

# USE OF DONOR ADVISED FUNDS

Donor advised funds (DAF) have become an increasingly available donor option. Whether administered by an investment firm (Fidelity pioneered the concept) or a community foundation, a DAF is a fund held by a sponsoring organization, which is a 501(c)(3). Donors can make a contribution to the fund and take a charitable tax deduction in the year of the contribution. In future years, the donor, as the adviser, can direct distributions from the DAF to the public charity of their choice. A DAF may be useful to aggregate charitable gifts into one year to enable itemizing deductions while taking the standard deduction in other years.

## Process to make a distribution to the Air Force Academy Foundation

For all DAF distributions, please inform us, as many DAF distributions are received with no information. It is most helpful to let us know the name of the DAF, the amount of the transaction and how you wish to designate use of the funds.

Most commonly, DAF administrators will send a check directly to the Air Force Academy Foundation, but it is possible for us to receive a wire transfer or stock transfer. Contact us for details.

**Legal name:** Air Force Academy Foundation.

**Address:** 3116 Academy Dr., USAF Academy CO 80840.

**Tax ID number:** 26-0537053.

## Technical considerations

### Tax treatment

Distributions from your DAF are not tax deductible gifts, as the original donation you made to the DAF was the charitable contribution. Thus the Air Force Academy Foundation will send you a letter only acknowledging the receipt of the DAF distribution.

### Pledge payments

The IRS is considering new regulations which may affect the tax treatment of DAF distributions to satisfy a pledge; please contact us if you want to use a DAF in this manner.

You may designate your gift to achieve your desired objectives for supporting the Academy. A portion of the donation, determined by prevailing Air Force Academy Foundation guidelines at the time of the gift's receipt, may be allocated for unrestricted use, to be used for one or more of the following purposes: cadet programs, support for the Association of Graduates and other Academy-affiliated foundations and operations of the Air Force Academy Foundation.

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The Air Force Academy Foundation is not engaged in rendering legal or tax advisory service. For advice or assistance in specific cases, the services of an attorney and/or other professional advisors should be obtained.

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If you have questions or want additional information on how to make tax-wise contributions benefitting our Air Force Academy, contact:

Office of Gift Planning

719-472-2059

[legacy@afacademyfoundation.org](mailto:legacy@afacademyfoundation.org)

[legacy.usafa.org](http://legacy.usafa.org)

