

# EQUIVALENCY DETERMINATION

CAF America’s comprehensive Equivalency Determination service is the method by which we collect detailed information on a foreign charitable organization in order to make a “good faith determination” as to whether or not it is the equivalent of a United States public charity described in sections 501(c)(3) and 509(a) of the Internal Revenue Code (the “Code”). IRS Revenue Procedure 92-94 provides a specific procedure for making this determination, including a list detailing information that must be obtained from the foreign charitable organizations.



With the release of Rev. Proc. 2017-53, the IRS essentially provided a checklist for “preferred written advice” — a document that summarizes important information about the foreign charitable organization and the argument why the foreign organization should be deemed the equivalent of a US 501(c)(3) public charity.

## THE CAF AMERICA ADVANTAGE

As the leader in cross-border giving, CAF America’s due diligence processes go beyond the IRS requirements, ensuring that the beneficiaries of your advised grants are in compliance with the law, as well as our established best practices. Guided by the 3 Rs of International Grantmaking - regulatory compliance, risk mitigation, and reputation protection - our services ensure safe and effective international giving.

CAF America has more than 25 years of expertise in making international grants based on Equivalency Determination or Expenditure Responsibility, the two tools the IRS provides for international grantmaking. CAF America’s expert staff is there to help you to determine which one is most appropriate for your situation. To learn more about Expenditure Responsibility (ER), the other tool made available by the IRS for cross-border giving, see CAF America’s material on our Enhanced Expenditure Responsibility (EER) process.

<p><b>OPTION 1: EQUIVALENCY DETERMINATION WITH CAF AMERICA GRANTMAKING</b> *CAF America <b>does</b> make the grant</p> <ul style="list-style-type: none"> <li>You are able to recommend any charity, anywhere in the world that you want the grant to go to</li> <li>CAF America provides expert due diligence &amp; vetting</li> <li>CAF America handles all of the administrative duties associated with making the grant</li> <li>All grants are transmitted via wire transfer</li> </ul>	<p><b>OPTION 2: ISSUING A STANDALONE EQUIVALENCY DETERMINATION CERTIFICATE</b> *CAF America <b>does not</b> make the grant</p> <ul style="list-style-type: none"> <li>You are able to recommend any charity, anywhere in the world that you want the grant to go to</li> <li>CAF America provides expert due diligence &amp; vetting</li> <li>You retain the ability to conduct all grantmaking activities</li> <li>The ED certificate is issued to you, in your organization’s name</li> </ul>
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# EQUIVALENCY DETERMINATION (ED) | FEES

## ED WITH CAF AMERICA GRANTMAKING

CAF America **does** make the grant.

**\$1,250**  
Per new ED

**\$500**  
To renew an  
expired ED

**FREE**  
For organizations  
that have a current  
ED with  
CAF America

*Regular DAF and DAG administrative fees apply as followed:*

**Donor Advised Fund**  
*Minimum Initial Contribution:*  
\$5,000

**Charges made as  
contributions are received:**

- 5% of the first \$500,000
- 3% of the next \$500,000
- 1% of the next \$2,000,000
- 0.5% of any additional amount

**Donor Advised Gift**  
*Minimum Donation Amount:*  
\$500

**Charges are made per gift.**

- 8% of the first \$100,000
- 4% of the next \$200,000
- 1% of all funds over \$300,000

## ISSUING A STANDALONE ED CERTIFICATE

CAF America **does not** make the grant.  
**No membership required.**

**ED on an organization that has never been vetted:**  
\$2,500

**ED on an expired organization:**  
\$1,250 to recertify, per ED

**ED on an organization already eligible for ED:**  
\$250 per ED