

## **Guidelines for Accepting Donor-Advised Fund Contributions**

Thank you for your generous and continued support of the San Francisco Art Institute.

*Please note that this document is intended as a summary of current guidelines for accepting gifts from donor-advised funds. This document is not intended as legal advice. Donor advisors should consult their donor-advised fund (“DAF”) manager, tax advisors, and/or legal counsel to determine the tax treatment of their proposed contributions and any other restrictions that apply to DAF grants.*

### **Guidelines for Events and Pledges – Your Donor Advised Fund**

#### **Events**

Under federal law governing donor-advised funds, it is not permissible for donors to split, or “bifurcate,” payments for tables or tickets when a portion of the purchase is not tax-deductible. This means that donors may not recommend a grant through a donor-advised fund for the deductible portion of a table or ticket purchase and then pay the non-deductible portion from a personal source.

If a portion of event admission is not tax deductible, your donor-advised fund can support the event in the following ways:

1) If you would like to attend an event and make an additional contribution, you may pay the full price of admission (non-deductible and deductible portions) from a personal source outside of your donor-advised fund. Then, you may recommend a grant from your donor-advised fund. Our organization is pleased to recognize both your personal and donor-advised fund contributions in all event-related materials.

2) If you purchase a table or tickets and donate them back to the organization (and not attend the event), you may recommend a grant from your donor-advised fund, noting that the requested table or tickets shall be donated back to the organization.

#### **Pledges**

Although a donor-advised fund may not pledge account assets to Section 501(c)(3) and 501(c)(4) organizations, you may notify the organization verbally or in writing about the intention to make a grant recommendation and include the following recommended language:

“I intend to recommend a grant from a donor-advised fund. This notification shall not be construed as a legally binding commitment.”

For questions related to grants recommended through your donor-advised fund, please consult with your fund advisor or legal counsel for definitive tax treatment.

**Thank you again for your continued support!**