



## *We help donors make grants as unique as they are.*

NPT is committed to working with donors to craft strategies that meet unique philanthropic goals. We offer a variety of specialized grantmaking services designed to support our donors and their giving needs.

### INTERNATIONAL GRANTMAKING

Donors can choose several ways to recommend a grant to support an organization outside of the United States.

#### **Granting to a U.S.-based 501(c)(3) public charity with a “global mission”:**

Donors may recommend a grant from their donor-advised fund to a charity with a global focus or mission. Save the Children and Doctors Without Borders are examples of U.S. public charities which are doing charitable work globally. NPT can process a grant to these organizations, just as we would to any other 501(c)(3) public charity, without added time, due diligence or fees.

#### **Granting to an intermediary charity or U.S.-based “friends of” organization:**

Some charities located outside of the U.S. have established a 501(c)(3) public charity to solicit contributions from the U.S. When a “friends of” organization exists, facilitating a grant to the “friends of” organization can be a quick, efficient and cost-effective way to support a charity outside the United States. NPT is able to process grant recommendations to “friends of” charities without requiring additional processing time, due diligence or fees.

#### **Direct grants to international charities:**

Grants sent directly to international charities require additional due diligence to determine the charity’s eligibility to receive the grant. Once awarded, grants to these organizations may also require monitoring and reporting to ensure that the charity has used the grant for its intended purpose. As a result, NPT charges an additional fee for grants made to foreign charities. This fee is paid from the donor-advised fund when the donor/advisor recommends the grant. NPT can use Equivalency Determination (ED) or Expenditure Responsibility (ER) to process international grants.\* Grant recommendations to specific countries may require additional legal review.

#### **Expenditure Responsibility (ER) or Equivalency Determination (ED)**

Below is a summary of the fees charged to a DAF account for international grants.

DAF Account Size	International Grant Fee
\$0-5 Million	\$1,750
\$5-10 Million	1 complimentary annually, then \$1,750 each
\$10 Million and above	3 complimentary annually, then \$1,750 each

- For ER grants, the fee for subsequent grants to the same charity in a 12-month period will be discounted by 50%.
- For ED grants, the \$1,750 fee covers all grants to the charity that take place while the Equivalency Determination certification is valid.

\*A description of the Equivalency Determination (ED) and Expenditure Responsibility (ER) processes can be found on the following page.

**Equivalency Determination (ED)** works well with most international grantmaking needs and offers the greatest level of flexibility when recommending grants to global charities. In many cases, with an ED in place, NPT can make an unrestricted or general operating grant, a grant that involves a capital expense or a grant that does not require reporting. ED is the most cost-effective choice when the donor is considering multiple grants to the same organization. The typical time frame to obtain an Equivalency Determination is 8–10 weeks. However, there are circumstances in which this timing may vary.

**Expenditure Responsibility (ER)** is a process in which a U.S.-based grantmaking institution—like NPT—makes a strictly charitable gift to a charitable organization outside the United States, using a prescribed method of due diligence that includes detailed screening and reporting requirements. With ER grants, NPT must track the usage of the grant funds. Reporting is crucial with ER grants to ensure the funds are being used for anticipated charitable purposes. Due to these more restrictive provisions, ER is best used when ED is not a viable solution, when detailed reporting is required, or in the case of grants to charities in geographies that present heightened financial risk.

NPT’s Philanthropic Services team can provide donors with additional details regarding the international grantmaking process, including details on granting to countries that may have additional due diligence requirements.

## GRANT AGREEMENTS

For donors who wish to recommend a grant that includes specific, legally binding terms, NPT’s legal team can draft grant agreements that support the donors’ intentions for their gift to a charitable organization. Conditions that can be incorporated into a grant agreement include, but are not limited to:

- **Benchmarking**
- **Results and Research Findings**
- **Reporting Requirements**
- **Matching or Challenge Grant Provisions**
- **Restrictions on Usage**
- **Recognition**

NPT charges an additional fee for the development of grant agreements. This fee is paid directly from the donor-advised fund.

### Grant Agreement Fees

Below is a summary of the fees charged to a DAF account for grant agreements.

DAF Account Size	Grant Agreement Fee
\$0-5 Million	\$1,750
\$5-10 Million	1 complimentary annually, then \$1,750 each
\$10 Million and above	3 complimentary annually, then \$1,750 each

## GETTING STARTED

If you are interested in learning more about these services and how they can be customized to meet your needs, please contact our Philanthropic Services team at [philanthropicservices@nptrust.org](mailto:philanthropicservices@nptrust.org) or (888) 878-7900.

*NPT reserves the right to charge additional fees for any additional due diligence that it deems necessary, such as but not limited to: site visits; translation services; grants to high-risk areas; advice from legal counsel; reporting or monitoring needs; etc. The related fees will be assessed against the DAF assets in addition to the fees described herein.*

*Any donor-advised funds set up solely to grant to overseas charities will be charged the above fee schedule. Short-term account fees may apply in some circumstances; please refer to your donor guide for details.*

*International grants are sent via wire in U.S. dollars. If the donor prefers that the grant be made in local currency, the request should be made when submitting the grant recommendation.*