

MEDIA RELEASE

CHARITIES AND INSTITUTIONS OF A PUBLIC CHARACTER CONTINUE TO BENEFIT FROM THE VWOS-CHARITIES CAPABILITY FUND FOR BETTER GOVERNANCE AND MANAGEMENT CAPABILITIES

Charities and Institutions of a Public Character (IPCs) in Singapore can tap on \$9.65 million over the next five years to build their governance and management capabilities. This is part of the additional funding of up to \$100 million to the VWOs-Charities Capability Fund (VCF) announced in Budget 2017.

2. The scope of the VCF has also been widened to make its grants for charities and IPCs more comprehensive in coverage. Support will be prioritised for small and medium charities that are less well-resourced as compared to their larger counterparts. Key areas of support include (*Please refer to Annex A for more details*):

- a) **VCF Training Grant:** Courses on governance and management related topics such as risk management, financial controls and volunteer management will be funded. From FY2017, courses that equip charities/IPCs with skills to leverage social media platforms for improved public communication will also be eligible for funding.
- b) **VCF Consultancy Grant:** Eligibility for consultancy services that enhance charities/IPCs' disclosure practices will be added to the current scope of services that aid accountability.
- c) **VCF Info-Communications Technology (ICT) Grant:** This co-funds basic ICT set-ups, application systems and software purchases to facilitate online transactions. It will also expand its scope to cover website development costs, facilitate efforts of charities and IPCs in being more transparent and accountable to stakeholders and members of the public.
- d) **VCF Shared Services Grant:** To help defray costs of outsourcing finance and accounting functions to professional service providers.

3. The VCF will continue to be administered by the National Council of Social Service (NCSS). More details on the application, criteria and conditions of funding will be available on the Charity Portal (www.charities.gov.sg), Charity Council's website (www.charitycouncil.org.sg) and NCSS's website (www.ncss.gov.sg) from April 2017.

4. For more information, please contact:

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ANNEX A

FUNDING PERIOD

1 April 2017 to 31 March 2022

AIMS OF VCF

- Enhance **governance and management** capabilities of charities and Institutions of a Public Character (IPCs); and
- Enhance **operational efficiency** of charities and IPCs to facilitate their submission of returns via the Charity Portal.

VCF (FOR CHARITIES / IPCS) - GRANTS COVERAGE & QUANTUM

Grant Type	Scope	Funding Quantum
Training	<p>Local training courses, seminars in governance and management for Board members, executive heads and management staff of charities in the following policy areas:</p> <ul style="list-style-type: none"> ▪ Board Governance/Conflict of Interest ▪ Strategic Planning ▪ Financial Management & Controls ▪ Human Resource Management ▪ Fundraising Management ▪ Volunteer Management <p>[New]</p> <ul style="list-style-type: none"> ▪ Communications on Social Media to equip charities with the knowledge to leverage on social media platforms to improve public communications of its work and hence enhancing the charity's transparency to the public. 	<p>Singaporeans / PRs Up to 80% of course fee, capped at \$1,000 per course or \$500/full-day (8hrs) or \$250/half-day (4hrs) per participant, whichever is lower</p> <p>Employment Pass / Work Permit Holders / S Pass Holders Up to 60% of course fee, capped at \$750 per course or \$375/full-day (8hrs) or \$187.50/half-day (4hrs) per participant, whichever is lower</p>
Consultancy	<p>Consultancy projects by external consultants to improve key governance and management areas, e.g. review on policies (covering regulatory compliance, internal controls, governance best practices, overseas expenditure, volunteer management), and</p> <p>[New] Disclosure practices that serves to improve the charity's information disclosure practices.</p>	<p><u>For Small¹ and Medium² Charities</u> Up to 80% of consultancy fee capped at \$100,000 per charity over 5 years.</p> <p><u>For Large³ Charities</u> Up to 80% of consultancy fee capped at \$50,000 per charity over 5 years.</p>

¹ Charities with gross annual receipts of up to \$1 million.

² Charities with gross annual receipts between \$1 million and \$10 million.

³ Charities with gross annual receipts of not less than \$10 million.

Grant Type	Scope	Funding Quantum
<p>Info-Communications Technology (ICT)</p> <p>[New] Only available to Small and Medium Charities</p>	<p>Basic infrastructure components for charities which do not have the basic ICT setup:</p> <ul style="list-style-type: none"> ▪ 2 computers (Desktop or Laptop) ▪ 1 Printer ▪ 1 Broadband Account <p>Office Automation Tools (a software package that is on a subscription basis e.g.: per user per month)</p> <p>Commercial Off-The-Shelf (COTS) software for charity's basic operational capabilities (e.g. Microsoft Office, Anti-virus, Adobe Acrobat software) and for the adoption of Charities Accounting Standard (CAS).</p> <p>Conversion of accounting systems to adopt CAS.</p> <p>[New] Website development costs (e.g. domain registration, installation and setup) on Content Management System to facilitate publishing of charity's information:</p> <ul style="list-style-type: none"> ▪ Charity's activities and programmes ▪ Financial Information ▪ Annual Report ▪ List of board members' profile 	<p>Up to 70% of the supported cost or 70% of the actual expenditure, whichever is lower, and capped at:</p> <ul style="list-style-type: none"> ▪ Computer (Desktop or Laptop): \$1,200 per equipment ▪ Printer: \$256 per equipment ▪ Broadband (multi-user): \$1,645 per account <p>Office Automation Tools (e.g. eMail, eLeave, eForm, eNoticeboard, etc): \$120 per user</p> <ul style="list-style-type: none"> ▪ Accounting software (e.g.: Quickbook): \$3,000 per charity ▪ COTS software: 2 units per software product <ul style="list-style-type: none"> ▪ Website development: \$3,000 per charity <p>Cumulative funding is capped at \$100,000 per charity over 5 years.</p>
<p>Shared Services</p>	<p>Outsourcing of payroll, finance and accounting functions to third-party service providers in the following areas:</p> <ul style="list-style-type: none"> ▪ Accounts Payable ▪ Accounts Receivable ▪ Asset Record Management ▪ Journal Adjustment ▪ Financial & Management Reports ▪ Audit Management 	<p>Up to 25% of monthly charge for 2 years, capped at \$100,000 per charity</p>