

# HOW A DONOR-ADVISED ACCOUNT WORKS

The Johnson Charitable Gift Fund provides a flexible tax-advantaged solution for making the most of your charitable donations.

## Here's how it Works:

### 1. OPEN A DONOR-ADVISED ACCOUNT

**2. FUND A DONOR-ADVISED ACCOUNT:** With an irrevocable donation of at least \$1,000 in cash or securities, the donor will be eligible to take an immediate itemized charitable tax deduction. (Availability of certain federal income tax deductions may depend on whether you itemize deductions and is subject to other tax law limitations applicable to charitable donations. Rules and regulations vary at the state level. Please check with your tax advisor. Tax deductions discussed herein refer specifically to federal taxes.)

### 3. RECOMMEND THE WAY A DONATION IS INVESTED

You can choose one or more of our four investment pools:

- » Stock Investment Pool
- » Bond Investment Pool
- » Balanced Investment Pool
- » Short-Term Investment Pool

Speak to your Portfolio Manager or a Gift Fund Associate to determine the allocation suited to your investment needs and time frame.

**4. SUGGEST GRANTS TO CHARITIES:** You can suggest grants to charitable organizations by completing a Grant Suggestion form or by using Donor View online.

## Make Donations:

Once you have opened a donor-advised account, you must fund it with an initial donation of at least \$1,000. Subsequent donations can be made any time for as little as \$1,000. Donations generally are tax deductible for the year in which you make them. Donate a wide range of securities—including cash, mutual funds, stocks, bonds and complex securities (example: real estate, etc.). We offer four investment pools for your donations so that your charitable dollars can be invested conservatively or with an eye toward long-term growth. These pools are all managed by Johnson Investment Counsel.

## Suggest Grants:

It is easy to suggest grants using our Grant Suggestion form. You can request grants for as little as \$250. Once your suggestions are approved, your grants will be sent to the recipient organization(s). Any public charity (other than supporting organizations) qualified under Section 501(c)(3) of the Internal Revenue Code is eligible to receive a donor-advised account grant. However, grants cannot be used for pledges, private benefit, political contributions, or contributions to private foundations. Be sure to review our complete list of guidelines in our Program Circular before you make any grant suggestions.

## Simplified Recordkeeping and Administration

A donor-advised account takes all the hassle out of giving. We provide one central location to manage all aspects of giving. And, we manage all of the paperwork, so you can focus on the causes and organizations that mean the most to you. As a donor, you will receive a tax receipt for each donation, a confirmation for each grant made, and a quarterly account statement.

## Fees

In addition to investment management fees of .35%, the Gift Fund may charge each donor-advised account an administrative fee designed to cover the costs associated with the maintenance of the account. The annualized administrative fee will be .65% on the first \$2.5 million, .45% on the next \$2.5 million, and .10% on funds exceeding \$5 million. This administrative fee will be assessed quarterly on all account assets.