

Information for Donors Regarding Donor Advised Funds or Private Foundations

While it is generally permissible for donors to direct gifts to the University of Central Florida Foundation through donor advised funds (DAF) or private foundations, restrictions imposed by the Internal Revenue Service impact certain types of contributions, including those that support UCF Athletics and WUCF-TV.

Importantly, a donor may support UCF Athletics or WUCF-TV through a DAF or a private foundation gift if the donor declines all benefits that would otherwise be provided as a result of the gift. These gifts are directed to a fund providing unrestricted support for UCF Athletics or WUCF-TV.

If the donor also wishes to become a member of the GKC or WUCF-TV, a separate gift from other than the DAF or private foundation may be provided.

A contribution to qualifying DAFs (often held at community foundations) is treated by the IRS as a charitable contribution at the time of the donor's contribution to the DAF. The donor may then advise that distributions be made to charitable organizations such as the UCF Foundation. Certain laws and IRS regulations prohibit a donor, donor advisor, or donor's family member from receiving more than incidental benefits as a result of the DAF distribution. The potential consequences of receiving impermissible benefits include jeopardizing the tax-exempt status of the entity maintaining the DAF and imposing significant excise taxes on the donor and/or their family member.

One of the impermissible benefits for a donor or family member to receive as a result of a gift made through a DAF or private foundation is the right to purchase athletics tickets. Gifts to the GKC at all membership levels provide member courtesies, including the opportunity to purchase tickets. Therefore, neither the UCF Foundation nor UCF Athletics may accept a gift made through a DAF or private foundation for GKC membership, even if the donor ultimately chooses not to purchase the tickets.

To learn more about supporting UCF Athletics, please call the GKC at 407-823-2086 or email goldenknightsclub@athletics.ucf.edu. To learn more about supporting WUCF-TV, please contact John Brady at 407-823-6028 or john.brady@wucftv.org. For specific information regarding your legal or tax situation, please consult your own professional advisor.