



## **AYALA FOUNDATION USA FREQUENTLY ASKED QUESTIONS**

### **1. What is Ayala Foundation USA and what is its mission?**

Ayala Foundation USA (AF-USA) is a public charity registered with the Internal Revenue Service as a 501(c)(3) tax-exempt organization. Its mission is to be the best-known foundation within the Filipino community in the U.S. with a reputation for excellence and integrity by creating means that will allow US-based Filipinos to support social development projects in the Philippines.

### **2. How does Ayala Foundation USA operate in pursuit of its mission?**

Ayala Foundation pursues its mission by developing a nurturing relationship between US-based Filipino communities and Philippine-based social development institutions by identifying and gathering information on the latter's projects and disseminating this information to US-based Filipinos through various forms of media. It then provides a system by which donations and other forms of support from US-based Filipinos can reach the intended recipients or beneficiaries in the Philippines in a manner that is professional, efficient and transparent. Finally, it ensures that the relationship continues through regular reports and feedback from the Philippines.

### **3. What services does Ayala Foundation USA provide to US-based Filipinos?**

Ayala Foundation provides US-based Filipinos a channel for strategic philanthropy. Specifically, it provides:

- a) Information on projects and groups that can be supported in the Philippines
- b) Processes and systems on how donations can be sent
- c) Tax deductibility benefits to donors
- d) Assurance that due diligence is conducted on recipient organizations
- e) Updates on the progress of supported projects

### **4. What services does Ayala Foundation USA provide to Philippine-based groups?**

Ayala Foundation USA provides Philippine-based groups the opportunity to link up with and harness the support of US-based Filipinos for their social development projects.

Specifically, Ayala Foundation USA provides Philippine-based NGOs the following:

- a) Technical assistance in preparing plans for fund-raising projects in the US
- b) Exposure to US-based Filipino communities through the foundation's various media partners, its website, and its regular electronic bulletin

- c) Linkages to US-based Filipinos, if such information is available in its database and with prior permission from the US-based Filipino individuals and organizations
- d) The opportunity to offer donors tax deductibility incentives on donations

**5. Are the projects in the Philippines limited only to Ayala Foundation's projects?**

No. Ayala Foundation USA helps promote projects of other NGOs in the Philippines. Some projects implemented by the Philippine-based Ayala Foundation are included in the list of eligible projects of Ayala Foundation USA. Most of the projects are implemented by other NGOs in the Philippines.

**6. How does Ayala Foundation USA ensure that donations are sent to the right projects and the right groups?**

Ayala Foundation develops a pool of eligible NGO recipients by instituting an application process for NGOs in the Philippines. Ayala Foundation USA then conducts due diligence on applicant NGOs and subjects them to the approval of the AF-USA Board of Trustees. In order to do this, AF-USA relies on the Philippine Council for NGO Certification (PCNC), NGO contacts and networks of the Philippine-based Ayala Foundation.

**7. How is Ayala Foundation USA related to the Ayala Group of Companies and the Ayala Foundation in the Philippines?**

The Ayala Foundation, Inc. in the Philippines is a corporate foundation and serves as the social development arm of the Ayala Group of Companies. Ayala Foundation USA is a separate public charity organization based in Redwood City, California that was initiated by the Philippine-based Ayala Foundation, Inc. as a way of increasing resources for Philippine NGOs. The Ayala Group of Companies and Ayala Foundation, Inc. assist Ayala Foundation USA through subsidies and grants and providing backroom operations support.

**8. Does Ayala Foundation USA charge any fees?**

Yes. Ayala Foundation USA currently charges a service fee of 3% deducted from every donation. However, Ayala Foundation USA will increase its fees from 3% to 5% effective January 1, 2009. This fee is used to partially cover the Foundation's operating expenses. The rest of the expenses are covered by grants and the regular contributions from the Ayala Group. Donations made through credit cards (VISA & Mastercard), however, are subject to credit card charges on top of this fee.

AF-USA also charges P 1,000 (approx. \$20.00) application fee for Philippine non-profits that will apply for grant eligibility. The fee defrays the cost involved in processing the application. The rate given is reviewed periodically to determine if such percentage is still feasible with current administrative/operating expenses.

**9. How does a donor avail of tax deduction on his/her donations?**

Ayala Foundation USA issues an acknowledgment letter to every donor as proof of donation. The donor may use this to secure tax deductibility incentives when he/she files his/her tax return with the US Internal Revenue Service.

**10. Does Ayala Foundation USA also fund projects in the United States?**

At present, Ayala Foundation is focusing on Philippine-based projects for its fund-raising efforts. However, it is also open to supporting US-based projects for Filipinos in the future.