



For Immediate Release

Foundation Source Launches GrantSafe™ – A Free Online Service For Verifying the Exempt Status of any Public Charity

GrantSafe helps private foundations comply with IRS regulations in vetting grantees.

Fairfield, Conn. – October 11, 2011 – Foundation Source, the nation’s largest provider of outsourced support services for private foundations, announced the launch of GrantSafe™, a free online service that lets private foundations quickly and easily confirm the IRS status of any public charity before making a grant. Previously reserved for Foundation Source clients, GrantSafe’s new public availability furthers the company’s mission to encourage informed and responsible philanthropy among the nation’s private foundations.

GrantSafe is available at www.foundationsource.com/grantsafe as a free service for those who register.

IRS regulations require that private foundations verify the exempt status of any 501(c)(3) public charity before making a grant, to ensure it is currently in good standing with the IRS. The most accurate and comprehensive source for this information is the IRS Business Master File (BMF). While the BMF is publicly available, it is neither simple nor easy for an individual to decipher. GrantSafe’s proprietary technology eliminates that hassle and complication. Finding an organization is now as easy as typing in the organization’s name or tax number. A green check mark or red “X” instantly tells you the status. For verified public charities, it takes just a few mouse clicks, and you can print or save a date-stamped Validation Certificate for your files, as required by the IRS.

The need to confirm a grantee’s status has increased in the wake of the IRS’s recent revocation of the charitable status of hundreds of thousands of nonprofit organizations for failure to file tax returns for three consecutive years. Foundations are subject to penalties up to 20% of the amount of each grant made to organizations no longer recognized by the IRS as public charities due to revocation. GrantSafe is a simple way for foundation members to avoid this potentially costly mistake.

Page Snow, chief philanthropic officer for Foundation Source, said, “Until now, foundations had few reliable options to verify the tax status of their grantees. Trusting a possibly outdated determination letter is risky, and using paid verification services to access information available for free from the IRS is an unnecessary expense. GrantSafe eliminates the risk and expense of validating public charities. We are pleased to offer this service to the foundation community at no charge to facilitate safe, effective and responsible philanthropy.”

According to Jeffery D. Haskell, Foundation Source chief legal officer, “When researching organizations on behalf of our clients, we found that 10 percent of the organizations they intended to make grants to had either lost their exempt statuses or were not public charities at all. Instead, they turned out to be other types of exempt organizations, such as civic associations, business leagues, or perhaps private foundations they thought were public charities, all of which require foundations to exercise expenditure responsibility when making a grant. GrantSafe lets you grant with confidence.”

About Foundation Source (www.foundationsource.com)

Foundation Source is the nation’s largest provider of support services for private foundations. Today, the company serves nearly 1,000 private foundations nationwide, ranging from \$250,000 to \$250 million in assets. Our full range of back-office, online and advisory services allows donors and their families to focus more on mission, strategy and family priorities and less on administration and compliance tasks. The result: better run foundations with greater social impact.

Foundation Source provides its services in partnership with the nation’s leading private wealth management firms, trust and estate attorneys and CPAs. The company is headquartered in Fairfield, CT, with regional offices in Atlanta, Boston, Chicago, Denver, Long Island, Los Angeles, New York City, Philadelphia, Salt Lake City, San Francisco and Seattle.

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