



GlobalGiving takes full risk and responsibility for the grant being made as your intermediary. Our goal is to provide philanthropic institutions like yours with regulatory compliance, responsible philanthropy, and reputation mitigation. However, earmarking by a corporate funder can challenge GlobalGiving's control over the grantee selection process and put your company at risk.

Earmarking occurs when an existing oral or written agreement suggests that a company has committed funding to, or may cause the selection of, a GlobalGiving grantee. If a corporate funder is perceived as earmarking funds for a specific grantee, the funder could be deemed to be the direct grantor to a foreign organization, and thus liable for penalty excise taxes under U.S. law.

We can easily avoid this - together. A grant is not considered "earmarked" even when the original funder has suggested organizations that may benefit, so long as the intermediary exercises control over the selection process and selects the grantee completely independently of the original funder.

All potential funding with your intermediary must be referred to as **a GlobalGiving grant** both before and after the grant award. Here is some suggested language to support your team's communication at any point in the process:

- [Grantee organization] has received a GlobalGiving grant in partnership with [Foundation]
- With support from [Foundation], GlobalGiving awarded a grant to [grantee organization]
- [Foundation] is working with GlobalGiving to fund Initiatives
- [Grantee organization] was identified as a potential GlobalGiving grantee in partnership with [Foundation]
- [Foundation] hopes/expects to fund to [Grantee organization or initiative] in partnership with GlobalGiving

This language style affirms GlobalGiving's ultimate discretion and control over the funds as your intermediary. When in doubt, simply ask!