

Will Hopkins respect its donor's wishes?

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By Anne D. Neal

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Donors give billions of dollars every year to higher education, and, in many ways, they are the lifeblood of our colleges and universities. When it comes to college giving, New York **Mayor Michael Bloomberg's** philanthropy to **Johns Hopkins University** leads the way. His \$350 million gift to his alma mater is the largest collegiate donation in 2013.

Indeed, with the value of many university endowments depressed and state appropriations cut, donors play an ever-more important role in supporting and sustaining our institutions of higher education.

Mr. Bloomberg's donations to Johns Hopkins — which have topped \$1 billion throughout his lifetime — allow him to work with the institution to promote causes he believes in, such as the appointment of faculty who focus on global health and water resource sustainability.

But when it comes to some lower-profile donors, matters appear a bit different.

In September, a dispute began playing out in the Maryland courts in which donor Elizabeth Beall Banks' descendants are battling wealthy Johns Hopkins University to ensure that the donor's intent is respected.

The lead plaintiff is Tim Newell, nephew of the deceased donor, who has no fortune but plenty of integrity. He is a nursery owner; he and his family have long advocated for green space in the ever-more-developed **Montgomery County**. Ms. Banks' family tilled the 138-acre Belward Farm from 1873 to 1989, and she was well known for her fierce opposition to massive commercial development.

When Ms. Banks sold the property for one-tenth of its market value in 1989, she specified her intention in a contract and deed to Johns Hopkins that limited the land's use. Original plans submitted for county approval called for a 1.4-million-square-foot, low-rise complex serving the educational mission of the university. For more than two decades, Hopkins acted as though it understood Ms. Banks' intent to forestall heavy commercial development.

But Hopkins sees it differently now.

In a plan developed after Ms. Banks' 2005 death, Hopkins announced a 4.7-million-square-foot development. With more than triple the square footage of the plan Ms. Banks saw, Hopkins now plans 23 buildings, including three parking structures for 12,000 vehicles and a central roadway with a Corridor Cities Transitway stop in the center.

It will take months for this case to be resolved in court. Litigation on behalf of a deceased family member's philanthropic intentions is often complex and difficult. Yet, Mr. Newell and the family deserve our praise for demanding accountability and fighting the arrogant expectations — too often displayed by those in the academy — that donors should hand over dollars, no questions asked.

It's that disregard of donor intent that, over the years, has regrettably created a vast gap in trust between many university leaders and well-intended donors. Universities discourage restricted gifts and rarely welcome donors who want to check up on whether their intentions are being honored. Too often, it seems, they disregard donor intent when they conclude it would be best to "repurpose" a gift regardless of the vision the donor had in mind.

The problem is not limited to Johns Hopkins. In March, a **Columbia University** professor sued the school for misappropriating income generated by a \$1.5 million endowment established by the Knight Foundation. In 2008, **Princeton University** paid \$100 million to settle a case brought by the Robertson family claiming Princeton failed to abide by their intent.

In too many ways, the academic community seems to believe it is above scrutiny. Colleges and universities are not living up the lofty standard we expect of them — and major donors are finding that they need to be vigilant against the very institutions they have entrusted with large gifts.

Well-heeled schools like Hopkins and Princeton may think they can litigate their way out of honoring donor intent. However, giving short shrift to donors' intentions will discourage others from providing major gifts at a time when such philanthropy is increasingly a lifeline.

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Ms. Neal is absolutely correct in her assessment of the disregard the officials at Johns Hopkins have shown toward the intentions of the late owner of Belward Farm, Elizabeth Banks. Ms. Banks could not have been more forceful in expressing her wish that her farm was to be used for academic purposes. EVERYONE understood that Ms. Banks did not want residential or commercial development on her farm.

An internal JHU letter, which can be found on www.scale-it-back.com, reveals the frustration the Montgomery County officials felt at Ms. Banks' refusal to sell to a developer. They brought in JHU to convince her they would build an academic campus on her farm. Ms. Banks sold her property for a song based on their promises.

After years of negotiations, the JHU officials put enough language in the contract to make Ms. Banks and her family believe they understood her intentions, but also built in enough "flexibility" so they could rip her off.

Soon after Ms. Banks' death, the County, at the request of Johns Hopkins, rezoned Belward Farm for a high-rise commercial office complex for 15,000 people. JHU has not indicated that the University will occupy any of the buildings. It will be a money-making commercial real estate venture and 99-year ground leases are being offered for the property. What a bunch of rip-off artists!

<http://www.baltimoresun.com/news/opinion/oped/bs-ed-university-donations-20131016,0,2030649.story>