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# CAF AMERICA | DONOR DUE DILIGENCE PROCESS FAQs

## **Why does CAF America perform due diligence on donors?**

CAF America maintains best practices in due diligence of our donors and charities in order to guarantee regulatory compliance with U.S. federal regulations and “Know Your Customer” practices regulating anti-money laundering, anti-bribery, and counter-terrorist financing. As an intermediary grantmaker, adherence to these standards requires that we know both our donor and charity partners, and we achieve this in part through the collection of and review of information about our donors.

## **What information does CAF America need in order to complete due diligence?**

The information required depends upon whether you are an individual or a corporate donor and also depends upon the amount of your charitable contribution to CAF America. The online form you were sent to complete this process includes the entire questionnaire on one page, so you can review the link we sent you to see if you have any questions about the individual items you will be asked to submit.

## **Why do I need to provide my date of birth and home address?**

An important part of this due diligence process is to verify your identity, so we can ensure that you are who you say you are which enables us to prevent identity theft or donation of stolen or other criminally-derived funds. Through CAF America’s partnership with LexisNexis, we are able to verify your identity securely with the information you provide.

## **How does CAF America protect and secure my personal information? Where is it stored?**

Our online donor form provides a secure method for the collection and review of donor information through our password protected portal. CAF America uses cloud-based platforms to store and safeguard your personal data. Our Privacy Policy provides more information as to how we use and protect any information that you provide to us. If you have any questions or concerns about the information that we need, please do let us know, as we would be happy to discuss this with you.

## **I make donations to many other charities that do not require this type of information. Why is this a requirement in CAF America’s process?**

CAF America is an intermediary organization, working primarily through the operation of Donor Advised Funds and Friends Funds. This means that we are accepting donations from a variety of donors who are not necessarily previously known to us, and we are making grants to charitable programs around the world, which have also completed CAF America’s charity validation procedures. As an intermediary, this exposes CAF America to money laundering, terrorist financing, and other similar risks which most organizations do not face if they are accepting donations for their own programs. Both our donor and charity due diligence procedures protect our donors and our charities from these risks by ensuring that we know the source of funds as well as the final beneficiary entity.

## **What should I do if I am unable to provide part of the information that is requested?**

Please contact us either through the contact you’re currently working with at CAF America, via email to [privacy@cafamerica.org](mailto:privacy@cafamerica.org), or by phone 202-793-2232. In this outreach, please explain what you cannot provide and the reason you cannot provide it, and we will work with you to determine if there is alternative information we can collect or what we would need to successfully complete our due diligence process.

## **What services is LexisNexis providing to CAF America in the new partnership? How does this enhance CAF America’s current due diligence process?**

The LexisNexis platform provides CAF America with powerful tools that streamline our due diligence process while also enabling the secure collection of donor data. Their database and search tools provide CAF America with access to publicly-sourced data from a variety of sources which enable us to verify identity and screen names through U.S. and international watchlists.

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### **How often is a due diligence review conducted?**

Donor due diligence is conducted once every 1-3 years, depending on the scope of the relationship we have with the donor and the volume of donations we receive from that donor.

### **Am I legally required to complete this process? What are the specific legal requirements?**

It is CAF America's policy that we conduct due diligence on our donors. If you have specific concerns about the process or if there are any items you are unable to provide, please let us know. You can contact us either through the contact you're currently working with at CAF America, via email to [privacy@cafamerica.org](mailto:privacy@cafamerica.org), or by phone 202-793-2232.

### **What if my home residence is located outside of the U.S?**

Please provide us with your current contact information, and if we are unable to verify your identity based on the information provided, we may work with you to determine an alternative method to verify your identity. One way that we may be able to proceed is through the use of your last U.S.-based residential address.

### **The form is asking for my employment history. What type of information should I provide here and how much information should be included?**

We are obligated under Know Your Customer, Anti-Money Laundering procedures to understand how the funds we receive are "sourced." This means how did you, the donor, earn the money that is being used to make the donation to CAF America?

For individual donors, this can be a list of the jobs and positions you've held at various companies, a brief description of your work biography, or a statement that you inherited your wealth from a family member, an estate or a trust.

For business donors, what are the products and services that you provide to generate your revenue? What is the geographic extent of your operations?

### **Foundations/Business Entities**

#### **Why is a list of the organization's board members/shareholders and their identity verification information required?**

This is an important method of identity verification for corporate entities, particularly where some or all of the standard documentation we would request for corporate due diligence would normally be found online. Additionally, conducting due diligence on the shareholders and ultimate beneficial owners of the corporate entity are important methods for uncovering any risk factors and completing the "know your customer" requirements. It's important to understand the source of wealth and structure of the corporation as well as the people that manage and benefit from their activities.