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GIANT, IMPORTANT DISCLAIMER: WE AREN'T GIVING LEGAL, TAX OR FINANCIAL ADVICE. PLEASE SEEK YOUR OWN COUNSEL FOR ANY DONATIONS. MANY OF THESE QUESTIONS ARE OPEN TO SOME INTERPRETATION, ARE GENERAL IN NATURE OR ARE UNIQUE TO A PARTICULAR JURISDICTION. ASSUME ALL ANSWERS ARE WRONG UNTIL YOU/YOUR DONOR CONFIRMS WITH HER/HIS ADVISOR.

Q & A from "Donor Advised Fund Proposed Regulations: Summary and Impact" <Jan, 2024>

Will you be sharing this presentation following to all participants?	The recording will be posted within a couple of weeks, together with a document reflecting the entire Q&A from both sessions.
Ya'll do good work!	Many thanks! Nothing makes us happier than sending out a big grant check that was not going to happen.
Will you please share the PowerPoint as separate document as well?	We have had some issues (not good uses) in the past so we just provide the recorded link, and you can see ALL of our past webinars on our website www.charitablesolutionsllc.com under Resources/Webinars.
What if a donor advisor names an employee of a charity (non-DAF host) as successor advisor? What is the impact if the successor distributes to their employer for the DAF host and the recipient?	The successor advisor would be understood to be acting in her individual capacity. If the fund sponsor, at the suggestion of the successor advisor, distributed to her employer, assuming this was a 170(b)(1)(A) public charity, the problems raised by the proposed regs would arise only if the successor advisor had any authority at the recipient org to participate in determining the use of those funds.
Will "endowed" donor advised funds that adhere to a spending policy be treated differently?	At least under proposed regs (and past definitions), no – same issues as non-endowed funds. The donor and other disqualified persons will be understood to have participated in setting the spending policy.

You might cover this in the presentation, but I have a question pertaining to the proposed regulations that DAF advisors can no longer direct a grant in support of a specific individual to a nonprofit. Given that donors will no longer be able to make missionary support grants, we are having to communicate that to our donors. If we were to continue making the grants, is it correct to state that both the Foundation AND the donor would be subject to excise taxes or is it just limited to the Foundation? **I see we're listed on the Pub 78 with an "EO" deductibility code. Does our (c)(19) designation or EO code have anything to do with this?**	The quick answer is generally yes, as proposed. But jumping first to the last part of your question, the designation "EO" in pub 78 means your org is a 170(c) exempt org "other than" a public charity or private foundation. Under section 4966(c)(1)(B), a distribution from a donor advised fund to such an organization would be subject to the excise tax unless it were to be applied to a purpose listed at section 170(b)(2) or unless the fund sponsor exercised expenditure responsibility. I doubt (this is Russ Willis speaking) that a distribution to a 501(c)(19) org to be redistributed to an individual as a missionary support grant could meet these requirements, but I don't think we need the proposed regs to tell us that. The similar problem the proposed regs do raise is whether or at least under what circumstances a DAF could make a distribution to a 170(b)(1)(A) public charity if it were understood that the grantee org would then distribute to an individual, whether for missionary or other purposes. The example I gave in the webinar was a chamber music society, which promotes the arts by paying individual musicians. There are circumstances under the proposed regs in which a grant from a DAF to such an organization would be treated through a "step transaction" analysis as a direct grant to an individual, which section 4966 forbids.
Are community foundations considered fund managers?	Individuals at CFs would be fund managers. The foundation itself is the fund sponsor. When I worked at a Community Foundation (this is Bryan speaking), I was charged with DAF grant oversight, so I am guessing I would have been the lightning rod.

I understand who the sponsoring organization is, but who is the fund manager?	A fund manager is an employee of the fund sponsor who has responsibility or authority analogous to that of an officer, director, or trustee. But the proposed regs suggest that the employee's participation in "agreeing" to make a taxable distribution need not be "final" to be culpable. So, it is possible we are looking at delegations farther down the chain of authority.
Can you address if a nonprofit employee (say the CEO) has a DAF at the community foundation and wants to make a distribution to his/her nonprofit where he/she is CEO. How would these regulations come into play?	The proposed regs (rather improbably) take the position that if a distribution is made from a fund that would otherwise meet the exception for a fund that distributes only to a single, identified org, but the donor is on the board of the recipient org, that fact gives the donor sufficient "control" over the further disposition of the funds that the fund would in fact not meet the exception, but would be treated as a donor advised fund. See proposed reg. section 53.4966-4(a)(6), example 3. One supposes that the same would apply to a situation where the donor was the CEO of the recipient org. It is difficult to imagine that this rule will survive the comment period and make it into the final regs, at least as literally applied to any member of the board of the recipient org, who might not command a majority, might recuse herself, etc.
This will likely be covered later, but some of these new regulations imply that an investment manager who manages both the DAF and is managing the donor's personal finances, is considered a fund advisor. This implies to me that an investment advisor with that sort of relationship will not be allowed or at the very least taxed? To me, this seems to have even greater implications for commercial DAF vendors like Vanguard, Fidelity, etc. Have these groups chimed in on proposed regulations?	It remains to be seen whether the large commercial fund providers will participate in public comment but note that in many instances those funds are managed by advisors who probably could meet whatever is the definition of an advisor who is "properly viewed" as providing services to the fund sponsor "as a whole." The problem you are describing is perhaps more acute for community and faith-based foundations, some of whom have already submitted comments, and many of whom will likely respond collectively. Note that although section 4958(f)(8) does define as a disqualified person an investment advisor who is not an "employee" of the fund sponsor, it is not inevitable that the final regs will automatically treat any investment advisor who also happens to advise a donor individually as a disqualified "advisor." This is perhaps a bit of a reach by

	Treasury that may not survive the comment period.
IRS Notice 2017-73 authorizes the fulfillment of a donor's pledge with the use of a DAF and is purportedly not considered "more than incidental benefit" under IRC 4967. The IRS hasn't [sic, has?] been silent on this since 2017. Is there anything in the proposed regs that provides any further guidance?	These proposed regs are again the "first shoe," covering only section 4966. The second shoe, whenever it drops, will likely cover section 4967 and possibly 4958 as well, since there is a fair amount of overlap between these two sections. But if the broadened definitions we are seeing in the proposed regs under section 4966 survive, in particular the definition of "knowing" agreement by a fund manager to making an improper distribution, it seems possible Treasury will retrench and require a fund manager to investigate more closely the question whether the pledge is legally enforceable, and the "don't ask, don't tell" rule of the 2017 Notice may fall away.
Related to DAF grants to tickets event if the donor states in writing that they are NOT attending, and NO tickets will be distributed to anyone from the grant. Can a grant be made from the DAF?	Generally, yes, but I wouldn't mention the event in any way. I would just simply make a grant to the charity unrestricted, or program restricted. It is important that the recipient org not in fact distribute tickets to any disqualified person.
Hearing stories of nonprofits doing galas and having tables available where they can invite donors at no cost to them with the "understanding" that the donor made a gift via a DAF to the NPO.	I wouldn't want to have to answer for that practice under IRS audit around "patterns" and those facts and circumstances.
If our cover letter to charity says, "This grant is from a DAF. Please send them a thank you note without a tax receipt," and the donor tries to claim that grant on their taxes, even though they got their tax deduction when the DAF was created, what's our requirement to babysit the donor's relationship with the IRS?	Zero job to babysit so long as your acknowledgment is accurate. Donors will do what donors will do (and can replace "donors" with "kids" and "adults"). But under the circumstances you describe it does not sound like a fund manager would be responsible.

Is your org coordinating a comment letter to Treasury on these regs?	No, but we will provide some resources regarding how to comment. National associations and private lobbying groups are coordinating with their members. The channel through which comments are to be submitted is https://www.regulations.gov/docket/IRS-2023-0053 Additional info on how to get involved is given in this webinar https://app.livestorm.co/dafsummit/irs-daf-regulations-what-they-do-and-how-to-get-involved/live You might also contact the presenter of that webinar, Sara Barba of Integer, LLC at sbarba@integerpolicy.com Integer is a DC lobbyist for nonprofit concerns and will likely have information about any collective efforts to submit comments.
Does a named endowment, where the donor can direct how the earnings can be used, constitute a DAF under these new proposals?	VERY likely - a TON of non-DAFs will be recategorized as DAFs... again, under these proposals. Who knows if/when/what the future holds.
Hopefully, in the maze of these new proposed guidelines, there are provisions that mandate distributions to actual charities before the donor passes away. Would I be correct in this assumption?	There are no required payout/sunset provisions in these proposed regs, and there is no authority for such regulation in the existing statute. In recent years, there have been a couple of efforts to enact legislation along these lines, under the name Accelerating Charitable Efforts (ACE). That measure has never been reported out of committee, and it has not yet been introduced at all in the current session.
Case studies would/will be helpful.	We thought of this but there are just too many unclear areas since none of these regs are final. What are "facts and circumstances" such that it would tip a fund into a DAF? Very likely ten people could give you ten justifiable answers, so it is incredibly murky right now. But it would be easy to build a case study out of a field of interest fund or even a designated fund at a community foundation, for example, which makes grants based on recommendations of an advisory committee, who are encouraged to make contributions to the fund themselves.

If a RIA recommends a DAF to a client/donor is there an issue with also managing the assets in the fund?	Yes, in a big way under these regs. This would be an automatic excess benefit transaction. This is because the proposed regs define such an advisor as having "advisory privileges" within the meaning of section 4966(d)(2)(A), which may seem obvious, but there are good arguments against this reading.
If a charity has a committee who discusses how DAFs work and to explain the process, are these committee persons then disqualified to use their DAF to give a gift to this charity?	Not knowing all the facts, or what the definitions will even be, probably okay here if some other advisory roles (still not clearly defined) are not triggered. The proposed regs are more concerned with whether these committee members have a role in determining how the recipient org used funds received from DAFs.
Are you saying management fees on a DAF is now a disqualified distribution?	Major point - Russ is covering this right now. But these are just PROPOSED right now so we don't know if/when/how these will be implemented and finalized.
So, this exception on investment fees would still not work for donor recommended advisors who manage the assets in the DAF - because the disqualified person status trumps the exception?	Yes, that is the way the proposed regs analyze the question. The investment advisor is treated as having "advisory privileges" with respect to the fund and is thereby defined as a disqualified person to whom any payment for services would be per se an excess benefit.
So to confirm - that means PRIs are not allowed?	That actually is unclear and is one of the matters on which Treasury is actively seeking comments. The example they gave of an "investment" that would instead be treated as a "distribution" is a zero-interest loan. PRIs and other mission-related investments may have below-market yields, but they could arguably still be treated as "investments," though in the private foundation world they are treated as qualifying distributions.
What is a "reasonable" investment or grant-related fee?	We have no specific guidance on this question yet. Probably reasonableness would be determined with reference to similar fees incurred elsewhere in the market, or specifically by private foundations.

Bryan - Well, I suppose it does take a fair amount of lobbying to combat the Scwhab, Fidelity, and Vanguard triune.	There are features of these proposed regs that will not sit well with the commercial DAFs sponsors, either. There is no reason to think this project has been influenced by input from those sources.
Do see athletic donor committees - who are raising funds and distributing to NCAA athletes under NIL - a DAF by another name?	This could be an issue, and then also the fact that NIL payments are to individuals, which is another trigger point.
Trying to figure out (with current or proposed regulations) how we can have a Donor sign a Donor Agreement when they may prefer to make a recommendation to their DAF. Would language along these lines work? Why/why not? **1. You agree to recommend to the DAF that $XXX (an "Annual Gift") be distributed to Organization X for unrestricted use in Year.** **a. $XXX paid by Date** **2. If by Date no distributions have been made to Big Brothers Big Sisters Independence from the DAF, you agree to make personal gifts to Organization X in the amount of $XXX. Alternatively, if by such date distributions have been made to Organization X, but such distributions total less than $XXX, you agree to make a gift to Organization X in the amount which, when added to the distributions of the Donor Advised Fund made to Organization X by such time, will equal the recommended amount.**	Again, of course, we cannot be your legal advisor. That said, and especially under these proposed regs, it does not seem productive to create a paper trail that suggests that a donor's advice to a fund sponsor to make a distribution to your organization will necessarily be followed. If you are looking for a commitment from the donor, it should be from her directly, not by way of a recommended distribution from her DAF.
What if the Investment Advisor is held to the CFs Investment Policy? Could this be allowed that the donor's investment advisory keep the funds? Owner would be the CF and investments are held/invested based on CF policy.	The problem is that the proposed regs treat the investment advisor as having "advisory privileges" with respect to the fund, thereby making her a disqualified person to whom any payment for services would be per se an excess benefit, as well as a taxable "distribution" to an individual, and a more than insubstantial benefit under section 4967.

Is there any indication that the IRS is cognizant of the issues that these regs create for fiscal sponsorships, giving circles, etc? Do we think there will be any clarification/distinctions made for these funds?	It seems fairly clear the drafters of these proposed regs have not thought through those issues. Unless they think those arrangements are somehow abusive. We want to be optimistic that, yes, those situations will be clarified in final regs, after energetic and well-reasoned pushback from the sector.
So, if a DAF is currently providing white label services to RIAs, and the RIA invests the "fund," this could present a large amount of excise taxes....is there a way to restructure the agreements to preserve the partnership? (assuming [the regulation] moves forward as is)	The proposed regs do not forbid an investment advisor being paid directly by the fund sponsor, provided those fees are not charged to any particular fund.
What resources do you recommend to learn more about the potential for giving circles (with up to 500 members voting on grants to qualified charities) to be impacted by these regulations, aka potentially being ruled as a DAF.	Two years ago, the Council on Foundations asked Treasury to issue guidance expressly excluding giving circles from the definition of "donor advised fund." https://cof.org/sites/default/files/2022-07/2022-Council-Comments-IRS-Priority-Guidance.pdf That request appears to have been ignored. But it does appear that COF might be a resource for your questions and concerns.
Will agency funds and/or scholarship funds advised by nonprofits similarly be affected?	In many cases these funds will not be affected by the proposed regs. But there may be circumstances in which one or more "substantial contributors" are sitting on an advisory committee, and the proposed regs would treat this as a DAF.
Do these draft regs possibly implicate powers of appointment?	Not entirely clear what the question means here, but in general if a donor designates someone else to have or share advisory privileges, that designee is also a disqualified person for purposes of these excise tax rules.
Many community foundations have investment advisor relationships which come to the CF through a single DAF - but the CF opens the use of the investment relationship to all DAFs after a due diligence process. Would this be an area of concern under proposed regulations?	If I am understanding the question correctly (this is Russ speaking), what you are suggesting here might allow the investment advisor to be "properly viewed" as providing services to the fund sponsor "as a whole," which would take her outside the definition of disqualified persons.

Under the new regulations, would a board member of a charity be able to donate to that charity via a DAF?	Yes, but the proposed regs would then impose an anti-abuse rule, treating the disposition of the funds by the recipient charity as a deemed distribution directly from the DAF. So, for example, those proceeds could not be used for grants to individual recipients.
Many charities have large, broad "advisory boards/committees". They do not control the org. nor do they advise on specific funds. If a donor is on the advisory board for a university's foundation and that perhaps an advisory board for a Dean or college that receives funds from the foundation, what sort of mess does that create?	This is one of the problems the proposed regs create. That arrangement would itself be treated as a donor advised fund with respect to any "substantial contributors" who sit on such a committee, thereby limiting the range of permissible distributions of the funds.
Will CFs be on a level playing field with commercial gift funds where paying investment advisors is concerned?	Yes, except to the extent that many funds sponsored by the "commercial" providers will in effect be under management by the related brokerage itself, and those advisors will presumably be "properly viewed" as providing services to the fund sponsor "as a whole."
Layperson's reading of the proposed regs seemed to suggest that, yes, personal investment advisor will be deemed a donor-advisor; but that "reasonable investment fees" would be explicitly carved out as not a distribution. If it's not that (i.e., fees paid to an advisor), what is an example of what that carve out would apply to? (Or, is the logic that any transaction is a per se excess benefit transaction, so the carve out doesn't matter?)	The carveout for "reasonable investment fees" does not apply to an investment advisor who is treated as a "donor advisor" and therefore a disqualified person. See proposed reg. section 53.4966-1(e)(2). And yes, the express logic is that any payment to a disqualified person is per se an excess benefit.
Do these proposed regs mean that financial advisors will no longer be able to manage the assets in their clients' DAF and earn a fee for doing so?	Basically, yes... we will cover this a bit later.

Can you speak to what level of support there currently is in Congress for the proposed regulations?	We have heard nothing yet from anyone in Congress. This would be another good avenue for advocacy, in addition to submitting comments to Treasury through regulations.gov.
Do I understand correctly that a single organization Designated Fund that allows advisory privileges as to amount and timing of distribution would not be a DAF.	That would be a straightforward reading of the 2006 legislation. However, the proposed regs would treat such a fund as a donor advised fund if it is funded by a single donor who also sits on the board of the single identified org.
What does "fund manager" refer to in relation to the donor advised fund setup and sponsor?	Basically, all staff/officers who are involved in the grant decision (or should have been involved), including those who failed to act. That is coming up in more detail as part of the Proposed Reg section of the webinar.
I assume that congress is seeing enough "abuse" of DAF distributions that they obviously feel new regs are required?	My guess is that DAFs (this is Bryan speaking) are growing so quickly, that IRS/Treasury/Congress are trying to control any perceived or real abuses. A lot of the language is extremely subjective, however.
Could you please define a Type 3 supporting org?	Great news is that we have an entire free webinar on Supporting Orgs (or you can just ChatGPT it which we also did a webinar on ChatGPT in Planned Giving). In brief, a Type 3 supporting org is operated “in connection with” its supported org, but without the supervision or control relationships that would make it a Type 1 or Type 2. A Type 3 supporting org is “functionally integrated” with its supported org only if it is performing integral functions (other than fundraising) that the supported org would otherwise have to perform itself.
What does CWA stand for?	Contemporaneous Written Acknowledgment - don't mess around with the exact requirements of an acknowledgment letter - the IRS is blasting these based on the charity "forgetting" to include 1 or 2 sentences... not good. Section 170(f)(18) requires that the CWA from a DAF expressly state that the fund sponsor has “exclusive legal control” over the contributed property – which is fine, if the sponsor knows that the fund is a DAF, but the proposed regs would broaden the definition so that it is possible some CWAs have been omitting the magic language, which could result in a disallowance of the deduction.

40-year-old Pooled Income Funds won't fall into this new definition right?	Generally, no, because that is a split interest vehicle. Those are not being addressed in this DAF proposed regs.
Is a charity ever subject to excise taxes for accepting an improper DAF distribution?	What would make a distribution from a DAF to a public charity "improper" would be if the donor were serving on an advisory committee for the fund at the charity into which the distribution was made, so that the proposed regs would trace the distribution to its ultimate disposition, and that disposition would somehow have been improper if made directly by the DAF. Short answer yes, but probably not as the recipient of the distribution, but as in effect a fund sponsor.
What time period does the granting to a single organization issue cover? For a single year or over some period of time?	Normally, the initial agreement specifies the single organization from the onset, and it does not change in the future.
What is the 2% threshold?	It is a 2% threshold, listing all substantial donors on Schedule B of the 990. Those are all named on the filed 990 but can/should be removed for the public version. Contributions from "substantial" donors who have given more than two pct of all contributions to the public charity over a five-year period are not counted toward your public support calculation.
If the charity knowingly accepts a DAF distribution to pay down a personally, irrevocably committed pledge, then we may have an issue or is 4966 only applicable to incidental benefits like knowingly taking DAF distributions to buy event tickets?	Not giving legal advice here, but pending proposed regs under section 4967, the "don't ask, don't tell" rule of the 2017 Notice protects not only the DAF sponsor but also the recipient charity, despite the fact that the recipient charity does obviously "know" whether the pledge is legally enforceable. But the 2017 Notice does also require that the recipient charity extend no other "more than incidental" benefit to any disqualified person in connection with the distribution from the DAF.

What about old perpetual funds from community foundations or financial institutions where we have been getting quarterly or annual payments for decades? Original donors are all passed.	It depends whether they are deemed DAFs under the old or new proposed rules. If DAFs and IF these proposed rules don't change (they may never be finalized by the way), then if you are referring to an investment fee, that is likely a problem. But if what you are saying is that literally no one has any advisory privileges any longer, these funds would have passed out of the definition of DAFs even under the proposed regs.
I thought DAFs already couldn't pay for investment advisors out of the DAF. I thought funds in a DAF can ONLY BE USED to make grants to public charities.	That certainly is the view expressed in the proposed regs. But common practice over the past seventeen years has been to the contrary. A lot of community foundations, faith-based foundations, national DAFs allow a donor to recommend an investment advisor and then that advisor would be paid a reasonable FMV fee for those services. Someone must invest the funds in any scenario and will be paid a normal fee.
Would some of those funds, such as giving circles or field of interest funds, now newly defined DAFs also now be prohibited from receiving IRA QCDs qualifying as RMDs?	Great point... very likely, yes, if the broader definition sucks in these other funds and they become DAFs, then per se, all the normal DAF rules apply, including no QCDs.
Does an "outside investment manager" count as someone who might trigger excise taxes for themselves and/or the supporting org, a community foundation?	Yes - under Proposed Regs. It is what Russ is covering right now.
What is the timing contemplated by IRS to implement these changes? How quickly would public foundations have to comply with these changes?	Here is the crazy part... it would be retroactive to Jan 1 of this year IF final regs are issued this year. If next year, then retroactive to the beginning of taxable year when regs are finalized. So, we have no clear rules, yet we are supposed to be complying. That is nonsensical!
If DAF send an unrestricted grant from a DAF and donor then goes and designates gift to a person, is the Comm Found liable for taxes?	Not sure if I am fully tracking this, in terms of the circumstances under which the donor would be able to reach in and "designate" the completed gift to an individual. But if there is donor fraud, then you likely wouldn't be held liable.

Would an institutional investment advisor such as a private bank be deemed a DQ to the DAF?	Yes
Currently philanthropic advisors can work with DAFs to provide services for DAF holders (Fidelity, Schwab, AEF, etc.) - and have their services billed to the DAF - will this still be allowed under these changes?	No - again if proposed changes are finalized in current form
How would you interpret the regs with regard to Investment Advisors who set up Fidelity Charitable, Schwab, Vanguard, etc. DAFs - are they paid by the for-profit arm of these organizations and therefore not considered compensated by the DAF?	Either the for profit arm or the fund sponsor itself, yes, but if the expense is then charged to the separate DAFs, this would not be permitted under the proposed regs.
Being from a community foundation with a very active third party manager program with advisors receiving compensation for managing the assets, if this is retroactive to Jan 1 of this year, what does this mean for us? What should we be doing to hedge this? Writing a comment?	Write a comment - no clue on what you should be doing. Many are collaborating with CF advocacy groups, COF, etc.
Has there been any consideration to using the formal "program-related investment" definitions from private foundations (from 4944) as a way to better distinguish a "distribution" from an "investment"? There already is a lot of borrowing from private foundation regulations for DAFs, so this would be consistent in that way...	The Treasury is asking for comments specifically on this question, how to distinguish “investments” from “distributions,” though they do not mention PRIs by name. There seems to be an extremely odd attempt to carve out DAFs from everything else. I agree (this is Bryan speaking) that that would create some consistency, but clearly, for example, a donor to a private foundation can have his or her investment advisor manage the assets and charge reasonable fees. There are a handful of other ways PFs would have less oversight/exposure than DAFs under the proposed regs. That seems incredibly odd to me - to encourage vehicles that have less oversight and volunteer boards. (Russ jumping in here), of course, private foundations are

	subject to much less advantageous rules with respect to percentage deduction limits and the deduction for contribution of appreciated property.
Is there a part of the rule that disallows board of investment committee members from making gifts through their DAFs to a 501C3 charity? Can you share that section so I can better follow it through the process?	Not disallow, no, but section 53.4966-3(c) and the examples under -3(e) indicate that if "substantial contributors" are serving on an advisory committee at the recipient public charity, the funds within the public charity as to which they advise may themselves be treated as donor advised funds.
Indeed, totally unreasonable and places undue hardship on a public foundation to consider compliance even when regulations are not finalized. Outrageous.	
Under the new regs, can a DAF holder have an outside financial advisor manage their DAF investments if that person isn't being paid the management fee from the DAF funds?	Yes, but no one knows if they can charge more to other non-DAF assets. But likely if they charge nothing, likely okay.
Can an Investment Advisor turn over investment guidance to another IA in their firm that doesn't manage the client's personal assets?	That other person would still be considered an advisor designated by the donor.
Would the paid investment advisor issue apply to the commercial DAF holders (Fidelity, etc) or not because they are advising on ALL of their DAFs? I smell a rat.	Many DAFs at the commercial providers are managed by investment advisors selected by the donors. So, they are facing the same problem.
Could a Gift Officer be considered "knowing" and/or "Fund Manager" if they lead a donor to set up a DAF for tax-timing purposes and have the DAF pay into a specific endowed scholarship fund where the fund is named for that donor?	The gift officer would not be a "fund manager" with respect to the DAF itself, because not employed by the fund sponsor. However, if the donor also sits on the scholarship selection committee, there could be a problem under the proposed regs.

If a 501c3 knows that a donor has a DAF and is contributing to a specific fund, there could be a problem with the donor serving on an advisory board with the 501c3? I just want to make sure I understand what impact that could have on a 501c3.	The problem, as noted above, is that the funds within the public charity as to which the donor is advising may themselves be treated as donor advised funds, which would have the effect of limiting the range of permissible uses of those funds.
Would a board give and get expectation make it '"worse" for the board member wanting to give to the organization through their DAF?	This is indeed one of the more serious problems these proposed regs create, and we expect this will be a focus of pushback in the public comments.