP or other Jewish agencies. **CJP reserves the right to reject grant recommendations for purposes contrary to its mission or to organizations that fail to maintain proper standards of financial oversight or accountability. CJP may request the return of grants that are discovered to be in conflict with its mission, or in violation of the guidelines in this section.**

**Processing Grants**

Grants are processed on a weekly basis. Due to the large volume of grant recommendations made at yearend, processing may take longer during November and December.

**Limitations on Grants**

Grants may not be recommended for the following purposes:

- To make a contribution for which you receive any good or service from the recipient organization, such as discounted tickets, meals at a benefit dinner, admission to a museum or other membership benefits. Grants will be made for the tax-deductible portion of an event ticket or sponsorship only if a ticket is available for the event that allows attendees to participate without an accompanying donation.
- Please note that you may recommend grants for the purpose of synagogue membership, including High Holiday seats, because the resulting intangible religious benefits are not considered a good or service.
- To personally benefit yourself or anyone related to you.
- Grants to do not constitute a deductible charitable contribution, and you should not claim a deduction for a grant from a DAF.

**DAF Website**

CJP offers online access to our DAF program. The website allows you to:

- Recommend grants and check on their status
- Recommend changes to your investment options
- Alert us to incoming contributions
- Have access to the transaction history of your DAF and quarterly reports
- Check Investment performance. Investment options other than JCEP will have their performance updated daily. JCEP performance will be updated monthly.

Once your DAF is established, you will receive an email containing your username, password and instructions for logging into the DAF website. Once you are logged in, you will be able to change your password to something you will more easily remember. Passwords must be secure and changed on a periodic basis for data security reasons.

**Notification to Recipient Organizations**

Each grant mailed to the recipient organization will be accompanied by a cover letter identifying the Fund and the Donor or Signatory who recommended the grant. You may also request to be anonymous on a particular grant. If you wish to remain anonymous on all grants distributed, please indicate that when you fill out the forms establishing the fund.

For compliance reasons, grants must be sent to a recipient organization's legal address. They may not be sent to you or to other parties for delivery.

**Changes to the DAF**

If you are the Founding or Joint Donor or a successor signatory to the Donor, you may recommend that changes be made to any of the following:

- the name of the DAF
- the investment style for the DAF
- Signatories and Successors to the DAF

Investment style changes may be requested via mail, fax, an email from your authorized email address or using the website. Changes to a DAF's name, signatories or successors require your signature and may be sent via mail or a scanned PDF document delivered by email from an authorized email address.

**Ownership of Assets in DAFs**

Contributions to your DAF are irrevocable gifts to CJP. In accordance with the Internal Revenue Code, CJP owns the assets in each DAF outright and retains exclusive legal control over these assets for the charitable purposes of CJP. Donors may not restrict the absolute rights of CJP as owner of the assets. This is the basis for your eligibility for a federal income tax deduction.

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**PROCEDURES FOR OPERATION OF DONOR ADVISED FUNDS**

As approved by the Board of Directors, February 21, 1978, and revised on September 24, 1990, June 10, 1998, March 8, 2005, June 12, 2008, October 25, 2012, February 16, 2017 and February 15, 2018.

**Sec. 1 ESTABLISHMENT AND PURPOSE**

The Board of Directors of Combined Jewish Philanthropies of Greater Boston, Inc. (hereinafter CJP) has authorized the establishment of Donor Advised Funds, as defined in Section 4966(d)(2) of the Internal Revenue Code, and has authorized the Committee on Development of CJP to provide all needed rules, procedures and policies for the establishment and administration of such funds, subject to the approval of the Board of Directors. These procedures are prescribed by the Committee on Development, with the approval of the Board of Directors.

**1.2 Establishment of Funds**

Donor Advised Funds may be established by the donation or transfer by a person or entity (hereinafter Donor) to, and acceptance by, CJP of money or property, to further the charitable purposes of CJP, including the support of other organizations as described in Section 4.1 of this document. The procedures set forth herein are provided in recognition of a particular purpose of Donor Advised Funds, which is to develop support of philanthropic interests and activities of CJP by living donors.

**1.3 Nature and Terms of Funds**

Each Donor Advised Fund shall be the property of CJP held in its normal corporate capacity. A Donor Advised Fund shall not be deemed a trust fund held by CJP in a trustee capacity. CJP in its normal corporate capacity shall have the ultimate authority and exclusive legal ownership and control of all property in each Donor Advised Fund, and the income derived therefrom. Each Donor Advised Fund shall be recorded on the books and records of CJP as an identifiable or separate fund and may be given a name or other designation as requested by the Donor, subject to CJP approval.

**1.4 Forms**

CJP will provide forms for the establishment of Donor Advised Funds, and such other forms as are deemed necessary or desirable for the administration of Donor Advised Funds in accordance with these procedures.

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**Sec. 2 ACCEPTANCE OF FUNDS****2.1 Authorization**

The President of CJP (and such additional officers of CJP as the Board of Directors may from time to time authorize) shall have the authority to accept, on behalf of CJP, contributions to establish a Donor Advised Fund. Provided however that CJP shall have authority to accept or reject any assets, including without limitation assets that are not readily marketable or are subject to liabilities, in its absolute discretion. Before so acting, CJP may consult with legal counsel. Assets which might be determined to be not readily marketable include but are not limited to restricted stock, securities of closely held corporations, partnership interests, real estate, tangible and intangible personal property and mortgage notes. A Donor may not impose any material restrictions or condition that prevents CJP from freely and effectively employing the contributed assets or the income derived therefrom, in furtherance of the charitable purposes of CJP.

**2.2 Value**

A minimum contribution of \$2,500 is required to establish a Donor Advised Fund. CJP will not certify to a Donor the value of a contribution of property other than cash. CJP will provide a Donor with contemporaneous, written acknowledgment of an accepted contribution that provides that CJP has exclusive legal control over the assets contributed.

**Sec. 3 INVESTMENT OF FUND ASSETS****3.1 Responsibility**

CJP has the responsibility and authority for the investment of the assets of each Donor Advised Fund. The assets of any Donor Advised Fund may be commingled with those of other Donor Advised Funds or charitable assets of CJP. However, CJP shall have no obligation to commingle the assets for investment purposes and may, in its discretion, retain any assets received or hold the assets of a Donor Advised Fund as a separate unit. Investment or reinvestment of assets shall be made only in such investments as are appropriate for a prudent fiduciary.

**3.2 Administration**

Decisions with respect to the retention, investment or reinvestment of assets and with respect to commingling of assets shall be made by the CJP Board of Managers for those assets allocated to Jewish Community Endowment Pool, LLP and by CJP Investment Committee for all other assets. From time to time CJP may permit a Donor to recommend an investment option(s), from among a group of investment options provided by CJP, in which the Donor Advised Fund or a portion of it may be invested. Available investment funds may be changed at the discretion of CJP.

**Sec. 4 GRANTS FROM THE FUND****4.1 In General**

The Committee on Development has the responsibility to monitor all grants from Donor Advised Funds and to report thereon to the Board of Directors. The Donor of a Donor Advised Fund (or the Donors designee, as permitted in Section 4.2 below) may, after the contribution of money or property to a Donor Advised Fund, recommend that CJP make grants from the Donor Advised Fund that are consistent with the charitable purposes of CJP. CJP shall consider and evaluate all such recommendations, but such recommendations will

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**PROCEDURES FOR OPERATION OF DONOR ADVISED FUNDS continued**

be solely advisory and CJP is not bound by such recommendations. CJP will only consider recommendations for grants which are to be made to (a) a public charity described in section 509(a)(1) or (2) of the Internal Revenue Code, (b) a public charity described in section 509(a)(3) of the Internal Revenue Code that is not a “disqualified supporting organization” as defined in section 4966(d)(4) of the Internal Revenue Code, or (c) a governmental unit described in section 170(c)(1) of the Internal Revenue Code, exclusively for public purposes that are consistent with CJP’s charitable purposes.

**4.2 Donors and Their Designees Accorded the Privilege of Making Recommendations**

The privilege of making recommendations (as described in section 4.1 above) shall be extended to Donors and their designees, subject to the following limitations:

(a) Ordinarily if an individual establishes a Donor Advised Fund, the privilege of making recommendations is limited to the Donor and his or her spouse (or joint donor) provided that the Donor’s spouse (or joint donor) has signed the original Donor Advised Fund agreement or has been added by the Donor. Unless otherwise specified in the instrument establishing the Donor Advised Fund, recommendations may be made by the Donor and the Donor’s Spouse (or joint donor) separately or jointly. Such privilege of a Donor or the Donor’s Spouse (or joint donor) will be continuous with the existence of the Donor Advised Fund unless earlier terminated by (i) death, (ii) written notice to CJP of resignation or release, or (iii) a finding by the Committee on Development that the person involved is not available or is incompetent to exercise the privilege.

(b) An individual Donor may designate in the instrument establishing a Donor Advised Fund a person or persons other than or in addition to himself and his or her spouse (or joint donor) to exercise the privilege to make recommendations, such person is referred to as a “signatory”. The privileges of a signatory will ordinarily exist at the discretion of the Donor during the lifetime of such Donor or the spouse (or joint donor), and may be terminated by the Donor at any time. Additionally, the instrument establishing a Donor Advised Fund or any amendment thereto may designate a Donor’s child or children when of age, (and/or their spouses) to have such privilege after the termination of the privilege of the Donor and the Donor’s spouse (or joint donor), and such designation of a successor or successors to the original Donor or his or her spouse (or joint donor) will be recognized by CJP if it furthers continued family participation, support and involvement by such successors. Amendments adding further successors will be considered by CJP. Where the privilege to make recommendations extends to persons in addition to the original Donor or his or her spouse (or joint donor), CJP may require all those having such privilege to designate one person to act for them in submitting recommendations to CJP.

(c) A Donor Advised Fund may also be established by a corporation, partnership or other legal entity. Such Donor, or its officers or directors acting on its behalf will have the privilege of making recommendations for a period not to exceed 15 years from the date of the establishment of the Donor Advised Fund. The privilege to make recommendations may be extended beyond the 15 year limitation if the entity maintains a continuing charitable involvement with CJP. Such entity, or those acting on its behalf, shall designate one person (and may designate his or her successor) to submit the recommendations of the entity to CJP.

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**4.3 Limitations**

The following limitations apply to all grants from Donor Advised Funds:

- (a) The minimum amount of any one grant from a Donor Advised Fund shall be \$50.
- (b) CJP, as a public charity, will not make any grant from a Donor Advised Fund except as a grant from CJP for its charitable purposes. No goods or services may be received by any party in exchange for a grant from a Donor Advised Fund. Grants do not constitute a deductible charitable contribution on the part of any Donor having the privilege of making recommendations with respect to grants from a Donor Advised Fund, and no Donor should claim a deduction for any grant from a Donor Advised Fund.

**4.4 Procedure****4.41 Recommendations by Donors**

A Donor having the privilege of making recommendations with respect to grants from a Donor Advised Fund may do so in writing, by authorized email addressed to CJP or via a secure website maintained by CJP.

**4.42 Staff Investigation**

With respect to each grant recommendation by a Donor, the staff of CJP will determine whether the recommendation is consistent with enumerated charitable needs. The degree of formality employed by the staff in making an evaluation will depend upon the nature and category of the grantee organization and the information already available to the staff with respect to the grantee and the purposes of the grant. Where necessary, the staff may request an organization to submit additional information which may result in grant processing delays.

**4.43 Board Action**

All grants for charitable purposes shall be presented to the Board of Directors, or its designee, for approval in a manner designated by it.

**4.5 Notification to Grantee as to Source of Grant**

Any distribution from a Donor Advised Fund shall identify to the grantee organization the name of the Donor Advised Fund from which the distribution is made unless otherwise requested by the Donor of the Donor Advised Fund.

**4.6 Requirements of Current Grants**

CJP seeks to distribute annually a minimum of 5% of the combined net asset value of all CJP Donor Advised Funds. To the extent that combined grants from all Donor Advised Funds do not meet this requirement, CJP will request grant recommendations from Donor Advised Funds that have not made distributions of at least 5% during that particular year. If these Donors or their Signatories do not then make grant recommendations, CJP will transfer the required amount to the CJP Unrestricted Endowment Fund.

**4.7 Inactive Funds**

CJP seeks to ensure that all Donor Advised Funds are actively distributing funds on a regular basis or plan to do so. The signatory of any Donor Advised Fund that has not made a grant in a rolling five-year period will be notified of this deficiency in writing and will be asked to recommend a grant, file a notice explaining plans to make a grant in the future or to close the Donor Advised Fund. The signatory will be given ninety days from the date of the notice from CJP to undertake one of these actions. If no action is taken after ninety days, CJP will distribute a grant equal to 5% of the Donor Advised Fund's value as of the most recent quarter ended to CJP. These grants will be applied to the CJP Unrestricted Endowment unless otherwise directed by the President of CJP or the President's designee.

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**SEC. 5 CONTINUITY OF FUNDS****5.1 Termination**

Upon the termination, by death or otherwise, of the privilege of a Donor or Donor Spouse of a Donor Advised Fund to make recommendations, as provided in Section 4.2 above, the Donor Advised Fund shall terminate, unless successor signatories have been recorded with CJP. In the event of termination, the assets in the Donor Advised Fund shall be added to CJP's Unrestricted Endowment Fund, unless alternative recommendations exist.

**5.2 Minimum Balances****5.21 Donor Advised Fund**

If a Donor Advised Fund account balance falls below \$1,000, and the Donor has not restored it to that level for a period of one year after having been given written notice to do so, the Donor Advised Fund shall terminate and be transferred to CJP's Unrestricted Endowment Fund.

**5.22 Investment Option**

If a Donor Advised Fund is invested in more than one investment option and the balance in any one option falls below \$1,000, and the Donor has not restored it to that level for a period of one year after having been given written notice to do so, the funds in that portion of the Donor Advised Fund shall be transferred into another investment option of the same Donor Advised Fund so that the balance is at least \$1,000.

**SEC. 6 AMENDMENT OF CJP PROCEDURES FOR OPERATION**

CJP retains the right, in its absolute discretion, to amend *The Procedures for Operation of the CJP Donor Advised Funds*.