



IMPORTANT

The Azimuth World Foundation does not assess the criteria for qualification under an "Equivalency Determination." The Azimuth World Foundation assesses a candidate's project information, such as goals, activities, budget, and timeline, and selects projects to recommend to the Azimuth World Foundation Donor-advised Fund. For the Fund to be able to award grants to non-US-based organizations following all legal requirements, it must submit the review process to an independent and impartial entity, [NGO source](#). It is this entity that will determine the candidate's eligibility to be considered equivalent to a US 501 (c)(3) charity.

WHAT IS AN "EQUIVALENCY DETERMINATION"?

An equivalency determination is a process required by the fiscal laws of the USA. It allows private foundations or Donor-advised Funds, like Azimuth World Foundation's, to make a good faith determination that a non-U.S.-based organization is the equivalent of a U.S. public charity. When using ED, the payment is a "qualifying distribution," a grant for which expenditure responsibility (ER) is not required. To make this determination, a qualified reviewer collects and analyzes detailed information about a non-U.S. organization's operations and finances (when required) and, based upon this information, makes a determination about whether the organization is equivalent to a U.S. public charity. The prescreening questionnaire below may help you understand if your organization is ready for the ED process.

1. What is the nature of the applicant's overall activities? What is its mission and purpose? *Applicants must be required to engage primarily in charitable purposes.*
2. Does it seem charitable and/or does it seem to serve the general public?
3. Does the grantee engage in any activity involving the election of public officials? *If they engage in any amount, the applicant will not qualify.*
4. What happens to the organization's assets upon dissolution?

WHAT HAPPENS DURING AN EQUIVALENCY DETERMINATION?

After an ED request is placed, the NGO immediately receives an invitation to log in and complete a questionnaire. The questionnaire primarily consists of yes or no questions about how the NGO is organized and operated. The NGO will also be asked to provide governing documents, such as a constitution, articles of incorporation, or bylaws. They may, depending on the type of organization, also be asked to provide detailed financial information.

After the NGO submits their questionnaire, NGOsource completes 2 rounds of review. As part of this process, we may reach out to the NGO with additional questions. Most NGOs exchange several emails with NGOsource in order to complete our review

NGOsource is available in English, Spanish, French, Portuguese, and Mandarin.